

SECRETARIAT

(Formerly)

0161,

0161

To be retainedNOT TO BE DESTROYED

FINANCIAL RELATIONS OF COLONY & DEPENDENCIES

CONNECTED FILES.

NUMBER

232/35.

Dependencies Research & Development Fund.

898/21

Dependencies share in cost of administration.

GOVERNMENT HOUSE,

STANLEY.

FALKLAND ISLANDS.

No. 77.

16th December, 1946.

Corrected copy

Sir,

see red 112

Red 19 ~~in 232/35~~

~~"Dep. Research and Development Fund"~~

65 in 5/9/44

(New issue of Dependencies stamps).

I have the honour to refer to Mr. J. H. Thomas's Despatch No. 18 of the 29th of January, 1936, on the question of policy governing contributions from Dependencies revenue to the cost of the Falkland Islands Dependencies Survey, and to the second paragraph of my telegram No. 361 of the 10th of December, 1946: this question cannot, as it appears to me, be divorced from the general question of contributions from that source or from the long-term implications and it is one to which I do not find it possible to return a reply by telegram as requested.

19

in 232/35

2. Mr. J. H. Thomas's Despatch, to which I have referred, reviewed the considerations which had led to the creation of the Dependencies Research and Development Fund; it declared that provision must be made for the contingent liability of establishing and maintaining British administration in this widely dispersed area and, in the 6th paragraph, provided for contributions towards the costs of the Central Administration on a progressively descending scale from £8,000 in 1936 to £4,000 in 1943. Sir Herbert Henniker-Heaton, whose earlier object (rightly opposed) had been to transfer the whole of the surplus revenues of the Dependencies to Colony account, based his acceptance of these proposals on a gradual reduction in Government expenditure by some £1,000. His hopes were in the event fallacious, while the late war still further upset his calculations and ordinary expenditure has risen steadily. Nor is there the least likelihood of any reduction in the future for here, as elsewhere, the Government is faced with increasing demands and there is much lee-way to make up. The following table shows how Colony expenditure has grown:-

<u>Year.</u>	<u>Ordinary.</u>	<u>War.</u>	<u>Total.</u>
1936	£41,112		£41,112
1937	46,773		46,773
1938	49,986	Revised	49,986
1939	53,057	£13,150	66,207
1940	55,917	26,254	82,171
1941	53,330	20,675	74,005
1942	57,682	19,875	77,557
1943	62,520	27,005	89,525
1944	68,557	21,247	89,804
1945	74,565	19,900	94,465
1946	87,775	1,000	88,775 .

See 114

in 232/35 (Title above)

See 4.

3. While it is difficult, indeed impossible, to make any precise assessment of the cash value of services rendered by the Administration to the Dependencies it can be argued that if in 1936 a target figure of £4,000 could be set up as bearing reasonable relation to annual ordinary expenditure in the presumed neighbourhood of £4,000 then that same figure of £4,000 bears no proper relation to an ordinary expenditure of £88,000 to-day.

See 12

Reply at 11.13

See 11

1/

THE RIGHT HONOURABLE
ARTHUR CREECH JONES, P.C., M.P.,
SECRETARY OF STATE FOR THE COLONIES.

Below are
References in S/9/44 (New issue of Dependencies Stamps).

I suggest, therefore, and trust you will find yourself able to agree that, with effect from the 1st of January, 1947, the Dependencies contribution should be fixed at 10% of the Colony's ordinary expenditure for the year.

Red 60. of S/9/44

4. I will turn now to your telegram No. 250 which could not, in my view, be satisfactorily answered without some clear indication of future policy and commitments. There would appear to be three main considerations:-

- (a) The need to provide for contingent administrative activities; a Colonial responsibility which is secured by the reserve of \$150,000 within the Research and Development Fund;
- (b) The need to exploit (and first of all look for) any natural resources in the Dependencies; again a Colonial responsibility and the *raison d'être* of (a);
- (c) The activities of the Falkland Islands Dependencies Survey, the primary object of which, as of the Tabarin venture, is political; i.e. a practical demonstration of the exercise of sovereignty which, I suggest, is essentially an Imperial responsibility.

I am compelled to underline this last contention since, for all I know, these activities have come to stay; they are conducted by - for the most part - untrained personnel and apart from such immediate usefulness and long-term value as may derive from meteorological investigations and reports, their cost would be quite unjustifiable if conducted as a Colonial enterprise and, in the case of the Dependencies, would quickly exhaust their resources.

29 in S/9/44

5. In 1946 the Dependencies have had a fortunate wind-fall of some \$103,000 from the sale of new issues of postage stamps and paragraph 2 of your telegram No. 89 of the 20th of May invited payment to the Treasury of \$55,000 being the approximate cost of the Survey for 1946/7 including certain arrears from the previous year. This means in effect that the whole cost of what I respectfully maintain to be an Imperial undertaking has been borne from the funds of the Dependencies.

60 in S/9/44

6. Unless I have misinterpreted your telegram No. 250 of the 2nd of December, I am now invited to suggest that the Dependencies should again bear a substantial part, if not the whole, of the expenditure for 1947/8 (estimated at \$45,000) which, in fact, the balance of revenue from stamps would permit, but what, I ask, is to happen in 1948/9 and thereafter? In any event I feel that this hand-to-mouth arrangement is as unorthodox as it is unsatisfactory, and while I fully agree that some contribution by the Dependencies to the expenses of the Survey is entirely appropriate, I should prefer, as I have proposed in paragraph 3 above, regarding their share in the costs of the Central Administration, that it should be on a percentage basis and I again suggest 10% as a standing commitment. Again I trust that you will find yourself in agreement.

7. The balance of the Dependencies' revenue would then be added automatically to the Research and Development Fund and the margin over and above the fixed reserve of \$150,000 (paragraph 5 of Mr. Thomas's despatch) would be regarded as capital and available for genuine development purposes in the area, e.g. a Geological Survey which I hold to be of the first importance.

I have the honour to be,
Sir,
Your most obedient,
humble servant,

(sgd.) MILES CLIFFORD.

107.

HCS

One or two pounds arise out of the despatch
^R
 at 105^A : (103) !

(i) We refer to ordinary (recurrent) expenditure as approx £88,000 whereas the figure in the Revised Estimates ~~sent~~ is £102,000 — a substantial difference.

(ii) We should $\therefore$ place a limit on such liability and I would be inclined to set this at £8,000 for Central Aust. and £4,000 for F.I.D.S.? Even so this will leave little or nothing to add to the R+D reserve fund? Estimated Revenue for 1947 is £37,000 and Expenditure £30,433 of which latter £4,000 represents present contribution and £9,000 interest on ^{paid to R+D fund.} investments. If we deduct the first of these, the balance is only £11,000 which would be insufficient to meet the two contributions. Strictly speaking, the interest should not be shown as expenditure for our present habit is to pay the entire balance (if any) to R+D fund? If we followed the normal procedure the true balance from wh. the contributions wd be met is £17,433; and wd. leave £3,000 odd to accrue to the R+D fund.

The question to be decided is as to whether we sh^d. suggest a limit now or leave it until

5

recieve a reply to the despatch.⁹

2 I have amended 2 typing errors on p 2 of the copy of the despatch; I hope "Defencies" didnt go.

MC 27/XII

108

MC

107 §1 (i)

That is so. But, though the ^{Revenue} Estimates/Expenditure for 1947 is ^{also} up to £102,000, I sincerely trust that we shall be able to pay it at ~~much~~ less than that in years to come. I do not think this Colony can support expenditure ^{at 150%} ~~at 150%~~ on that of 1936.

✓ 2. I shall be inclined to let § 3 of (103) stand — 10% of ordinary expenditure — and if S/S opposes it we can say that we regard the limit as £8,000. I agree the F.I.D.S. contribution might be limited to £4000 but, if we buy "Supersary", it might be nearly the cost of the ship.

3. X on 107 — The 1947 Est. shows In. paid on F.D. Fund passing through the Depend. encies A/c's for the first time. Hitherto, ~~they~~ it has, as J.E. remarks, been paid straight into the Fund: which has been debited, ^{in 22/35} if there is a loss on the year's working (cf. (105)).

4. In fact, there has been an annual

(47) (52)

(55)

(61)

(67) (73)

(81)

(95) (102)

deficit of this nature for 1937 (when the contribution was £7000) ⁵⁴¹ 1938 (ditto) ²⁸⁵¹ 1939 (when it was £6000): 1940 (ditto): 1941 (when it was £5000): 1942 (ditto): 1943 (when it was £4000, at which figure it remains to-day): 1944 & 1945. It is only because of the stamp windfall that we, in the S.S., have suddenly begun to regard the Dependencies as lucrative.

5. In fact, it is extremely doubtful if Dependencies revenue can stand even £4000 for F.I.D.S. annually in future. But it might be agreed that it is a proper charge to capital. I disagree — it is not a geological survey, for instance, by experts.

6. So I shd. prefer to buy 'Treasury' for this — the reason. If we promise her cost of £60,000 in shale loan interest on Decadal Fund of say £1800: but it will pay us in every direction in the end.

7. 107 of 2 I am afraid it is. I am sorry.

CBE

28.12.46

Seen (109)
mc 28/XII

(103)

omit the reference to the S.S.'s telegram which gave rise to this despatch — this must be amended by telegram immediately. M.C.

We shd. get the int. sinking fund back; i.e. it wd return to R+D fund.

7.

Tel No 407 to S. of S. of 31.12.46.

8
110.

Re. include the missing words in (105) -

B.V. 31.1.47 ABC
31.12

See 8.

bu.
31.1.47

Tel. No 7 from S. of S. of 8.1.47

now 9.
112.

Copies of Mr. Thomas's despatch No. 18 of the 29th of January 1936 and Ordinance "to amend the Dep. Research and Development Ordinance 1924" sent to Under Secretary of State for the Colonies. 17.1.47.

2 pm to Under S. of S. of 17.1.47.

Tel no. 47 from S. of S. of 4.2.47

~~Despatch No. 21 to S. of S. of 24.2.47~~

~~Despatch No. 11 to S. of S. of 12.3.47~~

113.

114 B.V. 31.3
ABC
21.1.47

PA ABC
25/2
BU. 10/3
PA.

Extracted to 0161.
Financial Relations to Colony & Deps.

DECODE.

TELEGRAM.

8 ~~110~~

From His Excellency the Governor.

To The Secretary of State for the Colonies.

Despatched: December 31st 19 46 Time: 15.00

Received:/ 19 Time:

No. 407. My despatch No. 77. Dependencies contribution to Central Administration. Paragraph 1. Please insert after quote Survey unquote following words quote and to the second paragraph of my telegram No. 381 of December 10th 1946 unquote.

65 in
5/9/44
(new issue
of Dep. stamps)

GOVERNOR.

G.T.C.

LJH.

232/35
DECODE.

TELEGRAM.

From The Secretary of State for the Colonies

To His Excellency the Governor

Despatched : 8th Jan 1947 Time : 13.45

Received : 9th Jan 1947 Time : 09.30

~~Red 103.1~~
No. 7. Your Despatch No. 77 of December 16th, 1946.

Red 14-19.
in 232/35 I presume reference is to my predecessor's Despatch No. 18 of January 29th, 1936, which has been destroyed under statute.
Please send copy.

SECRETARY OF STATE.

Reply at 10.

P/h

113
10

FALKLAND ISLANDS.

The Colonial Secretary, Falkland Islands presents
his compliments to the Under Secretary of State for the
Colonies and, with reference to the Secretary of State's
112-9 telegram No. 7 of the 8th January, 1947, is directed to
confirm the presumption that the reference in paragraph
103-1 of the Governor's Despatch No. 77 of the 16th December,
1946, is to the Secretary of State's Despatch No. 18 of
the 29th January, 1936, 2 copies of which are enclosed.

Red 13-19 in 432/35
~~103-1~~

COLONIAL SECRETARY'S OFFICE,

STANLEY , FALKLAND ISLANDS.

17th, JANUARY, 1947.

MM.

DECODE.

No. 514.

5/9/44 232/35
TELEGRAM.

From The Secretary of State for the Colonies.

To His Excellency the Governor.

Despatched : February 4th 19 47 Time : 17.15

Received : February 5th 19 47 Time : 09.30

103 /
in 19 232/35
No. 47. Reference your despatch No. 77 of 16th December 1946
paragraph 1. Thomas's despatch No. 18 of 29th January 1936.

Colonial Office copy of Mr. Thomas's despatch destroyed by statute.
I would be grateful if you would send your copy by air as soon as
possible.

SECRETARY OF STATE.

P/L.

LJH.

24th February, 1947.

FALKLAND ISLANDS.

No. 21.

Sir,

I have the honour to refer to my Despatch No. 77 of the 16th December, 1946 on the question of policy governing contributions from Dependencies revenue to the cost of the Falkland Islands Dependencies Survey and to say that if the suggestion in the third paragraph that, with effect from the 1st January 1947, the Dependencies contribution should be fixed at 10% of the Colony's ordinary expenditure for the year is accepted, the following items of Dependencies expenditure will disappear and will be charged in their entirety to Colony expenditure:-

Head I Ordinary Expenditure

1	viii Government Naturalist	2250
	ix Personal Allowance to Dr. J. S. Hamilton	75
18	Audit Expenses	366
19	Medical Services	420

Head II Extraordinary Expenditure

32	Contribution towards extension of Broadcasting system	500
		<u>2151.</u>

2. In addition, an adjustment would be made in the provision under Head I, 16 of £5,000 for Carriage of Mails. This amounts to half the total provision for this service, the other half being provided under Colony Expenditure Head II Post Office Sub-Head 4. It appears that in the past the Dependencies vote has been saddled quite improperly in my opinion, with a charge out of all proportion to the value of the service rendered. It would in future only meet the actual cost of the one or at most two voyages of the S.S. "Fitzroy" to South Georgia amounting to £1,260 per voyage. These adjustments will thus secure a minimum saving of close on £3,000 per annum.

I have the honour to be,

Sir,

Your most obedient,
humble servant,

(Sgd.) MILES CLIFFORD.

11 in this file
See 114 in 232/35.

Deps. Research & Development

Fund.

THE RIGHT HONOURABLE
ARTHUR CREECH JONES, P.C., M.P.,
SECRETARY OF STATE FOR THE COLONIES.

Colonial Office,
Downing Street.

12 March, 1947.

FALKLAND ISLANDS

NO. 11

Sir,

~~1.~~ I have the honour to refer to your despatch No. 77 of the 16th December, 1946, on the financial relations of the Colony and the Dependencies.

2. In paragraph 3 you suggest that the Dependencies' contribution to the Central Administration should be fixed at 10% of the Colony's ordinary expenditure for the year. I regret that I am unable to agree to alter the contribution to 10% because, in point of fact, the Dependencies pay for the services they receive, and the political work done on their behalf is not capable of financial assessment.

3. I consider, therefore, that the position should remain as at present, at least until the future of the Discovery Committee, and the disposal of the balance of the Research and Development Fund, i.e. that sum over and above the £150,000 allocated to the Dependencies as a Reserve Fund, is settled.

4. In paragraph 4 you raise the question of the responsibility for F.I.D.S. This will form the subject of a separate communication to you.

5. You refer in paragraphs 5 and 6 to the financial responsibility for the Falkland Islands Dependencies

GOVERNOR

G.M. CLIFFORD, ESQ., C.M.G., O.B.E.,
etc.. etc.. etc.

Reply at 8.15

~~146~~
14

Dependencies Survey. Concerning the revenue accrued from the sale of stamps it should be borne in mind that the sum of £103,000 arises almost entirely because the "Tabarn" and Falkland Islands Dependencies Survey undertakings have been sent from this country. The entire cost of the undertakings has been borne by H.M. G. and when the stamp revenue is exhausted it will not be possible to recover from either the Colony or the Dependencies.

6. In these circumstances I consider that the payment of £55,000 which has already been made to the United Kingdom in respect of 1946/7 and the payment of £44,000 (reduced from £45,000) which is proposed for 1947/8 are justified. The stamp revenue will not then be entirely exhausted. I should be grateful if you would authorise the Crown Agents to make the payment due for 1947/8 to the Colonial Office at a convenient date after the 1st of April, 1947. The contribution for future years will be dependent upon the future of the Discovery Committee and the Research and Development Fund, see paragraph 2 above.

I have the honour to be,
Sir,

Your most obedient,
humble servant,

See 36

H. Cunningham

CP.

Please see draft at case which

I think puts a fairly unanswerable

report to 5.

Admin as in final para.

MC. 30/iv

30th April, 1947.

FALKLAND ISLANDS.

No. 6.

Sir,

I have the honour to refer to your despatch No. 11 of the 12th March and to request that a decision on this issue may be further considered since

- (a) I think that my proposal has been misapprehended i.e. while I am concerned to see a more appropriate contribution to the expenditure of the Central Government I am no less concerned that the basis on which such a contribution is levied shall be rationalised and
- (b) it is closely linked with suggestions which I have offered in regard to the future administration of the Falkland Islands Dependencies Survey.

2. Taking (a) first, it is my intention that the Dependencies votes should be debited only with those liabilities incurred wholly or mainly in their own service, and the following items would have been at once deleted (or adjusted as indicated):-

1.	Sub item	viii.	Government Naturalist, share of	£250
		ix.	Government Naturalist, personal allowance	75
		xii.	Income Tax Subventions	50
11.				60
16.			Carriage of mails, to be reduced to actual cost with minimum saving of	2500
18.			Auditor, share of	366
32.			Contribution to Broadcasting system	500
				£3800

In addition to the above I hope, by the installation of modern appliances, to cut the heavy annual commitment of £2,250 in respect of item 2, Fuel and light, by at least one third; while there will be a further substantial saving on item 16 if, as recommended in other correspondence, the Dependencies purchase their own ship.

3. I agree that political services (which, incidentally, I did not specify) performed by the Central Government on behalf of the Dependencies are difficult of assessment; but there are general services which are in the aggregate considerable and it appears to me that this very element of 'difficulty' is best met by a percentage contribution rather than by a continuance of the rather dubious shifts and devices to which resort has been had in the past. I would remind you, further, that since the adoption of the Right Honourable Mr. J. H. Thomas's proposals there has been an annual deficit on the Dependency accounts, of the following order:-

14-19 in

232/35.

" Dep. Research

+ Dev. Fund"

See H 21, 19, 20, 24, 36 Year/

THE RIGHT HONOURABLE

ARTHUR CEECH JONES, F.C., M.P.,

SECRETARY OF STATE FOR THE COLONIES.

18

See H, 12.

16

<u>Year</u>	<u>Contribution</u>	<u>Deficit recovered.</u>	
	£	£	
1937	7,000	841	
1938	7,000	2,851	
1939	6,000	2,281	
1940	6,000	708	
1941	5,000	6,610	} includes war ex- penditure.
1942	5,000	6,538	
1943	4,000	3,852	
1944	4,000	861	
1945	4,000	1,164.	

4. In regard to (b) of my first paragraph, I have more recently suggested in other correspondence that the Falkland Islands Dependencies Survey should be integrated with the Dependencies Administration which (other considerations apart) is logical, since we must look to whaling and sealing revenue earned within this area to pay in increasing measure for the political, exploratory and developmental activities now being undertaken there. In such an event it would seem that the cost of these activities should be carried directly on the Dependencies votes, the deficit being met by a grant-in-aid from the Imperial Treasury. I have little doubt that the more direct control of expenditure which may be expected to follow from such a development would, of itself, lead to increased economy. I would add that this would in no way conflict with the principle of a percentage contribution to the Central Government for, here again, a considerable volume of work is carried out by that administration on behalf of the Survey and much of my own time and thought is devoted to it.

5. In conclusion, I note the request in the sixth paragraph of your despatch under reply and will instruct the Crown Agents to make payment in the sum of £24,000 accordingly.

I have the honour to be,
Sir,
Your most obedient,
humble servant,

(SGD.) MILES CLIFFORD.

A.T.

14
6 § 6 ~ § 5 supra h.a. pc

Hon. C.

C.B.E.

p1.

2/5
Draft telegram to Lord's attached

A.T.
2/5.

1/5 m. C.B.E.
3/5

DECODE.

Copies to Asst. Treasurer for inf. (2)

TELEGRAM.

From The Colonial Secretary.

To The Crown Agents for the Colonies.

Despatched : May 6th 19 47 Time : 14.00

Received : 19 .. Time :

Please pay Colonial Office sum of £44000 for account Falkland Islands Dependencies Survey in respect of 1947/48 and debit Colonys General Account.

COLONIAL SECRETARY.

G. T. C.

LJH.

B. 27 abs
25

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 9.5.47. Time: 10.30 Received: Time:

IMPORTANT.

21m D/6/47.
Export Duties
on Whale &
Seal Oils.
1.
No. 250. Secret. Whale and Seal oil. Please refer my telegram No. 244. On basis yield this season as just reported application of proposed sliding scale royalties to next season's catch would enable me make direct contribution to cost of F.I.D.S. of not less than £30,000 (thirty thousand pounds) even with percentage contribution to Central Government as advocated in my despatch No. 77 of 16th December.

21m D/6/47.
Export Duties
on Whale and
Seal Oils.
Page 75.
1920 Gazette
(2) Price whale oil per ton of six barrels over ten years 1935/45 averaged £33 (highest) and £26 (lowest) on which it may be assumed that interests concerned have netted satisfactory profits for they would not otherwise have continued (see particularly paragraph 6 of my previous telegram) and maximum of scale I now propose is in fact merely a return to the standard scale prescribed in Ordinance No. 5 of 1920. With oil for next season at £90 (ninety pounds) per ton, as stated, royalty represents only four-pence in the pound and unless your advisers can produce very substantial arguments against proposed increase I must press most urgently for its adoption. Shore stations may not like it but will like even less the only possible alternative which is to build and operate factory ships. Ship-building, particularly of this type, is now fabulously expensive (e.g. Balsena which is said to have cost £1½ million) while conversion, even supposing that suitable vessel were available, would also be extremely costly.

(3) My view is that South Georgia companies have had a good run for their money over many years and now that prices have soared it is only right that the industry should make proper contribution to revenue. Recent announcement by Ministry of Food spokesman over BBC indicates that world shortage fats is likely to continue for long time.

1. (4) Grateful very early consideration and reply together with reconsideration my Despatch No. 77 in relation with above and with my further despatch No. 6 of 30th April in paragraph 4 of which I made it clear that whole of revenue earned in Dependencies would be available for expenditure on Dependencies services i.e. including F.I.D.S. except for percentage contribution to Central Government.

GOVERNOR.

Cypher 95337. AN.

Typed VP.

ME. 8 awaits reply.

2. Ask when we may be expected?

Yes to facilitate preparation of estimates.

ME 28/VII

bu. for name 197
77
ABE
12-5-47

Nothing in mail for this file.

ABE
28.7

DECODE.

TELEGRAM SENT.

+2
19

From GOVERNOR to SECRETARY OF STATE.

Despatched : 29.7.47. Time : 1145 Received : Time :

No.415. My Despatch No. 6 of 30th April 1947.
Financial relations of Colony and Dependencies.

-- +15.

Grateful you inform me when reply may be expected to
facilitate preparation of Estimates.

G.T.C.
LJH.

GOVERNOR.

21.
20.
Reply at 13

B.
1218
all
29/7

EXTRACT FROM SAVING TELEGRAM No. 51 from the
SECRETARY OF STATE FOR THE COLONIES OF 23.6.47.

18.
20

Original filed in 208/46 - Estimates of Expenditure, 1947.

.....
2. Expenditure, Head VI, Item 4. Carriage of Mails
25,000. *Est. P. 14.*

8 Reference is invited to the marginally noted *
correspondence terminating with your Despatch No. 6
of the 30th of April, in connection with this item,
and other items of contribution in the expenditure
estimates of both the Colony and the Dependencies.

The future of the Dependencies Research and
Development Fund, of the Discovery Committee and of
the Falkland Islands Dependencies Survey is under
active consideration with the Departments concerned.
It would in my view, be preferable to await the
outcome of these discussions before considering an
alteration of £4,000 per annum contribution to
Colony funds from Dependencies.

In the meantime, I should be grateful if you would
review the cases of what appear to be over-charging
of Dependencies funds in items other than the £4,000
contribution, and inform me of the consequential
alterations which you would propose.

*. *Marginal Notes.*

Reply at 22

1. Mr. J.H. Thomas' despatch No. 18 of the 27th of January,
1936. (31A) on 88027/8/4. *232/35. P. 19.*

21 2. Your despatch No. 77 of the 16th December, 1946 (27)
on ditto. *2.*

3. *13* My despatch No. 11 of the 12th March, 1947. (33) on
ditto. *see 1724*

↑
DECODE.

0161

14 13
21

No. 111.

TELEGRAM RECEIVED.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 5. 8. 47 Time: 15.40 Received: 6. 8. 47 Time: 09.00

19. +2 No. 270. Reference your telegram No. 415. Financial Relations.

See paragraph 2 of my Saving telegram No. 51.

(2.3) in 208/46

20 herein

24
See +7

SECRETARY OF STATE.

G. T. C.

LJH.

Extract for
LJH
11.8.

And from the ST-2
copy of the
LJH

15 22
EXTRACT FROM SAVINGRAM No. 64 of the 9th of AUGUST, 1947.

(Original filed in 208/46 - Estimates ~~of~~ Expenditure 1947.).

.....

1. 2. Paragraph 2. Expenditure, Head VI, Item 4. Carriage of Mails 25,000. As you imply, the amount of contribution from Dependencies funds to Colony Revenue in respect of the Mail Contract cannot be dissociated from the proposal in my Despatch No. 77 of the 16th of December, 1946, that a percentage contribution in respect of all "Colony" services should be made from Dependencies resources which as a consequence of my taxation will be substantially increased. Cases of what appear to be over-charging of Dependencies funds in items other than the 24,000 contribution were cited in paragraph 2 of my Despatch No. 6 of the 30th of April, 1947; and the appropriate alterations can of course be made. But little useful purpose would be served in so doing if it is accepted - and I think it must be accepted - that the contribution of 24,000 approved in Mr. J.H. Thomas's Despatch No. 18 of the 29th of January, 1936, when expenditure was less than half the present figure, is quite inadequate. Indeed, the only result would be to make the immediate financial position of the Colony even less healthy than is now the case. I should therefore be grateful for an early decision on the principle of the proposal in paragraph 3 of my Despatch No. 77 of the 16th of December, 1946.

15-8
19m 232/35
Deps. Research
& Dev. Fund.

2.

24
see 17

21
16

ME.

21
~~14~~ with 13 and 15.

208/46

He shall be starting on the Esth. next week - 14 is unhelpful. It was held up while action proceeds in the 1942 Esth. file, because it did not get us further because I wanted extracts made. But I shd. have shown it to G.E. on receipt.

Qos.

2. Await reply to 15 & proceed on 1948 Esth. as if it was satisfactory? but meanwhile telegraph its substance to SIS?

3. He must also H.V. 24 in D/14/47 below.

C.B.
20/8

mc 21/viii

✓
+ expand somewhat explaining that we are at the moment concerned only with Dependence on us to Colony not to F.I.D.S.

ME.

Don't know L/L pc. P/L?

We spoke.

Please consider as re. drafted.

C.B.
21.8

mc 22/viii

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 23. 8. 47 Time: 13.00 Received: Time:

13 20.
No. 643. Your telegram No. 51 Saving of 23rd June and your telegram No. 270.
Financial Relations.

21
14
Please see paragraph 2 of my Savingram No. 64 of the 9th August 1947 in mail due United Kingdom early September.

15
13 in 208/46
13 8
2. I would meanwhile observe that cases of over-charging to which you refer are specified in paragraph 2 of my Despatch No. 6 of 30th April and if "regularised" in advance of reasonable re-adjustment of Dependencies contribution on percentage basis which I have sought will make the Colony's finances appear even less healthy than noted in paragraph 2 of your telegram No. 51 Saving. Moreover last sentence of paragraph 5 of your Despatch No. 11 of 12th March is no longer relevant since my new taxation proposals after allowing for percentage contribution as above will make approximately £30,000 per annum available for F.I.D.S. and associated activities.
68 in 0037/0r
See my Despatch No. 5 of 21st August also in air mail due early September.

3. I should therefore be grateful if you will reconsider the question in this light and if I may receive a very early indication of your wishes as I am now engaged in preparing 1948 estimates.

GOVERNOR.

P/L.

LJH.

208/46 "Estimates of Expenditure - 1947"
0037/0r. "F.I.D.S. Organisation of"

See 36

B. 9/9
26.5

~~18~~ 25

Y.E.

Spoke about ²⁴19. Give it another
look before reminding on lines in
strakes?

2. A.T. is v. busy with Est. & I
am going to undertake the work on
S/S agreements called for at bank of
his file.

✓
12/6

Y.E. In acc. with Y.E.'s instructions, I submit
at 26 a minute on the question of Dependencies
relations with the F.I's.

12/6
9.X

RELATIONS OF THE FALKLAND ISLANDS AND THE DEPENDENCIES.

The Report of the Interdepartmental Committee on Research and Development in the Dependencies of the Falkland Islands was sent out under cover of Colonial Office Despatch No. 45 of 28th April, 1920. Paragraph 4 remarked that in paragraph 154 of the Report the Committee assumed that the expenses incurred in connection with the objects of the expedition (other than the maintenance and pay of the naval staffs and crews of the vessels and survey equipment - all of which they recommended should be provided by the Admiralty) might properly form a charge against revenues raised in the Dependencies.

2. It is thus clear that from the commencement of hydrographic and other investigation work in the waters of the Dependencies the Admiralty were to be financially involved. In fact, economy dictated otherwise (see paragraph 13 below).

3. In approving the 1920 Estimates Colonial Office Despatch No. 137 of 23rd December 1919 remarked (paragraph 7):-

"The fact that Port Stanley happens to be the administrative headquarters of the Dependencies appears to me to afford no justification for the continuance of the present system under which the Colony itself relies to a considerable extent on revenue from the Dependencies to balance its Expenditure, and . . . it is desirable for the Colony to attain such a position financially as to show an equilibrium between its own revenue and expenditure after charging the Dependencies with their share of the cost of the Central Administration",

and went on to suggest that in future the Estimates should be framed on the basis that the contribution of the Dependencies (apart from the share of the cost of the Central Administration) should not in any year exceed £2,750: and that savings on the Dependencies Estimates should not accrue to the surplus balances of the Colony but should be paid to the Research and Development Fund.

4. This has ever since then been the practice. But there have been various modifications in the amount of the Dependencies contribution to the Central Administration: and I cannot trace the basis of £2,750 or of the "one third of the cost of the central administration" referred to in paragraph 7 below.

5. The export duty on whale and seal oil was raised from 3½d to 1s/6d per barrel with effect from 1st October, 1919, and the revenue from it was credited to the Research and Development Fund. By May 1920 the Secretary of State considered that the high price of oil justified an increase in duty to 5s/-d per barrel, the proceeds also to go to the Research and Development Fund. This took effect from 1st October, 1920. The Secretary of State had in mind the expenses of the investigations referred to in paragraph 1 above.

6. But by May 1921 the market had collapsed and Secretary of State concluded that one half of the export duties collected for the 1920/21 season must be refunded.

1 in 238/20

*estimated at (5) of 243/20 to be £3000. See also C.O.D. No. 34 of 5. 4. 21.

Ord. 3/1919

(1) in 243/20

Ord. 5/1920

(5) in 397/20

27

7. In Colonial Office Despatch No. 34 of 5th April, 1921, approving the 1921 Estimates it was remarked that they did not comply with instructions limiting the contribution from the revenue of the Dependencies to a maximum of £2,750 in addition to one third of the cost of the central administration. But in view of various proposals involving substantial expenditure which would necessitate a complete review of the financial situation, and of an "anticipation" that revenue might be underestimated, a revision of the Estimates was not pressed.

(4) in 898/21

8. The Colonial Office Despatches referred to above were dealt with at length in F. I. Despatch No. 113 of 29th November, 1921. This emphasised the backwardness and stagnation of the Colony owing to lack of funds and observed that such progress as had been made was due to the initiation and development of the whaling industry in the Dependencies since 1905. It recited the history of the Interdepartmental Committee of 1918 and pointed out that in the ordinary course the export duties on whale oil would have been considerably increased towards the end of the War, in the interests of the need of the Colony for development. This course, it remarked, was taken too late (see paragraph 5 and 6 above) and in any case the revenue did not then accrue to the Colony but to the Research and Development Fund, which needed it for the objects of the Interdepartmental Committee's Report. These were apparently to be provided entirely from Dependencies revenues: and (paragraph 11 of the despatch remarked) "the prospect of scientific results of great value to the world.....is of a less speculative nature than the benefits that can be expected to accrue to the whaling industry" which paid for them. The Falkland Islands Dependencies Survey is analogous to this.

9. Another prophetic reference is in paragraph 13 which criticises the ruling that savings on the Dependencies Estimates should accrue not to the surplus balances of the Colony but to the credit of the Research and Development Fund, as one which "might lead to wasteful expenditure of public funds." This is apt to happen where a body without financial responsibility but with abundant zeal, such as the Discovery Committee, is able to spend money without Treasury control. It is clear that a windfall of Dependencies Revenue, such as that from stamps, might well tempt such a body to think that such revenue was theirs, and not even the Dependencies: and it is arguable that such waste as occurred in the matter of the purchase of the F.I.D.S. ship would have been the subject of a searching enquiry if it had been bought from Imperial funds.

10. The Despatch went on to urge that the cost of administering the Dependencies had been considerably underestimated in the past. "Not only" (says paragraph 15, in words not inapplicable to-day) "is the greater part of my own time and of that of the principal officials of the Administration taken up by the consideration of Dependencies' affairs, but almost every phase of the Administration has been affected,"

11. In paragraph 18 the Despatch suggests that in order to ascertain the cost of the Dependencies Administration a comparison of expenditure pre-1905 and 1921 should be made, after necessary adjustments. The figures are £11,125 and £25,825 respectively. After allowing for higher wages and prices, the Despatch suggests that 40% is a fair proportion of Colony Expenditure to be borne by the Dependencies. It was ingenious, but (apart from the Secretary of State's innate conservatism to the views expressed in paragraph 3 above) the Governor seems to have

been/

been over-sanguine, see paragraph 14 below.

(5) in 898/21

12. Colonial Office Despatch No. 23 of 1st March, 1922, began quietly by agreeing with the Governor's principles (1) that the first claim on the revenue of the Dependencies after paying for purely local expenditure was for the payment of the cost of their administration and (2) that thereafter only should the surplus of revenue be carried to the Research and Development Fund. It also agreed that the cost of administering the Dependencies should as far as possible be assessed on the actual expenditure in each year (i.e. on Colony expenditure). But it insisted on the corollaries of these principles: the recognition of the corresponding principle that the Colony's sole interest in Dependencies revenue was in their paying their fair share of the cost of the Central Administration: and that in determining the details of future financial relations between the two the surpluses paid into Colony accounts in past years should be taken into account. In this connexion reference should be made to Appendix I of that Despatch where the Secretary of State expounded his views in detail, and particularly to paragraph 2 thereof, which stated that taxation policy in the Dependencies had been considered justifiable only for the benefit of the whaling industry or for further developments in the Dependencies: to paragraph 3, stating that the researches recommended by the Interdepartmental Committee should if possible be paid for by the Dependencies - and that, in all the circumstances, it could reasonably be contended that any surplus could properly be devoted to matters of general Imperial interest (which somewhat conflicts with paragraph 2).

i.t.c. see B of
Encl. III to (10)
in 898/21

13. The remainder of that paragraph is pertinent to-day, mutatis mutandis. For it states that it is not possible, having regard to the Imperial need for economy and the burden placed on Imperial tax-payers by the War, for Imperial funds to bear any responsibility for Dependencies researches, as contemplated by the Interdepartmental Committee.

it was

14. The Despatch went to deal with the proposal that the Dependencies share of central administration should be fixed at 40% of the ordinary expenditure of the Colony (see paragraph 11 above). It had no difficulty in so doing. But in the process it remarked that for 1922 £4000 would be a generous estimate of the charge to be borne by the Dependencies (Expenditure was in fact £40,205 i.e. equivalent to a 10% rate), though the Secretary of State added that he thought it reasonable for Dependencies revenue to bear at least a substantial portion of the net cost of a patrol-boat which was intended for the protection of the fur seal in Falkland Island waters (which showed a wide interpretation of "Dependencies" expenditure).

(10) in 898/21

15. The Despatch had emphasised that the proposals were subject to criticism, and in his Despatch No. 75 of 22nd May, 1922, the Governor availed himself of the opportunity. He mentioned the obvious difficulty of arriving at a fair estimate of the proper amount of the Dependencies' contribution, and in paragraph 8 suggested that the only policy that would "secure, through goodwill, the successful development of H.M.'s possessions in these waters" was that "they should be regarded as a single unit for all purposes." This would enable a comprehensive policy for the development of the Colony and Dependencies to be carried out, and ensure the active co-operation of the Legislative Council and people. (paragraph 9). History is repeating itself to-day.

16. Paragraph 2 of Enclosure I to that Despatch mentions the parallel between Colonies and their Protectorates (to which might be added Mandates) in Africa and the

relations/

relations between this Colony and its Dependencies. And the Enclosure goes on to describe at length the association of the Dependencies with the Colony, and their intrinsic dependence upon it, from 1862 on, and especially since the latter part of the nineteenth century.

(11) in 898/21

and

balance

17. Colonial Office Despatch No. 101 of the 29th August, 1922, replied to these representations. It pointed out that the constitutional/financial principles enunciated in the earlier Despatch were in accordance with those held by successive Secretaries of State since 1913. It stated that in all the circumstances the Dependencies' share of the cost of the Central Administration should be fixed at £5000 a year for a period of five years from 1st January, 1922, at the end of which time the matter should be reconsidered. And it added that the Land Sales Fund and the Surplus Balances already accrued had given the Colony "funds more than sufficient" for all feasible schemes of development" though no mention was made of the possibility that if the price of wool fell disastrously they might melt away. There was then, as now, no public debt. The Land Sales Fund was £167,277 and the Surplus Balance £45,522, a total of £212,799. At the beginning of 1947 the former amounted to £269,329 less a Deficit on the General Revenue Balance accumulated over a period of years amounting to £44,819, leaving a net of £224,510. This is very close to the position in 1922, and having regard to unbalanced budgets, it justifies the concern expressed elsewhere by the Secretary of State about the Colony's financial position. 25 years ago a similar sum was regarded as "more than sufficient for all feasible schemes of development" but we are now going to receive £150,000 from the Colonial Development and Welfare Fund for that purpose.

18. Here there is a gap in the records. But at (1) in D/28/24 we find the Secretary of State referring to paragraph 10 of his Despatch No. 101 of 29th August, 1922, and approving an increase to £9000 in the Dependencies contribution for five years provided the Colony continued to maintain a patrol boat. This seems to be an extension of the principle of Dependencies development: for the patrol boat would be used in F. I. waters only (see also para. 14 above).

19. The Research and Development Fund Ordinance (No. 6/1924) is the subject of D/62/24, and paragraphs 2-7 of the Secretary of State's Despatch No. 53 of 26th May 1924 therein give a summary (of which I was unaware when drafting the earlier paragraphs of this minute) of the previous correspondence and of the history of the Fund. No fresh points are made in those paragraphs. But in paragraph 10 the Secretary of State mentions the possibility of developing a fishery in the area between the Colony and the Continent of South America as one of the purposes for which the Fund is established. It is however difficult to see how the Dependencies would benefit from such a development.

20. In (12) of 232/35 the Governor referred to the reduction to £8000 in the Dependencies contribution, and to the Secretary of State's proposal that the amount should be reduced progressively

from/

29

(23) in 203/46 - S/S
S/T No 51

30

from year to year (I cannot trace the Secretary of State's Despatch but please see paragraph 23 below). It had continued at £9000 up to the end of 1934 (cf paragraph 18 above) but the balance of the Dependencies' revenue had been insufficient to meet the contribution and the deficiencies had to be made up by transfers from the Research Fund. He stated that the balance standing to the credit of the Fund at the end of 1934 was £380,000 and that the total of the monies required for the "Discovery" researches during the next five years should be decided upon and that the balance should be assigned to the Colony after leaving an ample sum for contingencies. In support of this suggestion the Governor urged the fact that if it had not been for the action of successive Governors and the settled administration of the Colony the Dependencies would never have come under the British flag. In paragraph 9 he said that "the Colony would have had no difficulty in being entirely self-subsisting had it not been for the repercussions of the Whaling industry in the Dependencies", a remark which I do not follow. Nor, I submit, is it other than questionable (paragraph 7) that "the levying of taxation imposed for research funds has resulted in pelagic whaling and the wholesale destruction of whale life," because pelagic whaling would have developed in any case. Paragraph 10 proposes that if the amalgamation of the Colony and Dependencies finances is approved the export duty on whale and seal oil should be reduced from 1/6 to 6d per barrel (this is shutting the door after the horse has escaped); and paragraph 12 states that if additional revenue accrued in some way to the Colony it would be used solely for strengthening the defences of the Falkland Islands in Imperial interests.

cf Encl. I of
(10) in 898/21

*Nor - it is
bunkum.*

(19) in 232/35
if the point in
para 7 is accepted

(cf paras 18 & 19
above)

strict

21. (19) in 232/35 deals with these representations. It begins by stating that the disposal of the Research Fund was governed by Ordinance 6/1924 "whichdoes not admit of the diversion of any part of the amount to purposes unconnected with the Dependencies" and that therefore it is impossible for a portion of it to be assigned to the Colony. Yet the upkeep of a patrol vessel the establishment of a fishery in F.I. waters had been regarded as "connected with" the Dependencies: though it seems to be a generous interpretation of the Ordinance. No explanation is given as to why this Ordinance is peculiarly like the laws of the Medes and Persians and cannot be amended; and instead of considering the principles involved the Despatch sticks to the letter of the law which one of his predecessors laid down for the Colony to pass.

his S.O.S.

22. The Secretary of State went on to say that £150,000 should be regarded as reserved in the Fund as from 1st January 1936 "as a provision for future expenditure on general purposes (other than the "Discovery" investigations) directly connected with the Dependencies."

23. The Despatch then recited the history of the contribution to central administration, fixed at £9000 in 1924 (see paragraph 18 above). It had been maintained at that figure for ten years. In 1935, in view of the fall in revenue due to the decline of whaling based on Dependencies, it had been necessary to reduce the amount to £8000 in 1935: (but without particular reference to the merits of the case). In view of the "altered financial position of the Dependencies" (an argument which cuts both ways, for they are now in a sound financial position) the Secretary of State had decided that there should be a progressive reduction in contributions on the following scale:-

*But would be made longer
unless we can stop up the
Revenue.*

31

1936.	£8000
1937 & 1938	£7000
1939 & 1940	£6000
1941 & 1942	£5000.
1943	£4000

which last figure was about 8% of Colony Expenditure at the time when the reductions were instituted.

24. The rest of the Despatch dealt with the technical method of validating payments due from the Research Fund to the Colony from the Dependencies in respect of years in which there had been a deficit in the Dependencies accounts: and demurred at the suggested reduction in Export duties (paragraph 20 above).

25. The rest of 232/35 contributes nothing to the arguments as to principle. The Governor at (24) suggested that interest on the £150,000 Reserve should be credited to the Dependencies general account: and that in that event export duties on oil might be reduced to 1/- per barrel. At (32) the Secretary of State felt unable to accept the former suggestion, and, as confirmed by the Governor at (33), the latter therefore did not arise.

Despatch 77 of '46 26. There the matter has rested till Y.E. addressed 1 in 6161 to Secretary of State

27. The 1908 Letters Patent (p. 106 of 1908 Gazettes) describe the Dependencies as being "Dependencies of Our Colony of the Falkland Islands" and appoint the Governor to be their Governor: the Executive Council to be their Executive Council: and the Governor, with the advice and consent of the Legislative Council, to be competent to make laws for them. The 1917 Letters Patent (p. 69 of 1917 Gazettes) re-define the limits of the Dependencies, which naturally exclude the Falkland Islands themselves, for they clearly could not include them. Their exclusion cannot reasonably be held to mean more than the exclusion of e.g. the Colony of a West African "Dependency" from the definition of the Protectorate, though the two are virtually an integrated unit: and indeed this applies also to a Mandated Territory for all practical purposes. I should imagine that the Southern Cameroons contribute their full share to the central revenue of Nigeria, while the Northern Cameroons possibly contribute less. But this, so far as I am aware, has not been used as an argument for treating them as separate entities, or for giving them a separate reserve fund, or for a grant-in-aid.

Not now the case however (1951); surprise as regard to revenue of the benefit of the people in the Mandated Territories.

cf also para 16 above.

28. In other words, Letters Patent should not be presented as an argument against the essential integration of the Colony and the Dependencies.

29. It seems that the question of their proper association has not been considered on its intrinsic merits. When whaling was prosperous, the Secretary of State ruled that Dependencies revenue should be devoted to research work (mainly hydrographic) nominally in the interests of the whaling companies which paid the export duties, but largely, as it transpired, in the interests of science. The result was not only a model of such work: but also the depletion of Dependencies reserves which might have been devoted to work (such as meteorological investigations) which could have been intimately associated with the territories concerned and not conducted in extra-territorial waters; and which would have benefited the whaling companies at least as much as the "Discovery" investigations. When revenue from whaling decreased it was argued that the

No - oceanographic.

Correct

As I have in fact proposed

Dependencies could not afford to contribute more than a very limited amount to Colony funds.

30. If meteorological investigations had been, or were now to be, a primary object of the expenditure of Dependencies revenue, work of obvious local and indeed international value would be tied down to the territories concerned, whose political status is disputed by other nations: thus at once emphasising their integration with the Colony whose meteorological work is essentially associated with theirs, and re-affirming their status as a part of the British Empire. Dependencies revenue might be devoted to much less valuable ends than this last alone. For if they did not spend their money on what might be termed an insurance of this kind they would in theory increase their risk of coming under a foreign flag: in which case their revenues would be lost altogether.

As I have said.

31. If it is admitted that "the Falkland Islands are the one part of the Empire which the Foreign Office would not give away" it is proper to look across the Drake Straits and consider that they have two sides. This was realised by the Admiralty during the War, when H.M. ships visited the Dependencies searching for raiders. It was presumably the raison d'être of "Tabarin". And the recent telegram from the Secretary of State about future policy regarding the Dependencies seems to be in the same vein. But the working out of that policy requires further thought. If Dependencies funds were not available for F.I.D.S. it is likely that even in the present financial crisis His Majesty's Government would find it necessary to provide funds for what has now become ^{clearly} better than a riposte to Argentine and Chilean pretensions: for if ~~their~~ pretensions were allowed to crystallise into justifiable claims which could be urged before an International Court we should be in a bad way strategically. We lost a unique tactical opportunity in 1946/47 because no H.M. ship was available to visit the Dependencies: and though there will be one early in 1948 the intruders have made a good start.

Yes.

But they would be - we have support this solution; A and C would consider it over.

32. The Letters Patent show that for administrative purposes the Colony and the Dependencies are one unit. Yet the Government of that unit has little effective say in the disposal of the revenues of that unit. It is not likely that the whole of the revenue from the Dependencies will ever be required for annual administrative charges. Before pelagic whaling began much of ~~the~~ came from the South Shetlands: and the accident that all revenue is now collected at South Georgia might (if the Secretary of State's previous arguments were followed ad absurdum) stand in the way of it being expended in Grahamland. In any case, such work as the "Discovery" researches will in the end be found to have done little to establish our title to the Dependencies: which is a sine qua non.

That is my whole argument.

it

Nothing whatever.

33. It is still largely true that the Governor of the Colony and his staff spend much of their time on Dependencies affairs, (see paragraph 10 above). The Dependencies could not exist as such without the Colony: and, though the converse is not the case, there is in it an element of justification for a much more generous contribution to Colony Revenue than has hitherto been sanctioned by the Secretary of State. It is our duty to do all we can for the development of the Colony, where reside the only permanent residents of the whole unit. It is unhealthy to perpetuate this present dichotomy: and Salvesens' (and for that matter, I imagine, Pesca as well, who only last year asked for a 21 year renewal of their South Georgia

33
lease, which was surprisingly refused) would be unlikely to cavil at money spent to secure their territorial, apart from their pelagic, interests.

They agreed.
34. It seems to the layman ludicrous to suppose that cartography and geological surveys are of material benefit to the development of the Dependencies. They would be desirable from a purely scientific aspect if ample funds were available: but they are not essential. Money is limited, and it is now for decision how F.I.D.S. (an Imperial commitment) is to be financed, now that windfalls from postage stamps have ceased.

35. The only practical method is to finance F.I.D.S. from Dependencies revenue, but it will need a drawing-in of horns and a concentration on essentials. I cannot see the value of the continuation of the "Discovery" Committee's labours in such a picture. It should be a purely administrative task for the local Government - with, of course, competent and experienced advice. It will mean concentrating on meteorological work (which the Secretary of State has just endeavoured to curtail) and it will mean putting up a considerable façade at Deception, the nub of the area concerned. It will also mean the substitution of the hoary policy of what I have called dichotomy, unsanctified by anything but the protests of successive Governors against its reiterations by successive Secretaries of State, for one of unity and essential integration. This will make for efficiency in administration, benefit a poor Colony which has never received a grant-in-aid for discharging its Imperial responsibilities, and present to the world, and especially to South American intruders, a united front under an administration which is charged with considerably more international responsibility than many another. If the Governor of the Falkland Islands and its Dependencies is to perform his first duty, it is proper not only that he should govern them, but that he should be seen (and not least by other nations) to do so. No Committee at the other end of the world can discharge his duties: and ultimately the Governor of the Antarctic Dependencies at least, becomes merely an agent or a post-office without personal responsibility. That means that the responsibility for part of his proper administrative functions would fall to a Committee lacking the constitutional powers of assuming it: and it would, in effect, fall between two stools.

A problem "up under which I will not put"

36. In sum, I can find no justification urged by the Secretary of State for the balance of the Dependencies Research and Development Fund over and above the £150,000 reserved as described in paragraph 22 above not being made available for the general purposes of the Falkland Islands and Dependencies as an administrative unit, other than the argument described in paragraph 21 above: which amounts to "littera scripta manet". Evidence has been given in this minute (see paragraphs 14 and 18) that the Secretary of State has agreed in principle to Dependencies funds being devoted to objects other than purely "Dependencies Development", of which one is the consolidation of the Imperial connexion (cf. end of paragraph 12). In that regard at least the Dependencies are essentially linked with the Colony and should therefore be considered with it as one unit.

(I am afraid this is v. lengthy but it may save the reading some of the pp. attached).

A.Bh
9.x.47

Most helpful. Thank you
H.C. 174

CS

I assume there is
no balance of stamp
revenue to finance F.I.D.S.
activities this year. SJS
shd. tell us what subscription
is contemplated and shd. now
also reply to our request for
% age contribution from Dependence
to Central Admin.

Please inform him that Estimates
have to be presented to Leg Co on 17th Nov
and ask for reply. MC

MESSAGE FORM

CALL
A
INSTRUCTIONS

IN

OUT

Serial No.

No. of Groups.

OFFICE DATE STAMP

GR.

TO

(ABOVE THIS LINE IS FOR SIGNALS USE ONLY.)

FROM

Originator's Number

Date

In Reply to Number

THIS MESSAGE MAY BE SENT **AS WRITTEN** BY
ANY MEANS { EXCEPT

WIRELESS.

THIS MESSAGE MUST BE SENT **IN CIPHER**
IF LIABLE TO INTERCEPTION OR TO FALL
INTO ENEMY HANDS.ORIGINATOR'S INSTRUCTIONS
DEGREE OF PRIORITY

TIME OF ORIGIN

Signed

Signed

(BELOW THIS LINE IS FOR SIGNALS USE ONLY.)

T.H.I.

T.O.R.

SYSTEM IN	TIME IN	READER	SENDER	SYSTEM OUT	TIME OUT	READER	SENDER	SYSTEM OUT	TIME OUT	READER	SENDER

* Originator may delete "except" and insert "including."

YE.

34

Dependence has continued

£ 55,000 i.r.o. F.D.S. 1945/46

44,000

1946/47

£ 99,000

2. Proceeds of Stamp Sales, including

beginning £ 69,769

Deposits 17,430

£ 87,199

credits at first to me in the Purchase
of, ~~and~~ ^{plus} subsequent sales credits to
Dependence Revenue, ~~was~~ ^{was} estimate
at £ 104,000 in revised est. for

This is ~~revised~~ ^{revised} to £ 103,000* at 5/

of 2 (written to the Est. was printed)

referred to at 14 of 5. Fig

now available show a gross net

of £ 99390 net of which £ 3782

has to be taken to cover print

etc. Thus there is no balance

of stamp revenue to finance F.

activities for 1947/48.

3. Don't know for certain (C
to F.I.D.S. pp.).

C.Bh
29.2

* This is given to S.C.

Thankyou. Issue.
MC 29/X

DECODE.

0161
Copy in F.I.D.S. file 0225 "F.I.D.S. Organisation"

36

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 30. 10. 47 Time: 15.35 Received: Time:

14 No. 638. Your Despatch No. 11 of 12th March Financial Relations of Colony and Dependencies.

I should be glad to learn what subscription from Dependencies Funds is contemplated in respect of 1947/48 activities. No repeat no balance of stamp revenue remains.

2. The Dependencies Estimates have been pruned of all charges which are not strictly relevant and in view of Budget meeting of Legislative Council on 17th November I should be glad to receive an early reply to my Despatch No. 6 of 30th April and paragraph³ of my telegram No. 643.

G. T. C.

LJH.

GOVERNOR.

15

See 41, 43

24

Reply to 38

See first for 2

Bu

5th

ABH
31x

B

Y.E.

26-33

May be bundle of
stamped files -

more in my
Office - are to
distribute?

Abel

5/11

Yes - but have no note made of
them w.r.t. 26 to which I will
return at suitable opportunity.

'Rangung shorts' only transfer.

Y.E. Action taken Abel Mc For
5.11 Thompson Mr. 9xi

B. 5-11
Abel

DECODE.

No. 51.

TELEGRAM RECEIVED.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 16. 11. 47 Time: 22.25 Received: 17.11.47 Time: 09.00.

36 No. 420 Your telegram No. 638. Financial Relations.

I am glad to note Dependencies estimates have been pruned as desired, and I regret general question (referred to in paragraph 2 my telegram No. 51 Saving) awaiting settlement makes it impossible for basis of contribution to be altered as yet.

36 2. Your paragraph 1 is not clear to me as Estimates are based on a calendar year but (£42,000 ?) has already been collected for 1947/1948 in respect of F.I.D.S. contribution to Colonial and Middle East vote.

SECRETARY OF STATE.

G.T.C.

LJH.

(As. says: £42,000)

Reply at 41

Y/E

38 With S/9/44 telos: to which
reference has been made:-

(29) (46) (47) (54) £55,000 was paid in
December 1946 to meet 'Taberni'
x) annex of 1945/46 - F.I.D.S. 1946/47.
(Telos instructing C.A.A. is at (56)).

2. Since then (May 1947) a further
£44,000 was paid i.v.o. 1947/48.

3. The financial year given in
35 §1 is wrong: they shd. be a
year later in each case, except for
x above. I must report the oversight.

4. But the spirit of 36 is ~~correct~~
there is no more stamp midfall avail-
able for F.I.D.S.

5. The result of 38 is that on
1948 Est. an pro tanto loss from
the point of view of the Colony of
as has proved as desired & kept
only £4000 as Dependencies con-
tribution. Since in position is
shall probably end up with a

40

Like Dependence contribution in the case
of the year, I don't think much. But

YE may mean while risk to convert
'1947/48' in 36 to read '1948/49'?

ABH
17.

→ Yes - i.e. on '48 Estimates in which provision should
be made; pt. explain.

MC. 17/xi

YE

Don't let me

ABH
18.v

✓
MC. 13/xi

41
DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 18. 11. 47 Time: 16.00 Received:.....Time:.....

38 No. 684. Your telegram No. 420 Financial Relations.

36 Paragraph 2. My telegram No. 658 should read 1948/49. Information required for 1948 Estimates in which provision should be made if Research and Development Fund is to be debited.

Reply at 42

See 43

GOVERNOR.

G.T.C.

"Development" strikes a hollow note?

(Intld) M.C.

LJH.

B-
19/12/47
1948

DECODE.No. 342.TELEGRAM RECEIVED.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 4. 12. 47 Time: 13.10 Received: 5. 12. 47 Time: 09.00.

41 No. 450. Your telegram No. 684. Financial Relations.

Pending decision on future organisation etc of F.I.D.S. the best estimate we can make for 1948 1949 on present scale is \$50,000.

See 43

SECRETARY OF STATE.

G.T.C.

YE

LJH.

42 with 36-41 No specific
 reply is furnished to 36 & 41. In
 tel. for comm. pr. ABE

6.12 MC 19 XII [5 4 9 16 hours
 9 for 9 23 in
 2/6/47 in review]

43
TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched 10. 12. 47 Time: 15.40 Received: Time:

42 No. 728. Your telegram No. 450. Financial Relations.

36 Please see paragraph 1 of my telegram No. 633 as amended by my

41 Telegram No. 684. I should be glad to know in due course as to what proportion of the estimated expenditure of £50,000 is to be debited to Research and Development Fund.

G.T.C.
LJH.

GOVERNOR.

Reply at 46

First copy in 0385
"Savings Bank Reports"

47
GOVERNMENT HOUSE,

STANLEY.

16th December, 1947.

FALKLAND ISLANDS.

No. 60.

Sir,

1 in 0385
"S.B. Reports"

I have the honour to refer to your despatch No. 41 of 26th June, 1947, in which you referred to the under-investment of Savings Bank funds at the 31st of December 1945, and to inform you that there was again an under-investment at the 31st December 1946, when cash in the hands of the Financial Secretary amounted to £47,537. I have since had occasion further to consider the matter, more particularly in connection with the preparation of the 1946 Estimates, and the question of the financial relations of the Colony and Dependencies to which my despatch No. 77 of 16th December 1946 and subsequent correspondence referred.

1 in this file

3 in 0385

2. In paragraph 2 of my saving telegram No. 74 of 21st August, 1947, I informed you that steps were being taken to reduce the liquid balance in the Savings Bank by the investment of funds: but further investigation has shown that this is unfortunately not possible. A clue to the difficulty lies in the preceding paragraph of that saving telegram, which reported that investment in 1945 was not made on behalf of the Fund owing to heavy commitments for the Falkland Islands Dependencies Survey, amounting to £55,000. In other words, the reason for the under-investment of Savings Bank funds is that over a period of years it has been found necessary to utilise the liquid balances of this Fund in order to finance current commitments.

3. The net Falkland Islands Colony deficit over the period 1933-1946 amounts to some £52,892. This amount has not been apparent in the annual accounts owing to the system, which appears to have been adopted for the first time in 1917 (vide page 63 of 1916 Gazette), of integrating in the final annual accounts Falkland Islands finances with those of the Dependencies: and also of setting off any net deficit against the Land Sales Fund in the annual statement of Assets and Liabilities (vide 1947 Estimates page 5).

4. This erroneous picture of the Colony's finances can only be clarified either if the finances of the Dependencies (for which separate estimates and a separate annual abstract account are already prepared) are entirely divorced from those of the Colony of the Falkland Islands by the preparation annually of a separate statement of Assets and Liabilities: or, alternatively, if the finances of the Dependencies are merged in toto with those of the Colony. In any case, liquid balances for investment on behalf of the Savings Bank Fund can only be found if your approval is given to realising some part of the assets of the Land Sales Fund against which Colony deficits have been set in the annual accounts, without their being actually charged to the Fund.

Extracted to 0770 -
Estimates of Expenditure 1949

5. Pending a final decision regarding the financial relations of the Colony and Dependencies, which I trust will not be unduly delayed, I do not propose to disturb the present arrangement. But in the meanwhile it is not possible, for the reasons I have stated, to invest surplus balances in the Savings Bank without realising some part of the Land Sales Fund. It is of course immaterial from an accounting point of view whether the Colony and Dependencies accounts are wholly divorced from one another or whether they are fully integrated. But the present method of merging them for the Statement of Assets and Liabilities and bringing forward the result to the Estimated Financial Position of the following year appears to have nothing in its favour and in fact places the true financial position of the Colony in an entirely false light.

I have the honour to be,

Sir,

Your most obedient,
humble servant,

(SOD.) MILES CLIFFORD.

17. 28/1
18. 19. 1
DRE.

46

DECODE.

No. 15.

TELEGRAM RECEIVED.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 19.1.48. Time: 17.15. Received: 20.1.48. Time: 09.35

43

No. 16. Your telegram No. 728 of 1947 Financial Relations.

Matter is still under consideration but I hope to reply shortly

SECRETARY OF STATE

YE (a nku)

46 with 43

Li

CBE
29/1

P.L.

✓

me.

VP.

Be.
28/2
CBE
29.1

47

A.

~~HE's~~

46 This may prove to be linked
with the missing D. in 0225 (Lent)
the pic may be B. or HE's
when.

Abel
2/3

BU. 27/3/48
27/3/48.

HE's
See/Point D. 1

17. 4. 4. 5. in

0225

~~PAG~~

act.
It is. R. is not in.
when D. is free. (at Bell)

B. Abel
27.3

C. To me in our? We were
going to send a reminder?
(Ndr. to discuss at CO) Mc. 92 vi

48.

A.

H.S.

B on (47) - noted for London any. pl

£. 46.

B

Y.E.

I am taking action on 45 in
1949 Est. file.

2. 47 I am afraid I as.

Sure that the recent correspondence
in 0225 (at G. H.) covers this
that 46 refers to that.

3. He has asked for London

C

L
17.6

0225 attached for reference.

Mc 17 vi

Y.E.

D

That in mind §§ 24-29 of 129-
130 in 0225 when it is made
clear that Dependencies (incl. F.I.S.)
budget is 'entirely separate' from
Colonial budget. But no decision
has yet been taken by S/S on
finding the D's 'contribution'
to Colonial revenue.

2. As regards 42 is misleading.
The total commitment, for S/S's
on figures + no on, will be
£60,000 without allowing for 'Rise' in
rent.

Quite.

3. I am under the impression that
when preparing 26-33 I came across
old papers about D'ies - Colony
financial relations between 1908 - 1913:
in which the S/S had charge in.
I observed the essential dichotomy of
the two units. But (not said to
G. the other day) it seems no
more logical to collect revenue in
S. George - spend it ^{on F.I.D.S.} in Graham.
Land as in the S. Shetlands owing
to the striking depiction of 'Depend-
encies' - 'Colony' has to collect
in S. G. - spend a small %.
more in the Falkland Islands: more
expensive as neither method of
expenditure keeps the Shetling

Yes; I would.
The King traced.

That is so.

A
industry in the slightest degree ex-
cept for 'net' work.

A. B. L.
23.6

- B
1. I shd. like a brief note on this.
 2. How are Dependence Revised Estimates far?
 3. Can we get any 'line' on Biscuit's salvage claim re Charles Hornsby? It will presumably have been filed with Lloyd's.
 4. There is also the question of the sale of Discovery II and William Scorsby.

MC 23_{vi}

C

YE₂ first
shd. see (1) in 62/24 sh. find
the whole history of the R. D. B.
✓ p. 18 1st. XIV of 1920 Lib. (1920
attached). The 'R.D.' to the
Cater is interesting in that it
shows that the export duty on
oil was 1/6 a barrel 3 1/2' of that
was appropriated by the Chay.

2. B supra p. 3 of 49. I
cannot find what I want -

A

X | may be mistaken. Ask Salvage money,
I can telegraph 'Amplius Recite' - ask?

Further action
on 0253 (ms. J. Biscoe)

3. 50 B § 4. Re. see 6 of D/3/48.

But not
from I must!

It is intended that with regard to
taken over by the new Oceanographical
Institute.

4. In this I don't know what the D's
contribution is to be — or ought to
be for 1948 at least in answer?

Pbo.

by
28.6

MC 30 vi

YE

C

52

Memorandum how far.

2. The '1913' reference stuck in my mind
from x ~ 29! (see 49 § 3).

please
to papers for
to take home.

MC.

Further action
on 0253
(ms. J. Biscoe)

3. B a 50 § 2 YE has discussed
with AT. Don't want to submit to
day.

4. § 3 As a x of A supra?

Yes

2. 2 § 4

D.

by
28.7

MC 5 vii

DEPENDENCIES CONTRIBUTION TO COLONY REVENUE.

Export Duty on Whale Oil was first imposed by Ordinance No. 1/1912 at 3d. per barrel. This was raised to 3½d. by Ordinance No. 6/1918 (which also introduced the same export duty on seal oil) and again to 1/6 by Ordinance, No. 3/1919.

This duty was however for the first time divided between the Colony and Dependencies Revenue in the proportion 3½d. - 1/2½d. Previously, oil duties had been credited to Colony/Dependencies combined revenue. The 1/2½d. was credited to the Dependencies Research and Development Fund (see 1920 Estimates Revenue Head I, 2 & Expenditure Head XIV).

C.O. Despatch
No. 34 of
5.4.21.

and
F.I. Despatch
No. 113 of
29.11.21.

C.O. Despatch
No. 101 of
29.6.22.

It was then intended that Dependencies contribution to Colony revenue should be £2,750 + 1/3 the cost of the central administration. This amount was held even then to be inadequate but Colonial Office Despatch No. 23 of the 1st of March, 1922 insisted on what virtually amounted to complete severance of the accounts: but eventually £5,000 was approved as a fair contribution from Dependencies to Colony. This was raised to £9,000 in 1924 and so it remained for 10 years, to be reduced gradually (with fall in whaling revenue) to £4,000 in 1943. This appears to have been decided without consideration of the merits of the case: merely on the deterioration in the financial position of the Dependencies.

We first asked for Dependencies contribution to be fixed at 10% of Colony ordinary expenditure in Despatch No. 77 of the 16th of December, 1946. We were entitled to hope for it in 1947 and certainly in 1948. But Secretary of State's telegram No. 16 of the 20th of January, 1948 reads:-

"Your telegram No. 723 of 1947 Financial Relations.

Matter is still under consideration but I hope to reply shortly."

B.

H.B.S.

Original of (52) of drawn, pl (C on S1) to 'Anglican Relief'

and from
253 (J. Bisac) 2. Draft Telegram
attached.

B.
S.Y.

Disputed in C.O. July 1948. and after
much argumentation, I succeeded in getting
the annual grant increased to £10,000! See p 55.

0101

53

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched : 2. 7. 48 Time : 20.00. Received : Time :

In 0266 (F.I.D.S.
Estimates)

No. 304.....

.....

.....

.....

.....

.....

.....

6. In conclusion I must express both surprise and concern that neither telegram under reply makes any reference to important question of increased contribution to Central Administration about which I have made repeated representations since my Despatch No. 77 of 16th December 1946. This has important bearing on budgetary outlook, estimates are now in course of preparation and I would be grateful if this matter may receive immediate attention.

G. T. C.
LJH.

Reply at 54

GOVERNOR.

PAL
102

DECODE.

TELEGRAM RECEIVED.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 8. 9. 48 Time: 10.40 Received 9. 9. 48 Time: 09.30.

53 No. 255. Your telegram No. 304 paragraph 6.

In confirmation of discussions during your visit to London I approve of increase of Dependencies contribution to cost of Central Administration to £10,000 repeat £10,000 per annum. This increase is to take effect from current financial year inclusive.

G.T.C.
LJH

SECRETARY OF STATE.

AT.

to sec. I have informed H.E.

L
14.5

55
A

Hanc.

noted, by.

Jan
15/9.

P.H.
16.5

EXTRACT FROM "Matters for Discussion etc. (by H.E.) at Colonial Office".

Original filed in 0762 (Official visit by H.E. the Governor to U.K.)

2.

<u>Item No.</u>	<u>S u b j e c t.</u>	<u>File No.</u>	<u>C.O. Reference.</u>	<u>Explanatory Note.</u>	<u>Action Taken.</u>
XI.	Financial Relation of Colony and Dependencies	0161	<i>46</i> Tel. No. 16 of 19.1.48	Contribution from Dependencies to Colony Revenue -- vide Memo. attached marked "B"	w.e.f. 1948. \$10,000 agreed to. <i>inc.</i>

PA inc 6/xii

25/9



Fols/46

57

88099/3/49

Falkland Islands

No. 16 Dependencies

COLONIAL OFFICE
The Church House,
Great Smith Street,
S.W.1.

3 OCT 1949

Sir,

See 44
I have the honour to acknowledge the receipt of your Dependencies despatch No. 7 of the 22nd August, dealing with certain points arising out of the 1949 Estimates.

H.M.
2. I shall be glad to be informed in due course of the action finally taken with the revenue accruing to the Dependencies from the disposal of the assets of the Discovery Committee. As you will have learnt from my telegram No. 107 FIDEP, the bulk of this money has now been transferred to the Dependencies account with the Crown Agents.

3. I note the action taken about the cost of the Governor's passage to the United Kingdom via Canada this summer.

4. I approve the arrangement proposed in the last sentence of paragraph 2 of your despatch about the cost of the passage of Mr. Gutteridge.

Good.
5. I agree that in the circumstances described in paragraph 3 of your despatch it is justifiable to provide sea passages for returning F.I.D.S. staff in vessels other than the "John Biscoe" and I approve the grant of sea passages in suitable cases of this type; I assume that air passages would not be provided save in exceptional cases on compassionate grounds or for the Secretary or Assistant Secretary of the Survey when it is necessary for them to fly to or from the United Kingdom on duty.

I have the honour to be,

Sir,

Your most obedient,
humble servant,

A. G. Gutteridge

S/7.

H.M.

22/10.

Y.H.

We are transferring £35,000 to "John Biscoe" Renewal Fund.

THE OFFICER ADMINISTERING

THE GOVERNMENT OF

FALKLAND ISLANDS

25/10

Sir Edwin Arrowsmith

copy
attached

X

When the Dependencies contribution to central funds was fixed in 1948 it was done on a rather arbitrary basis and Sir Miles Clifford was asked to let the department have a note for record purposes of the proportion of colony expenditure which was attributable to FIDS work. Much of this work was of course attributable to what is now BAT work but if you are to let me have a note to justify the £10,000 which is now being paid by South Georgia to the colony perhaps a similar exercise would be appropriate. It is possible perhaps that we were wrong in regarding the £10,000 contribution to colony funds as a South Georgia responsibility and it should, on the occasion of the separation have been split between South Georgia and the British Antarctic Territory. Perhaps a rough analysis on the lines of Sir Miles Clifford's minute would show this up. If you do not feel you have got the information to do this while you are here then of course we can wait your return in August for this but the £10,000 in the South Georgia estimates will in that case remain reserved until we hear from you.

R.G. Pettitt

(R.G. Pettitt)
1st August, 1963.

HCS

59

I did not wish to go ahead with
this while I was in London. We
must now try to put up a case.
The fact that whaling is beginning
again at S.G. shd. make the atmosphere
more favourable.

30.8.63

5860

File and back to me, please

L.G.
2.9.63

You have asked me for a note, for record purposes, of the proportion of Central Government expenditure which may reasonably be debited to Dependencies account, i.e. in justification of an increased annual contribution - now agreed at £10,000 - by the latter to the former. While it is difficult, indeed impossible, for me to produce a detailed assessment, I am satisfied that the figures quoted below are a reasonable approximation:-

Head and Service		%age	Amount £ (nearest £100)
I.	Governor's office	33 $\frac{1}{3}$	1,000
II.	Agriculture (quarantine, etc)		100
III.	Audit	33 $\frac{1}{3}$	300
V.	Customs	-	100
VIII.	Telegraph Service	33 $\frac{1}{3}$	3,000
IX.	Harbour	33 $\frac{1}{3}$	500
XII.	Medical	-	500
XIII.	Meteorological	50	300
XV.	Miscellaneous	10	900
XVI.	Naturalist	-	100
XVIII.	Police	-	100
XIX.	Post Office	12 $\frac{1}{2}$	1,000
XX and XXII	Public Works	-	1,000
XXIII	Secretariat and Treasury	33 $\frac{1}{3}$	2,000
			<u>£10,900</u>

From this total should be deducted such additional remuneration as may be decided to award to the Governor in respect of his increased responsibilities for the administration of F.I.D.S. As the Department is aware a duty allowance of £200 was approved as from 1.1.47 but this had nothing whatever to do with responsibility for F.I.D.S. and was only debited to Dependencies votes because I did not consider that the Colony could stand any more. I suggest that the allowance should be abolished and be replaced by a salary contribution; as things stand, the Governor when on leave reverts to £1,500 p.a. as the allowances go to the O.A.G., the Colonial Secretary, whose salary was increased from £800 to £1,000 in 1943 - the Governor's salary had not been increased.

6th August, 1948.

Mr (now Sir Miles) Clifford.

Send off Indents.

Staff recruitment

Staff matters, passages, accommodation

Accounts

South Georgia correspondence e.g. water supply, whaling infractions

X South Georgia legislation

Shipping

Printing of forms

Advice generally, engines, financial etc.

Stores.

Policy

Advances totalling £100,000 annually

Wharfage free.

Stamps sold at Post Office and stocks section raised.

Income tax assessments.

Free medical attention for crew of B.A. ships.

Free Treasury drafts for P.G. & Base staff.

General overall administration. A.O. 95 is required
in the position of a H.O.-D

Her L.S.,

63

As requested I have listed all the items I can think of in support of continuing the payment of £19,000 to St. George's. Separate lists for B.A.T. and South Georgia are at back cover and include those also on 62.

At

11.10.66

64

J.E.,

This is a desperately difficult matter and one could probably make equally good cases for paying as much as £20,000 or as little or nothing. It all depends upon the point of view. It is true that very little actual expenditure is incurred solely in doing things for South Georgia or B.A.T. and any attempt to assess the men have worked in any department or job for S.G. or B.A.T. would produce figures not susceptible of verification.

A.T. has put up lists at H.C. covering everything from the important to the trifling. They help to illustrate how difficult it is to express each service in terms of £.s.d. For example, as Treasurer I keep the accounts of S.G. and as Income Tax Commissioner I collect revenue for B.A.T. Part of my salary would therefore be regarded as being applied to revenue services to S.G. & B.A.T. But what about my pension, pension, subsidised house rent, education allowances for my children, family allowances, free medical treatment, use of the road, air service, broadcasting service, postal service & so on. These defy measurement, but on all part of

what I expect either in return for my services or in return for my taxes.

Some of the services that Colony offer the Dependencees and B.A.T. can be measured in terms of actual outlay or in terms of revenue if charges were raised. These include telephone rental, scholarship expense (Joan Biggs), free telegrams, wharfage, remittance, and printing. The total involved would not be high.

The real value to P.G. & B.A.T. is to be found in the existence of a central administration which is always at the disposal of P.G. and the convenience of Stanley with its harbour, jetty, shops etc for B.A.T. There are things that cannot be measured in terms of hard cash. They would be there whether P.G. or B.A.T. existed or not.

Mr. Miles Clifford's estimate at 61 attempts to say that $\frac{1}{3}$ of the Government expenditures is related to time spent on Dependencees matters, that $\frac{1}{3}$ of the Audit time is similarly spent. Perhaps he was right but I am inclined to think that the total of £10,900 was influenced by the desire to justify the payment of £10,000. Quite frankly I doubt whether any of the percentages quoted are more than spur-of-the-moment guesses. Equally frankly I admit I couldn't do any better but if it would help to solve the problem I could do a similar exercise based on current expenditure figures.

May I suggest, first, } that one try to make a

Can be reduced
to cash terms

NOT so redemptive

66

can base on the fraction of our total ^{ordinar} expenditures that £10,000 represents, i.e. $\frac{10,000}{339,000} = \frac{1}{34}$ approx, and try to support a contention that at least $\frac{1}{34}$ of our time and money is spent on things done for S.G. & B.A.T., or given in the form of free services which would otherwise attract revenue, by attaching a list such as A.T. has drawn up (probably modified to include things of genuine importance).

L.G.
15.10.63

Y.E.

67

Draft Savingsplan submitted please.

L.G.
23.10.63

F. I. ref: 0161

C. O. ref:

Noted
64 19/12/64

68

SAVING TELEGRAM.

From: The Officer Administering the Government of the Falkland Islands.

To: The Secretary of State for the Colonies.

Date: 24th October, 1963.

No. 158 SAVING. COLONY

South Georgia Annual Contribution to Central Administration,
£10,000.

This matter was raised during my visit to Britain in July of this year and I undertook to put up a case showing that the continued payment was justified.

361 The annual contribution was raised to £10,000 in 1948 and was presumably based on a note submitted by Sir Miles Clifford on the 6th of August, 1948, in which he attempted to show that by taking certain percentages of the total expenditure of the departments mainly concerned with Dependencies affairs a case could be made that the upward review was necessary. Sir Miles Clifford qualified his findings by saying that "it is difficult, indeed impossible, for me to produce a detailed assessment...". Some of the figures he gave would now be open to doubt because of the changed circumstances. The Telegraph Service, for example, does considerably less for BAT than it did for the Dependencies Survey in 1948 when the Survey had no wireless station of its own. It would not be difficult to find other changes in the statement put up by Sir Miles Clifford, but if I were to attempt to justify the continued payment of the annual contribution by the same means I doubt whether the result would be any more reliable.

The problem, as I see it, is to attempt a valuation of the use made of the Colony administration by South Georgia and BAT, and of the facilities available in Stanley by BAS. Neither of these can be obtained by reference to accounting records nor by doing mathematical calculations. As an alternative to the method applied by Sir Miles Clifford, I suggest that a better means of measuring the combined value of the Colony service and installations to South Georgia and BAT might be to list the more important ones, and then attempt an appreciation aimed at establishing whether or not these services and installations are reasonably claimed to be worth 1/34th of the Colony's annual recurrent expenditure (approximately £340,000 for 1963/64).

It is possible to measure some of the services that South Georgia and BAT enjoy by means of the revenue that would be collected were the services charged for. These include wharfage, telephone rental, medical fees, Stanley rates, printing, currency transfers and customs services, but the total amount involved would be considerably short of £10,000. The value to South Georgia and in a lesser degree to BAT lies in the availability of a central administration with its Secretariat, Treasury, Medical Department, Post Office, Wireless Station, Customs Department, etc., and the value to BAS lies in the very existence of Stanley as an advanced base for its southern operations.

70+71 Following the separation of South Georgia and the British Antarctic Territory there is perhaps a case for splitting the contribution between these two administrations. From the lists which accompany this savingram some idea will be obtained of the relative value that each receives and the balance I would say is weighted for South Georgia to bear the greater amount. I make this distinction simply because there are more things done, physically, for South Georgia than for BAT but I must emphasise (as I have tried to do from the outset) that the problem which we are trying to solve is made the more difficult because it involves so much that is not accountable for by physical means. It is almost as difficult as trying to calculate the value in cash of the Headquarters Administration in an African Colony to two of the districts.

Page 2

Although there is a case for splitting the £10,000 between South Georgia and the BAT, I am reluctant to take any steps which would have the effect of reducing the ceiling imposed on expenditure of the BAS in the Territory. I understand that a decision has been made that should South Georgia once again become solvent any excess of revenue over expenditure would be used to reduce the amount of the grant-in-aid to BAT, and since there is now some chance of this if the Japanese whaling ventures are successful, I suggest that South Georgia should continue to bear the whole cost of the subvention to the Falkland Islands Government.

I think we want to keep things as simple as possible. BAT was created largely for political reasons, but for practical purposes there is little difference from the time when the Territory was a Dependency of the Falkland Islands. Both South Georgia and BAT are at present grant-aided and whether HMG pays a subvention to the Falkland Islands Government from its South Georgia pocket or splits it between its South Georgia and BAT pocket does not seem to make much difference. We could also get involved in the further problem of the services rendered by BAT to South Georgia and vice versa.

In 1943, when the subvention from South Georgia was increased to £10,000 it amounted to approximately 1/10th of the ordinary expenditure of the Colony. Now it represents but 1/34th of the cost of the Colony services from which South Georgia and BAT benefit. I do not regard this as excessive.

GOVERNOR

LCG/FH

70

SOUTH GEORGIA

1. ✓ A share in the upkeep of Government House including staff, passages and provision for pensions, probably in the same ratio to the total cost as the salary of the Governor from South Georgia bears to his whole salary from the Colony, South Georgia and BAT. ✓
2. ? Part of the cost of the Audit Department, including passages and provision for pensions. X
3. ? Part of the cost of the Customs Department including passages and provision for pensions. X
4. ? Free provision of School materials for children at South Georgia; availability of schooling facilities in Stanley, and the (actual) award of an oversea scholarship at Colony expense to a child whose parents are serving at South Georgia. X
5. ✓ Medical treatment as for Government (Colony) officers. ✓
6. ✓ Part of the cost of maintaining houses and offices where Colony officers, who are engaged upon South Georgia work, live and work. This would be proportionate to the time worked by these officers. ✓
7. ✓ Part of the cost of passages, and provision for ultimate pensions, of Colony officers whose services are partly taken up by South Georgia work. This would be proportionate to the time worked by these officers. ✓
8. ✓ Broadcast programmes, including special programme for South Georgia. ✓
9. ? Post Office - sale of stamps; free telegram service; free accounting service. Part of the cost of the Post Office staff and W/T staff, including passages and provision for pensions. Part of the mail contract. ✓
10. ✓ Part of the cost of the Secretariat, proportionate to the number of hours worked on South Georgia business by the Colonial Secretary and his staff. ✓
11. ? Printing. ✓
12. ✓ Part of the cost of the Treasury and Income Tax Office proportionate to the hours worked on South Georgia business by the Colonial Treasurer and his staff. ✓
13. ✓ Use of the Treasury strong room. ✓
14. ✓ Commission-free drafts for personnel. ✓
15. ? Interest free loans from Colony funds for local cash float. ✓
16. ? Family allowances. ✓
17. ? Part of the cost of the Registrar, Supreme Court and his staff. ✓

71

BRITISH ANTARCTIC TERRITORY

1. ✓ A share in the upkeep of Government House, probably in the same ratio to the total cost as the High Commissioner's salary bears to his total from the Colony, South Georgia and BAT.
2. ✓ Part of the cost of the Audit Department, including passages and provision for pensions.
3. ✓ Wharfage for "John Biscoe" and "Shackleton".
4. ✓ Customs and Shipping Masters services.
5. ✓ Medical treatment as for Government (Colony) officers.
6. ✓ Stanley rates on property owned by BAT. These are paid by the Colony.
7. ✓ Part of the cost of maintaining houses and offices where Colony officers engaged on BAT work, live and work.
8. ✓ Telephone rentals (supplied free).
9. ✓ Police services.
10. ✓ Broadcasting service, including special programme for BAT Bases.
11. ✓ Post Office - part of mail contract; sale of stamps; ~~free telegram service.~~
12. ✓ Free printing of forms, stationery etc., including supply of paper.
13. ✓ Part of the salaries of the Income Tax Commissioner and staff.
14. ✓ Use of Treasury strong room.
15. ✓ Commission-free ~~rate~~ ^{unwritten} for personnel.
16. ✓ Interest free loan from Colony funds for local cash float.
17. ✓ ~~Family allowances.~~
18. ✓ Part of the salary of the Registrar, Supreme Court and his staff.

BP annexed CS.
30/12.63
See SI
6/1
BW 15.5.64
Pa

D/6/59/E

4972

11th November, 64.

To: Colonial Treasurer,
From: Colonial Secretary,
STANLEY.

South Georgia payment to Colony funds.

When you were discussing South Georgia finances with the Governor the question of the £10,000 came up.

The Governor has asked that all necessary files be sent to him when he comes back from South Georgia and when you go up to have your next discussion with him (which I believe has been laid on) it would be a good time for you to take those files. Please note.

If you are not going up to see him again let me have the files.

(Sgd.) W. H. Thompson

COLONIAL SECRETARY.

W.H.T.

fa

WHT/TB.

MEMORANDUM.

Circular No. 4/65.

5th November, 1965.

Ref:- 49.

To: The Colonial Treasurer.

From: The Registrar

Stanley.

Supreme Court.

SUBJECT: Free or assisted services performed
by Government Departments.

The following services are rendered by this Department without charge:

- (a) Completing practically all estate duty forms (petition, affidavit, bond and administration account).
- (b) Drafting Wills for members of the public.
- (c) Drafting and/or completing various legal documents for use both in the Colony and abroad.
- (d) Legal advice to persons, firms and organisations.

Fees considered to be inadequate:

Certified copies of birth, death and marriage registrations now stand at 2/6 each whereas the English fee has been raised to 3/6 each.

Considerable increases in fees payable under the Administration of Estates Rules and the Supreme Court Rules have been or are about to be brought into operation.

H. Bennett

Registrar.

74

No. _____

MEMORANDUM

It is requested that, in any reference to this memorandum the above number and date should be quoted.

10th MAY 19 66.

From:- Supt. Power & Electrical Dept.

To:- The Colonial Treasurer,

Treasury,

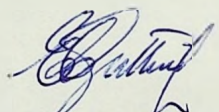
Stanley, Falkland Islands.

STANLEY.

SUBJECT:-

Services B.A.S. and South Georgia.

With reference to your Circular No. 5/66 Ref.-49.
dated 5th May 1966. I have enclosed statement as requested.


Supt. Power & Electrical
Department.

Ref.

75
POWER & ELECTRICAL DEPARTMENT,

STANLEY,

FALKLAND ISLANDS.

10th May 1966.

Statement showing Services etc. given to B.A.S. AND
Administration South Georgia.

a) Services to B.A.S. given free.

Labour in wiring and maintaining electrical circuits
and installation in STANLEY.

a) Services to South Georgia Administration.

Occassional visit by senior member of Department,
advisory capacity. To date, undertaken by Head of
Department. This year by Senior Electrician.

b) Estimated annual Revenue B.A.S. £50 - £100.

b) Estimated annual Revenue South Georgia Administration
£50 per visit plus passage.

It is requested that, in any reference to this memorandum the above number and date shall be quoted.

MEMORANDUM

11th May, 19 66

Colonial Treasurer.

From S.M.O.

Stanley, Falkland Islands.

SUBJECT:-

Services to R.A.S. and South Georgia.

a) Services to R.A.S.

1. Stanley-based R.A.S.

- 1) Free consultations and medicine.
- 2) Free visits.
- 3) In hospital, board, operations, maternity fees, X-Ray examinations at half rate.

11. Antarctic or ship-based R.A.S.

- 1) Free consultations and medicine.
- 2) Free visits to ship.
- 3) In hospital, everything free (by order of the Governor)
- 4) Free R/T consultations.

XX Services to South Georgia.

For Government-employed personnel and their dependants whilst in Stanley:

- 1) Free consultations and medicine
- 2) Free visits.
- 3) In hospital, board, operations, maternity fees, X-Ray examinations at half rate.

b) I have no total cost of the services rendered to R.A.S. personnel in the course of the year. But, at a guess, I would not think it higher than £20 per annum.

As regards South Georgia personnel, I can think of only two who have been treated in hospital here -

Basil Biggs. Board and operation £9.10.0, reduced by 50%

Michael O'Farrell. Now in hospital almost 13 weeks at £3.3.0 per week.

By the time he is discharged from hospital, his bill will amount to almost £50, which will be reduced by 50% (Government servant)

Alfred Jones

C. S.

I am not familiar with N.E.R.C., B.A.T., or B.A.S. Estimates but somewhere presumably in B.A.S. Estimates a section will be included for the expenditure of the South Georgia Scientific Base and the grant from H.M.G. to be paid through the Commonwealth Office to N.E.R.C.

South Georgia Estimates presumably will continue as at present.*

1969/70 will include :-

Expenditure

Running expenses up to November 1969
Homeward passages for the staff
Leave salaries
Pensions and gratuities
Colony Contribution £10,000
etc.

Revenue

All South Georgia Revenue
Grant from H.M.G.

After 1969/70

All revenue and the few recurring items of expenditure :-

Pensions
Court of appeal contribution
H. E's allowance
Colony Contribution £10,000
etc.

cd

9.9.68.

C.S. Noted. I agree with C.T.

Plans have placed on file and go
again after outward mail of 20/9/68

10/9

dc fa
agm

By 2.9.69

Gibraltar and South Atlantic Dept.,
Foreign and Commonwealth Office,
LONDON, S.W.1. 78

23rd January 1969.

*Original filed
in "Future of South Georgia"*

Vu 68 m 0161

Dear Sir Cosmo,

SOUTH GEORGIA

Would you please refer to your letter of 11th September about the future of South Georgia.

2. Since the receipt of your letter we have had some local correspondence, culminating earlier this month in a meeting at NERC with the Treasury and Sir Vivian Fuchs, to determine the financial provision for South Georgia for the financial year 1969/70. It was agreed that it will be necessary to provide further grant-in-aid to meet South Georgia's net requirements from 1st July 1969 until November 1969 when, as agreed between yourself and Sir Vivian Fuchs, the administration of the Island will be taken over by the British Antarctic Survey. *on the spot*

3. Based on the estimates given in your Telegrams Nos. 228 and 272, we are providing in the Foreign and Commonwealth Services votes the sum of £19,200, representing your estimated requirement of grant-in-aid for the period mentioned and including an amount of £4,700 to meet the estimated cost of terminal leave payments and passages for the administration staff. In addition, the sum of £25,000, mentioned in paragraph 2 of my letter of 3rd July 1968, has been included in the vote as an agreed contribution to NERC, payable after 1st November 1969. Incidentally, these negotiations took into account the Dependency's requirement for grant-in-aid for 1968/69 and our approval of the estimates for this year, which we are telegraphing separately, was necessarily delayed on this account.

4. We await a letter from you containing your proposals for the estimates for 1969/70 and detailed administrative and financial arrangements thereafter. Amongst the matters to be considered is the question of South Georgia's annual contribution of £10,000 to the Colony "for services rendered". You will doubtless be considering the need to continue this payment in the light of the new arrangements, and we should be grateful if you would let us know your thoughts on this. I ought perhaps to mention here that there will of course be no question of grant-in-aid from 1970/71, since the financing of a presence in South Georgia will be covered by the contributions to NERC mentioned in para. 2 of my letter of 3rd July.

5. With regard to the arrangements for the preparation of the South Georgia estimates and the handling of the accounts, it would seem to us desirable that these should continue to be undertaken in the Falklands as at present.

79

6. With regard to the buildings, plant and equipment required by BAS, presumably the terms of occupation of the buildings and transfer of the items of equipment will be agreed between yourself and BAS. With reference to your letter, I confirm that the buildings, etc., do, of course, remain the property of FID. It has been suggested that in respect of the equipment which might be transferred to BAS on permanent loan or indefinite loan it might be advisable to make the transfer subject to periodic review in order to allow for the possible revaluation of these assets which have to be noted annually on NERC's accounts.

*Eng and
valuation*

7. It would I believe be helpful if the details of the arrangements made to effect the change-over could be set out in a Memorandum for the benefit of all of the parties concerned. If you agree I should be grateful if you would arrange to let us have a draft.

8. I should be glad to receive your proposals and comments on these matters as soon as convenient to you.

9. I am sending a copy of this letter to Sir Vivian Fuchs.

Yours sincerely,

John

(A. St. J. Sugg)

Sir Cosmo Haskard, KCMG, MBE,
Stanley,
Falkland Islands.

Bu 7.4.69
(to C.S.)
4a

RRB.

80

SOUTH GEORGIA.

When South Georgia is staffed by B.A.S. personnel the various things that Colony claims to do for B.A.S. will apply to South Georgia. The degree of assistance to B.A.S. will therefore increase but the assistance to South Georgia as a Dependency will almost disappear. There seems to be no case for the continued "contribution to the Central Administration" in respect of South Georgia but a charge for accountancy and such administrative work as may arise would be acceptable to F.C.O. This work, though small, could be performed by several departments. It is suggested that the annual rate be linked to something tangible, i.e. the ceiling of the Clerks salary scale (P) which at present is £760.

copied to H.C.

SL

22/7/69

BRITISH ANTARCTIC SURVEY.

81

1. A share of the upkeep of Government House, and recognition of the fact that if he were not the Governor of the Colony the High Commissioner would need rather more in the way of salary.
2. Recognition of the services, small though they are, rendered by -
Colonial Secretary
Colonial Treasurer
Registrar
Income Tax Commissioner,
including things not represented by salaries.
3. Sale of stamps through Post Office (Crown Agents charge 10%) and facilities for bulk storage of stamps. (as at p. 62)
4. Services of Head Printer and his staff, including free supply of paper for forms etc. (as at p. 62) ~~and B.A.S. cigarettes~~
5. Medical Treatment for all B.A.S. personnel free to the same extent as Colony staff. (as at p. 62)
6. Free services of Shipping Master and Collector of Customs. (as at p. 62)
7. Broadcasting facilities (special programmes for bases) (as at p. 62)
8. The mail contract, insofar as B.A.S. mail is concerned. (as at p. 62)
9. Commission free drafts on Crown Agents. (as at p. 62)
10. Interest free advances from Colony funds for local cash float. (as at p. 62)
11. Free wharfage for B.A.S. Ships. (as at p. 62)
12. Stanley rates and water rates ~~xxxx~~ on B.A.S. property paid by the Colony. (as at p. 62)
13. Free telephone service. (as at p. 62)
14. Police services, especially for B.A.S. ships. (as at p. 62)
15. Free land rent for BAS buildings (Offices, Warehouses)

1. Carriage of Mails.
2. Carriage of freight, mainly for G.H.
3. Occasional passenger services, *usually on payment, except for London*
4. Services of professional staff, i.e. surveyors, vets, etc.

Copied to H.E.
See.
22/7/69

COPY

Gibraltar and South Atlantic Department,
Foreign and Commonwealth Office,
London, S.W.1.

(HEF 1/1)

6 May, 1969.

Dear Sir Cosmo,

South Georgia

I am replying to your letter of 20 February about the future of South Georgia, and I am simultaneously dealing with the points raised in Thompson's letter of 8 April to me on the same subject.

2. When we have had an opportunity to study the 1969/70 South Georgia estimates we shall have a clearer impression of the need or otherwise to provide additional funds to meet recurrent expenditure from that year onwards. Whilst the Treasury may well raise difficulties about a grant-in-aid in addition to the Foreign & Commonwealth Office contributions made to N.E.R.C., we might propose to them, if you agree, and assuming that it is necessary, that any small deficiencies arising should be met from surpluses in the B.A.T. accounts. This is, I think, more reasonable than it appears at first sight because South Georgia did, as you know, partially finance Britain's scientific effort in the Antarctic and it would seem reasonable now that both B.A.T. and South Georgia are in fact manned by B.A.S. staff that there should be some financial flexibility between the two territories.

3. I note that Stanley will continue to handle the Dependency's accounts after the change of management and assume that the suitable charge for this will appear in the estimates. As regards the annual payment of £10,000 previously made by the Dependency to the Falkland Islands Government, this will presumably not be shown and accordingly you may wish to consider with Sir Vivian Fuchs whether any other arrangement is necessary to reimburse the Falkland Islands Government for any facilities which they may provide for the Survey from 1969/70.

4. The administrative arrangements proposed in Thompson's letter to wind up the affairs of the present "on the spot" Administration seem satisfactory and will not I trust present any serious problems for B.A.S. With regard to the valuation of the equipment transferred to B.A.S. on indefinite loan, we have further discussed the question with N.E.R.C. and it now transpires that it will only be necessary to determine a value at the date of hand-over. These assets will not have to be noted in N.E.R.C.'s accounts after 1969/70 as we were originally led to believe, and accordingly there will be no need for the periodic revaluations mentioned in paragraph 6 of my letter of 23 January. It will, I hope, not be too difficult for their value to be (broadly) assessed taking into account the original cost, present condition and future life. It will be helpful, too, for N.E.R.C. to have a valuation in respect of the buildings which B.A.S. will occupy. The actual cost of the main buildings is known and it possibly could be assumed for the purpose of this exercise that increased costs of building since the buildings were completed about equal depreciation which has occurred since then?

5. I am sending a copy of this letter to Sir Vivian Fuchs.

(signed) A. St.J. Sugg

*Copied C.S.
C.T.*

Original at G.H. with file.

*C.S. For Attention on Saturday 14th when
C.T. will be at 10 am 14/5/68 81A*

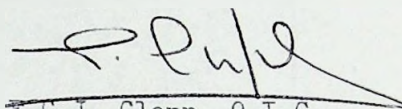
81 B

27th May, 1969

Y/E.

For your interest.

During year 1968 the Survey paid out to Local Traders, local salaries, advances to B.A.S. personnel for local purchases. F.I.G. reimbursements for stores, O.A.P. etc the total of £67,201. 1. 10 $\frac{1}{2}$.



E.C.J. Clapp, O.I.C.,
British Antarctic Survey, Stanley.

CS ^{17/19/5}

CT f.y.i + return please

ln 28/5-

✓ L.C.

31/5/69

C.T. P. 80-1. Thank you. I am glad to see that my manuscript notes (from the hand of one with very little experience of local conditions) were not entirely useless.

2 Your proposal for the basis of a charge put forward at p. 80 is novel. It might be worth considering adding supervision to it & calling it, as a whole, 1/365th of our expenditure at 1969/70 figures, that is, £1,300 p.a. (rounded off).

3 P. 81 represents the 'bargaining' element, as to some of which (I refer to the left-hand column) it could possibly be argued that individuals pay a contribution by way of personal tax (or indirect tax) to the organisation, however.

4 Let us have an early discussion with a view to clarifying our own minds before I put the matter up to H.E. Would 1400 hours on Thursday, be okay, but you?

P. 7 9/7

Y.E.

will recall your manuscript minute which is clipped to i.b.c. of file, about producing a balance sheet showing the services which it is expected that the Colony will provide for South Georgia and B.A.T. when we cease to be directly responsible for the former.

2. You mentioned earlier papers on the same subject and these are to be found between pages 61 - 71 of the file.

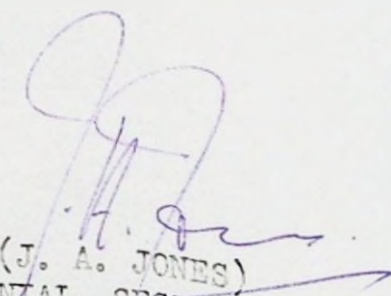
3. In consultation with the Treasurer p.p. 80 - 81 have been produced. Our thinking is that what we can expect to receive from South Georgia will be in respect of accountancy charges and C.T. makes a useful suggestion for reaching a specific figure for this, vide the foot of page 80, ~~the~~ suggestion which has the virtue that revision of the figure will depend on alterations in the salary of the post concerned and would not therefore need to be re-negotiated at intervals.

4. P. 81 endeavours to list the services which we shall provide for B.A.T. and they for us. In accordance with your minute the balance sheet/...

83

sheet in question is presented in general terms but it should not, we feel, be too difficult to arrive at a figure in respect of the left hand side of p. 81. The suggestion which comes immediately to mind is that the figure would be expressed as a percentage of the combined annual expenditure of the Departments involved based on the computed number of days in the year which were spent on providing services for B.A.T. Such a figure also could be annually adjusted according to whether Colony's expenditure of the Departments concerned increased or decreased and this also would not need to be continually re-negotiated.

5. You will wish to discuss with us further. Meanwhile, in general terms, I do not think that C.T.'s earlier minute at p.p. 64 - 66 can be bettered as a statement of the difficulty of establishing finality in a matter of this nature.


(J. A. JONES)
COLONIAL SECRETARY

// July, 1969.
0161

SC

CS. Thank you.

FN attention CS/CT/self before
1 go.

SW 19/7

pp. 82-83 copied
to HK. SW. 22/7/69.

C. T. In the event HK's proposal in above minute was not carried out. I asked him if he would agree to take the pp. (80-3) with him on leave; & this will be done. M. J. a here at present. However, I shall Bk the file for a date late in August after "Towers" is back from Montserrat.

BU 28/8 M 25/7

M 23/7

22/7/69

84

C.T.

From p. 82. You will recall that this matter was discussed by us, but not with the Governor as, in the event, there was no time to do so. Mention at foot p. 83 refer.

2 The file has been B.U. in case something in this matter comes in by "Forrest", though it is unlikely, I should think. However, if anything does come in I shall be glad if you will deal initially.

J/25/8
(issued 22.9.69)

B.U.

18/10/69

Y.E.

mentioned to me in brief discussion on Monday, 20th October, that you had been able to represent to H.M.G. a formula which might result in our being able to retain a substantial proportion of the £10,000 p.a. which South Georgia has hitherto contributed to our revenues. Do you wish to record anything on the subject for the file?

J.A.J.
21/10/69

JML

CS. I shall NOT attempt to provide anything for FCO by this mail. File back to me please on 8/11/69.

ALS. Pl. arr. to pass to H.E. on 8/11.

4/11/69
8.11.69
J/4/1
B.C.

DECODE.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 23/12/69

Time:

Received: 23/12/69 Time:

No. 172

Cost of services provided by Colony to BAS and South Georgia administration. In discussions you had with us in August you said that you would let us have further details about these services and their estimated costs (currently assessed at £10000 (£10000) per annum in respect of South Georgia) this information is now urgently required in connection with the examination of the draft 1969/70 BAT and South Georgia estimates submitted with despatch No. BAT 7 of 1969 and South Georgia Despatch No. 6 of 1969.

2. Please telegraph.

P/L : SJS

*Please bring in despatch
in afternoon*

WJ/1

See 95.

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 31/12/69

Time :

Received :

Time

No. 207

Yourtel 172 Colony services to BAT and South Georgia delay
much regretted further telegram follows shortly.

P/L : SJS

86

W
1/1

C.S./C.T.

F.C.O. are pressing me - not without reason on their part - to make some progress with providing details of the services which the Falkland Islands provide to South Georgia and to B.A.T. (B.A.S.)

C.S. will be in court on Friday 2nd January but I should be glad if C.T. could come to see me at any time on the morning of that day.

It may be necessary to ask both of you to come together on Saturday 3rd.

C.T. might wish to refresh his memory from the attached file 0161.

JS 1/1/70

Dictated by H.E. and signed in his absence

C.T. I have kept one copy for myself.

JS

CS
CT.

We are meeting at 3.30 pm today. Please feminise and deal savagely with attached draft - one copy for each of you.

JS

5/1

DRAFT

Plain language telegram to S of S.

Original sent to BAS 58
for them to dispatch on 6/11 J

No:..... Yourtel 172 of 23 December Stop Services provided by Colony to BAT and South Georgia Stop Apologies for time taken in answering/ Stop Services rendered are no less difficult to express in monetary terms now than they were ~~W~~ in my Saving 158 of 24 October 1963 Stop Value of Colony to all these outlying territories lies largely in availability of central administration and forward base for operations without which all southern activities would be significantly more costly. Paragraph

2 For constitutional reasons it remains necessary to draw administrative distinction between South Georgia and BAT but since November 1969 services provided have become similar. Stop Among benefits provided free by Colony are carriage of mail as far south as Stanley bracket annual mail contract can cost Colony as much as £48,000 bracket comma commission free sale of stamps in contrast to Crown Agents charge of 10% comma vault storage of bulk stamp supplies comma interest free advances from Colony funds for local cash float which cumulatively can amount to as much as £40,000 at any one time comma commission free drafts on Crown Agents comma freedom from land rents and town council rates comma free wharriage comma free telephones comma electricity at subsidised rates comma medical treatment at preferential rates as for Colony Government staff comma services of senior medical officer dental surgeon shipping master registrar of supreme court income tax commissioner and police. Paragraph.

3 Administrative reorganisation at South Georgia took place on 15 November 1969 Stop Prior to that date position was unaltered and I suggest^{that} in interests of simplicity the customary contribution of £10,000 be paid in respect of the current financial year Stop For 1970/71 I suggest that in ~~the~~ absence of ready means of expressing each service in terms of cash the following formula be adopted: Colon For South Georgia an annual contribution equivalent to one day's estimated Colony recurrent expenditure based on the previous year's published estimates figure semi colon thus for Colony financial year 1970/71 the contribution would be

8,320 Stop For BAT/^acontribution equivalent to one week's estimated Colony recurrent expenditure ^{which} on same basis would be £9,230 Paragraph

4 I am sending this telegram through BAs with request for Sir Vivian Fuchs' comments.

Haskard

Y.E.

I have no comment. C.T. has
 suggested one addition which, too much, I
 suggest would be better kept in reserve
 as ammunition to counter any adverse reaction

2. When asking B.H. for a copy of the
 communication which is to be sent too
 him network Y.E. may wish to ask for an
 extra copy for J.D. 6/59/5 at. below?

J.D.

Cs

X/- to be kept in reserve.
 Slip is attached.

Copies of telegram will
 be sent to you. L.A.
 6/1/57.

how about adding at an appropriate point. —

... and BPS will no doubt seek
to retain their immunity from
rating by Town Council.

91

Draft signal to Sir Vivian Fuchs via BAS Stanley

92

X//70 Fuchs/Highcoma. As you are aware South Georgia has hitherto made annual contribution of ten thousand pounds to Colony in respect of services provided. This sum included an element in respect of ~~BAT~~/BAS but for historical and accounting reasons no attempt was made to apportion it. ~~xxx~~

In connexion with examination in FCO of South Georgia and BAT estimates for 1969/70 I have been asked to telegraph without delay details of services and proposals for the future.

I am sure that you will agree that it is important both to BAS and to Colony to avoid situation wherein BAS and Colony start charging each other for every detailed service. I consider that for 1969/70 South Georgia should contribute the customary *as already estimated.* ten thousand. Arrangements hereafter can be the subject of further consideration.

I should be grateful if you could ^{have} ~~pass~~ the following telegram ~~xxx~~ passed to Sugg and follow it up with your comments both to him and to me.

Draft signal to Sir Vivian Fuchs via BAS Stanley

92

X//70 Fuchs/Highcoma. As you are aware South Georgia has hitherto made annual contribution of ten thousand pounds to Colony in respect of services provided. This sum included an element in respect of ~~BAT~~/BAS but for historical and accounting reasons no attempt was made to apportion it. ~~and~~

In connexion with examination in FCO of South Georgia and BAT estimates for 1969/70 I have been asked to telegraph without delay details of services and proposals for the future.

I am sure that you will agree that it is important both to BAS and to Colony to avoid situation wherein BAS and Colony start charging each other for every detailed service. I consider that for 1969/70 South Georgia should contribute the customary ten thousand. Arrangements hereafter can be the subject of further consideration.

I should be grateful if you could ^{have} ~~pass~~ the following telegram ~~xxxxxx~~ passed to Sugg and follow it up with your comments both to him and to me.

Fm Stanley Office
To London H.Q.

X/023/70 Fuchs/Highcoma. As you are aware South Georgia has hitherto made annual contribution of ten thousand pounds to Colony in respect of Services provided. This sum included an element in respect of BAT/BAS but for historical and accounting reasons no attempt was made to apportion it.

In connexion with examination in FCO of South Georgia and BAT estimates for 1969/70 I have been asked to telegraph without delay details of services and proposals for the future.

I am sure that you will agree that it is important both to BAS and to Colony to avoid situation wherein BAS and Colony start charging each other for every detailed service. I consider that for 1969/70 South Georgia should contribute the customary ten thousand as already estimated. Arrangements thereafter can be the subject of further consideration.

I should be grateful if you could have the following passed to Sugg and follow it up with your comments both to him and me.

Quote addressed FCO telegram number 7 of 7th January following from Haskard for Sugg Yourtel 172 of 23 December. Services provided by Colony to BAT and South Georgia Stop Apologies for time taken in answering Stop Services rendered are no less difficult to express in monetary terms now than they were in my Saving 158 of 24 October 1963 Stop Value of Colony to all these outlying territories lies largely in availability of central administration and forward base for operations without which all southern activities would be significantly more costly.

For constitutional reasons it remains necessary to draw administrative distinction between South Georgia and BAT but since November 1969 services provided have become similar. Among benefits provided free by Colony are carriage of mail between Montevideo and Stanley by Darwin and between England and Stanley by A.E.S. (annual mail contract can cost Colony as much as £48,000.), commission free sale of stamps in contrast to Crown Agents charge of 10%, vault storage of bulk stamp supplies, interest free advances from Colony funds for local cash float which cumulatively can amount to as much as £40,000 at any one time, commission free drafts on Crown Agents, freedom from land rents and town council rates, free wharfage, free telephones, electricity at subsidised rates, medical

Cont/....

94

treatment at preferential rates as for Colony Government staff, services of Senior Medical Officer, Dental Surgeon, Shipping Master, Registrar of Supreme Court, Income Tax Commissioner and Police.

Administrative reorganisation at South Georgia took place on 13 November 1969. Prior to that date position was unaltered and I suggest that in interests of simplicity the customary contribution of £10,000 be paid in respect of the current financial year. For 1970/71 I suggest that in absence of ready means of expressing each service in terms of cash the following formula be adopted: for South Georgia an annual contribution equivalent to one day's estimated Colony recurrent expenditure based on the previous year's published estimates figure; thus for Colony financial year 1970/71 the contribution would be £1,320. For BAT a contribution equivalent to one week's estimated Colony recurrent expenditure which on same basis would be £9,230.

I am sending this signal through BAS with request for Sir Vivian Fuch's comments. Unquote .

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 7.1.70

Time :

Received :

Time :

NO. 6.

Your telegram 172 of 23rd December services by Colony to BAF and South Georgia. Please see my telegram 7 of today's date sent via Director BAS

Maskard

P/L : ARA

COPIES : H.E.

0161 .

D/6/59/J

D/2/65.

Y.E.

? Has had a further communication on this subject from F.C.O.

12/2

Pls. Please see (96) onwards.

13/2

Pls 12/2

95

(13)

H.E.

GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

SENT

95A.

WAP 15142—821 584578/790938 500 pds 12/68 Grp.782

Number	Office of Origin	Words	Handed in at	Date
	Stanley			15.1.70
To				
	LTF PRODRONE LONDON SW1			hoa/c

Unnumbered mytel 7 of 7th January was passed through British Antarctic
Survey London Office

Haskard

P.S. Surely we did something similar from SA?

Time

Y.E. Yes, at a later date. This was the ^{1st} 17/2
first query answered 8/2, 17/2

DECODE.

TELEGRAM SENT.

66 96
28/1

From SECRETARY OF STATE to GOVERNOR

Despatched: 19/1/70

Time :

Received : 19/1/70

Time :

No. 11

PRIORITY

95A.

Your unnumbered telegram of 15th January British Antarctic Survey do not appear to have your telegram No. 7 please repeat to F.C.O. quoting this number in your reply.

(93)

P/L : SJS

96A



A

085/70 R 1345Z 15/1/70
FROM LONDON
TO STANLEY

(93)
AS/164/8 X/023/70 HIGHCOMA/FUCHS HAVE DISCUSSED AT LENGTH
WITH SUGG WHO WILL BE SENDING MESSAGE VIA THIS LINK. HAVE TRIED
TO HELP BUT THERE ARE PROBLEMS FOR US ALL FROM 1970/71 ONWARDS.
VEF/BEC

DECODE.

TELEGRAM SENT.

97
W
23/1

From GOVERNOR to SECRETARY OF STATE

Despatched: 20/1/70 Time: Received: Time

No. 13

PRIORITY

(96)

Yourtel eleven British Antarctic Survey acknowledged mytel number seven of 7th January in their signal AS/164/8 X/023/70 of 15th January to me.

(96A)

P/L : SJS

0111/70 PRIORITY 1137Z 21/1/70
FROM LONDON
TO STANLEY

AS/164/8 HIGHCOMA/SUGG YOUR SIGNAL X/023/70 FUCHS/HIGHCOMA.
SERVICES PROVIDED BY COLONY TO BAT AND SOUTH GEORGIA.

2. I HAVE DISCUSSED THE CONTENTS OF YOUR SIGNAL WITH SIR VIVIAN FUCHS AND OFFER THE FOLLOWING SUGGESTIONS FOR CONSIDERATION.

3. CURRENT FINANCIAL YEAR 1969/70. WE NOTE YOUR PROPOSAL THAT THE CONTRIBUTIONS OF £10,000 TO COLONY FUNDS SHOULD STAND. WE SUGGEST THAT THE SOUTH GEORGIA ACCOUNT SHOULD BEAR A PRO RATA PROPORTION OF THIS AMOUNT FOR THE PERIOD 1.7.69 TO 13.11.69 AND THAT THE BALANCE BE MET FROM THE BAT ACCOUNT, THE CONTRIBUTIONS TO BAS ON THE LATTER ACCOUNT BEING REDUCED ACCORDINGLY. ON THIS BASIS THE FOLLOWING ADJUSTMENTS WOULD BE MADE TO THE RESPECTIVE ESTIMATES FOR 1969/70.

(A) SOUTH GEORGIA. EXPENDITURE, OTHER CHARGES, ITEM 9, 4TH COLUMN, DELETE £10,000 INSERT £3,827. ESTIMATED REVENUE £11,800 AS PUBLISHED, REVISED ESTIMATED EXPENDITURE £16,917, REVISED ESTIMATED DEFICIT £5,117. THE REVISED DEFICIT WOULD BE MET FROM ESTIMATED SURPLUS OF £2,509 AT 30/6/69 AND ESTIMATED GRANT IN AID REQUIREMENT OF £2,608.

(B) BAT EXPENDITURE, ITEM B7, 4TH COLUMN, DELETE £8,884 INSERT £2,711. ADD NEW ITEM B10 CONTRIBUTION TO COLONY FUNDS, £6,173. THE SUMMARY REMAINS UNCHANGED.

4. SIR VIVIAN IS AGREEABLE TO THIS ARRANGEMENT AND I SHOULD BE GRATEFUL FOR YOUR EARLY VIEWS IN ORDER THAT I MAY AMEND THE ESTIMATES AND SEND A SUBSTANTIVE REPLY TO YOUR DESPATCHES.

5. SIR VIVIAN AND I DISCUSSED THE VALUE OF THE SERVICES ENUMERATED BY YOU TO FIND A BASIS FOR AN EQUITABLE ARRANGEMENT FOR 1970/71 ONWARDS AND OUR VIEWS WILL FOLLOW BY LETTER.

VEF/AM

YIE-

all mem. being referred

80/2
21-1-70

O/c. This looks all right to me. I shall be phoning to Treasurer on his return to Stanley on Monday. Meanwhile any snags then by you please.

W 23/1/70

*For clean copy
see (99)*

0111/70 PRIORITY 1137Z 21/1/70
FROM LONDON TO STANLEY

AS/164/8 HIGHCOMA/SUGG YOUR SIGNAL X/023/70 FUCHS/HIGHCOMA.

SERVICES PROVIDED BY COLONY TO B.A.T. AND SOUTH GEORGIA.

2. I have discussed the contents of your signal with Sir Vivian Fuchs and offer the following suggestions for consideration.

3. Current financial year 1969/70. We note your proposal that the contributions of £10,000 to Colony funds should stand. We suggest that the South Georgia account should bear a pro rata proportion of this amount for the period 1.7.69. to 13.11.69. and that the balance be met from the B.A.T. account, the contributions to B.A.S. on the latter account being reduced accordingly. On this basis the following adjustments would be made to the respective estimates for 1969/70.

(A) SOUTH GEORGIA.

Expenditure, other charges, item 9, 4th column, delete £10,000 insert £3,827. Estimated revenue £11,800 as published, revised estimated expenditure £16,917, revised estimated deficit £5,117. The revised deficit would be met from estimated surplus of £2,509 at 30/6/69 and estimated grant in aid requirement of £2,608.

(B) B.A.T. expenditure, item B7, 4th column, delete £8,884 insert £2,711. Add new item B10 contribution to Colony funds, £6,173. The summary remains unchanged.

4. Sir Vivian is agreeable to this arrangement and I should be grateful for your early views in order that I may amend the estimates and send a substantive reply to your despatches.

5. Sir Vivian and I discussed the value of the services enumerated by you to find a basis for an equitable arrangement for 1970/71 onwards and our views will follow by letter.

GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

SENT

100

WAP 15142-821 584578/790938 500 pds 12/68 Grp.782

Number

Office of Origin

Words

Handed in at

Date

To

FM STANLEY
TO LONDON HQ

(99)

28/1/70

X/100/70 AS/164/8 Sugg/Highcoma

Services provided by Colony to BAT and South Georgia. Your suggestions very helpful and I agree they provide appropriate arrangement for 1969/70.

2. Look forward to receiving views of your self and Sir Vivian regarding 1970/71.

*PK You were looking for this f. It has been returned to G.H.
? C.T. needs it. (See also f. D/H/64/11 p. 241) 1/10/70*

Time

c.i.

This file was sent
down from Govt. House today.
You require it? (f.100)

10.4.70.

OK now thank you
L.C.

66.

S.G. & B.A.T. contribution to F.I.C. funds.

I would not think that we should dispute the assessment (by which I do not necessarily mean we should frankly accept it; indeed to do that might arouse suspicion that we are not serious about the matter). It comes out at just over 25% of the contribution hitherto made by S.G. & frankly I do not consider that we were likely to do better than that. It might be worth considering whether we should ask for the basis of assessment to be subject to review: but that could be a two-edged weapon.

J
10/3

76.

The list completely ignores the argument that some of the services enjoyed by the Survey are provided by the Colony Transport at considerable cost.

I would be interested to see the list of revenue attracted to the Colony by the Survey.

L.H.

RESTRICTED

Gibraltar and South Atlantic Dept.



Foreign and Commonwealth Office
London S.W.1

11 February, 1970.

102

(HGF 5/4)

Dear Sir Cosmo.

Reply at 117

South Georgia and BAT Contributions
to Colony Funds

96A
In my signal AS/164/8 of 21 January I said that Sir Vivian Fuchs and I had discussed the value of the services enumerated by you in your signal X/023/70 of 7 January, to find a basis for an equitable arrangement for 1970/71 onwards, and that we would let you have our views in a letter.

2. At the outset of our discussions Sir Vivian made the following points:-

- (a) the activities of the British Antarctic Survey attract considerable revenue to the Falklands.
- (b) the cost of the services provided by the Colony, to the Survey are to some extent countered by the services rendered by the Survey to the Colony.

However, Sir Vivian also said he was very conscious of the advantages to the Survey of having the goodwill of the Islands and their use as a base. He believes that the evaluation of these services on an ad hoc basis should be avoided.

104
3. We then examined the services detailed in your signal and the results are summarised in the attached paper. As you will see the assessed value of these services amount to £2670 p.a. I have no means of knowing whether this assessment is realistic but the formula suggested in the penultimate paragraph of your signal of 7 January would in our view be difficult to justify. Sir Miles Clifford's *68* note of 6 August 1948 mentioned in your predecessor's Saving No. 158 of 24 October, 1963 (copy attached for ease of reference) appears to be the basis on which all subsequent contributions were made. This note shows that 50% of the contribution is in respect of Posts and Telegraphs and Public Works Services but the services provided by these departments are now apparently almost negligible. Sir Miles' list also shows that some 30% of the total related to your Office and the Secretariat. The list in your signal, however, omits reference to a contribution to either the Governor's Office or the Secretariat (although a very small provision is, I know, included in the current

105
Sir Cosmo Haskard, KCMG., MBE.,
Port Stanley,
Falkland Islands.

CS 17/10/3 (T. has attached sheet 17/10/3)
CT. An interesting letter - would you please start thinking of my answer - I doubt when we can provide a comprehensive one all in all quickly but commitments nevertheless are upon us.



estimates of both South Georgia and the British Antarctic Territory to the former).

4. There is clearly in my view a case for the Dependency of South Georgia and the B.A.T. to contribute to the cost of the Governor's establishment and probably the Secretariat as well but because since 1967, when the B.A.S. was transferred from the Commonwealth Office to the Department of Education and Science, the Governor is no longer responsible for the B.A.S. estimates, it could be argued that this contribution should be less than it was before that date. It would seem reasonable too that this contribution, however much it is, should come from South Georgia and the B.A.T. But in fact most of it would have to come from the B.A.T. because South Georgia will now have little surplus revenue. Until now the £10,000 contribution to the Colony came from South Georgia which for some years has been grant aided (and before was comparatively affluent from a tax on the export of whale oil). But if the major part of any contribution came from B.A.T. this would in fact mean that the B.A.S. would be the loser because it has been agreed that any excess of revenue over expenditure in B.A.T. should revert to the B.A.S. from which of course the revenue is almost entirely derived.

5. I am writing to you separately about your request in regard to the financing of your establishment but it would seem to me that this request has a very considerable bearing on the problem that we are concerned with here.

6. I should be grateful, therefore, if you would let me have your comments on the assessment of the services provided by the Colony given in the attached list and your views generally on this matter. Sir Vivian has seen and agreed the draft of this letter and I am sending a copy of it to him.

A handwritten signature in blue ink, appearing to read 'A. St. J. Sugg'.

(A. St. J. Sugg)

South Georgia and B.A.T. Contributions
to Colony Funds

1. Mail Services This is a two way arrangement since the Survey provides a mail service for the Colony. No Colony charges would appear to be justified.
2. Stamps Commission The Colony's sales estimated at £1,000 per annum would attract a commission of £100 (10 per cent).
3. Vault Storage A nominal charge of £10 per annum should suffice.
4. Interest free Advances and Float Through an oversight the Survey have not provided funds in the past but will do so in the future.
5. Commission Free Drafts on Crown Agents These consist of small remittances mainly from seamen for which arrangements could be made for the latter to pay through the Post Office. No charge merited.
6. Land Rents and Town Council Rates The Survey considers that the total outgoings would not exceed £1,000 per annum.
7. Wharfage Based upon Southampton rates but abated to take account of reduced facilities offered at Stanley these services might be put at £1,000 per annum.
8. Free Telephone and Subsidized Electricity

It is difficult to evaluate these services but the total amount involved is not thought to be significant. The Survey of course already makes payment for telecommunication facilities.
9. Medical and Dental Treatment The sum of £200 would appear to be reasonable.
10. Shipping Master The Survey considers that the fees of the Shipping Master would not exceed £10 per annum.
11. Registrar of Supreme Court Only infrequent use is made of the Registrar's services and the amount of £100 per annum would seem reasonable.
12. Income-Tax Commissioner The Survey estimates that the work involved in making assessments would take up to one week and on this basis the cost would be in the region of £50 per annum.
13. Police Allow sum of £200.

Total Assessed Contribution £2670.

You have asked me for a note, for record purposes, of the proportion of Central Government expenditure which may reasonably be debited to Dependencies account, i.e. in justification of an increased annual contribution - now agreed at £10,000 - by the latter to the former. While it is difficult, indeed impossible, for me to produce a detailed assessment, I am satisfied that the figures quoted below are a reasonable approximation:-

Head and Service	Page	Amount £ (nearest £100)
I. Governor's office	35½	1,000
II. Agriculture (quarantine, etc.)		100
III. Audit	35½	300
V. Customs	-	100
VIII. Telegraph Service	35½	3,000
IX. Harbour	35½	500
XII. Medical	-	500
XIII. Meteorological	50	300
XV. Miscellaneous	40	900
XVI. Naturalist	-	100
XVIII. Police	-	100
XX. Post Office	12½	1,000
XXI and XXII Public Works	-	1,000
XXIII. Secretariat and Treasury	35½	2,000
		<u>£10,900</u>

From this total should be deducted such additional remuneration as may be decided to award to the Governor in respect of his increased responsibilities for the administration of F.I.D.S. As the Department is aware a duty allowance of £200 was approved as from 1.1.47 but this had nothing whatever to do with responsibility for F.I.D.S. and was only debited to Dependencies votes because I did not consider that the Colony could stand any more. I suggest that the allowance should be abolished and be replaced by a salary contribution; as things stand, the Governor when on leave reverts to £1,500 p.a. as the allowances go to the U.A.C., the Colonial Secretary, whose salary was increased from £500 to £1,000 in 1945 - the Governor's salary had not been increased.

6th August, 1948.

Mr. (now Mr Miles) Clifford.

~~106~~
106

17th March, 1970.

HGF 16/2

I asked the Legal Adviser (at 6 on HGF 16/2) if he would draw up, on the lines agreed by the Governor and Salvesens, a lease for an area of land on South Georgia. Sir Lionel Brett in his last minute of 16th March has said that it should be done by you and I am therefore taking the liberty of sending the papers to you because the matter has been outstanding for a long time and Salvesens are getting restive.

2. I asked the Legal people here to do this because South Georgia is grant-aided and its finances are quite separate from those of the Falkland Islands. In November last year the island's previous administration was withdrawn. A British Antarctic Survey Base has been set up and the base leader is to carry out any administrative duties necessary. The position up to and including this financial year is that South Georgia has paid a sum of £10,000 per annum to the Falkland Islands for "services rendered" by the Islands' Administration. So I suppose it would be reasonably fair to include your services at present. But the question of the £10,000 for next year has not been settled and any work you do after the end of June, the end of the Colony's financial year, on behalf of South Georgia should I think be charged to a South Georgia Vote.

3. I am sending a copy of this to the Governor so perhaps he will write to you direct about this.

(A. ST. J. Sugg)

Sir Hubert Flaxman, C.M.G., K.B.,
Ashton Cottage,
Waxley,
Eye, Suffolk.

C.T.

For your comments pl.

AR.

CS.
as the question of a contribution
from S.G. R.B.A. has not finally
been settled I would like to
reserve my comments. L.C.
9/4/70

C.S.
4.4.70.

Blc 20/4

C.T. En f. 0161, passed to you today in envelope in box. 107
P/110

Y/E

We spoke informally on the subject of services covered by the contribution to "F.I. Central Administration".

I can find no guidance laid down in any of my old files. The letters attached are all I can find on this "hot" subject.

You asked for my views on what services the contribution does at the present cover and what it should cover. Quite candidly, apart from the shipping and postal, we use FIG Departments so little that I consider any service should be covered.

Services of P.E. Staff: This is already in force although the odd lapse has happened with past SPW's.

Services of Hourly Paid Staff: I would like to see this covered. We use the services of P/D staff so very little but it would remove a slight "Bone of contention". In the past, and I emphasise the past, there was a tendency to allocate hourly paid staff to our requested attentions instead of P.E. staff. It was, and would be, very hard for us to query this practice as, despite our private knowledge, the answer to such a query was, or can be, to the effect that the P.E. staff were fully occupied. One practice during Mr. Evans' (Senior Plumber) time was that work for BAS was done as overtime with Mr. Evans being reimbursed with extra leave. This was inconvenient to BAS in that it meant disruption during evenings but it also meant that Mr. Evans' mate, who was normally hourly paid, was charged at overtime rates.

Harbour Dues, Shipping & Jetty Fees: Already in force and working well.

Transport Charges: In force but again a service we use very little. Theoretically we are only charged for petrol although recently charges for driver and crew have appeared.

Import & Export Licences: Already in force and working well.

Store Charges on Articles Purchased from Government Departments: Already in force and working well.

Medical and Dental Fees: Half price is charged for:
X-Rays, Ward Fees, Dentures.

Internal Telegram Processing and Postal Charges:

Telegrams: Again a service we use very little. It seems from a recent query to the GPO Accounts Section that should we send an overseas official telegram (1/10d per word), we would be charged both the UK Portion (11d) and the FI Portion (11d). In previous years we were charged only the UK Portion. If we are to pay this FI Portion I maintain the Survey would in fact be paying 2/9d per word. I feel that FI Portion of all telegram charges is covered by the contribution. No charge is made for internal ETAT telegrams.

Postage: We pay full rates on normal air postage. Sea mail and local mail is exempt from postage charge if OHMS envelopes are used.

Telephone Rentals: Already in force. Survey does not pay for official telephones installed. Occupants of houses with official telephones installed pay the normal reduced rental.

Broadcast Announcements: Already in force and working well.

Rates: In force at the moment and working well.


E.C.J. Clapp, O.I/c.,
British Antarctic Survey, Stanley.

4.9.70

C.S.O. f.0161

O i/c B.A.S., Stanley

cc. C.T.

B.A.T. contribution to F.I. Government

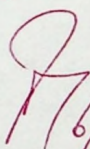
You attended a meeting with Sir Cosmo Haskard, C.T. and myself on the 18th of September when we discussed your minute dated 4th September 1970.

2. It was stated that the figure of £5,000 in the 1970/71 estimates is there without prejudice to subsequent upward or downward revision. It was also agreed that in general the arrangement is working satisfactorily.
3. Attached to this minute are the papers from your files which you provided for discussion purposes.
4. A copy of this minute goes to the Colonial Treasurer.


(J. A. Jones)
Ag. Governor

C.T.

For the Financial Relations with Dependencies file
which I recently passed to you.


17/6/70

B.A.T. contribution to F.I. Government

You attended a meeting with Sir Cosmo Haskard, C.T. and myself on the 18th of September when we discussed your minute dated 4th September 1970.

2. It was stated that the figure of £5,000 in the 1970/71 estimates is there without prejudice to subsequent upward or downward revision. It was also agreed that in general the arrangement is working satisfactorily.
3. Attached to this minute are the papers from your files which you provided for discussion purposes.
4. A copy of this minute goes to the Colonial Treasurer.

(J. A. Jones)
Ag. Governor

Y/E

Thank you.

Your Para 2. In addition to agreement that the existing arrangements were generally working well it was agreed that the contribution should cover the services of Hourly Paid staff in whatever capacity.

2. It was also confirmed that in respect to telegrams BAT/BAS are charged only that portion of cable rates covering UK charges.

Since the discussion I have returned to the Postmaster a charge submitted that covered both the F.I. and the U.K. portions.

I attach a copy of my original minute.

E.C.J. Clapp, O.I/c.,
B.A.S. Office.

9.10.70

C.P.

These pp. for the Financial Relations with Dependencies now with you.

2 A.B. & C. of O.I.'s minute to be added.

3 The matter should not arise again if it is raised again by someone other than ourselves, I suggest: but I have not the file with me, & you may wish to comment.

✓ L.G.

22/10/70

J.A.

We spoke informally on the subject of services covered by the contribution to "F.I. Central Administration".

I can find no guidance laid down in any of my old files. The letters attached are all I can find on this "hot" subject.

You asked for my views on what services the contribution does at the present cover and what it should cover. Quite candidly, apart from the shipping and postal, we use FIG Departments so little that I consider any service should be covered.

Services of P.E. Staff: This is already in force although the odd lapse has happened with past SPW's.

Services of Hourly Paid Staff: I would like to see this covered. We use the services of PWD staff so very little but it would remove a slight "Bone of contention". In the past, and I emphasise the past, there was a tendency to allocate hourly paid staff to our requested attentions instead of P.E. staff. It was, and would be, very hard for us to query this practice as, despite our private knowledge, the answer to such a query was, or can be, to the effect that the P.E. staff were fully occupied. One practice during Mr. Evans' (Senior Plumber) time was that work for BAS was done as overtime with Mr. Evans being reimbursed with extra leave. This was inconvenient to BAS in that it meant disruption during evenings but it also meant that Mr. Evans' mate, who was normally hourly paid, was charged at overtime rates.

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Broadcast Announcements: Already in force and working well.

Rates: In force at the moment and working well.

E.C.J. Clapp, O.I/c.,
British Antarctic Survey, Stanley.

BRITISH ANTARCTIC SURVEY

MEMORANDUM.

Please quote in reply

No. Misc/2C.

O.I.C., B.A.S.

Stanley, Falkland Islands.

9th October, 1970.

Postmaster,

Post Office,

Stanley.

SUBJECT:—

I query the attached charge.

The U.K. portion of rate E only is chargeable to BAS. The F.I. portion has already been covered by the Surveys contribution to F.I. Central Administration.


E.C.J. Clapp., O.I.C.
British Antarctic Survey, Stanley.

ECJC/JG.

See 112

111. A.

89 D

B.A.S

August 1970

No. 1

Date	No. of Message	Office of Origin	Office of Destination	No. of Words	£	s.	d.	Rate
15	227	Antarctic	Husby London	62	5	13	8	E
RATE E is 1/10 th Per Word. 11 th To LIA AUTHORITY 11 th To FILE AUTHORITY.								

B.A.S

August 1970

1

15 227 Antarctic

Husky

London 62 5 13 8 E

No.

MEMORANDUM

It is requested that, in any reference to this memorandum the above number and date should be quoted.

12th October, 1970. 112

From: The Superintendent,
Posts & Telecommunications,
Stanley, Falkland Islands.

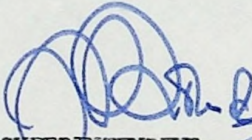
To: The Colonial Secretary,
The Secretariat,
STANLEY.

SUBJECT:- B.A.S. telegram account - August 1970.

.....
Attached in original is a Memo. from O.I.C., B.A.S. dated 9th October, 1970, quering our bill for a telegram sent by the Survey in August. The O.I.C. claims that the Colony's share (50% of the total account) is covered by the Survey's contribution to the cost of the Central Administration. This is the first I have heard of this arrangement - B.A.S. having paid the full rate for previous telegrams. In the circumstances I should be grateful for your advice on the matter.

C.I.
I have no knowledge of this. Can you advise please?

13.10.70


SUPERINTENDENT.

ACS

at a meeting at Govt House just before he left
Mr Cosmo Hunkar agreed that he would not raise
any charges on B.A.S. telegrams.

S.P.T. C.I. minute above. It is regretted that you were not advised at the time 14.10.70

15.10.70
P.A.

file pl.

0161

113

0

1317/70 PRIORITY 1035Z 29/10/70
FROM LONDON
TO STANLEY



102 AS/71/65 HAS REPLY BEEN MADE BY HIGHCOMA TO FCO COMMUNICATION
H6F5/4 DATED 11/2/70 REGARDING SG AND BAT CONTRIBS TO FIG FUNDS.
IF SO PLEASE GIVE REFERENCES AND DATES.
EMPS/AM

CS/CT ? What is position. J/28/6

Y.E.

Please see your minute at foot of p. 109.

L.G.

44/11/70

~~CS/CT~~

Grateful if you would know, on the basis of the discussion to which pp. 108-110 refer, drafted a reply to p. 102 making the best case we can for retaining the £5000 figure of the contribution to Colony funds.

- 2 I have meanwhile informed Mr. BRS in a separate minute that Sir Cosmo Haskins's reply to p. 102 cannot be traced & that a reply is consequently now being drafted.

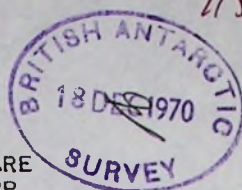
J 4/11

B.C.T.
BU/14.12.70

1584/70 R 15302 18/12/70

FROM LONDON
TO STANLEY

BAT/1000/11/41 BAT/1000/111/22 TO ACTING HIGHCOMA
I HAVE SENT THE FOLLOWING LETTERS TO ROBINS (FCO) WHICH ARE
PERTINENT TO MY RECENT TELEPRINTER CONVERSATION WITH CLAPP
REGARDING THE BAT 1969/70 AND 1970/71 ESTIMATES AND FINANCIAL
AFFAIRS. I HAVE ALSO SPOKEN WITH HIM AND IF YOU CAN STATE YOUR
VIEWS ON THE BAT CONTRIBUTION TO THE COLONY THEN I CAN GET THE
HIGHCOMA HERE TO SIGN A COVERING LETTER AND THUS FREE THE BLOCKAGE
ON GETTING THE 1970/71 ESTIMATES APPROVED.



BAT/1000/11/40

17TH DECEMBER, 1970.

DEAR KEN,

BRITISH ANTARCTIC TERRITORY ESTIMATES, 1969/70

WOULD YOU PLEASE REFER TO YOUR LETTERS HGN 5/5
DATED 8TH DECEMBER AND 2ND NOVEMBER, 1970.

WITH REGARD TO THE SUBMISSION OF THE BRITISH
ANTARCTIC TERRITORY APPROPRIATION REGULATION NO. 5
OF 1969 TO THE SECRETARY OF STATE, IN ORDER THAT
HE MAY EXERT HIS DISCRETIONARY POWERS OF NON-DISALLOWANCE,
I CAN FIND NO TRACE OF ANY AUTHENTICATED COPIES OF
THIS REGULATION. I HAVE RAISED THIS MATTER WITH THE
ACTING HIGH COMMISSIONER, THROUGH THE BRITISH ANTARCTIC
SURVEY OFFICE IN THE FALKLAND ISLANDS AND I AM INFORMED
THAT HE HAS ALREADY TAKEN ACTION. REGULATION 5 OF
1969 IS NOW ULTRA VIRES AND NEW LEGISLATION HAS BEEN
RAISED. THIS WILL BE SUBMITTED ALONG WITH THE APPROPRIATE
DESPATCH REQUESTING THE SECRETARY OF STATE TO TAKE THE
APPROPRIATE ACTION.

THE LAST MAIL LEAVES THE COLONY ON 15TH JANUARY, 1971.

YOURS SINCERELY,

E M P SALMON
ACCOUNTING OFFICER
BRITISH ANTARCTIC TERRITORY

K H ROBINS, ESQ.,
GIBRALTER AND SOUTH ATLANTIC DEPARTMENT,
FOREIGN AND COMMONWEALTH OFFICE,
LONDON, S W 1.

BAT/1000/111/21

17TH DECEMBER, 1970.

DEAR KEN,

BRITISH ANTARCTIC TERRITORY DRAFT ESTIMATES, 1970/71.

YOUR LETTERS HGN 5/5 DATED 8TH DECEMBER AND
2ND NOVEMBER 1970 REFER.

1. I HAVE CONTACTED THE FALKLAND ISLANDS AND
ASKED THEM TO COMMENT ON THE AMOUNT OF THE
ENTRY WHICH SHOULD BE MADE UNDER EXPENDITURE:
1. MISCELLANEOUS B. OTHER CHARGES, 10. "CONTRIBUTION
TO FALKLAND ISLANDS GOVERNMENT" IN LIGHT OF SUGG'S
DESPATCH HGF 5/4 DATED 11TH FEBRUARY 1970. UNTIL
I GET A REPLY THE ESTIMATES CANNOT BE APPROVED
BECAUSE THIS FIGURE WILL REFLECT IN THE ESTIMATE
AT 7. "CONTRIBUTION TO BRITISH ANTARCTIC SURVEY."

2. THE INCREASED AMOUNT OF REVENUE IN 1969/70
AROSE OUT OF THE UNEXPECTED POPULARITY OF THE
COMMEMORATIVE POSTAGE STAMPS (25TH ANNIVERSARY)
IN 1968/69 AND 1969/70 AND THE INTRODUCTION OF
THE NEW DEFINITIVE £1 STAMP. A SURPLUS THUS
BUILT UP IN THE G.R.B. ACCOUNT OVER THE TWO YEARS
CONCERNED AND THIS IS NOW BEING RUN DOWN TO THE
PRESCRIBED £10,000 LEVEL IN THE 1970/71 SUBMISSION.

YOURS SINCERELY,

E M P SALMON
ACCOUNTING OFFICER
BRITISH ANTARCTIC TERRITORY

K H ROBINS, ESQ.,
GIBRALTER AND SOUTH ATLANTIC DEPARTMENT,
FOREIGN AND COMMONWEALTH OFFICE,
LONDON, S W 1.

EMPS/AM

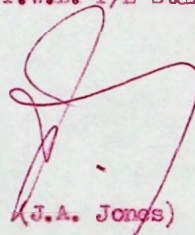
To CT as at p.114

116

O I/C, B.A.S.

BAT/1000/111/21 of 17.12.70

I shall be getting off a reply to the F.C.O. to Sugg's letter (HGH 5/4) of 11.2.70 by the next outgoing mail. Meanwhile my understanding of the position, so far as the Estimates are concerned, is that the proposal is that the sum of £5,000 should appear without prejudice to the final outcome of negotiations. (The figure could presumably be r.i.c. or otherwise reserved pending final outcome.) Acceptance of this proposal would mean that the Estimates could be finalised; and on your side you already have agreement that the services which you receive under the contribution arrangements include reduced telegram charges, use of P.W.D. P/E staff.



(J.A. Jones)

4.1.1970

C.T. For relevant C/O the J/g

446
117

6th January 1971

South Georgia and B.A.T. contributions to Colony Funds

Please refer to Sugg's letter (HGF 5/4) of 11th February, 1970, restricted. I am sorry a reply has been so long delayed.

I agree with Sir Vivian Fuchs that any attempt at a valuation on an ad hoc basis of the various services provided by the Colony should be avoided but it seems that some benefit to all parties has resulted from the list provided by Sir Cosmo Haskard.

It is perhaps arguable (paragraph 2(a) of your letter) whether "considerable" revenue is attracted to the Colony by the Survey. Of the £100,000 or so paid out here by the Survey the description of "considerable" applies more realistically to that part which goes out of the Colony for the payment of goods and services provided abroad. However, it is true to say that the Survey attracts revenue to the Colony. In other words, its a matter of interpretation.

It is in paragraph 2 (b) that our respective viewpoints differ to a considerable degree, and this is made clear in the comments under "1. Mail Services" in the list that accompanies Sugg's letter. There is no doubt that the services provided by B.A.S. vessels in bringing and taking mails are greatly appreciated by all in the Colony, but this service does not relieve the Colony of the expense of mail carrying. It could not be accepted that the mail service provided to B.A.S. is counterbalanced by the mail service provided by B.A.S. The former is the best the Colony can afford (in fact it is more than we can afford) and costs large sums of money annually; the latter may involve B.A.S. in some additional expenditure but is seen and accepted as an act of goodwill on the part of the Survey. If B.A.S. vessels did not carry mail we should rely solely on "Darwin" and "A.E.S." We accept these additional mailing opportunities with gratitude but we could not afford to pay for them, nor could we afford to agree that they should be regarded

/ as

A. L. Southorn, Esq.

as counterbalancing our contention that there should be some recognition by B.A.S. that our poor but expensive mail service should come into the reckoning in assessing the annual contribution to Colony revenue by B.A.S. and South Georgia.

The assessed value of services, which Sugg admits may not be realistic, is £2,670 p.a. If Sir Vivian can be convinced that our argument about the need for our mail service to be taken into account is fair and reasonable there would be a case for increasing this assessed value. I hope you will be successful in this.

An important part of our revenue comes from the taxing of businesses that operate here and from taxing the incomes of their employees. We tax the employees of B.A.S. and it might be said that the earlier contribution of £10,000 p.a. was the equivalent of taxing B.A.S. and South Georgia. In effect it was their contribution to the cost of providing the various services (including that of the Governor's establishment) that all who live and work here enjoy. This, no more and no less, is what taxation is designed to achieve. No one really doubted that £10,000 was on the high side but it was nice to get it. Now that the matter is under closer scrutiny, and bearing in mind what is paid by business houses, it seems that on the assessment already made and taking into account our argument about the mail service a case can be made for between £4,000 and £5,000 to be the revised annual figure.

With regard to the source of funds, i.e. whether part should come from South Georgia, it seems that this should be decided in London where the advantages or disadvantages to B.A.T., B.A.S., and South Georgia can best be evaluated.

(J. A. Jones)

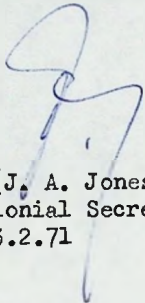
Ra 6/2

File 0161

Y.E.

to B. we will send the records from Southorn 119
is probably not aware of the matters to which pp. from
78 relate - the level of contribution to Colony funds by BAT/BAS
and South Georgia under new administrative arrangements. Previously
the contribution was made at the rate of £10,000 p.a. by South
Georgia. *all 3/2*

2. This matter has dragged on and on inconclusively for the entire time I have been here. I hope that my letter p.117 will help towards reaching a final solution. Meanwhile I am somewhat surprised that Sir Vivien didn't raise the matter when he was here last week. However we have all lived with it so long that it's probably wise to give it a rest and to await the outcome of my latest letter to Southorn.


(J. A. Jones)
Colonial Secretary
3.2.71

B4 3/4

J 27/3



0477/71 R 13352 25/3/71
 FROM LONDON
 TO STANLEY

BAT/1000/111/30 GOVERNOR/FUCHS BAT 1970/71 ESTIMATES
 FROM 1948 THE DEPENDENCIES PAID £10,000 P.A. TO THE COLONY LARGELY
 JUSTIFIED ON THE GROUNDS OF COLONY ASSISTANCE TO THE SURVEY. THE
 SITUATION HAS CHANGED OWING TO THE DIVISION OF DEPENDENCIES INTO
 BAT AND FID, THE CESSATION OF WHALING AND THE CONTROL OF THE SURVEY
 MOVING FROM THE HIGH COMMISSIONER TO NERC.

p. 162 IN A LETTER OF 11 FEB 1970 TO HASKARD THE FCO ASSESSED THE FUTURE
 CONTRIBUTION TO THE COLONY AT £2670 BUT INDICATED MY VIEW THAT WE
 SHOULD AVOID EVALUATION OF THE SERVICES OF THE COLONY TO THE SURVEY
 ON AN AD HOC BASIS. IT WAS ALSO SUGGESTED THAT ANY PAYMENT TO
 COLONY WOULD HAVE TO BE SHARED BETWEEN SOUTH GEORGIA AND BAT AS SG
 NOW HAD LITTLE EXCESS REVENUE.

p. 117 IN JONES' LETTER OF 6 JAN 1971 TO FCO HE MAKES A CASE FOR
 INCREASED CONTRIBUTION TO COLONY ON ACCOUNT OF MAIL FACILITIES AND I
AGREE THAT A TOTAL FIGURE OF £4500 SEEMS APPROPRIATE. IF THIS IS TO
 BE DERIVED FROM SG AND BAT FUNDS AND SINCE IT WAS AGREED THAT SURPLUS
 BAT FUNDS SHOULD COME TO BAS IT WOULD BE DESIRABLE FOR BAT TO MAKE
 UP ONLY THAT AMOUNT WITH SG IS UNABLE TO PAY. IN 1970/71 IT LOOKS
 AS THOUGH NO SG FUNDS WILL BE AVAILABLE.

which IF YOU AGREE TO THIS THE COLONY IMPROVES ITS POSITION BY £1830
 AND THE LOSS TO BAS WILL AT LEAST BE REDUCED IN SOME YEARS.

THE FCO WILL BE GRATEFUL FOR AN EARLY REPLY THROUGH ME AS SALMON
 IS ACCOUNTING OFFICER FOR BAT AND BECAUSE THIS IS THE ONLY
 OUTSTANDING MATTER HOLDING UP FINALIZATION OF BAT ESTIMATES.
 VEF/AM

C.T.

For future of your early comments in file.

J 27/3

b. A.

121

A sum, sufficient to pay the full £4500, should be available from South Georgia this year - subject to our hope for good stamp sales being realised. It would be safe to confirm that for 1970/71 South Georgia could bear the full cost, and probably 1971/72 also. (unless you know of any big spending scheme by South Georgia).

L.C.

29.3.71

~~9.5.~~ 29/3

P.D.O.

I have indicated marginal references.

2 There appears to be no reason why the preamble proposed by Tucker should not be agreed.

3 It is arguable that there is no call for us to make any overt reference to the probability mentioned in C.T.'s minute above in the reply to the Director.

J/29/3

GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

SENT

122

PI676 P4416 8/64

Number

Office of Origin

Words

Handed in at

Date

To

BAS LONDON FOR DIRECTOR

FROM HIGHCOMA

30th April 1971

✓ P120

YOUR BAT/1000/111/30 OF THE 25TH MARCH. PLEASE INFORM FCO THAT I AGREE FIGURE OF £4,500 IS APPROPRIATE.

2. I APOLOGISE FOR THE DELAY IN REPLYING BUT I HAVE BEEN AWAY FOR A FEW DAYS.

LEWIS

B4 14/4

Time

123
C.T.

P. 122.

He agreed in discussion that the entire amount would this year be met by the Department of P.G.

S.H.

14.4.71

Y.E.

To see above i.c.w. pp. 121-2. 7/15/4

Note H.E. has been M.f.a.u. at present. BU 1/2/72 to decide whether the S.G. Estimates will cover the entire 1972/3 contribution. 7/22/4

H.C.T.,

From p. 121.

? It is the intention that the S.G. estimates will again carry the full amount of the contribution for 1972/3.

(J. A. Jones)
4.2.72.

C.S.

Yes.

L.C.

8.2.72

C.T. (Mr. Roulants).

To who. Suggest you mark file for appropriate B.h.

J
15/7
1

A.S.

Notes, 4.4.

ad
25/2

Place B.U. 15/5/72

N.F.A.M.