

No 33

Government House
Stanley, Falkland Islands
1st May 1878

Sir.

I have the honour to acknowledge the receipt of your Despatch No 3 of the 8th February last, relative to the retirement of Dr. Watts. I have informed that gentleman that the pension which would be assigned to him if retiring on the ground of ill health would amount to £90.

With regard to the state of Dr. Watts' health I do not consider that it is such as to prevent his discharging satisfactorily the ordinary duties of Colonial Surgeon in Stanley. In view of your suggestion to that effect I have made an arrangement with Mr. Mulvany the Naval Surgeon for visiting Darwin if Dr. Watts should be compelled by illness to abandon his visits to that place during the approaching cold season.

The Right Honorable.

Sir M. E. Hicks Beach Bart., M.P.

I have the
(Sgd) J. F. Gallagher

The Colonial Office

N^o 34

Government House
Stanley Falkland Islands
1st May 1878

£500

Sir.

I have the honour to report that the sum of £500 in florins being a loan bearing interest at five per cent, has been received through the Crown Agents for the Colonies and placed to the credit of Colonial Revenue as per enclosed certificate

I have &c

The Right Honourable
Sir H. E. Hicks-Brach Bart. M.P.,
F R S
The Colonial Office

(Sgd) T. F. Gallagher

Colony of Falkland Islands

£500

I hereby certify that the sum of £500 in specie forwarded through the Crown Agents for the Colonies as a loan bearing interest at five per cent, has been received and carried to the credit of Colonial Revenue on the 3rd April 1878.

(Signed) G. Travis
Colonial Treasurer

(Signed) T. F. Gallagher
Governor

Government House
Stanley 1st May 1878

No of Despatch	Date of Despatch
4	1878 21 st February
5	23 rd do
6	25 th do
7	26 th do
8	1 st March
Accounts	11 th February
Parliamentary Grant	13 th do
Parliamentary Acknowledgment	22 nd do
do	18 th do
Circular	21 st January
do	23 rd do
do	5 th February
do	18 th do
do	2 nd March
do (secret)	20 th do

Government House
Stanley Falkland Islands
4th May 1878

Sir.

I have the honour to acknowledge
the receipt on the 2nd instant of the Despatches
and Circulars noted in the margin and to
forward a Schedule of unanswered Despatches

I have &c

(Sgd) J. F. Gallagher

The Right Honble.
Sir M. E. Hicks-Bass Bart. M.P.
His Colonial Office

Schedule of unanswered Despatches

Nil

Government House
Stanley, Falkland Islands
1st May 1878

N^o 35

Sir

With reference to your Despatch No 2 of the 2nd February last transmitting a letter from the Board of Trade and a Bill of Lading for 93 cans of Oil shipped per "Vicar of Bray" for use of the Public Service at Cape Pembroke lighthouse, I have the honour to inform you that the Oil has been duly received into the Government Store.

I have the honour &c

The Right Honourable
Sir M. & Bicks-Brach, Bart. M.P.

to
The Colonial Office

(Sgd) G. F. Gallagher

18

Government House
Stanley, Falkland Islands
4th May 1878

No 36

~~Sir~~

I have the honour to acknowledge the receipt of a copy of the volume by Sir Henry Birring K.C.B., entitled "Practical Legislation; or the Composition and Language of Acts of Parliament".

I have &c

The Right Honourable
Sir W. & Hicks-Brach, Bart, M.P.

(Sgd) J. F. Gallagher

His Colonial Office

No 37

Government House
Stanley, Falkland Islands
7th May 1878.

Sir,

I have the honour to acknowledge the receipt of your Despatch No 8 of the 5th March last relative to the relief of the "Fris" of this Port by the master of the American ship "Triumphant".

I am gratified to learn that the Board of Trade have communicated the thanks of this Government to Captain Libbey and have awarded him a binocular glass for his services on the occasion in question.

I have &c

(Sgd) J. F. Gallagher

The Right Honble.

Sir M. & Dicks-Brach Bart. M.P.

The Colonial Office

78

Government House
Stanley, Falkland Islands
7th May 1878

Parliamentary

Sir,

I have the honour to acknowledge the receipt of three copies of the Parliamentary Paper entitled "Reports on Her Majesty's Colonial Possessions for 1876."

I have &c

The Right Honourable.

Sir H. G. Leach-Bach, Bart. M.P.

(Sgd) G. H. Gallagher

The Colonial Office

Accounts

Government House
Stanley, Falkland Islands
7th May 1878

Sir,

I have the honour to transmit a copy of the Cash Transactions and Transfers of this Government for the quarter ended 31st March last which I have received from the Colonial Treasurer, also copies of the usual quarterly returns of changes in Office Holders &c.

I have the honour to

(Sgd) G. F. Callaghan

The Right Honourable
Sir W. E. Hicks-Brace Bart. M.P.

The Colonial Office

No 38

Government House
Stanley, Falkland Islands
8th May 1878

Sir,

I have the honour to acknowledge the receipt of your Despatch No 1 of the 26th February last and to inform you that under the new arrangement the Pilot Service will involve no expense to the Government, if my suggestion be agreed to that the Board of Trade should contribute £25 a year for the use of the boat in conveying Stores to Cape Pembroke Lighthouse, which amount would cover any outlay incurred through the wear and tear of the schooner.

Last year the cost of carrying on the Pilot Service was £114. 13^s while the receipts amounted to only £70. 4^s. There has not been sufficient time since the passing of the Ordinance amending the Harbour Regulations of the Port of Stanley, to enable me to draw a fair comparison between the receipts under the old and the new laws but I shall not fail to supply you at the close of the year, with the information which you desire regarding the matter.

I have the

(Sgd) Y. F. Gallagher

The Right Honourable
Sir M. G. Hickie-Brach Bart. M. P.
The Colonial Office

Government House
Stanley Falkland Islands
9th May 1878

No 39

9th May 1878

Sir

As bearing on the system of Land Orders in force in this Colony I have the honour to enclose a copy of an application just received from the local manager of the Falkland Islands Company requesting permission to purchase the freehold of 20,000 acres. The price of which at £1 an acre would amount to £4000.

I understand from the Manager that it is contemplated by the Company to pay for this purchase in Land Orders of which I believe they have a number amounting in value to nearly £5000.

From the following extract from leases 7 and 8 under which the Company hold the lands in question, it would appear that they only have the right to purchase 1000 acres under each lease.

"On the expiry of this lease the said Falkland Islands Company shall have the right of purchasing at the then upset price of rural land any block hereby leased not being less than 500 nor more than 1000 acres in extent, provided that the same be selected as nearly as possible of a square figure

I do not now propose to enter into the question of the advisability of complying with the application for the purchase of the 20,000 acres of land, which will have to be hereafter considered but merely refer to the matter as illustrating the large dimensions which the Company's transactions in land have assumed. The subject, which has already engaged attention as will be seen from the correspondence noted in the margin, appears to me to be deserving of serious consideration.

Lord Kimberley
No 65 of 28th June 1872
No 66 of 3rd July 1872
Colonel D'Arcy
No 1 of 27th Feb 1873
No 50 of 21st Oct 1873

The Right Honorable
Sir W. G. Bicks-Bach Bart. M.P.

The Colonial Office

I have to

(Sgd) G. J. Gallagher

Government House
Stanley Falkland Islands
10th May 1878

N^o 40

Sir,

With reference to your Despatch No 6 of the 25th February last relative to the Mail contract of the Falkland Islands Company, I have the honour to forward copies of two letters which have been received from Mr Cobb, the Company's Manager, on the subject.

1st May 1878
9th May 1878

Neither of the propositions made in the letter of the first of May can in my opinion be regarded as at all satisfactory. However from the tenor of the second letter and from a conversation which I have had with the Manager, I think it probable that the matter can be satisfactorily arranged with the Directors without depriving the local public of the privileges they enjoyed under the former contract.

Pending the settlement of the question at home the "Black Hawk" will continue to perform the Mail service on the same terms as before.

I have &c

The Right Honorable
Sir M. E. Hicks-Brach, Bart. M.P.

(Sgd) G. F. Gallagher

His Colonial Office

Government House
Stanley, Falkland Islands
10th May 1878

N^o 141.

No^o 2 of 18th Jan'y 1878

Bureau Book p. 514

Sir.

With reference to the Queries on the Lighthouse Accounts for the September Quarter of last year, contained in your Despatch noted in the margin. I have the honour to transmit the explanations furnished me by the Colonial Treasurer on the subject

I have the

(Sgd) G. F. Gallagher

The Right Honble.
Sir M. B. Hicks-Brough Bart, M.P.

The Colonial Office

No 142

Government House
Stanley Falkland Islands
14th May 1878

Sir,

With reference to my Despatch confidential of 14th inst respecting the resignation of Mr. Travis at the expiration of six months leave of absence on half salary. I have the honour to draw your attention to my Despatch No 30 of the 26th Sept^r last to the Earl of Carnarvon reporting the arrangement I proposed to make on the retirement of that gentleman for the discharge of the duties of Treasurer and of the other appointments held by him.

I am happy to be able to report from the aptitude shown by Mr. Collins for doing the work of the office - in which he has been occasionally employed out of school hours, that there is every reason to hope that he will be able to discharge the duties which will devolve upon him when Mr. Travis leaves.

I propose that he shall assume these duties as a probationer at a salary of £200 a year. By this means a saving of £135 per annum will be effected. Mr. Travis at present draws £435 a year, which is composed as follows viz. £300 as Colonial Treasurer, £60 as Harbour Master, £50 as Postmaster, £25 as Clerk of the Supreme Court.

I have succeeded in procuring the services of Mr. S.R. Brattie, a gentleman of fair education whose respectability and character have been vouchcd for by Bishop Stirling, by whom he was employed at the Hoppel Mission Station for some time, to perform the duties of schoolmaster temporarily on the full salary of the appointment, until the office is permanently filled by a duly qualified teacher of the class referred to in my Despatch of the 26th September last.

Mr. Brattie would not be qualified to hold the

the appointment permanently, nor can I find any fit person in the Colony. It will therefore be of great importance to procure at home as soon as possible a competent person for the office of Schoolmaster.

The following extract from my Despatch already referred to will supply the necessary particulars regarding the matter.

"I am informed that there would be no chance of getting a certificated Schoolmaster but that through the Board of Education a competent Assistant Schoolmaster or ex-pupil Teacher might be obtained to fill the appointment. It would be desirable that he should be a member of the Church of England. The salary of the Schoolmaster here is £100 a year; he is allowed a house rent free and the school pence average from £25 to £35 a year; he also receives £12 a year from the Admiralty as instructor of the children of Marines."

The Right Honourable
Sir W. & Hicks-Brach Bart. M.P.
The Colonial Office

I have re-

(Sgd) G. F. Gallagher

Financial

Government House
Stanley, Falkland Islands
13th May 1878

Sir,

In continuation of my Despatch No 26 of the 2nd April last I have the honour to report the steps which I have taken for the arrangement of the financial difficulties of the Colony.

2. I have availed myself of the permission granted to me to draw bills on the Crown Agents in repayment of the loans of which immediate payment is required, to the extent of £775. This includes the sum of £300 due to Mr. Williams, referred to in my Despatch Financial of the 12th November last.

The sum of £250 referred to in the same Despatch as being due to Messrs. Deans & Sons I placed to the credit of their account with this Government. On this sum no interest was demanded as the firm had been for some time past indebted to the Colonial Government.

3. I am happy to say that with the help of the £500 in specie forwarded by the Crown Agents I have been able to close all the accounts current of this Government with the local merchants, a step which for a long time past I have been most anxious to be in a position to take. This most objectionable system of cross accounts has helped considerably to produce the financial embarrassment of the Colony and has been fostered by the local merchants, whose favourite mode of doing business, is to so manage matters as to avoid as much as possible having to make money payments in their transactions in the Colony. Until I put an end to it the Customs Duties were also considerably in arrear, and so were also the Crown Rents. It was in consequence of this that

arrears of Rent amounting to £1130. 1. 0 were due to this Government on the 30th September last, to which you drew attention in paragraph 8 of your Despatch No^o 1 of the 6th February. The Crown Rents are with one or two exceptions paid by either Mess^r. Dean & Sons, or the Falkland Islands Company who are Agents for the Sheep farmers throughout the Colony, and they have hitherto figured as prominent items in the Accounts Current with this Government.

For the future these rents will have to be paid into the Colonial Treasury as they fall due and at present there are no arrears under this or any other head of Revenue.

It I have thought it advisable to pay the interest up to the 30th April last, amounting to £235. 13. 5 on the loans incurred by my predecessor. This I have been able to do out of the savings resulting from the decreased expenditure out of which I have also managed to pay arrears of salary and other allowances due to the Colonial Surgeon amounting to £771. 19. 6 to meet which there was no provision left me on my assumption of office.

I enclose a short return showing the portion of the Colonial Debt which I have paid without drawing on the Crown Agents which including interest amounts to £848. 19. 11. This includes a loan of 100 mads to my predecessor for the service of the Colony by a person named Henney who transferred his claim to Mess^r. Dean & Sons which in the late settlement was placed to the credit of their account current with the Colonial Government.

No^o 1
No^o 2

5. I also enclose a return of the Bills drawn on the Crown Agents amounting to £775 amongst which is one drawn in favour of Dr. Watts for £175. This includes a loan of £100, on which the interest has been paid, and a

sum of £75 which he paid for the purchase of the Glebe Land in 1874, which he was obliged subsequently to surrender to the Government, but had not until now received the purchase money back. The transaction regarding the glebe land was reported in Colonel D'Arcy's Despatch, No 1 of the 1st January 1876.

No 3

6. I enclose a return of the loans now remaining due to persons in the Colony amounting to £970. 11. 6. Of this £870. 11. 6 bears interest at 5 per cent and the balance (£150) at 2½ per cent. There is no likelihood that payment of these loans will be required for some time to come.

7. Exclusive of the balance due to the Crown Agents for the ordinary service of the Colony, which I expect will be met out of the Revenue of the year, the debt due to them by this Government amounts to £1275 including the £500 sent in specie and the £775 now drawn in Bills. The interest on this amount will be paid in due course. Adding to this sum of £1275 the £970. 11. 6 due in the Colony gives £2245. 11. 6 as the total liabilities of the Colony incurred by my predecessor. This I am happy to say shows a very considerable decrease in the liabilities of the Colony at the time I assumed the Government, which, not including the amount due on foot of Intestate Estates, which is also left out of the present calculation, amounted to £3973. 11. 9.

To achieve this result it has been necessary to have had recourse to the closest economy and constant watchfulness as regards even trivial items of expenditure, a proceeding which has encountered no small amount of opposition and disfavour on the part of those interested in swelling the Government Store Bills.

8. The Estimates for 1879 have not yet been prepared but I hope that with the additional Revenue which

which will be received from Customs - which I think may be safely estimated at a £1000 a year more than that hitherto received under that head - I shall be able to make a very considerable reduction in the amount of the debt next year, besides providing for the interest which will then fall due in which of course I include the amount due to the Crown Agents on that head.

9. Without going into detail, I think I can see my way to having the Crown Agents paid by the end of 1879, and in 1880 the greater portion, if not all of the balance of the debt ought to be discharged even without touching on the amount received in that year from the sale of the blocks of land.

In making these statements I assume that the Parliamentary grant will be continued at £3500 a year until the debts of the Colony are paid. On this point I should like to be definitely informed as soon as possible as requested in a former Despatch.

Moreover if the retrenchments now under consideration are carried out, there would be a considerable saving of expenditure which would materially assist in producing this desirable result.

Now that accounts current are done away with, and the Estimates framed as they are in other Crown Colonies, so that the financial year in the Falklands runs from the 1st January to the 31st December, thus coinciding with the year of accounts, there is no likelihood of the financial affairs of the Colony getting into the state of embarrassment and confusion in which they have recently been

10. In the letter from the Colonial Office to the Treasury enclosed in the Earl of Carnarvon's Despatch No^o 16⁷⁸ of the 9th October last, the opinion is expressed that there seems no reason why the expenditure should not be kept under £7000 a year. On this point I may observe that the experience of the last two years, 1876 and 1877, when the expenditure was £6653 and £6268 respectively, proves that this may be easily accomplished. In fact when the retirement of Mr. Gravis takes place by which a saving of £235 a year will be effected, I see no reason why the expenditure should not, with a few other retrenchments, that are practicable be kept well under £6000 a year.

11. Perhaps I may be permitted to make a brief retrospect of the position of affairs when I assumed the Government in May 1876. The balance of the Parliamentary Grant at my disposal to enable me to carry on the service of the Colony for the remaining eleven months of the financial year ending on the 31st March 1877 amounted to only £1850. Moreover there was at that date standing against this Government a balance due to the Crown Agents of £583. 7. 8 on account of the previous year. Altogether the position was one of extreme embarrassment. Drawing out the sum of £331. 14. 5 the proceeds of Intercolonial dues and the sum of £201 for Mr. Smith's passage to money erroneously included in the first statement furnished of the liabilities of this Government, these liabilities when I assumed office actually amounted to £3973. 11. 7 as already stated. On the 31st March 1877, these liabilities had been reduced to £3757. 11. 0 as per statement forwarded in my Despatch N^o 14 of 10th May 1877.

Although last year £1200 was paid over to the Crown Agents on account of this Government to defray expenses to a great extent incurred previously to my assumption of office, to meet which no provision had been left

left to me by my predecessor, nevertheless I have succeeded in meeting all my own engagements up to the present time and have reduced the outstanding Colonial Debt to £2245. 11. 6 as already observed.

12. There is one point on which I should be glad to receive some information. I observe that the Crown Agents on the 31st December held Exchequer Bills on account of this Government to the extent of £600, which were transferred to them last year by the Land and Immigration Commissioners. It has just occurred to me to ask whether this amount might not in some way be made available for the reduction of the Colonial Debt.

13. I enclose comparative statements of the Estimated and Actual Revenue and expenditure from the 1st April 1876 to the 31st December last. From these the progress made in the reduction of the Debt in that period can be traced.

14. On the whole without being over sanguine I think there is every probability that by 1881 the debts of this Government will not only be liquidated, but the Colony will be in a fair way of becoming self supporting.

The Right Honourable
Sir M. S. Hicks-Bass Bart. M.P.
The Colonial Office

I have the
(Sgd) J. F. Callaghan

Enclosures to Despatch "Financial of 13th May 1878"

Return No 1 showing the amount of the Debt
defrayed out of the ordinary Colonial Revenue.

Nature of the Liability	Amount
Repayment of Loan of J. M. D'Arcy & Sons	250 .. .
do J. Henfrey	100 .. .
Interest incurred on all local loans up to 30th April	235 13 5
Arrears of Salary and other allowances due to the Colonial Agent	221 19 6
Amount due Colonel D'Arcy for Plate Crockery purchased for use of Government House	111 7 ..
	<u>£ 848 19 11</u>

Return No 2 showing the amount of Bills drawn
on the Crown Agents in repayment of the Colonial Debt.

Date of Bill	In whose favour drawn	Amount
1878		
May 1	Chas. Williams	300 .. .
" 1	Ias. Hocking	100 .. .
" 1	Falkland Islands Coy.	200 .. .
" 13	R. H. Watts	175 .. .
		<u>£ 775 .. .</u>

Return No 3 showing the amount of Loans due in
the Colony on 1st May 1878, on which interest is
payable from that date

Name of Lender	Rate of Interest	Amount
John Casey	5%	300 .. .
Ias. Hocking	5%	320 11 6
J. C. Dettleff	5%	200 .. .
G. Patterson	2 1/2	2150 .. .
		<u>£ 970 11 6</u>

Government House
Stanley, Falkland Islands
15th May 1878

Parliamentary Grant

Sir

I have the honour to report that I have drawn the following Drafts on the credit of the Parliamentary Grant for the financial year 1878-79, viz

No 1 dated 1st May 1878 for the sum of £200 drawn in favour of Messrs. Hoard & Co;

No 2 dated 13th May 1878 for the sum of £70 drawn in favour of Messrs. Hoard & Co;

No 3 dated 15th May 1878 for the sum of £150 in favour of H.M. Postmaster General

2. The proceeds of these drafts are required for the general service of the Colony, and have been carried to the credit of Colonial Revenue as per enclosed certificate

The Right Honble

Sir W. Hicks-Brach Bart, M.P.
The Colonial Office

I have the

(Sgd) J. F. Callaghan

Colony of Falkland Islands

Draft No 1	dated 1 st May 1878	for £200
ditto 2	do 13 th do	70
ditto 3	do 15 th do	150
		£420

Drawn by Governor Callaghan on Her Majesty's Paymaster General on the credit of the Parliamentary Grant for 1878-79 in aid of Colonial Revenue.

I hereby certify that the amounts realized by the above Drafts were duly carried to the credit of Colonial Revenue on the above dates.

(Sgd) F. Brown

(Sgd) J. F. Callaghan

Schedule of Despatches from the Acting Governor of the Falkland Islands to the Secretary of State for the Colonies transmitted on the 2nd July 1878, per R. M. Schooner "Black Hawk" via Montevideo

No of Despatch	Date of Despatch	Subject of Despatch	No of Inclusions
43	1878 14 th June	Returning Queries on Lighthouse Accounts	2
44 ^{Ack^{to}}	19 th June	Acknowledgment of Circulars and Despatches	1
44	do	Acknowledging the receipt of certain papers relating to the Merchant Shipping Acts	—
45	22 nd June	Returning a Query on the Lighthouse Accounts	1
46	25 th June	Further correspondence relative to the Mail Contract	—
47	1 st July	Advising certain Bills drawn on the credit of the Parliamentary Grant 1878-79	1
48	2 nd July	Further correspondence relative to the bases purporting to be granted under the Amalgamation Ordinance	4

Government House
S. F. I. 14th June 1878

No 143

Sir,

I have the honour to transmit explanations to Queries 2 and 3 on the Falkland Islands Light house Accounts for the quarter ended 31st December last, enclosed in your Despatch No 5 of the 23rd February

I have &c

(Signed) Arthur Bailey

The Right Honble.
Sir W. C. Hicks-Brach Bart. M.P.

to + +
The Colonial Office

G.O.S.F.J
19th June 1878

<u>N^o of Despatch</u>	<u>Date of Despatch</u>
Acknowledgment	3 rd April 1878
do	7 th May 1878
Circular	15 th February 1878
do	14 th March 1878
do	8 th April 1878
9	10 th April 1878
10	8 th May 1878
11	25 th April 1878
12	8 th May 1878

Sir

I have the honour to acknowledge the receipt on the 16th inst. of the Despatches and Circulars noted in the margin and to forward a Schedule of unanswered Despatches

I have the

(Sgd) O. Bailey

The Right Honourable
Sir W. D. Hicks-Brace Bart. M.P.
to the
The Colonial Office.

G. H. S. J. J.
19th Jun 1878

No 44

Sir.

I have the honour to acknowledge the receipt of your Despatch No 10 of 8th May last, transmitting a copy of a Report by the Solicitor to the Board of Trade upon the action of that Department under § 4 of the Merchant Shipping Act of 1871 and § 4 of the Merchant Shipping Act of 1875, also a copy of Mr. Ilbert's annotated edition of the Act of 1876.

I have &c

(Sgd) Arthur Bailey

Hr Right Honble.

Sir Wth Hicks-Brach. Bart. M.P.

The Colonial Office

G. H. S. & I.
22nd June 1878

No 45

sir

I have the honour to transmit an explanation
to Query No 1 on the Falkland Islands Implement
Return for the Quarter ending 30th June 1877, enclosed in
your Despatch No 9 of the 10th April last

I have to

The Right Honourable

Sir W. E. Hicks-Brach. Bart. M.P.

+ + + +
The Colonial Office

(Sgd) Arthur Bailey

G.H.S.Y.I
25th June 1878

No 46

Sir

I have the honour to acknowledge the receipt of your Despatch No 12 of the 8th May relative to the Mail Contract.

Governor Ballaghane reported in Despatch No 40 of the 10th ult. that he had arranged with the local Manager of the Falkland Islands Company to continue the Mail Service on the present terms, pending the adjustment in England of the conditions of a new Contract.

Mr. Cobb informs me that he has not received any further instructions from his Directors in the matter.

As bearing on this subject I may mention that a schooner the "Village Girl" of 95 tons and built at Ardrossan in 1868 is daily expected to arrive at Stanley. She is owned by Mr. Captain Mcfullly, who ran the Mail Schooner "Foam", when owned by Government, for some time and gave general satisfaction.

It is generally believed here that Captain Mcfullly is returning to the Falklands for the purpose of putting in a tender for the new Mail Contract. However by next mail I hope to be able to inform you of his intentions.

The Right Honble.

Sir M. B. Hicks Beach, Bart. M.P.

The Colonial Office

I have the

(Sgd) Arthur Bailey

No 47

G.H.S.Y.J
1st July 1878

Sir.

I have the honour to report that I have drawn the following Bills on the credit of the Parliamentary Grant for 1878-79, viz.

No 4 dated 3rd June 1878 in favour of G. Traviss Esq for the sum of £100. at par;

No 5 dated 28th June 1878, in favour of the Falkland Islands Company for the sum of £180. at par;

No 6. dated 1st July 1878 in favour of Messrs G. C. Hoard & Co for £250. at par.

2. The proceeds of these drafts are required for the general services of the Colony and have been carried to the credit of Colonial Revenue, as per enclosed certificate

The Right Honble
Sir W. Hicks-Brace Bart, M.P.

I have to
(Sgd) Arthur Bailey

The Colonial Office.

Colony of Falkland Islands.

Draft No 4 dated 3 rd June 1878	for £100 1s 6d
- 5 - 28 th June 1878	for £180 1s 6d
- 6 - 1 st July 1878	for £250 1s 6d
	<u>£ 530</u>

Drawn by Acting Governor Bailey on Her Majesty's Paymaster General on the credit of the Parliamentary Grant for 1878-79 in aid of Colonial Revenue.

I hereby certify that the amounts realized by the above drafts were duly carried to the credit of Colonial Revenue on the above dates

(Sgd) John Wright Collins
A.C.G.

(Sgd) Arthur Bailey
Actg. Governor.

G. H. S. T. G.
2nd July 1878

No 748

Sir.

With reference to your Despatch to Governor Callaghan, No 4 of 22nd February on the subject of the leases of Crown Land granted under the disallowed "Amalgamation Ordinance" of 1870, I have the honour to make the following report on the various points regarding which information is requested.

In connexion with the subject I enclose a copy of a letter which has been received from Mr. John Bonner, stating that the leases of certain lands which he holds from the Crown and for which he has paid rent for several years have not yet been issued to him and requesting that I should now do so.

There are two other lessees who are similarly placed and I transmit a statement showing that there are altogether eight leases which have not yet been issued, although rent has been duly received for some time past from the tenants who occupy the 89,000 acres in question.

From this it will be seen that all of the 23 leases referred to in your Despatch No 4 of 22nd Feb as purporting to have been granted previously to the publication of the disallowance of the Amalgamation Ordinance of 1870 could not have been actually issued at that time, which agrees with Colonel D'Arcy's statement in paragraph 10 of his letter to the Colonial Office.

It will be satisfactory and to the interests of all parties concerned that I should have some instructions as soon as possible in order that I may deal with the cases of the lessees, who are not asking that leases may be issued to them.

28 June 1878

No 1

No 243

The returns tracing the previous history of all land purporting to be leased under the Amalgamation Ordinance which I now enclose, do not exactly correspond with the returns forwarded in Governor Callaghan's Despatch No 31 of the 27th September last, but I have every reason to believe that those which I now transmit are accurate and they embody all the information which I can find in the Government Office, bearing on the subject.

The total extent of land purporting to be leased under the Amalgamation Ordinance is 1,141,450 acres. However there are 46,000 acres of the above for which rent has been received, but for which no leases have yet been granted. Reducting therefore this quantity from the total extent of land leased, the remaining acreage for which leases ~~were issued under the Amalgamation Ordinance~~; purport to have been issued under the Amalgamation Ordinance is made up as follows: 22,000 acres, the former leases of which had expired; 69,000 acres, the occupation licences for which had fallen in; 192,070 acres, the leases of which were surrendered by the holders in order to avail themselves of the advantages of the new law; 117,000 acres which had been reserved for Mr Williams, previously to the passing of the Amalgamation Ordinance, but which were not actually taken up; and 95,380 acres, representing the total land not previously held by Crown Tenants, which was taken up subsequently to the passing of the Amalgamation Ordinance; or altogether 1,096,450 acres.

The 96,000 additional acres alluded to by Colonel D'Arcy in his Despatch Separate of 14th March 1871. I think must have been the quantity of land not previously occupied by Crown Tenants which had been applied for under the Amalgamation Ordinance.

With

With reference to the question as to whether there are applications noted in the Government Office for all of the 40 leases, I directed a most careful search to be made, but I have been unable to find any Memorandum of the nature referred to by Colonel D'Arcy.

The only notices of leases under the Amalgamation Ordinance are those noted in Returns No^o 2 and 3. However, I have been informed that many of the applications for new leases were made verbally at the Government Office and on this point Mr. Travis who is now in England will be able to give you some information.

There is one sentence in Colonel D'Arcy's letter to which I should like to draw attention. In paragraph 12 he says "the difference of $\frac{1}{2}$ of the acre only involves (two years hence) the compulsory purchase of 160 acres of each farm, a drop in the ocean of acreage," whereas according to both the Amalgamation Ordinance of 1870 and the Land Ordinance of 1872, lessees are compelled to purchase a block of 160 acres for every section of 6000 acres contained in their lease.

Regarding the three sales of land to the Falkland Islands Company at $\frac{1}{2}$ per acre, the application to purchase was made on the 15th February 1871. The land was not surveyed for some time and when the grant was prepared, it would appear from correspondence in the Government Office on the subject, that the Manager claimed to pay for these farmholds at the upset price of land at the time of making his application.

I trust that I have furnished you with sufficient information to enable you to deal with the matter now under consideration.

I have to

(Sgd) Arthur Bail

The Right Honble
Sir M. & Hicks-Brace Bart. M.P.
& &
The Colonial Office

Return No^o 1 showing the Crown Lands in the
Falkland Islands, for which leases are supposed to have
been granted, but which have not yet been issued

Return. N

<u>Name of Person</u>	<u>Description of Land</u>	<u>Acreage</u>	<u>Law under which the land was originally held</u>
Andres Pitaluga	No 17 Shallow Creek	10.000	Proclamation 1 st April 1861
John Bonner	No 20 Port San Carlos	6.000	do.
John Bonner	No 39 South San Carlos	6.000	do
Antonino Roxa	No 36 Middle Point	6.000	do
J. Llamosa	No 42 Elephant Creek	6.000	do
Andres Pitaluga	No 40 Cape Dolphin	6.000	do.
James Pitaluga	No 41 Limpet Creek	6.000	do.
Andres Pitaluga	No 53 Salt Lagoon	6.000	do
John Bonner	Bodie Prairie Station	37.000 ✓	Land Ordinances (1871 & 1872)
			<u>89,000</u>

The Right Hon
Sir M. G. H.

+ The Colonial Office

N^o.

Date of Original Licence	Date of Original Erase	Date of Inspiring of Original Erase	Date of supposed new Erase	Law under which supposed to be held
17 th June 1861	7 th Nov 1861	7 th Nov 1871	7 th Nov 1871	Amalgamation Ordinance No 6 of 1870
9 th Sept 1861	9 th Sept 1862	9 th Sept 1872	7 th Sept 1872	Land Ordinances 1871 & 1872
13 rd Oct 1866	13 rd Oct 1867	supposed to have been surrendered	13 rd Oct 1870	Amalgamation Ordinance No 6 of 1870
25 th Oct 1866	26 th April 1867	supposed to have been surrendered	13 rd Oct 1870	Amalgamation Ordinance No 6 of 1870
3 rd April 1867	6 th April 1868	supposed to have been surrendered	13 rd Oct 1870	Amalgamation Ordinance No 6 of 1870
30 th Nov 1866	16 th Jan 1868	supposed to have been surrendered	16 th Jan 1871	Amalgamation Ordinance No 6 of 1870
30 th Nov 1866	16 th Jan 1868	do	16 th Jan 1871	do
5 th July 1869 (two years)	<u>nil</u>	<u>nil</u>	22 nd Oct 1870	do
6 th Oct 1871 (two years)	<u>nil</u>	<u>nil</u>	10 th Oct 1874	Land Ordinances 1871 & 1872
<i>John Wright Collins Actg. Colonial Secy</i>				



Return No 2 showing the previous history of the
Crown Lands for which leases purport to have been
granted under the Amalgamation Ordinance No 6 of 1870
previous to the publication of its disallowance.

Return

Names of Lessee	Description of Lease	Acreage	Proclamation under which held	Date of original Licence	No.
J.M. Dean & Sons	No 9 Port Stephens West Falklands	127.160	21 st June 1867	16 th July 1868	11
R.C. Pache	No 4 Kidney Island	6.000	31 st July 1868	2	
James Fallon	No 49 S. of No 10	6.000	5 th April 1861	28 th Sept 1868	1
J. Alamosa	{ No 42 Elephant Creek No 36 Middle Point	6.000 6.000	do. do.	3 rd April 1867 25 th Oct 1866	6 26
J. Bonner	No 39 South Danforth	6.000	do.	13 th Oct 1866	13
R.C. Pache	No 2 Kelp Gagoon	10.000	31 st July 1869	19	
A. Pitaluga	No 53 Salt Gagoon	6.000	5 th April 1861	6 th July 1869 (for two years)	21
James L. Waldron	Port Purvis West Falklands	87.000	21 st June 1867	15 th Nov 1867	11
B. Pache	No 10 Hambrach Harbour West Falklands	12.120	do	23 rd Nov 1867	2
R.C. Pache	No 1 Port Harriet	6.000	31 st July 1869	22nd October	
Pache Bros.	No 6 Dunnos Head West Falklands	58.200	24 th June 1867	21 st Dec 1867	7
C. Scott	No 9 Fox Bay W.G Carried Forward	40.800 377.280	do	do	

No2

Date of Original License	Date of Receipt of Original License	Date and nature of application for present license	Date of present license	Remarks
16 th July 1870	Surrendered so as to obtain a new license	By letter dated 11 th Feb 1871	27 th Sept 1870	
29 th June 1850	29 th June 1870		1 st October 1870	
5 th October 1869	Surrendered so as to obtain a new license	By letter dated 16 th Oct 1870	5 th October 1870	
6 th April 1868	Surrendered so as to obtain a new license, supposed to be dated		13 th Oct 1870	which has not yet been issued
26 th April 1867				
13 th October 1867	Surrendered so as to obtain a new license dated		13 th Oct 1870	which has not yet been issued
19 th October 1850	19 th October 1870	By letter dated 3 rd Nov 1870	19 th October 1870	
It was supposed that a license had been granted, dated			22 nd October 1870	which has not yet been issued
16 th Nov 1868	Surrendered so as to obtain a new license		16 th Nov 1870	
28 th Nov 1869	do	By letter dated 3 rd Nov 1870	28 th Nov 1870	
22 nd Dec 1869	22 nd Dec 1869		22 nd Dec 1870	
21 st Dec 1869	Surrendered so as to obtain a new license	By letter dated 3 rd Nov 1870	21 st Dec 1870	
do	do	do	21 st Dec 1870	

Return

Name of Person	Description of Vessel	Average	Proclamation under which originally held	Date of Original Licence	Date
Sharp & Smith	Brought forward No 50 Berkeley Sound No 51 do No 52 do	577.280 6.000 6.000 6.000	" 1st April 1861 do do	15 th Octo 1868 do do	13 th 17 th 17 th
A. Pitaluga	No 40 Cape Dolphin	6.000	do	30 th Nov 1866	1866
J. Pitaluga	No 11 Dimpet Creek	6.000	do	do	do
James McClymont	No 5 Charles River West Falklands	100,000	24 th June 1867	5 th Feb 1868	6 th
W. W. Bertrand	No 3 Ray Core W.Y.	65,000	do	21 st April 1869	1869
Holmstedt & Bladde	No 3 Adelaide Stn W.Y.	111.000	do	do	do
Baillon Bros.	No 8 West Frob Bay W.Y.	76.297	do	8 th Feb 1868	1868
Stickney Bros	No 8 Spring Point W.Y.	60.493	do	do	do
James Fulton	No 51 S.W. of Reserve W.Y.	6.000	11 th April 1861	22 nd Feb 1870 (1 year)	1870
A. Pitaluga	Stn McBrides Head	6.000	do	16 th Feb 1870 (1 year)	1870
		832,070			

No 2 (continued)

Date of Original Lease	Date of Expiry of Original Lease	Date and nature of application for present lease	Date of Present Lease	Remarks
13 rd Oct 1869	Went surrendered			
17 th Dec 1869	so as to obtain		31 st Dec 1870	
17 th April 1870	a new lease			
16 th Jan 1868	supposed to have been surrendered	16 th Jan 1871	which has not yet	
	for a new lease dated			been issued
do	do	do	16 th Jan 1871	do
6 th Feb 1870	Surrendered do as to obtain a new lease		5 th Feb 1871	
11 th April 1870	do	By letter dated 29 th Sept 1870	5 th Feb 1871	
do	do	do	5 th Feb 1871	
8 th Feb 1870	do	By letter dated 24 th March 1871	8 th Feb 1871	
do	do	do	8 th Feb 1871	
		By letter dated 16 th Oct 1870	22 nd Feb 1871	
			26 th Feb 1871	
John Wright Collins Acting Colonial Secy				



Schedule of Despatches transmitted by the Acting Governor of the
Grenadines to the Secretary of State for the Colonies on the 15th Augt 1878

	No of Enclosures
—	—
—	—
1	—
—	—
Return No 3 - showing the previous history of the Crown Lands for which leases purport to have been granted under the Amalgamation Ordinance of 1870, subsequently to the publication of its disallowance.	3 1 2 2 1

Return

Name of Lessee	Description of Lease	Acreage	Date under which Land originally granted	Date of Original Licence
R. Greenhields	Howgate Station comprising:-			Proclamation
	No 4 Pista Sola	6.000	of 14 th April 1861 & 4 th August 1868	18 th Dec ^r 1869
	No 48 Nordan Carlos River	6.000		8 th Nov ^r 1870
	South of Loringo Agom	6.000		18 th Dec ^r 1869
	South of No 41	6.000		8 th Nov ^r 1870
	Pineon del Moro	12.000		8 th Nov ^r 1870
	S. of Pista Sola	6.000		8 th Nov ^r 1870
Sharp Smith	No 43 Cape Campfort	6.000	do	27 th May 1867
A. Pitagua	No 45 Elephant Rock	6.000	do	6 th July 1868
do	Str. "Fanning's Head"	6.000	do	13 th June 1870
R. C. Pache	No 46 Estancia	6.000	do	30 th July 1868
Andres Pitagua	No 49 Shallows Rock	10.000	do	17 th June 1861
W. D. Brinley	Saunders Island	21.000	Proclamation 24 th June 1867 & 28 th July 1870	
Jas. L. Waldron	St. Mount Moody West Falklands	28.920		Amalgamation 17 th March 1871 Ordinance
do	White Rock. W. Falk.	26.000	do	do
		151.920		

Schedule of Despatches transmitted by the Acting Governor of the
Gambia to the Secretary of State for the Colonies on the 15th Aug 1878

No. 3

Date of Original Despatch	Date of expiry of Original Despatch	Date and nature of application for present Despatch	Date of present Despatch	Remarks	No. of Enclosures
7 th August 1870					—
7 th August 1870	Was surrendered so as to obtain a new Despatch		15 th April 1871		—
29 th May 1868	was surrendered so as to obtain a new Despatch		29 th May 1871		3
6 th July 1869	was surrendered so as to obtain a new Despatch		6 th July 1871	to 1	2
(Licence expired)			13 th June 1871		579
30 th July 1869	was surrendered so as to obtain a new Despatch		30 th July 1871		2
7 th Nov 1869	7 th Nov 1871	a new Despatch is supposed to have been granted of date	7 th Nov 1871	which has not yet been issued	1
(Licence expired)			28 th July 1872		
(New Land)		By letter 13 th Aug 1870	27 th March 1873		
(New Land)		By letter 8 th Nov 1870	27 th March 1873		

Return No. 3.

Name of Lessee	Description of place	Average	Law under which originally held	Date of original Licence
Andres Pitaluga	Cape Tribul	151.920	Amalgamated Ordinance 17 th April 1871	
Falkland Islands Coy.	West Coast Reserve	11.160	do	26 th July 1872
James Trelon	Arroyo Malo	6.000	do	28 th Oct 1871
R. B. Pache	No 57 Spanish Coy.	6.000	do	24 th Nov 1870
do	No 58 N. of W. Harriet	6.000	do	do
C. H. Williams	No 9 West Falklands	63.000	Proclamation 24 th June 1867	15 th July 1869
do	Weddell Island	54.000	do	7 th Sept 1878
		309.380		

Mem.

"For reasons stated in the correspondence between Mr. G. and Mr. Williams of 5th and 6th August last, rent and occupation money under this licence has been suspended until 15th Feb 1872, when Mr. Williams will be entitled to a new licence under the Amalgamated Ordinance of 1870 for one year."

Weddell Island is reserved to Mr. Williams without payment of rent in pursuance of my letter of 6th Aug. Past. till 15th Feb 1872 when he will take up his licence and commence to pay for occupation

(Sgd) G. D'Arcy

(Sgd) G. D'Arcy

Schedule of Despatches transmitted by the Acting Governor of the
Maldives to the Secretary of State for the Colonies on the 15th Aug 1878

b. (continued)

Date of Original Grant	Date of Expiry of Original Grant	Date and nature of application for extension	Date of present Grant	Remarks.	No. of Enclosures
1871 (New Land)			17 th April 1873		1
1872 (New Land)		By letter 9 th July 1870	26 th July 1873		—
1871 (New Land)			28 th Oct 1873		1
1870 (New Land)			24 th Dec 1873		—
(New Land)			24 th Dec 1873		
69 (Middle Note)			15 th Feb 1874		3
1878			15 th Feb 1874	its	1
				879	2
				8	2

~~John Wright~~ Collins
Actg. Colonial Secy.

Schedule of Despatches transmitted by the Acting Governor of the Falklands to the Secretary of State for the Colonies on the 15th Aug 1878
on the Royal Mail Schooner "Black Hawk" via Montevideo

No of Despatch	Date of Despatch	Subject of Despatch	No of Enclosures
49	1878 6 th Aug.	Acknowledging the receipt of certain Parliamentary Papers	—
50	do.	Regarding Certain Colonial Publications	—
51	7 th Aug.	Acknowledgment of Circulars and Despatches	1
52	7 th Aug.	Regarding the local quarantine regulations	—
52	8 th Aug.	Enclosing Abstract of the Colonial Treasurer's Cash Transactions	3
53	9 th Aug.	Returning answers to Queries on Lighthouse Accounts	1
54	14 th Aug.	Submitting the financial Estimates for the year 1879	2
55	15 th Aug.	Reporting the loss of the barque "Juliet" off Liverpool	2
56	15 th Aug.	Advising certain bills drawn on credit of the Parliamentary grant for 1878-79	1

g. H. S. y. I
6th August 1878

N^o 49

Commercial Register of 1878
Part I. + II. - response
Part II. + III. - French

Sir,

I have the honour to acknowledge the receipt of the Parliamentary Papers, the titles and number of copies of which are noted in the margin

I have &c

(Sgd) Arthur Bailey

The Right Honble.

Sir M. E. Hicks-Brace, Bart. M.P.

+ + + +
The Colonial Office

N^o 30

G. H. S. H. I.
6th August 1818

Sir,

With reference to the Circular of 16th May last requesting to be furnished with certain Almanacs &c for use of the Library at the Colonial Office, I have the honour to inform you that there is no Almanac or publication of any kind published in this Colony.

I have the

(Sgd) A Bailey

The Right Honble.

Sir W. & J. B. B. Bart. M.P.

+ + + +

The Colonial Office

No of Dispatch	Date of Dispatch
13	11 th May 1878
14	17 th do
15	28 th do
16	7 th June 1878
Accounts Parliamentary Circular	18 th May 1878
	8 th June 1878
	24 th April 1878
do	30 th May 1878
do	7 th May 1878
do	16 th May 1878
do	30 th May 1878

G.H.S.Y.J
7th August 1878

Sir,
I have the honour to acknowledge
the receipt on the 5th inst of the Dispatches
and Circulars noted in the margin and
to forward a Schedule of unanswered
Dispatches.

I have the

The Right Honble.
Sir W. & B. Hicks-Braeh. Bart. M.P.

(Sgd) Arthur Bailey

The Colonial Office

No 39 of 12th Nov 1877

No 57

G. H. S. I.
7th August 1878

Sir,

With reference to your Circular of 3rd May defining more precisely the extent to which Her Majesty's Ships are subject to local quarantine regulations, I have the honour to inform you that the quarantine regulations in force in this Colony, so far as relates to Her Majesty's Ships, are in accordance with the tenor of your Circular.

I have etc

(Agd) Arthur Bailey

His Right Honourable
Sir W. B. Hickes-Brach. Bart. M.P.

The Colonial Office

G. H. S. G. I
8th August 1878

No 52

Sir

^{General} I have the honour to transmit a copy of the Abstract of the Cash Transactions and Transfers of this Government for the period ending 30th June, which I have received from the Colonial Treasurer, also the usual returns of changes in officeholders &c during the quarter ended 30th June last.

I have to

The Right Honorable
Sir M. & H. B. B. Bart. M.P.

+ + +
His Colonial Office

(Sgd) Arthur Bailey

N^o 523G. H. S. F. I.
9th August 1878

Sir.

I have the honour to transmit an answer to Query No. 11 on the Falkland Islands Lighthouse Accounts for the quarter ending 31st March, enclosed in your Dispatch No. 12 of 11th May last.

I have the

(Sgd) Arthur Bailey

The Right Honble.

Sir W. Hicks-Brach. Bart. M.P.

+ + +
The Colonial Office

G. H. S. Y. I
11th August 1878

No 511

X
Sir.

I have the honour to transmit the Estimates of the probable Revenue and Expenditure of this Colony for the year beginning on the 1st January and ending on the 31st December 1879, which have been framed on the basis of the Revenue and Expenditure for 1877, taken in connection with the Estimates prepared for the present year.

Revenue

As stated by Governor Callaghan in his Blue Book Despatch No 22 of the 21st March last, the Revenue collected during last year, exclusive of the Parliamentary Grant, amounted to £32 86, while in 1879, I anticipate that the local Revenue will yield at least £13 92.

This great increase arises under the Head of Customs, a result brought about by the recent addition to the duties levied on Wines and Spirits imported into the Colony, and by the imposition of a tax on cigars and tobacco used for smoking purposes. Unless there is a great revival in the general condition of trade in the Colony which is very dull just now, I do not think that I can safely calculate on receiving during 1879, more than £2000, from this source.

For similar reasons there is every probability that there will be a falling off in the amount of Revenue arising from Spirit Licences and from

The Sale of Crown Lands. Just now there is little or no demand for Town allotments, the most desirable of which have been already disposed of, and I do not expect that there will be any purchases made of Country lots, until September 1880, when some of the lessees will be compelled to buy freeholds on their farms.

Now that Harbour Dues are levied at this Port, in those cases, where the services of the Government Pilot are not employed, a slight addition to the Revenue from this source may be expected, but as the number of vessels entering and clearing is yearly decreasing, I have set down the probable amount which will be collected during next year at the low figure of £20.

It is to be feared that the Colonial Treasury will not benefit by any surplus arising from the Pilotage Dues under the arrangement made by Governor Callaghan.

In previous correspondence relative to the Pilot Service of this Government, Governor Callaghan reported that he had suggested to the Board of Trade, that that department should make an annual contribution of £25 for the hire of the Pilot Schooner, when conveying oil and stores to Cape Pembroke Lighthouse, and this sum appears under the Head of Miscellaneous Receipts in the Estimates now submitted.

I have also estimated on receiving a sum of £10, as the amount of interest which will accrue from the Exchequer Bills, now held on behalf of this Government by the Crown Agents.

In former years only the Colonial share of Postage received for letters transmitted from this Colony was estimated for, but in the Estimates for 1879 I have included the total Receipts anticipated from this source, while the probable amount due to the General Post

See
my Despatch
No 44,
of the 27th
December -

Post Office for the United Kingdom share of the Postage, appears in the expenditure under the item "Postal". The remaining items of Revenue call for no comment.

Expenditure

The expenditure for 1877 amounted to £6266, while the amount for next year is estimated at £6331 $\frac{1}{4}$, but it has been calculated with a view to every possible economy.

Establishments

Under this head there will be a saving of £235, consequent on the retirement of W. Travis the late Colonial Treasurer. In the Estimates for next year I have included a sum of £80, as the probable amount which will be allowed the Government Pilot for the pilotage of Merchant shipping and this sum also appears under the head of Revenue.

Works & Buildings

The weather during the past winter has been unusually severe and I regret to say that the wall surrounding the new gaol, which was finished late in the autumn has fallen down. In consequence I have added the sum of £50. to the amount which appears in the Estimates for the present year, for the purchase of building materials &c, and which has been transferred from the Head Civil Service Department to that of Works and Buildings inclusive of establishments.

I have also made provision for the payment of one year's interest on the debt due by the Government.

Assuming the amount of the Parliamentary Grant for next year to remain at £3500, which sum added to the estimated amount of Local Revenue, £1118/-, will give a total Revenue of £7987. The estimated Expenditure for the same period is £6334/-, so that there will be a considerable balance available, which could be applied towards the liquidation of the Colonial Debt.

Apart from the increase in 1880 from Rents of Crown Lands, I do not anticipate that there will be any increase to the Revenue of the Colony. I rather fear that, unless there is a very great improvement in the general condition of things here, there may be a falling off, and I therefore trust that you may be pleased to move the Treasury to continue the amount of the Parliamentary grant at £3500, until the Colonial Debt is liquidated.

I am not aware that there is anything else calling for remark, and I beg to submit the Estimates for your approval.

I have &c

(Sgd) Arthur Bailey

The Right Honourable
Sir M. G. Hicks Beach, Bart. M.P.

* * *
His Colonial Office

G. H. S. G. I.
15th August 1878

N^o 55

S^o letter to S^o page
8th Augt 1878

Sir,

I have the honour to transmit for the information of the Board of Trade the notes taken at an Inquiry held regarding the loss on Staten Island on 1st inst of the late barque "Juliet" of Liverpool.

The crew were landed here by Captain von Reeken of the German Brig "Thetis" on the 8th inst and I enclose a copy of a letter which I have received from him.

Previous to his departure from this Port I sent him a letter conveying the thanks of this Government for his humane conduct and I shall be pleased to learn that his services on this occasion have received some substantial acknowledgment from Her Majesty's Government.

I have to

Her Right Honourable
Sir M. & J. Hicks-Brace, Bart. M.P.

(Sgd) Arthur Bailey

The Colonial Office

G. H. S. G. I.
15th August 1878

N^o 56

Sir.

I have the honour to report that I have drawn the following drafts on the credit of the Parliamentary Grant for 1878-79, viz

No 7 dated 12th August 1878, in favour of G. C. Hoard
Bank for £100 sterl. at par,

No 8 dated 14th August 1878 in favour of Revd Richard
H. Brandon for £60 sterl. at par.

2. The proceeds of these drafts are required for the general service of the Colony, and have been carried to the credit of Colonial Revenue as per enclosed certificate.

I have the
(Sgd) Arthur Bailey

The Right Honble

Sir M. Hicks Beach, Bart. M.P.

The Colonial Office

Colony of Falkland Islands.

Draft No 7 dated 12th August 1878 for £100 sterl
No 8 " 14th August 1878 £60 sterl
£160

Drawn by Acting Governor Bailey on Her Majesty's
Paymaster General on the Parliamentary Grant for 1878-79
in aid of Colonial Revenue.

I hereby certify that the amounts realized by
the above drafts were duly carried to the credit of
Colonial Revenue on the above dates

(Sgd) John Wright Collins
A.C.T.

(Sgd) Arthur Bailey
Acting Governor

Schedule of Despatches transmitted by the Acting Governor of the Falkland Islands to the Secretary of State for the Colonies per supplementary Mail by British Schooner "Villager Girl" on 26th September 1878, via Montevideo

No of Despatch	Date of Despatch	Subject of Despatch	No of Enclosures
Act Hldt	1878 20 th Sept.	Acknowledgment of Circulars and Despatches 1.	
57	do	Returning answer to query on Lighthouse Accounts	1.
58	do	Regarding the transmission of additional copies of the Colonial Blue Book and other Statistical Returns	1.
59	23 rd Sept	Requesting the sanction of the Secretary of State to the purchase of an extra supply of oil	✓
60	do	Advising Bill drawn on the credit of the Parliamentary Grant for 1878-79	1.
60	26 th Sept	Further correspondence relative to the Mail Contract	3

No of Despatch	Date of Despatch
17	8 th July 1878
18	do
19	do
20	do
21	11 th July 1878
22	15 th July 1878
23	18 th July 1878
24	22 nd July 1878
25	27 th July 1878
Confidential Acknowledgment	17 th July 1878
do	2 nd July 1878 Sir.
Confidential Circular	3 rd July 1878
do	3 rd July 1878 I have the honour to acknowledge
do	the receipt on the 15 th inst of the Circulars
do	and Despatches as noted in the margin
do	4 th June 1878 and to forward a Schedule of unanswered
do	5 th June 1878 Despatches.
do	8 th July 1878
do	16 th July 1878

I have to

(Sgd) A Bailey

The Right Honble
Sir C. E. Hicks-Brace Bart. M.P.

* * *

The Colonial Office

Despatches ^{sent to Secy of State} remaining unanswered over 4 months

No 39 of 12 Nov 1878

G. H. S. G. I
20th September 1878

No 57

Sir,

I have the honour to return an answer to Query
No 5 on the Falkland Islands Lighthouse Accounts for the
Quarter ending 31st March, received in Despatch N^o 21 of
the 11th July last

I have &c

(Sgd) A Bailey

The Right Honourable
Sir C. S. Hicks-Bach. Bart. M.P.

†
The Colonial Office

ly No. 8. 4. 9
20th September 1878

N^o 58

sir.

I have the honour to acknowledge the receipt of your Circular of 16th July last and to inform you that it is impracticable to print in Stanley, the Annual Blue Book and other Statistical Returns, relating to this Colony.

However in future, I shall not fail to transmit for the use of the Board of Trade, a manuscript copy of the Blue Book, as soon as possible after its completion.

I have the

(Sgd) A Bailey

The Right Honourable
Sir W. E. Hicks-Brach, Bart. M.P.

The Colonial Office

G. H. S. G. J.
13rd Sept 1878.

N^o 59

Sir,

I have the honour to report the circumstances under which I have purchased Thirty Tons of Coal for the use of the Public Service, for which there is no provision made in the Estimates.

Last winter was a very severe season, and snow was on the ground for about four months. In consequence of this nearly all the coal which had been cut during last season became wet and unfit for immediate use. As a result of this the supply of Coal in the Colony is extremely limited and its price much increased.

I therefore thought it advisable to accept an offer made by Captain Mcfullly to supply me with Thirty Tons, landed at 52/- per ton, the present price being from 65/- to 70/- per ton. This quantity will not be required for this year's use, so that there will be a saving in next year's expenditure under the Head of Civil Store Department.

Under the circumstances therefore I venture to hope that you will be pleased to sanction the expenditure in question.

I have to

(Sgd) A Bailey

The Right Honourable
Sir C. G. Hicks-Brace Bart. M.P.
+ +
The Colonial Office

N^o 60

g. H. S. F. A.
23 Sept 1878

Sir,

I have the honour to report that I have drawn the following Draft on the credit of the Parliamentary Grant for the year 1878-79, viz.

No^o 9 dated 2nd Sept 1878 in favour of William Yermain for £80⁰ Stg at par.

2. The proceeds of this Draft were required for the general service of the Colony, and have been carried to the credit of Colonial Revenue, as per enclosed certificate.

I have to

The Right Honorable

Sir M. & Hicks-Brach. Bart. M.P.

(Sgd) A Bailey

His Colonial Office

Colony of Falkland Islands.

Draft No^o 9 dated 2nd Sept 1878 for £80⁰ Stg at par.

Drawn by Acting Governor Bailey on Her Majesty's Paymaster General on the Parliamentary Grant for 1878-79, in aid of Colonial Revenue.

I hereby certify that the amount realized by the above draft was duly carried to the credit of Colonial Revenue on the above date

g. H. S. F. A. 23rd Sept 1878

(Sgd) Mollins

Alo.

(Sgd) A Bailey
Almoner

l.y. H. S. F. J.
26th Sept 1878

N^o 61.

Sir,

With reference to my Despatch N^o 46, of the 25th June last relative to the Mail Service, I have the honour to inform you that as I anticipated Captain Mcbully of the "Villager Girl" expressed a wish shortly after his arrival to be allowed to put in a Tender for the conveyance of the Mails between Stanley and Montevideo.

I have been informed of the proposal which the Directors of the Falkland Islands Company made to you on the 12th July last to convey the Mails for an annual subsidy of £1000, with increased charges for passengers and freight, and the withdrawal of all restrictions, while Mr. Cobb, their Manager here, has also stated that the Company would not enter into a new Contract on the old terms.

I therefore thought it advisable to again advertise for Tenders, and up to the present have received two, one from Captain Mcbully, another from Mess^r. Howard & Company, copies of which are inclosed.

*19th Sept 1878
20th Sept 1878*

Captain Mcbully conducted the Mail service in the Government Schooner "Joan" very creditably some years ago, and it appears to me, if no new Contract has yet been made in England, that it would be advantageous to the Colony to accept his tender provided the references prove satisfactory.

As illustrating the position in which the

17th Sept 1878

public would probably be placed were the Yen Yon concession withdrawn. I transmit a copy of a complaint made to me by Mess^r Hoard and Company. Mr. Cobb has written a letter questioning the accuracy of this statement and promising to look into the matter.

However it is evident that the Company or their employees are determined to give Mess^r Hoard and Company as much annoyance as possible. Although the application was made ten days before the sailing of the "Black Hawk", it was according to Mr. Cobb's answer refused on the plea that cargo shipped in Southampton on through Bills of Lading issued by the Royal Mail Company was expected to arrive by steamer.

It is quite possible that the goods expected might have been left behind, in which case there would have been no time left for Mess^r Hoard and Company to have shipped their cargo, even had they been allowed to do so.

As it was the cargo which was used as a pretext to shut out that of Mess^r Hoard and Company belonged to the brother-in-law of the Company Manager, who is a very valued customer of the Falkland Islands Company and they would not dare leave it behind at Montevideo, even if all the Yen Yon of space reserved for the Public had been taken up.

When the Black Hawk arrived here she was nearly empty and had only five cases for the Company. If as the Company alleges the Mail Service is conducted at a loss, one would naturally have expected that their servants would have been glad of the opportunity of earning £30 a ton on the freight offered by Mess^r Hoard and Company.

It seems to me a manifest departure from the policy promised by Mr. Cobb in his letter of the

(Signed) A. Bailey

the 15th August 1877, in which he says that "the Company have no intention of filling up the hold every voyage, and when there is room will freely place it at the disposal of persons wishing to ship," and I concur with Governor Callaghan in believing that the public would be in a bad way as regards the conveyance of their goods, except they had some guarantee such as the present contract affords.

Although I should regret to see the Company, who have performed the service with great satisfaction, lose the contract, I am of opinion that it would be to the interest of the Community, if the Mail Service were conducted by some person unconnected with either of the old established houses here.

Pending your decision the "Black Hawk" will continue to perform the Mail Service as hitherto, but if the Company do not care to do so, I shall be able to make other arrangements, so that the regular communication with England shall not be interrupted.

I have the

(Sgd) A. Bailey

The Right Honourable
Sir W. E. Hicks-Brace Bart. M.P.
The Colonial Office

Schedule of Despatches transmitted by the Acting Governor
of the Falkland Islands to the Secretary of State for the Colonies, via
Montevideo, per Royal Mail Schooner "Black Hawk" on 2nd Oct 1878

No. Despatch	Date of Despatch	Subject of Despatch	No. of Enclosure
62	1878 28 th Sept.	Relative to the proposed retirement of Mr. Watts	1
63	1 st Oct 1878	Regarding the periodical Surveys required to be held on the Funds remaining in the Colonial Treasury	1
64	2 nd Oct 1878	Advising Bill drawn on the credit of the Parliamentary Grant for 1878-79	1

G. H. S. Y. I
28th Sept 1878.

No. 2.

Sir,

I have the honour to acknowledge the receipt of your Despatch No 23 of the 18th July, relative to the proposed retirement of W. Watts.

I informed this gentleman of your proposals regarding him and he has handed me the enclosed letter in which he accepts the retiring allowance of £90 per annum.

He also asks that a successor may be appointed as soon as convenient on the ground of the state of his health, which he is afraid will not allow him to remain in these Islands during another winter.

Under the circumstances I shall be glad if you are able to accede to his request.

I have the

(Sgd) A Bailey

The Right Honble.

Sir. E. Hicks-Brach. Bart. M.P.

The Colonial Office

q. H. S. 4 J
1st October 1878.

No 3

Sir,

With reference to your Circular of the 1st May last regarding the periodical surveys, which require to be held on the funds remaining in the Colonial Treasury in accordance with the instructions of the Lords Commissioners of Her Majesty's Treasury, I have the honour to draw your attention to the peculiar circumstances of this Colony.

2. As far as I am aware these instructions have not been carried out in this Colony. However to-day I directed a survey to be held on the funds remaining in the Colonial Treasury, and the Acting Colonial Treasurer has prepared a modified Certificate, showing the result which is enclosed. The number of Colonial Officers to whom I can look for assistance in such matters is exceptionally few, and I shall be glad to have some directions from you on the subject.

3. There are two keys to the strong vault, one of which is kept by myself and the other by the Colonial Treasurer. Another key could easily be procured, which might be handed over to the Police Magistrate, who, as the Acting Colonial Secretary,^{also Treasurer}, has signed the certificate along with me. Meanwhile, pending your decision I shall continue to make use of the certificate, a copy of which is enclosed in this Despatch.

4. With reference to paragraph 5 of your Circular, I have to inform you that there are no Sub-Treasurers in this Colony, and all the Colonial Funds are kept in the Colonial Treasury.

I may mention that the Officer in charge of

the

the Detachment of Royal Marines acts as
paymaster to his men, as far as regards their
Imperial Pay, but I am not aware that any
Regulations exist as to the Survey of the Funds
in his hands.

I have &c

(Sgd) W Bailey

The Right Honble
Sir J & Nicks-Breach Bart. M.P.

The Colonial Office

l. H. S. J. I
2nd October 1878

No 611

Sir,

I have the honour to report that I have this day drawn the following Draft on the credit of the Parliamentary Grant, for 1878-79, viz

No 10 in favour of Elzana Mcbully for £125 at par

2. The proceeds of this Draft are required for the general service of the Colony, and have been carried to the credit of Colonial Revenue as per enclosed certificate.

I have to

The Right Honourable

Sir M. E. Hicks Beach Bart. M.P.

(Sgd) A Bailey

+ + +
The Colonial Office

Colony of the Falkland Islands

Draft No 10 dated 2nd October 1878 for £125 8s^t at par

Drawn by Acting Governor Bailey on Her Majesty's Paymaster General on the Parliamentary Grant for 1878-79 in aid of Colonial Revenue

I hereby certify that the amount realized by the above draft, was duly carried to the credit of Colonial Revenue on the above date.

(Sgd) John Wright Collins
A. G.

(Sgd) A Bailey
Alf. Venner

S. F. J. 2nd Oct 1878

Schedule of Despatches transmitted by the Acting Governor
of the Falkland Islands to the Secretary of State for the Colonies
via Montevideo per Royal Mail Schooner "Black Hawk" on
15th November 1878.

No of Despatch	Date of Despatch	Subject of Despatch	No of Enclosures
65	1878 2 nd Nov.	Transmitting a return showing the duties payable on articles imported to and exported from the Colony of the Falkland Islands during the year 1878	2
66	do	Transmitting Abstract of the Colonial Treasurer's Cash Transactions for the period ending 30 th September 1878	3
67	7 th do	Acknowledgment of the receipt of certain Parliamentary Papers	=
Act II	do	Acknowledgment of Circulars and Despatches	1
68	15 th Nov.	Reporting on Mr. Collins' conduct while discharging the duties of Treasurer on six months probation	0
69	do	Advising certain Bill, drawn on the credit of the Parliamentary Grant for 1878-79	1

g. No. 8. F. 9.
2nd Nov 1878

No 65

Sir,

I have the honour to ~~transmit~~ ^{transmit} the Annual Return showing the duties payable on articles imported into and exported from the Colony of the Falkland Islands during the year 1878, also a copy for the information of the Board of Trade.

I have the honour to

(Sgd) A Bailey

The Right Honourable

Sir M. G. Hicks-Bass Bart. M.P.,

The Colonial Office

G. H. S. T. J
2nd Nov^r 1818

Nobt

Sir,

I have the honour to transmit an abstract of the Cash Transactions of this Government for the period ending 30th September 1818, which I have received from the Acting Treasurer, also the usual returns of changes in office-holders &c for the quarter ending on that date

I have &c

The Right Honble.

Sir M. B. Hicks-Brace, Bart. M.P.

(Sgd) A. Bailey

The Colonial Office

G. H. S. J. G.
1st Nov 1878.

No 67

20514
Consular Reports (Commercial)
Part III

Sir.

I have the honour to acknowledge the receipt of two copies of the Parliamentary Paper, the title of which is specified in the margin.

I have the honour to be

Sgd) W Bailey

The Right Honourable

Mr. E. G. Hicks-Brach, Bart. M.P.

The Colonial Office

No of Despatch	Date of Despatch
26	15 th Aug 1878
Acknowledgment	12 th do
Parliamentary Accounts	16 th do
Circular	26 th do
do	24 th do
do	3 rd Sept 1878
	13 th do

Sir,

I have the honour to acknowledge the receipt on the 14th inst of the Circulars and Despatches as noted in the margin and to forward a Schedule of unanswered Despatches.

g.H. S. G. I
7th Nov 1878

The Right Honble
Sir M. C. Hicks-Brach, Bart
+ + +
The Colonial Office

I have the honour to acknowledge

(Sgd) A. Bailey

G. H. S. G. I.
15th Nov 1818

No 68

Sir

With reference to your Despatch No 24 of the 22nd July approving of the appointment of Mr. Collins to discharge the duties of Treasurer on probation for six months, I have great pleasure in informing you that Mr. Collins has conducted himself during that period entirely to my satisfaction and I consider him to be highly qualified to fill the office to which Governor Callaghan has recommended him.

I have &c

The Right Honorable

Sir W. & B. B. B. M. P.

(Sgd) W. Bailey

* * *
The Colonial Office

G. H. S. J. 9
15th November 1878

Nobq

Sir.

I have the honour to report that I have drawn the following drafts on the credit of the Parliamentary Grant for 1878-79, viz
No 11 dated 13th Nov 1878 in favour of Chas Williams for £100 10s
No 12 . 11th Nov 1878 do G. M. Ward for £50 10s

2. The proceeds of these drafts are required for the general service of the Colony and have been carried to the credit of Colonial Revenue as per enclosed certificate.

I have the

(Sgd) A Bailey

The Right Honble

Sir M. E. Hicks Beach Bart. M.P.

His Colonial Office

Colony of Falkland Islands

Draft No 11 dated 13th Nov 1878 for £100 10s at par
No 12 . 11th Nov 1878 . 50 10s at par

Drawn by Acting Governor Bailey on Her Majesty's Paymaster General on the Parliamentary Grant for 1878-79, in aid of Colonial Revenue.

I hereby certify that the amounts realized by the above drafts were duly carried to the credit of Colonial Revenue on the above dates.

(Sgd) W.C.
Actg. Govr.

(Sgd) A Bailey
Actg. Governor

G. H. S. J. 9. 15th Nov 1878

Schedule of Despatches transmitted by the Governor of the Falkland Islands to the Secretary of State for the Colonies, per
Full Schooner "Black Hawk" via Route Vido ^{on 2nd Jan'y 1879}

No Despatch	Date of Despatch	Subject of Despatch	No of Index
	1878		
=	28 th Dec.	Acknowledgment of Circulars and Despatches	1
10	do	Acknowledging the receipt of certain Parliamentary Papers	=
11	do	Acknowledgment of the receipt of certain Parliamentary Papers	=
12	do	Regarding the Currency Laws in force in the Colony	=
13	30 th Dec.	Reporting Governor Callaghan's arrival to resume his duties	=
14	31 st Dec.	Advising Bills drawn on the credit of the Parliamentary Grant ¹⁸⁷⁸ 1879	1
Financial	31 st Dec. 1879	Transmitting Statements of Assets and Liabilities on 31 st Dec 1878	1
1	1 st Jan'y	Representing the necessity of filling up the appointment of Schoolmastes	=
2	do	Relating to certain Finance Returns	=
3	do	Reporting the arrival of the new Police Force	=
4	do	Advising Bill drawn on the credit of the Parliamentary Grant ¹⁸⁷⁸ 1879	1
5	do	Transmitting two copies of amended Mail Time Table for first half of 1879	2
6	2 nd Jan'y	On the subject of establishing steam communication between England and the Falkland Islands	1
7	do	Regarding the appointment of Colonial Surgeon	=

No of Despatch	Date of Despatch	Subject of Despatch	No of Enclosures
8	1879 2 nd January	Enclosing requisition for certain articles required for Government House	1
9	do	Reporting a cliff of the Rat-Bog behind the settlement	2

No of Despatch	Date of Despatch
27	8 th October 1878
28	23 rd do
29	24 th do
30	8 th Nov ^r .
Acknowledgment Parliamentary	25 th Sept
do	19 th October
Circular	16 th Sept 1878
do	17 th do
do	19 th do
do	23 rd do
do	1 st October 1878
do	14 th do
do	10 th do
do	11 th do
do	16 th do
do	21 st do
do	24 th do
do	1 st Nov ^r 1878

I have the honour to acknowledge
the receipt on the 20th inst. of the Circular
and Despatches, as noted in the margin, and
to forward a Schedule of unanswered
Despatches.

I have the
honour to acknowledge

(Sgd) T. G. Callaghan

The Right Honble.
Sir M. C. Hicks-Bass Bart. M.P.

The Colonial Office

Unanswered Despatches
(Nil)

G. H. S. T. G.
28th Dec 1878

No 70

Consular Reports
Commercial Nos 8 of 1878
Part IV.

Sir.

I have the honour to acknowledge the receipt
of two copies of the Parliamentary Paper the title
of which is specified in the margin

I have the

Agd; G. F. Callaghan

The Right Honble.

Sir M. Bicks-Bach Bart. M.P.

His Colonial Office

G. H. S. T. J.
28th Dec^r 1878.

No 71

C. Colonial Possessions
Reports for 1876 & 1877

Sir,

I have the honour to acknowledge the receipt of three copies of the Parliamentary Paper, the title of which is specified in the margin

I have the

(Agd) G. F. Callaghan

The Right Honorable

Sir M. B. Hicks-Brace Bart. M.P.

+ o o
The Colonial Office

G. H. S. J. I
28th Dec 1878

No. 72

Sir,

With reference to your Circular of 16th October last,
I have the honour to inform you that there are no
local enactments relating to Currency in force in this
Colony.

I have the

The Right Honble

Sir M. B. Hicks-Bass Bart. M.P.

The Colonial Office

(Sgd) J. F. Callaghan

G. H. S. T. I
30 Dec 1878.

No-13

Sir,

I have the honour to report my arrival here to resume my duties on the 26th inst in H. M. S. Alert.

Captain Sir George Nares called upon me at Montevideo, and very kindly offered to bring me down here as his guest. The "Alert" was about to proceed direct to the Straits of Magellan without calling at the Falkland Islands and it was extremely kind of the captain to have altered his arrangements under the circumstances.

I thought it my duty to bring the matter under your notice as it seems to me to be deserving of special recognition.

I have &

The Right Honble.

Sir W. G. Hickes-Brace, Bart. M.P.

(Agd) G. F. Callaghan

& & &

The Colonial Office

l. H. S. F. J.
31st Decr 1878

No 14

Sir.

I have the honour to report that I have this day drawn the following Bills upon Her Majesty's Paymaster General on the credit of the Parliamentary Grant for the year 1878-79, viz

No 13 for the sum of £150 in favour of Messrs G. C. Howard and Company, at par, and

No 14 for the sum of £140 in favour of the Falkland Islands Company, at $\frac{1}{2}$ per cent.

2. The proceeds of these Bills are required for the general service of the Colony and have been carried to the credit of the Colonial Revenue as per enclosed certificate

I have the

(Sgd) T. J. Callaghan

The Right Honble

Sir M. B. Hicks-Brough Bart. MP.

+
The Colonial Office

Colony of the Falkland Islands

No 13 dated 31st Decr 1878 for £150 ster

No 14 do £140 ster

Drawn by Governor Callaghan being upon Her Majesty's Paymaster General on the credit of the Parliamentary Grant for 1878-79, in aid of Colonial Revenue.

I hereby certify that the amount realized by the above Bills was duly carried to the credit of Colonial Revenue on the above date

(Sgd) M. Collins
Acting Treasurer

(Sgd) T. J. Callaghan
Governor

W. F. J.

1st Decr 1878

Financial

G. H. S. J.
31st Decr 1878

Sir,

I have the honour to transmit a statement showing the Assets and Liabilities of the Falkland Islands Government on the 31st December last as far as they can be computed in the Colony.

The Crown Agents Account has only been received up to the 31st October. In the present statement the amount due the Crown Agents for the last quarter of the year is estimated at £500. Assuming this estimate to be correct the total debt of the Colony on the 31st December amounts to £2578. 15. 2.

Of this amount the sum of £2245. 11. 6. represents the portion of the debt incurred by my predecessor as yet undischarged. The Balance represents the estimated extra expenditure incurred by the Crown Agents for the passage &c of the new Police force to this Colony. A further reduction of the debt may be looked for next quarter consequent on the removal of the Marines and the retirement of D. Watts.

If the grant be continued at the same figure as that allowed for 1878-79, viz £29711. - which is the smallest amount ever voted by Parliament for the service of the Falkland Islands - the debt of the colony would be discharged in two years.

If however, as I stated in a former letter, when at home, the grant be reduced in proportion as the Revenue increases, the debt of the Colony must still continue and I feel assured that serious dissatisfaction will be felt by the Colonists, if the increase in the Revenue be

be not allocated for the liquidation of the Colonial Debt, as the recent measures of taxation were introduced and passed, without any serious opposition on the ground of their being necessary to extricate the Colony from its financial embarrassment.

I trust now that every possible effort has been made to reduce the expenditure, the Lord Commissioner of the Treasury, may be pleased to sanction the continuance of the Parliamentary Grant on the footing before referred to, viz £2974. for any two years, until the Colonial Debt is liquidated.

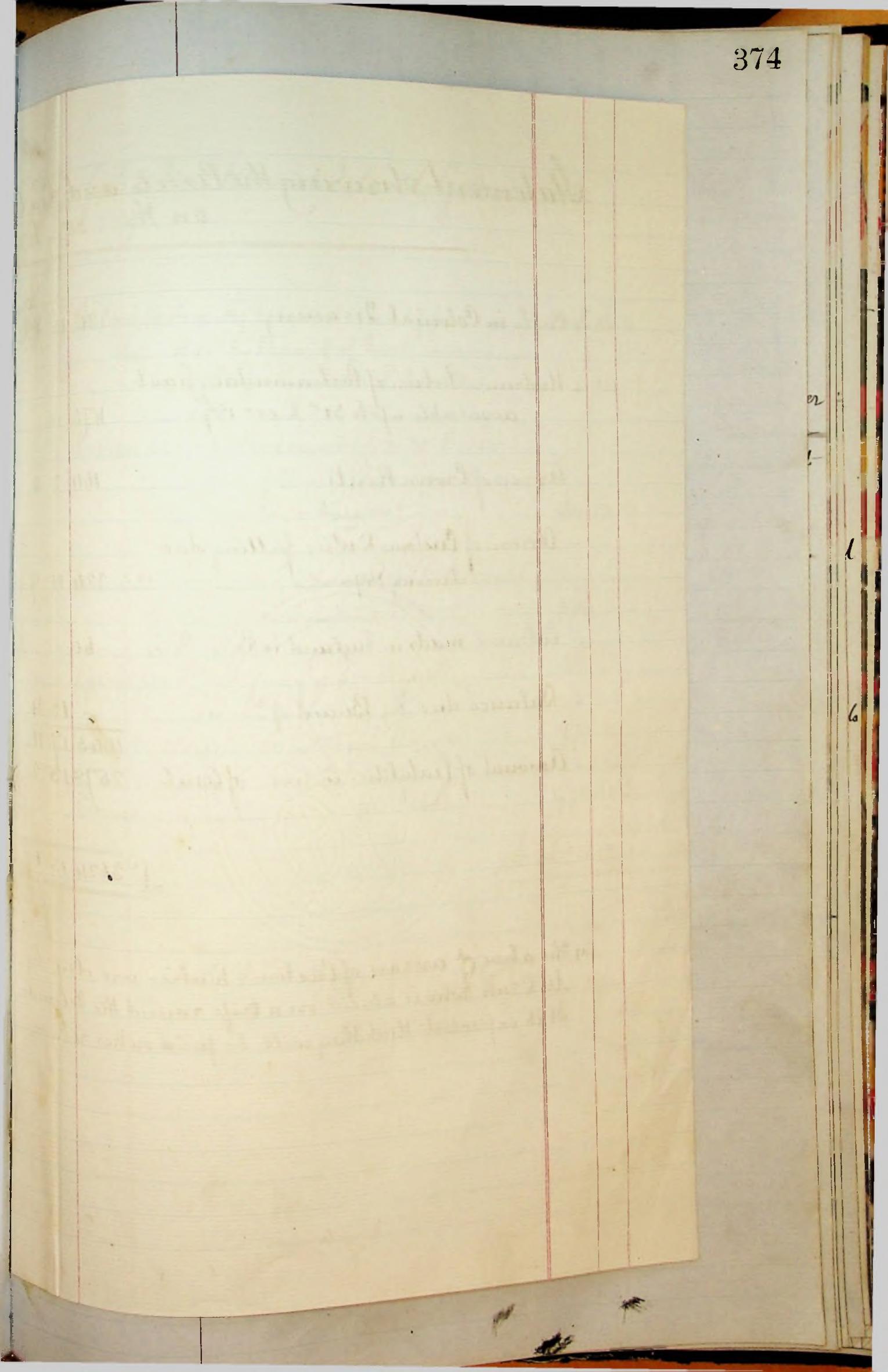
~~return~~ It will be seen from the accompanying return, that of the Parliamentary Grant available for the quarter ended 31st December, there remains undrawn £1475.. 10 $\frac{1}{2}$. This amount I propose should be handed over to the Crown Agents, to be placed to the credit of the Colony.

There will then remain a balance of the Parliamentary Grant for the ensuing quarter of £743.. 10 $\frac{1}{2}$, which will have to be drawn for before the 31st March 1879.

I have to

(Agd) T. J. Callaghan

The Right Honble.
Sir M. E. Hicks Beach Bart. M.P.
The Colonial Office



Statement shewing the Assets and Liabilities
on the 31st Dec

To Cash in Colonial Treasury	20 15 6
.. Undrawn Part of Parliamentary Grant available up to 31 st Dec. 1878	17 5 10 -
- Arrears of Crown Rents	16 4 2 4
- Arrears of Customs Duties falling due during 1878	(a) 32 4 11 9
- Advance made in England to Police Force	60 -
- Balance due by Board of Trade	.. 18 4
- Amount of Liabilities in excess of Assets	<u>10 4 5 17 11</u> 25 7 8 1 5 2

£ 3624 13 1

(a) The above of arrears of Customs Duties are due by Mr Dean who is absent on a trip round the Islands. It is expected that they will be paid on his return

4
y

Balances of the Falkland Islands Government
as at 31st Decr 1878

By Balance due by General Post Office	12 14 3
do due by Board of Trade on account of office Pembroke L. house	1 14 7
• Crown Agents Account up to 31 st Oct 1878 for service of the year (less a remittance of £158.15.6 in transit)	864 12 9
• Estimated amount of Crown Agents Account for quarter ending 31 st Decr 1878, say	500 - -
• Specie received from Crown Agents	500 -
• Bills drawn on the Crown Agents	715 -
• Loans remaining due in the Colony	970 11 6
<hr/>	
	£362413 1

John Wright Collins
Actg Colonial Treasurer

G. H. S. T. J.
1st January 1879

No 1

Sir.

I have the honour to draw ^{your} attention to the urgent necessity which exists for having a schoolmaster appointed as soon as possible and sent out ~~as soon as possible~~ to the Colony to take charge of the Government School at Stanley.

It will be a great disappointment to the public here if any further delay takes place in filling up this appointment.

I have the honour to

The Right Honourable
Sir C. E. Hicks-Brough, Bart. M.P.

The Colonial Office

(Lqd) T. G. Callaghan

G. H. S. J. J.
1st Jan'y 1879

No 2

Sir,

In reply to your Circular of the 1st October last, I have the honour to inform you that the financial returns required in it will be forwarded by next mail. The changes consequent on the departure of the Marines and the retirement of W. Watts render it difficult at present to prepare an accurate return for 1878 and it will be necessary to wait for the arrival of the Crown Agents Accounts for the last quarter of 1878 before the return for that year can be completed.

In my Despatch "Financial" of the 31st December last, a statement was enclosed showing the Assets and Liabilities on that date, as far as they can be estimated with the information now in my possession.

I have &c.

(Sgd) G. F. Callaghan

The Right Honble
Sir W. E. Hicks-Brach Bart. M.P.

+ + +
The Colonial Office

G. H. S. J. J.
1st Aug 1879

No 3

Sir,

I have the honour to report that the new Police force arrived here on the 20th ult. in the steamer "Black Hawk".

I have succeeded in obtaining the services of Fred. Hardy and Charles Carey, men of good steady habits, who formerly served in the Royal Marines to undertake the duties of Assistant Constables. There is good reason to hope that the new arrangement will work satisfactorily.

Lieut. Coffin and the detachment of Royal Marines leave here to-day for Monte Video, en route for England.

I received the telegram at Monte Video, authorizing W^r Mulvany to remain in the Colony, until the arrival of W^r Gruson next mail.

Have to

(Agd) T. F Callaghan

The Right Honble
Sir M. E. Hicks Beach, Bart. M.P.

+ , ,
The Colonial Office

G. H. S. J. J
1st Jan'y 1879

No 14

Sir,

I have the honour to report that I have this day drawn the following bill on Her Majesty's Paymaster General, on the credit of the Parliamentary Grant, for the year 1878-79, viz.

No 15 in favour of the Accountant General of the Navy for the sum of £476. 7.. 7. at per.

This bill has been drawn for the balance remaining in the Naval Savings' Bank on the withdrawal of the Royal Marines from the colony so that the amount may be transferred to the proper authorities in England by the officer commanding the detachment, without sending away this large amount of specie from the Islands, as it is much required here just now.

The proceeds of this Bill have been carried to the credit of Colonial Revenue as per enclosed certificate.

I have the
(Agd) J. J. Callaghan

The Right Honble
Sir A. E. Hicks-Bass. Bart. M.P.
+ + +
The Colonial Office

G. H. S. J. I
1st January 1879

No 5

Sir.

I have the honour to inclose two copies of a Time Table for the Mail Service between this and England for the first half of the present year.

This Time Table, which I have received from the Manager of the Falkland Islands Company, has been prepared so as to meet the altered arrangements of the Royal Mail Company as regards communication between England and Monte Video, during the period of quarantine.

The present scheme provides that letters for the Falkland Islands should be forwarded from England by the Royal Mail Steamers leaving Southampton on the 27th January, 17th March and 27th April next, while mails will be despatched from here on the 10th February and 18th March, instead of on the 15th February and 2nd April, as hitherto. Passengers may be despatched from Southampton on the dates specified, as well as mails. It will be observed that according to this scheme, it is not contemplated that any mails or passengers for the Falkland Islands, should be forwarded by the direct Royal Mail Steamer to Monte Video, of the 27th February.

As far as I am able to judge this is the best arrangement to be made under the circumstances, and perhaps it may be considered necessary to advise the Postal Authorities regarding it.

I have to

The Right Honorable

Sir M. E. Hickie-Brock, Bart. M.P.

+

+ 5

The Colonial Office

(Agd) G. H. Callaghan

G. H. S. F. J.
2nd Jan'y 1879

N^o 6

Sir.

I have the honour to enclose an extract of a letter, written by the local Manager of the Falkland Islands Company to his Directors on the subject of establishing Steam communication between England and the Falkland Islands, in connection with the Pacific Steam Navigation Company.

As I have already drawn your attention to the important bearing which this question has upon the prosperity of the Colony, perhaps as I am much pressed for time, I shall be excused from going into it more fully at present, especially as Mr. Cobb's letter states the facts of the case very clearly.

In view of the circumstances mentioned in his letter, I trust that some communication may be made on the part of the Government to the Pacific Steam Navigation Company, with a view to ascertain upon what terms, they would be willing to undertake the service in question.

The Right Honble

Mr. Hicks-Bach. Bart. M.P.

The Colonial Office

I have the
(Sgd) J. F. Callaghan

R.S. I find that upon inquiry that Mr. Cobb contemplates that an outward bound steamer shall call here with the mails every month, and a return one also monthly to take the Mails home. The words "£100 a trip," are intended to include both visits here. This would strictly speaking be £50 for each trip.

(Sgd) J. F. C.

157

G. H. S. T. O.

2nd January 1819

No. 1

Sir,

As perhaps this Despatch may reach home before the appointment of a Colonial Surgeon to replace Mr. Watts has been made, I write to draw attention to the necessity of exercising great care in selecting a competent person for the post.

The inhabitants of Stanley and its neighbourhood have hitherto had the advantage of two experienced medical men, and as for the future they will have to depend upon one, it would be most unfortunate if any person were appointed, who did not inspire the public with confidence in his character and professional ability.

I propose to let to the new Colonial Surgeon the quarters lately occupied by the Officer of Marines, at a small rent on the condition that he keeps his dispensary there. The Government has hitherto had to pay the rent of a house for a dispensary for the use of the Colonial Surgeon.

As the salary of the new Colonial Surgeon is only to be £300 a year, it may possibly strengthen the chances of obtaining a good man for the appointment, if the additional inducement of getting comfortable quarters at moderate rent be thrown in. House rent in the Colony is excessively high, and there are scarcely any of the better sort of houses to be obtained at all.

It would be desirable that the new Colonial Surgeon should be appointed and sent out with as little delay as possible.

I have to

The Right Honourable

Mr. Bicks-Bach, Bart. M.P.

The Colonial Office

(Agd) J. F. Callaghan

G. 96. S. J. J.
2nd January 1879

No 8

Sir,

I have the honour to request that you may be pleased to authorize the Crown Agents to procure the articles, as per enclosed requisition, for the use of Government House. They are not provided for in the Estimates, but they are urgently required. It would be desirable that the articles should be forwarded by Royal Mail Steamer, by the first opportunity.

The Right Honble

Sir M. E. Hicks-Bass Bart. M.P.

+ + +

His Colonial Office

I have to

(Sgd) G. F. Callaghan

No 1 of 1879

g. 26. 8. T. O
2nd January 1879

No 9

1st Jan 1879

Sir,

I have the honour to forward a letter which I have just received from Mr Bailey, the late Acting Governor, relating to the slip of the post bag at the back of the town which took place on the morning of the 30th Nov last.

I am happy to observe that the conduct of the public on the occasion was most praiseworthy. I enclose a notice published in the Gazette by the Acting Governor on the subject.

The own exertions and also those of Mr. Collins are very deserving of praise, and I am glad to learn that they have been highly appreciated by the public. It is to be hoped that the precautions taken in the matter will have the desired effect.

I have &c

The Right Honorable
Sir M. B. Hicks-Bass Bart. M.P.
+ + +
The Colonial Office

(Sgd) J. F. Callaghan

Schedule of Despatches transmitted by the Governor of
the Falkland Islands to the Secretary of State for the Colonies
on the 11th February 1879 per Royal Mail Schooner 'Black Hawk'
via Montevideo

No of Despatch	Date of Despatch	Subject of Despatch	No of Enclosures
	1879		
10	28 th January	Regarding the proposed bill to make further provision in the removal of Prisoners from Her Majesty's Possessions abroad	✓
11	1 st February	Regarding the new arrangement under which the Pilot Service of the Colony is conducted	✓
12	3 rd do	Regarding the disposition of certain articles left by the detachment of Marines	✓
13	do	Reporting the sale of the quarters lately occupied by the detachment of Marines	✓
14	4 th Feb	Returning answers to Queries on the Lighthouse Accounts for 1877	2
15	10 th Feb	Advising certain bills drawn on the credit of the Parliamentary Grant for 1878-79	1
16	do	Regarding certain financial returns	2
17	do	Regarding the mail arrangements for 1879	✓
18	11 th	do Regarding the security to be given by Mr Collins	✓

G. No. 8. 3. 9
28th Jan'y 1879

Nº 10

Sir,

I have the honour to acknowledge the receipt of your Circular of the 3rd of September last transmitting the draft of a Bill, which it is proposed to introduce into Parliament to make further provision for the removal of prisoners from Her Majesty's Possessions abroad.

This Circular was brought under my notice some days after my arrival at the end of last month and it was then too late for me to forward any observations, which would reach Home before the meeting of Parliament.

Most of the prisoners confined in Stanley Gaol are sentenced to short terms of imprisonment. Those sentenced to imprisonment for twelve months and upwards do not average more than two a year, and it very rarely occurs here that a sentence of more than two years imprisonment is inflicted.

Under these circumstances I do not feel in a position to offer any special observations with reference to the proposed measure on the part of His Government.

The Right Honorable
Sir M. S. Hicks-Brace, Bart. M.P.

The Colonial Office

(Sgd) J. H. Callaghan

1st. H. S. F. 9
1st. Feb 1879

No 11

Sir,

In continuation of my Despatch No 38 of the 8th of May last regarding the new arrangement under which the Pilot Service of the Colony is conducted I have the honour to inform you that the amount of dues received for the Pilotage of vessels arriving in Port Stanley during the year 1878, was £66-17/-.

This sum was paid to the Government Pilot for his services as Pilot and out of this amount he paid the wages of the boatmen employed in the Pilot service during the year.

Under this arrangement no expense for wages is incurred by the Government while in the previous year there had been £84 paid for wages to the Pilot and £30-13/- for extra hands employed in the Pilot Boat, or altogether £114-13/-

The expense incurred in keeping the Pilot Boat in repair amounted last year to £6-14/- but as reported in my Despatch No 38 of the 8th May last, this outlay is more than covered by the contribution of £25 a year charged to the Board of Trade for the hire of the boat in conveying stores &c to Cape Pembroke Lighthouse

The amount of dues collected in accordance with Ordinance No 1 of 1878 for vessels which did not employ a Pilot was £17-8/-

On the occasion of the closing of the cross accounts with the local merchants, there was also paid into the Colonial Treasury by the Falkland Islands Company a sum of £46-11s-6d, on account of arrears of Pilotage

from former years.

I have the

The Right Honourable
Sir W. E. Harcourt, Bart. M.P.

(Sgd) T. F. Gallagher

The Colonial Office

g. H. & T. I
3rd Feb 1879

N^o 12

Sir.

I have the honour to inform you that on the occasion of the departure of the detachment, certain articles were left by the Officer of Marines, in charge of this Government.

Among these is a collection of books similar to that usually supplied to Her Majesty's ships. I should be glad if it were possible to obtain the permission of the Admiralty to retain these books in the Colony. The Colonial Chaplain informs me that he thinks there would be no difficulty in collecting subscriptions to pay for these books to form the nucleus of a small binding library, if they could be obtained at the cost prices.

Amongst these articles is also an iron safe, which I should be glad to be allowed to purchase at a moderate price for the use of this Government.

There are also some medical stores which it may be well to secure for the Colony at cost prices.

I should feel obliged by your causing a communication to be addressed to the Lords Commissioners of the Admiralty to ascertain their views as to the disposition of the articles in question.

The Right Honble

Sir M. & Wicks Btach. Bart. M.P.

4 9 5
The Colonial Office

I have to

(Agd) J. F. Callaghan.

g. H. 8. F. I
3rd Feby 1879

Nº 13

sir,

With reference to the departure of the Marines, I have the honour to inform you that I thought it desirable to sell by Public Auction the Government Cottages lately occupied by the married men of the detachment instead of letting them as was originally contemplated when the question was brought before the Executive Council as reported in my Despatch N° 39 of the 13th Nov 1877. These cottages are built of wood and there has always been a good deal of expense incurred in keeping them in proper repair. On further consideration I thought it more advisable to dispose of them as soon as possible. They are seven in number and it is hoped that when sold with the gardens attached, they will fetch from £65 to £70 a piece.

The new Police force are comfortably lodged in what are called the Government Stores Cottages and each has a garden attached to it. Some other gardens lately occupied by the marines and now no longer required by the Government I also propose to sell. They will probably fetch from £200 to £250. The produce of these sales, say £650 to £700, will it is hoped more than cover the expenses attendant upon sending out the new Police force to the Colony.

The portion of the barracks occupied by the unmarried marines can probably after a little time be let for a store. I propose to reserve the officers quarters with a garden for the new Colonial Surgeon in case he is disposed to take them at a moderate rent, of £110 to £115 a year.

J

I have also been able to reserve a piece
of ground for a garden for the new schoolmaster
out of the land lately vacated by the Marines

I have &c

(Agd) J. Y. Callaghan

The Right Hon^{ble}
Sir M. E. Hicks Beach Bart. M.P.
& The Colonial Office

G. H. S. H. 9
4th Feb 1879

N^o III

Sir,

I have the honour to transmit explanations to
queries 6 and 7 on the Lighthouse Accounts for the year
1877, received in your Despatch No 27 of the 8th October last.

I have the

The Right Honorable
Sir W. Wicks-Brach Bart. M.P.

The Colonial Office

(Sgd) G. G. Callaghan

G. H. S. J.
10th Feb, 1819

N^o 15

Sir.

I have the honour to report that I have this day drawn the following drafts upon Her Majesty's Paymaster General on the credit of the Parliamentary Grant for 1818-19, viz

No 16 in favour of the Oriental Bank Corporation Limited, Threadneedle St. London for £75⁸t⁰p⁰s⁰ at par, and

No 17 in favour of Her Majesty's Paymaster General for £80¹¹t⁰p⁰s⁰ at par.

2. The proceeds of these Bills are required for the general service of the Colony and have been carried to the credit of the Colonial Revenue, as per enclosed certificate

I have the

The Right Honourable
Sir W. G. Bickis-Bach. Bart. M.P.

(Agd) G. F. Callaghan

His Colonial Office

Colony of the Falkland Islands

Draft No 16 dated 10th Feby 1819 for £75 8t⁰p⁰s⁰ at par

No 17 do 80 - do

Drawn by Governor Callaghan Only upon Her Majesty's Paymaster General on the credit of the Parliamentary Grant for 1818-19.

I hereby certify that the proceeds of the above Bills have been this day duly carried to the credit of Colonial Revenue

(Agd) John W. Collins
A C^orauner

(Agd) G. F. Callaghan
Governor

G. H. S. J.
10th Feby 1819

G. H. S. H. 9
10th Feb 1879

N^o 16

Sir,

With reference to my Despatch No 2 of the 1st ultimo, I regret to have to inform you that owing to the non arrival of the mail of the 27th December, I have not received the Crown Agents' Accounts up to the close of 1878.

I am therefore unable to send a complete statement for that year. A statement however made up to as late a period as the accounts will allow is herewith forwarded.

For the reasons stated in my former Despatch it is not possible at present to prepare an estimate for the year 1879 as requested.

Yours &c

The Right Honourable
Sir M. G. Hicks-Bass Bart M.P.

His Colonial Office

(Sgd) G. J. Callaghan

G. H. S. T. G
10th Feb 1879

N^o 17

Sir. I understand that the Royal Mail Steamer "Grat" with the Falkland Islands Mails of the 27th December on board has been obliged to put back to St. Vincent totally disabled and the Black Hawk arrived here yesterday with no mails.

Our latest advices from home are those of the 9th November last except a few letters which were forwarded by other steamers to the Falkland Islands Company's Agent at Monte Vidro, by the Secretary of the Company. Amongst these was a copy of the Mail Contract entered into by the Company with the Crown Agents and of the new time table issued by them for the year 1879.

The first direct Royal Mail Steamer which left Southampton on the 27th of November made a very long passage out and it is reported that her machinery is not in good order. Now that the "Grat" has broken down it would not be well to depend entirely upon the Royal Mail direct boats of the 27th of each month, as proposed in my Despatch No 5 of the 2nd ultimo.

This new time table seems to be based on the idea that the Royal Mail Company will despatch a direct boat to Monte Vidro on the 27th of each month throughout the year, but I rather think the original idea was only to do so during the period of quarantine, viz from the end of November to the end of May. It would be well that inquiries should be made on this point.

With the imperfect information I possess, I am not able to say whether the new Time Table is that best suited to the circumstances. If on trial it proves to be so, passengers from England to the Falklands will have to be despatched on the dates specified in it. It strikes me however to prevent a recurrence of what has just taken place that the present arrangement according to which letters, official or otherwise, and papers, are only despatched to the Falklands about once in seven weeks should not be continued.

It would I think be advisable to have arrangements made with the Post Office authorities to have a mail made up for the Falklands, ready to be despatched by each of the steamers belonging to the Royal Mail, Pacific and Amport and Holt's lines, which carries a mail to Monte Video. On Mail Bag should be addressed to the care of H. B. M. Consul at Monte Video. Had this arrangement been in force we should have received several mails by the Italian Man-of-War "Governo" which arrived here from Monte Video on the 5th January and by the United States Corvette "Essex" which also arrived from there on the 29th Jan.

In consequence of the break down of the "Yacht" we shall probably not receive any mail later than that of the 9th November until about the middle of next March. It is obvious that some step such as I have suggested should be taken to prevent a recurrence of this great inconvenience to the inhabitants of the colony and to the public service. It would also be well to have notice of the new arrangements advertised with as little delay as possible as regular correspondence with the Falklands might otherwise be seriously interrupted were any uncertainty allowed to continue on the subject.

The Right Honble
Sir M. C. Hicks-Bass Bart. M.P.
The Colonial Office

(Ldg) J. F. Callaghan

L. H. S. H. S.
11th February 1879

Nº 18

Sir,

I have the honour to inform you that in conformity with the Colonial Regulations I have requested Mr. Collins, the lately appointed Colonial Treasurer to give security to the Crown in respect of the pecuniary responsibility attaching to his office.

I do not think that at any time he has a larger sum in his charge than from £600 to £700. Pending instructions on the subject I have asked Mr. Collins to enter into a personal bond to the Crown for £2000, and he informs me that he will communicate with his friends by this Mail, and that he does not anticipate any difficulty in obtaining two sureties who will be ready to go security for him, for such an amount as may be thought necessary under the circumstances. He will also request his proposed sureties to place themselves in communication with the Colonial Office on the subject.

I should be glad to receive a draft form of a personal bond to the Crown similar to that generally used in Colonies to bind officers who have charge of Public Revenues.

I have &c

The Right Honble
Sir D. & Hicks-Brach Bart M.P.
+ + +
The Colonial Office

(Signed) J. F. Callaghan

Schedule of Despatches transmitted by the Governor of the
Falkland Islands to the Secretary of State for the Colonies [sic] Royal
Mail Schooner "Black Hawk", on 2nd April 1879, via Montevideo.

No. of Despatch	Date of Despatch	Subject of Despatch	No. of Enclosures
19	March 13 th 1879	Regarding the proposed retirement of Mr. R. H. Kilway	2
20	15 th	Expressing the sympathy of the inhabitants of the Colony with their Majesty on the occasion of the death of H.R.H. Princess Alice.	—
—	do	Acknowledgment of Circulars and Despatches	2
21	do	Acknowledging the receipt of certain Parliamentary Papers	—
22	do	Transmitting a return of the land forces for 1878	1
23	March 19 th	Acknowledging the receipt of two copies of the Statutes Vice 1872	—
24	do	Reporting the arrival of the new Colonial Surgeon & Schoolmaster	—
25	do	Transmitting an application from the Assistant Colonial Surgeon requesting to be allowed to draw half pay during his voyage to the Colony	1
26	— 21 st	Regarding the stranding of the P.R. Base Line on Wollaston Island. Cape Horn	—
27	— 22 nd	Regarding certain alterations in the rate of Postage on correspondence transmitted from the Falklands.	—
28	— 27 th	Reporting on an application from the Falkland Islands Company to purchase certain land with Land Ordos	4

No of Dispatch	Date of Dispatch	Subject of Dispatch	No of Inclosure
22	Mar 19 ¹⁸⁷⁹	Reporting certain circumstances regarding the renewals of Leases of Crown Lands held under the Proclamations of 1849 and 1861	2
30	Mar 19 ¹⁸⁷⁹	Reporting on the Land Order system	1
31		- 31 Advising Bills drawn on the credit of the Parliamentary Grant 1878-79	2
32		- 31 Acknowledging the receipt of the draft of "An Ordinance for declaring the effect and validity of certain leases of Crown Lands in the Falkland Islands"	✓
33	April 1	Regarding the financial position of the Colony	1
		also Two Confidential Dispatches of 1 st & 2 nd April	

G. H. S. J. I
13th March 1839

No 19

With letters received

Sir

I have the honour to inclose a medical certificate signed by the Colonial Surgeon and Staff Surgeon Mulvany the R. N., regarding the state of health of Mr George Helway, the foreman carpenter in the employment of the Government.

Mr Helway at present draws for various posts filled by him £160 a year, in addition to an allowance subsequently referred to.

Now that the Marines have left and that there is very little public work going on, the services of Mr Helway will not be required throughout the entire year. Besides for some years past he has been laid up for several months in the winter and unable to leave his bed. Under the circumstances his retirement from the public service will I think be necessary, and I have informed him that I was willing to recommend him for a small pension, although perhaps strictly speaking as he received wages and not a regular salary for working as a carpenter and was only a salaried officer for a short time) it might be considered that he was not entitled to a pension.

The statement of Helway's services is as follows. He entered the Government Carpenter's shop on the 14th August 1818 at 2/- a day. In July 1851 he left the Government service to go sealing. He was then receiving 5/- a day. He returned to the service in 1859 with wages at 6/- a day. His wages were increased to 7/- a day in 1860 and to 8/- in 1870. These wages were annually provided for in the Estimates for 313 days being the working days in the year.

This

His wages as Foreman Carpenter were rather in the nature of a salary as he would seem to have been generally paid as it were, for holding himself in readiness to do the Government work when required, though there might not have been actual work for him to do on every day of the period estimated for. His services were lent occasionally by the Government to work in repairing ships when hands were urgently required. While thus employed his wages as foreman Carpenter were stopped. When confined to his house through illness which he has been for several months during the last two or three winters, he received wages as though he had been at work.

On the abolition of the office of Surveyor General in April 1871, he received £50 a year in addition to his daily pay. This allowance as Overseer of Works was abolished on 1st April 1877, and his wages were increased to £14 a day. Since that date he has also discharged the duties of Stokerkeeper at £18 a year, of Lamplighter at £15 a year, and of officer in charge of Government Reservoir, for which he received an allowance of sixpence, for every ton of water supplied to shipping. His averages from £10 to £12 a year.

I have informed him that I was willing to recommend him for a small pension, although perhaps strictly speaking (as he received wages and not a regular salary for working as a Carpenter and was only a salaried officer for a short time) it might be considered that he was not entitled to a pension.

I greatly fear that Railways life is a very

precarious one, and in view of this he has informed me that he would prefer to be allowed a gratuity of £100 to be paid to him this year, instead of obtaining a pension of say, £75 a year, which probably would be about the amount he would be allowed. Mr. has a very large family and I shall be very glad to receive your sanction to grant him the gratuity in question.

I hope to be able to find him employment until the sever weather sets in, when it is understood that he is to resign his appointments. The duties of Stockkeeper, which are extremely light, I propose should be discharged by the Chief Constable without any salary. The charge of the Government Reservoir I propose to hand over to the same officer, for which he will receive the usual allowance. The place of lamplighter will be filled by Mr. Helway's son at the usual salary. By the retirement of Mr. Helway a considerable annual saving will be effected.

Vide letter second

It is difficult to prepare an accurate return of his services as required by the regulations, but I should hope that the enclosed ones taken in connection with this Despatch, will suffice under the circumstances.

I have the

The Right Honble
Sir M. B. Bichet-Bach Bart. M.P.

(Sgd) J. H. Baillieham

His Colonial Office

g. H. S. T. I
17th March 1879

No 20

Sir,

I have the honour to acknowledge the receipt of your Circular of the 16th December last, conveying the melancholy intelligence of the death of Her Royal Highness the Grand Duchess of Hesse, Princess Alice of Great Britain and Ireland, and beg to express on behalf of the inhabitants of this Colony, their respectful sympathy for the loss which Her Majesty has sustained.

I have the

The Right Honble
Sir W. B. Hickes-Brach, Bart. M.P.

(Agd) J. F. Gallagher

The Colonial Office

l. 16. 8. T. I
17th March 1879

Sir

I have the honour to acknowledge the receipt on
the 11th inst of the Circulars and Despatches noted in the
accompanying Schedule and to forward a Schedule of
unanswered Despatches

I have the

The Right Honourable
Sir W. E. Hicks-Brach Bart. M.P.

(Sgd) J. F. Gallagher

The Colonial Office

=	23 rd Nov 1878
31	9 th do
32	12 th do
33	22 nd do.
34	28 th do
35	28 th do
36	1 st Dec 1878
37	6 th do
38	7 th do
39	24 th do
40	24 th do
1	1 st Jan 1879
2	7 th do

Accounts

Parliamentary

Confidential

do	3 rd Dec 1878
do	3 rd Jan 1879
do	do
do	do

Acknowledgment	13 th Nov 1878
do	28 th Dec 1878
do	Circulars
	11 th Nov 1878
	25 th do
	27 th do
	6 th Dec 1878
	16 th do
	19 th do
	2 nd do (Secret)
	30 th Dec 1878
	✓ 25 th Jan 1879

G. H. S. J.
17 March 1879

No 21

Sir

I have the honour to acknowledge the receipt
of two copies of each of the Parliamentary Papers,
the titles of which are noted in the margin.

I have re

Lgd) G. H. Callaghan

C. 21344-Circular Reports (6 Oct 5)
Colonial Service
Sir The Right Honble
Sir M. Hicks Beach Bart. M.P.
The Colonial Office

No 22

by H. S. J.
17 March 1879

Sir.

Nil

I have the honour to transmit a return for 1878,
of the Armed Land Forces embodied in the Falkland
Islands, as requested in your Circular of the 11th November.

I have &c.

The Right Honble

Sir M. G. Bicks-Hutch. Bart. M.P.

The Colonial Office

(Sgd) T. H. Gallagher

L. H. S. T. J.
19 March 1819

No 23

Sir,

I have the honour to acknowledge the receipt
of two copies of the Statutes Victoria cap. 10 & 11, intended
for the use of this Government.

I have the

The Right Honourable.

Sir W. E. Hicks-Brach, Bart., M.P.,

+ + +
The Colonial Office

(Signed) J. F. Gallagher

G. H. S. H. A
19 March 1879

No 211

Sir,

I have the honour to report the arrival in the Colony on the 11th inst of W. Hamilton the new Colonial Surgeon, W. Bruxton, Assistant Colonial Surgeon, and Mr Taylor, Schoolmaster. These gentlemen have assumed the duties of their respective offices.

W. Walls, the late Colonial Surgeon has not yet completed his arrangements for leaving the Colony, so that he will not be able to leave by the Mail of the 2nd of April.

I have to

The Right Honourable.

(Agd) J. J. Gallagher

Sir M. B. Hicks-Brough Bart, M.P.

The Colonial Office.

G. H. S. J. J
19 March 1879

No 25

Sir,

I have the honour to enclose a copy of a letter which I have received from W. Heuston, the Assistant Colonial Surgeon, requesting that I should issue to him half pay for the period of his voyage from England to the Colony.

No reference is made to this in the letter of appointment sent to him by the Colonial Office, but half pay has been allowed to W. Hamilton from the date of his embarkation, as appears by his letter of appointment.

In acknowledging the receipt of W. Heuston's letter I promised to support his application, and I shall be glad in view of the circumstances stated by him, if you allow W. Heuston to draw half pay for the period in question.

I have the

(Sgd.) T. J. Callaghan

The Right Honble
Sir M. B. Hicks-Brach, Bart., LL.D.,
+
The Colonial Office

No^o 26

Ly. 16. 8. F. I
24th March 1879

Sir,

With reference to your Despatch No 35 of the 28th Norlast (only received here on the 11th inst) inclosing for my information and guidance a copy of a letter from the Foreign Office relative to the stranding of the American vessel "P. R. Haseltine", on Wollaston Island, Cape Horn, on the 18th of February 1878. I have the honour to inform you that as far as I am aware no wrecking expedition has been despatched from this Colony.

However I have caused a notice to be published in the Gazette with a view to prevent any unauthorized wrecking parties from interfering with the said vessel or cargo.

I have the

The Right Honble

Sir M. B. Hicks-Brack, Bart. M.P.,

+ + +
The Colonial Office

(Sgd) G. H. Gallagher

G. H. S. J.
21 March 1879

No 7

Sir.

With reference to your Circular of the 25th of January 1879, notifying certain changes which will take place on the 1st April next in the rates of postage and conditions of transmission of correspondence between countries included in the General Postal Union, I have the honour to inform you that these will render necessary the issue of a Fourpenny Stamp for the use of this Colony.

I shall therefore be obliged by your authorizing the Crown Agents to take the necessary steps to procure a supply of these Stamps.

I have the

(Sgd) T. H. Gallagher

The Right Honble

Sir M. E. Hicks Beach, Bart. M.P.

The Colonial Office

N.B. (Despatched 28 in Government House)

Land ordersBad. w/w.G. H. S. T. J.
18th March 1879No. 9

Sir

In reply to Mr Wingfield's letter of the 2nd November last requesting that I should state for your information, whether I considered it advisable having in view the interests of the Colony that the Land Order system should still remain in force, I have the honour to report as follows.

1. By the instructions of the 14th January 1840 issued for the guidance of the Immigration Board on its first establishment, the Immigration Commissioners were directed to receive deposits in England for the purchase of land and to issue in return Land Orders available as scrip at land sales in the Colony on account of which the deposit was made. "The amount of such deposits was to be expended in sending out a proportionate number of immigrants selected by the Depositors but approved by the Commissioners."

This scheme was subsequently embodied in "the Land Sales Act 5 & 6 Vict: Cap: 36. sec: 16 and continued in existence in the Australian Colonies, though not used in latter years, till the repeal of that Act in 1855. by the 18th and 19th Vict: Cap: 36." In the Falkland Islands the system was established from the first settlement and has continued to the present time, although it has been taken advantage of only by the Falkland Islands Company as a means of sending out immigrants to their estate.

3. In 1872, the Falkland Islands Company having

having tendered Land Orders in payment of certain lots of suburban land, situated on the north side of Stanley Harbour, near Navy Point, which had been brought by them at Public Auction, Colonel W' Arrey referred the matter to the Secretary of State for consideration. Vide Recd. of Colonial Despatch No 65 of June 1872 on the course of a correspondence on the subject between the Colonial Office, the Emigration Commissioners and the Falkland Islands Company. Sir G.W. C. Murdoch thus drew attention to the system of land orders.

"The object of allowing deposits to be made in this country and the depositors to select a proportionate number of emigrants was to stimulate immigration, and if it could be assumed to have that effect, especially in a country like the Falkland Islands it would be unwise to interfere with it. It may however be doubted whether it really has that effect now.

The Falkland Islands Company have a large estate in the Colony to which they must under any circumstances send out the necessary labour. Whether they have had this advantage practically by sending out their labourers for nothing, inasmuch as they have received an equivalent in land for the cost of the passages. Considering the difficulty of obtaining a revenue from the Falkland Islands, it would not I think be unreasonable or unfair to discontinue this system, which has long been discontinued in other Colonies."

It. Later on Sir G.W. C. Murdoch in a report to the Colonial Office comments upon a letter which had been received from the Secretary of the Falkland Islands Company deprecating the discontinuance of the system and states that "on the whole it appears to me that the Colony derives no benefit from the land order system.

but that on the contrary whatever effect it has must be injurious. The Falkland Islands Company have by means of it undoubtedly obtained possession of a large extent of land, without any expenditure towards emigration beyond what the interests of their undertaking would have required them to incur. It is perhaps hardly to be expected that the Falkland Islands will prove attractive to immigrants, but whatever chance there may be of its doing so will be diminished by the continuance of a system under which the Company by their command of capital are enabled to take choice of the land open for sale, on more favourable terms than other settlers.

25th June 1872

Acting upon this report Lord Kimberley directed the Immigration Commissioners to receive no further deposits for the purchase of land in the Falklands, but afterwards in consequence of a representation made by the Falkland Islands Company, he reconsidered the matter and allowed the Land Orders still to be issued. Lord Kimberley subsequently advised Colonel D'Arcy that he had consented to allow the use of Land Orders in the purchase of such country lands in the Falklands as are under claim to the person or company holding the Land Orders.

27th June 1872

1st of 3rd July 1872

5. Sir W. C. Murdoch was not quite correct in stating that the Falkland Islands Company had undoubtedly obtained possession of a large extent of land, for at the time in question the Company had not purchased by means of Land Orders more than 3000 acres. They have held them in reserve and as reported in my Despatch No 39 of the 9th May last, they applied to be allowed to purchase Stations 7 and 8, amounting to over 20,000 acres, which application did not receive your sanction. At the present moment the total value of Land Orders in

the

The Company's possession amounts to nearly £5000 which would enable them to purchase about 25000 acres.

No 28 of 27 March 1879

6. In another Despatch forwarded this Mail, I have dealt separately, - as there are special circumstances connected with it - with another application just received from Mr. Cobb, the Company's Manager, regarding the purchase of land with Land Orders. That the Company are now in a position to put forward such a claim in respect of these Land Orders, must have an important bearing upon the question, whether it is for the interest of the Colony that the Land Order System should be discontinued. Having given the matter my best consideration, I have come to the conclusion that unless the Company make out a much stronger case than any hitherto advanced by them, it would be more desirable to discontinue the Land Order System at once. I think that the opinions of Sir C. Murdoch already quoted are entirely in accordance with the facts of the case and that the Company have acquired the right of purchasing the large quantity of land before referred to, without any expenditure towards immigration beyond what the interests of their undertaking would have required them to incur.

7. From the enclosed return made up to 1877 the latest one now at my disposal, it will be seen that the increase in the population of the West Falklands and in parts of the East Island, where the Land Order system has not in a single instance been availed of has more than kept pace with that on the Company's freehold estate of

California, and on their household property.

It is true that the increase on some of the farms has been effected to some extent by recruits from amongst the shepherds brought out by the Company, some of whom, at the expiration of their five years agreement seek employment on other farms where they get higher wages, but if this were not the case the farmers would have been obliged to import additional shepherds themselves, in order to keep pace with their growing flocks.

In several instances the Company's shepherds return home after the termination of their agreements, but in all cases the Company are able to replace those who leave their employment, free of cost by means of the Land Order system.

8. Their policy has rather been to discourage the influx of settlers beyond the number required for their own purposes fearing that it might interfere with the monopoly of the entire trade of the Islands, which for many years past they have shared with Messrs. Brandons, owing to which in my opinion the prosperity of the Colony has been most seriously retarded.

Without in any way wishing to disparage the services rendered by the Company to the Falklands, I am sorry to be obliged to state that their mercantile policy from the beginning has been a narrow and selfish one, as is always the case with monopolists.

By means of the large capital at their command together with the purchasing power that they have obtained through the Land Order system, a very large quantity of land has been concentrated in their hands which it would have been far better for the advancement of the Colony and the increase of the population

speculation to have had distributed amongst a
more humble class of settlers. A very deserving farmer of
this class in the neighbourhood of Stanley is now encountering
fierce opposition from the Company, because he has lowered
the price of mutton and every effort is being made to crush
him.

9. The reduction of the aspect price of land from
£1 to 5/- an acre has had the effect of doubling the value
of the Land Orders and this seems to me - in addition to the
fact that the Falkland Islands Company, who have profited by
these orders, have for some years past been rich and
prosperous and really want no assistance whatever in
their most profitable enterprise - to furnish another reason
why the Land Order system should be at once
discontinued before it involves more formidable demands
upon the Government than at present.

10. With regard to the claim put forward by
the Company for the return of the deduction of £2 from
the passage money of each adult forwarded by Stranier
during 1876 and 1877, I am not sufficiently acquainted
with the subject of the incidental expenses connected with
the service in question to enable me to offer any definite
opinion. If the charge objected to be the usual one in such
cases, I hope it may be considered that the Company
who have so largely profited by the land order system,
are not entitled to any special exemption from it, more
especially as they seem to have held this claim so
long in reserve, in the same manner as they have
acted with regard to their land orders.

The granting of the deduction requested
would of course involve its being allowed for 1878 and

the present year, and this I fear would make a serious
inroad in the £600, invested in Exchequer Bills, now standing
to the credit of the Colony, the value of which might otherwise
be transferred to the Crown Agents in reduction of the
debt due to them, if it be decided to discontinue the
system of Hand Orders.

I have to

The Right Honble.
Sir M. & H. - Brach Bart. M.P.

(Sgd) J. F. Gallagher

The Colonial Office

G. H. S. J. J.
29 March 1879

No 30

Sir,

With reference to my former Despatch regarding the Land question, I have the honour to draw your attention to certain facts connected with the subject, not yet brought to your notice, which seem to me deserving of consideration.

2. In Section 1 of the Land Ordinance No 4 of 1871 certain Proclamations are referred "during nevertheless all estates, rights, and renewals created or accruing under or by virtue of such Proclamations". The word "renewals" is evidently a misprint for "remedies", which is the word used in the draft of the Ordinance in question, forwarded in Lord Kimberley's Despatch No 36 of 8th July 1871.

Section 20 provides for the granting of an extension of his lease to "the lessee of any station under this Ordinance", but there is no provision made regarding extensions or renewals to lessees under the Proclamations referred to in Section 1.

In Section 5 of the disallow'd Ordinance No 6 of 1870 provision is made for granting extensions to the lessees under these Proclamations, after the expiration of their leases at the rate of £10 for every 1000 acres.

3. I enclose a return showing the extension of leases issued since 1871, to Lessees under the Proclamations of 1811 & 1861, all of which leases except one which was granted in 1871, purport to have been issued in

accordance with Ordinances No 11 of 1871 and No 1 of 1877, which in reality contain no provision regarding renewals to lessees under the Proclamations in question.

The common form used in these leases is herewith forwarded. All these leases have been granted for a term of Twenty One years at a rent of £10 for every 6000 acres, in accordance with section 5 of the disallowed Ordinance.

4. I enclose copies of the Proclamations of 1849 and of 1861.

From section 7 of the latter it will be seen that the Governor may if the land be not required for sale or otherwise, grant to a lessee under either of the Proclamations "an extension of his lease for five years on the same terms as to rent and occupation as the first lease." Now supposing that these two Proclamations were in force by virtue of the saving clause in section 1 of the Land Ordinance No 11 of 1871, when these leases were issued the Governor would probably be held to have exceeded his powers in granting them and their validity may be questioned.

5. From the preamble of Ordinance No 11 of 1871 it appears to relate to the disposal of the "waste lands" of the Crown, which term could hardly be applied to the lands in question, which had been leased and occupied for many years previous.

Section 11 of the same Ordinance relates to various incidents connected with the land with which it deals, such as fixing the rent at £6 a year for each section during the first ten years, and £12 during the first ten years, and at £10 during the remainder of

of the term. But in all the renewed leases now under consideration the rent from the beginning has been fixed at £10, and the lessors have been dispensed from the obligation to purchase a block of 160 acres on each section this quantity having been purchased by them during the continuance of their former leases.

6. All of these leases are granted subject to Section 16 of the "Land Ordinance" No. 1 of 1871 which says that "this Ordinance shall not apply to any land within six miles by land of Stanley or of any township which may hereafter be proclaimed." But the insertion of this clause would seem to imply that the Ordinance was applicable to certain lands especially exempted from its operation by Section 16.

I only mention this point incidentally with a view to ascertain what effect the proclamation of a township by the Governor, say at Darwin, would have upon land within the six miles limit, held under a lease similar to that enclosed.

7. Section 7 of the Proclamation of 1861 provides that before granting ^{extension of a} lease held under it or the Proclamation of 1849, "the Governor shall with the advice and consent of the Executive Council determine whether it is expedient that the land should be sold or reserved for any public purpose."

The practice of consulting the Executive Council on such matters would seem to have been in abeyance during Colonel W' Acre's period of office and does not appear to have been adopted in regard to any of the renewals granted by him. Only two renewals have been granted by me, viz those of Section 1

37 and 38, but before granting them I consulted the Executive Council.

The renewed leases of stations 7 and 8 recently granted by Mr Bailey were granted without consulting the Executive Council. These renewals are No 28 of 1st March 1861 especially referred to in another despatch, and it may probably be decided to cancel them.

8. With regard to the other renewed leases referred to in this despatch, it will I hope not be considered necessary to discuss them, even if the construction I have put upon the matter should be held to be correct, that the Governor had not the power to grant to Lessees under the two Proclamations in question an extension of their leases for more than five years, while all these extensions are granted for twenty-one years. The rent reserved on them is £10 for every 6000 acres, and in the present circumstances of the Colony it would not be desirable to increase it.

It would also I think have an injurious effect upon the prospects of Sheep Farmers if the Governor had not the power to grant renewals for twenty-one years to Lessees under the Proclamations of 1849 and of 1861, as he would appear to have to those holding under Ordinance No 11 of 1851, which places no limit on the term for which extensions may be granted.

When this latter measure was passed it was doubtless not intended to make a distinction between these two classes of Lessees in this respect, and there certainly is no reason arising from the circumstances regarding the land held by either class, or its value to justify such a distinction.

q. My object in bringing the matter forward, is that the necessary steps should be taken to formally validate the Deases in question, or if that be not considered necessary, that all doubts regarding them may be set at rest with your sanction.

10. It would I think be desirable to have a proper form of Dease prepared and sent out, to be used in the case of further renewals under the old proclamations, if it be considered that the present form of Dease, is not suitable under the circumstances.

11. If only to prevent the recurrence of such a mistake as that referred to in my other Despatch, it is in my opinion decidedly necessary that the Governor should be obliged to submit every application for renewal to the Executive Council and it would I think be well if a return regarding such renewals and other transactions in land were required to be forwarded quarterly to the Secretary of State. If this had been the practice the consequences which have resulted from the disallowed Ordinance of 1870, would not have proved so serious.

I trust I shall be excused for having troubled you with so many details, regarding this somewhat complicated subject.

I have &c

(Agd) T. J. Gallagher

The Right Hon'ble.
Sir C. B. Hicks-Brach, Bart., M.P.,
+ + +
The Colonial Office

No 31

G. H. S. F. J.
31st March 1879

Sir,

I have the honour to report that I have this day drawn the following bills upon Her Majesty's Paymaster General on the credit of the Parliamentary Grant for 1878-79
viz

No 18 in favour of The Oriental Bank Corporation, Limited,
Mincing Lane, London for £70 1st at par; and
No 19 in favour of John Longdon for £112. 2. 5st at par.

2. The proceeds of these Bills are required for the Public Service of the Colony and have been carried to the credit of Colonial Revenue as per enclosed certificate.

These bills exhaust the Parliamentary Grant in aid of Colonial Revenue for 1878-79, as shown per enclosed statement.

I have to
(Sgd) G. F. Gallagher

The Right Honble.

Sir M. B. Hicks-Brough, Bart. M.P.

The Colonial Office

Colony of Falkland Islands.

Bill No 18 dated 31st March 1879 for £70 1st
- 19 do £112. 2. 5st

Drawn by Governor Gallagher C. M. G. upon the credit of the Parliamentary Grant in aid of Colonial Revenue for 1878-79.

I hereby certify that the amounts realized by the above Bills have been this day duly carried to the credit of Colonial Revenue

(Sgd) John Wright Collins
Colonial Treasurer

(Sgd) G. F. Gallagher
Governor

Stanley, 31st March 1879

Enclosure to Despatch No 31 of 31st March 1879.

Statement showing the disposition of the
Parliamentary Grant for 1878-79

Bill No	dated	£
1	1 st May 1878	200
2	13 th do	70
3	15 th do	150
4	3 rd June 1878	100
5	28 th June 1878	180
6	1 st July 1878	250
7	12 th August 1878	100
8	14 th do	60
9	2 nd September 1878	80
10	2 nd October 1878	125
11	13 th November 1878	100
12	14 th do	50
13	31 st December 1878	150
14	do	140
15	1 st January 1879	476. 7. 7
16	10 th February 1879	75
17	do	80
18	31 st March 1879	70
19	do	42. 2. 5

Balance handed over to £ 2408. 10.

Crown Agents 475 10

£ 2974

N^o 32

G. H. S. & J
31st March 1879

Sir,

I have the honour to acknowledge the receipt of your Despatch N^o 31 of the 9th November last, enclosing the draft of "An Ordinance for declaring the validity and effect of certain Decrees of Crown Lands in the Falkland Islands," and to inform you that there has been some delay in getting it printed. However it has just been finished and I shall take an early opportunity of submitting it to the Legislative Council.

I have the

(Agd) J. Gallagher

The Right Honourable
Sir M. C. Hicks-Brough Bart. M.P.

The Colonial Office

G. H. S. J. J
2nd April 1879

No 33

Sir.

I have the honour to transmit a statement of the Assets and Liabilities of this Government on the 31st December last as requested in your Despatch No 32 of the 12th November last, also an Estimate showing the financial position of the Colony as computed on the 31st ultimo.

In drawing up the latter the amount of the Parliamentary Grant is estimated at £2974, the amount voted for last year, and in transmitting these statements I would respectfully urge the necessity there exists for continuing the grant for this year and next year at the same rate.

In paragraph 17 of Lord Barnarvon's Despatch of the 9th October 1877, the following passage occurs, viz "I should wish you to consider whether it would not be possible to raise by additional taxation, possibly limited to a short period, an annual sum which would be sufficient to pay the interest on the debt, and to pay it by instalments in a limited number of years."

There can be no doubt that the understanding on which the recent measures of taxation were passed was to pay off the Colonial Debt and I fear there may be serious dissatisfaction in the Colony if that be not adhered to as I have stated in a former Despatch the Parliamentary Grant be reduced in proportion as the Revenue increases it will be a departure from this understanding, and I see no prospect of liquidating the Colonial Debt under the circumstances.

I may mention with regard to the money coming to the Government from the compulsory purchases

of certain blocks of land that it is probable from the depression in the wool market that some delay may take place in collecting this amount. At all events very little of it will be realized before 1881 and the three following years. If this money - which will of course have to be paid though perhaps not punctually to the time, yet within a reasonable period - were applied as it comes in to meet the annual current expenditure of the Colony it is probable that no Parliamentary grant will be required for 1881. Then the increase in the rents from £6 to £10 for each section of 6000 acres, which would take place at the same time, might with a little further reduction in the expenditure render it no longer necessary to ask for aid from Parliament from that time.

In view of the very embarrassed state of the Colony when I arrived this would seem an object worth struggling for, and bearing in mind that my difficulties, which have been great and in many ways most painful and unpleasant, have arisen from the fact that a grant of £3500 a year was not formerly found sufficient to carry on the service of this Government, I feel that the request which I now respectfully make that the Parliamentary grant may be continued for two years at £2974 (which would entirely get rid of the Colonial Debt) cannot be regarded as an unreasonable one.

The Estimate drawn up to the 31st December next is only sent in anticipation of that to be forwarded with the Estimates for next year, which will of course be more accurate than the present one.

I shall be much obliged by your informing me as soon as possible of the amount of the Parliamentary grant for the present year as want of information on this important point seriously interferes.

interferes with my arrangements for carrying on
the service of the Colony.

I have &c

(Sgd) J. F. Gallagher

The Right Honorable
Sir W. B. Dickson - Brack Bart M.P.

The Colonial Office

