Falkland Islands

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 13th January, 1909.

Per Ortega.

No. 1055.

Sir,

I have to acknowledge the receipt of your despatch no.348 and of your letter of the 1st ult.,which arrived on the 28th id.

2. Par.3. The Directors have attentively considered your remarks on the subject of Accident Insurance,and have resolved on the course which they think it expedient to take. They propose to set it out so clearly,that your suggestion that it should be left to you to deal with individual cases on their merits can be laid on one side. You are right in your surmise that when I wrote I had in my mind the Merchant Shipping Act of 1894,for I had no copy of the later Act,and was not even aware of it. But I did not confuse the two,as you put it,for in dealing with compensation both Acts may have to be taken into account. Section 7 of the Workmen's Compensation Act,1906,provides that it shall apply to seamen,and an Insurance Broker to whom we have spoken tells us that claims are made under it by them; but how they elect which Act to sue under is not clear,and we may assume,without going into a matter that is not of great practical interest to us,that it is the one most favourable to each individual case. Passing over our own monthly men, with regard to whom it is our practice to deal in the most liberal manner possible,we have only to consider seamen on articles and the men paid by the hour in Stanley. As regards the former,you will have to follow the provisions of the M.S.Act,1906,that is to say you will have to pay them their wages,and provide free medical attendance and board in case of need,in fact guide yourself entirely by section 34 of the Act,not overlooking that portion relating to an illness brought on by the seaman's own wilful act or default or to

W.A.Harding,Esq.,

Manager,

Stanley.

his own misbehaviour. Lastly with regard to the Stanley workmen, the simple and perfectly plain instructions laid down by the Board are that you are to conform to the Workmen's Compensation Act,1906, as if it were in force in the Colony,adopting in its entirety the first Schedule of the Act in all cases of compensation for accident. The reasonableness of this cannot be gainsaid; we are doing voluntarily just what we should be compelled to do if the Act had been extended to the Colony,and as it cannot be assumed that any Act,if one were passed,would be more favourable than the Imperial one,so no legitimate grievance can possibly arise if we decline to do more in the Colony than Parliament,in its wisdom,has decided should be done in this country. You will observe that the Act makes no provision for the payment of medical charges,and so the question of contracting with the Colonial Surgeon does not arise,though I may remark that in our opinion,the obstacle thrown in the way of this by the Governor might have been spared us. Lastly,the Board think that you are doing right in advising men to join the Benefit Club,and that you should continue to do so as a means of providing funds for the payment of medical expenses.

3. Par.6. You will see by the accounts that the Belford's account has been settled,and in the circumstances on favourable terms. Had the Captain not put us to a good deal of expense by his stubbornness,which entailed heavy legal charges in Scotland,it would have cost much less. In the settlement our Solicitors obtained interest from the due date,which to a great extent covered the charges.

4. Par.10. The question of the Reservoir may be considered settled.

5. Par.11. The fire on the "Gladova" reported by cable will doubtless add much to the delay and expense.

6. I have obtained from Swan Hunter an elaborate plan of a pontoon to lift 250 tons,and it looks just the thing for us; but I am sorry to say that the estimated cost,ready for shipment in the Tyne,is £5,000,which is beyond us altogether. The estimated shipping quantities amount to 227½ tons. The estimated cost of putting it together in the Tyne is £1,500,which with labour in the Islands

would be much exceeded,and to tow it out,which is considered practicable,we should have to pay fully £1,000. I am to get another estimate from a firm in the Thames,and the lifting power might be reduced to 200 tons,which would be sufficient for the "Samson"; but I have faint hopes of getting any estimate at all within our reach.

7. In writing par.2 I should have mentioned that the Board decided to put aside £200 annually to form an insurance fund against accidents. The result of the present year so far has been that we have paid a premium,to be adjusted when we get your complete returns,of £145,and have recovered about £20. In making up this return,I suppose that the amounts earned as stated in the Stanley and Camp wages list may be taken as correct,and that they will only have to be supplemented by the actual wages paid to the schooners' crews,including the Captains.

8. I mentioned to you last mail that Salvesen & Co.of Leith had in view the establishment of a coasting service by steam,and that one of the firm intended to come here to see us about it. I also said that their view was that they would have to run in opposition to us,and that I had told them that if that was the attitude they intended to take up they would meet with the most determined opposition,as they could only get a footing with our good will. When our own wool,that of our mortgagees,of our tenants,and of others more or less favourably disposed towards us is deducted from the total annual tonnage exported,there would not be much left for them. But if we can come to terms we may be able to assist them,and save the annual loss on our schooners,for that there is a loss,when interest and depreciation are taken into account, there can be no doubt whatever. The last I have heard is that they will defer approaching us until they have heard from their Manager in the Islands,and who this may be you must know better than we do,as we have no information whatever. There is one point we must stick to; if they propose to try for mercantile business they must be opposed at any cost,we cannot let this slip after our struggles for so many years,and you will no doubt keep your eyes and ears open,and report all circumstances that may come to your knowledge.

9. With regard to the produce left behind by the "Oropesa", I am asking the P.S.N.Co.to give a standing order that cargo offering at Stanley is to be taken if there is room,whether you have applied for space or not. In this case,as you had not mentioned that there would be any cargo offering I could not put my remarks in the form of a complaint.

10. George Jay,the carpenter for Darwin,goes this time,and I hope that you will be able to get him out as soon as possible. I believe that he will turn out a most useful man.

11. We have contracted with Mr.Ferdinand Salm of Berlin for the sale of the casings at Goose Green at 4½d.each,and details of the arrangement will be found in the enclosed correspondence. As regards payment and shipment,you are to take Mr.Irving's draft at 90 days' sight for the amount of the invoice on the Deutsche Bank (Berlin),London,stating on the draft the number of the letter of credit under which it is given,and the Bills of Lading are to be made out with our name as the shippers,as in the case of clients' goods,and the consignment is to be to "Order",each Bill of Lading being endorsed by you; the whole set and a copy of the invoice signed as approved by Mr.Irving are to be sent to us with the draft,in conformity with the terms of the Letter of Credit; Insurance will be done here. You mention being in treaty with a man at Sandy Point for this season's runners; but as you will have seen from my letter to Mr.Allan that we were constantly in touch with buyers here,I expect that you will have been prudent enough to make any arrangement subject to no sale having taken place here; at all events ,if you have made a contract it must be cancelled. Regarding the invoice above mentioned,it must include all labour and the cost of casks.

12. We have got the penguins back from Liverpool with three out of the six sheets of glass broken in transit, we paid for the packing cases and carriage both ways,and the cost to us so far has been £2.16.4,to which has to be added the replacement of the glass and the renovation of the cases. You might have an opportunity of letting the Governor know that this has been for the purpose of obliging him personally.

13. Mr.Blake has mentioned that you wish to take up your res-

idence in the Manager's house after next winter,but the Board cannot give this their approval. It is a matter of common knowledge that every house left empty deteriorates rapidly,especially in damp weather,and for this reason alone the Directors do not wish it to be so for even a few months; but they also feel a strong objection,which they have held from the first,to having their Manager living in a public house,instead of the one he should rightfully occupy. They rely,therefore,upon your making arrangements to go in as soon as Mr.Reid leaves.

I am,Sir,

your obedient servant,

Thos. E. Love.

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No. 1054 dated 16th December.

Ledger & Journal Entries

Remarks on Accounts

Replies to Remarks on Stores

Remarks on Stores

List of Clients' Cargo per "Oriana"

List of Parcels

List of Dutiable Goods per "Oriana"

List of Cargo per "Oriana"

Clients A/sales:-

R B C	26 bales Wool	ex "Junin"
H W	42 ,,	,,
T R	73 ,,	,,
K	33 ,,	,,
H W	12 casks Tallow	,,
W P	5 ,,	,,
J B	9 ,,	,,
F	2 ,,	,,
H G C	6 ,,	,,
L	43 ,,	,,
McG	8 ,,	,,
J B	46 Salted Hides	,,
McG	22 ,,	,,

Clients reports & contracts:-

S I	14 bales Sheepskins	ex "Orissa"
B B	2 ,,	,,
McG	9 ,,	"Junin"
R B C	2 ,,	,,
T R	4 ,,	,,
K	3 ,,	,,
AP	2 ,,	"Oropesa" } remainder
	13 ,,	"Corcovado" }

D S	2 casks Tallow ex "Junin	
F	13 ,, ,,	
S I	2 bales Wool "Orissa"	
L	11 casks Tallow "Junin"	
J B	19 ,, "Corcovado"	

General Invoice goods per "Oriana"

B/L General Cargo per "Oriana"

Clients' Invoices goods per "Oriana"

Bertrand & Felton	1	4
G.Bonner & Co.,Ltd.	8	14
Vere Packe	74	16

Enclosures via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

Replies to Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice goods per "Ortega"

List of General Cargo per "Ortega"

B/L cargo per "Ortega"

Wool reports

Clients' Invoices goods shipped per "Ortega"

Stickney Brothers	8	18	9
J.J.Felton	4	6	6
Vere Packe	10.	8	3

Letters for the following:-

W.A.Harding (2)

London 16th January,1909

Enclosures via Liverpool

Originals

Wool Reports

George Jay's Agreement & receipt for £ 15

Copies of Cablegrams sent

Copy of Deutsche Bank's letter of credit dated 9th Jany.

Copy of letters to F. Salm of 16th, 30th Dec. & 11th Jany.
& their replies of 21st, 28th Dec. 5th & 9th Janyre Casings

Sight Draft on W. Hardy for £ 3 . 8 . - for collection

Clients' A/sales:-

J B	19	casks	Tallow	ex "Corcovado"
S I	2	bales	Wool	ex "Orissa"
D S	2	casks	Tallow	"Junin"
L	11	,,	,,	,,
F	13	,,	,,	,,
S I	31	,,	,,	"Orissa"
♧	108	Sheepskins		"Corcovado"
T R	4	bales	Sheepskins	"Junin"
AP	69	Sheepskins		"Oropesa"
B B	2	bales	Sheepskins	ex"Oriana"
R B C	2	,,	,,	"Junin"
McG	9	,,	,,	,,
K	3	,,	,,	,,
S I	14	,,	,,	"Orissa"

Brokers' press copies Co's A/sales Skins & Tallow ex "Junin"

Copies of letter to P.S.N.Co. of 6th & 11th & their replies
of the 8th & 12th instant.

Particulars of Homeward freight per "Junin", "Oriana" &
"Orissa"

Workmen's Compensation Act, 1906

Invoice for G. Bonner & Co., Ltd. for charges &c. on Casting
sent home per "Oriana"

Letter for A.L. Allan.

London 13th January, 1909

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 10th February, 1909.

Per Oravia.

No. 1056.

Sir,

I have to acknowledge the receipt of your despatches nos. 349 and 350, which arrived on the 25th ult. Your cablegram reading "Flamenco 2400 bales Wool 150 bales Skins we have cancelled Stef-"fen" came to hand on the 30th ult.

2. 349-3. I am afraid that in saying that the construction of a slip would probably necessitate the services of a diver "for a short time" you are much understating the case. I have come across no one yet who thinks it practicable to lay down a slip under such conditions except at a cost exceeding that of a floating pontoon or dock. Have you considered the question of worms, the "teredo navalis" I think, which would be likely to play havoc with the piles and ways, unless protected by copper? We have two estimates for a small floating dock, one from Swan Hunter for £5,000, the other from G. Rennie & Co. of Greenwich for £3,300, both packed ready for shipment in the Tyne and Thames respectively. The former estimate the cost of erection here at an extra £1,500, and you might safely add £2,500 to either estimate to ascertain the approximate cost in Stanley. Looking at the interest alone on these sums, the Directors are unable to sanction such an expenditure, seeing that the use of the dock would be mainly confined to our own vessels. We hear, however, that there is a slip at Sandy Point capable of taking up any of our vessels, and it is rather strange that you have not suggested making use of this for the purpose of sighting and cleaning the bottom of the "Samson", which could make a trip over there without any serious loss of time. I had an interview with Mr. Theodore Salvesen this morning about his steamers in the Islands, and found that they were erecting a slip at New Island.

W. A. Harding, Esq.,

Manager,

Stanley.

Obviously it will be to our advantage to wait and see if this is laid down successfully,and if so to try to make arrangements for using it. I am also by the wish of the Board going to write to Braun & Blanchard on the subject.

3. Par.4. The Board agree to allowing you to give Mr.Moir the additional £10 you suggest.

4. Par.5. The parcels by the "Oravia" have only just been delivered. The Bill of Lading was made out for Liverpool only,as several have been lately,and the P.S.N.Co.seemed to be in some doubt about sending them on. A stamp "London via Liverpool" used to be impressed on the Bills of Lading,but this seems to have fallen into disuse for some unknown reason.

5. Par.7. I had forgotten that the letter abusing Messrs. Girling and Thomas had been written by the Master of the "Rhuddlan Castle",but I have turned it up,and have sent it with a copy of your remarks by the previous mail to this to Mr.Douglass in a letter of which a copy is enclosed. I now forward copy of a private letter from Mr.Connell relating to this,and you will see that he foreshadows most important developments,which,if they come to anything,are likely to lead to a great increase in our ship repairing business,for Mr.Douglass is inclined to advise all owners insuring in the Clubs he controls to instruct their Masters to put in to Stanley for repairs instead of making for Montevideo.

6. Par.8. The cable about the steel plates is more intelligible on your explanation,and if instead of using the word "quarter" you had adopted the code word "Duermo" followed by the others we should probably have interpreted your meaning correctly. But in many of the code sentences there are words in brackets to be used or not as may be thought desirable,and we thought that they were to be excluded in this case. In the code inches are probably a misprint for feet in the second and third dimensions,for who ever heard of ordering plates in inches of length or breadth? If the message had read"Duermo Eminada Embetuno" it would have been quite intelligible,for we should have understood the bracketed part to be cut out. I see,by the bye,that up to six feet lengths are expressed in inches; however,the error is explained and the mistake has been rectified,so there is no use in wasting further time over it.

7. Par.10. A copy of the calculations on which the percentage of profits was based is enclosed,and you will be able to see how the differences between the two calculations have arisen. Assuming that there is a good deal of wastage some of the profits seem still much too high,and this is a subject you should go into closely. For instance,you could easily calculate by weighing the scrap in several instances whether the loss justifies the enormous profit of 250% on iron plates. Then again,to take only one instance,is there such a loss on Manila rope as to make a profit of 100% reasonable? You must not forget that Underwriters and others concerned here know just as much about prices as anybody,and we cannot expect to please them until we have brought our prices down to a reasonable level.

8. Par.11. So far there seems to be no chance of discovering where the lost bale of Mr.Packe's wool has gone,and you will have to pay for it,remembering that according to the number and the Brokers' report it was a bale of locks.

9. Par.12. My experience of the Yost Typewriter is that I can get five good copies without trouble,and I hope that the new carbons will solve your difficulty.

10. Par.14. I understand from Mr.Salvesen that they have decided on erecting their plant on New Island,and he tells me that they are spending about £15,000 on the venture. We had a long talk about local matters,especially the coasting question,and he seemed to think that they would be able to keep their small boat running without loss throughout the year,as they would have constant work for her outside the requirements of the Government and the carriage of produce. Their idea is,as far as I was able to gather,to have two or perhaps more steam whalers cruising about looking for whales,and in the course of this year they may get established on South Georgia. These vessels are quite small boats,and the tender is to be 110 or 120 ft. long,much smaller than either the Malvinas or the Ranee. This is the boat that is to run the West mail,and they know that this means being in Stanley once a fortnight. She is to be fitted with accommodation for six or seven passengers,and Mr.Salvesen assumed that only one class would be necessary. I said that other accommodation would be wanted for fairly large numbers

of labourers and workmen going to and fro,who would not pay cabin fares. I asked if they intended to carry wool,and this,he said,was their intention if they could arrange it; he assumed that there were suitable piers at all the stations and all proper facilities for working cargo. I smiled,and said that while he would find some of the places fairly well equipped,there were others at which they would be expected to take their loads in their own boats from the beach,and that in every case,I believed,they must be prepared to do the boating with their own men. I told him that we controlled the larger half of the produce from the Islands,to put it modestly,and I told him also what we got for the carrying coastwise. He did not like this,and said that at such rates they would probably leave produce alone. I assured him that we got so little out of it that we would gladly be relieved of the work,if we could make satisfactory arrangements about our schooners. His idea is that between the mail dates the steamer will go out as tender to the whalers,and when a whale is killed will tow it to New Island. That does not strike me as a very practicable proposition; they cannot know where the whales are,and with the mail contract hampering them,and compelling them to be in Stanley at a certain date,it seems to me most likely that this cruising will be often the cause of much expense. For I can picture them cruising in a futile way somewhere between the Falklands and South Georgia,with their eyes on the clock,and saying thzt if they do not see a whale in an hour or so they really must go back to meet the mail! Mr.Salvesen has no idea evidently of the weather difficulties in the Islands,for he seems to think that the steamer once started on a voyage from port to port will make her passage regardless of gales,and this with sufficient horse power only to drive her from 9 to 12 knots. He expressed surprise at the schooners being able to get about and carry cargo at all on such a dangerous coast. I told him that our three small vessels had collected since the beginning of December in much under two months 2400 bales of wool,which were on their way home,and that given a fair wind they would make as good passages as a steamer,while with a strong head gale a steamer would be able to do no more than they could. We had a most friendly con-

versation,and I think that he left me with somewhat chastened expectations as to the profits they can look for in Falkland Islands local business.

11. Par.15. It is satisfactory to hear that you have cancelled the negotiations with Mr.Steffen,whose offer is two-thirds only of the price we are getting from Mr.Salm.

12. It is also pleasing to find that the Colonial Office have decided the sealing question on our land in our favour.

13. Par.17. The papers relating to the "Gladova" have been passed on to Mr.Ince,who is going on with the salvage claim. The papers are quite in order in themselves,but you ought to have made a claim on the ship at once,and to have arranged with the Captain to refer it to London. If you did so you have sent no correspondence to prove it. Mr.Ince does not expect to get much,as the ship is old,and the cargo of little value; he puts it at anything between £250 and £500.

14. A question was asked lately by the Receiver of Wrecks here about the stranding of the Malvina in 1907. I replied that I did not know to what he alluded,unless it was the grazing of a rock off the Tussac Islands on entering the port on arrival from Liverpool. You would have mentioned any other accident I think.

15. Braun & Blanchard have sent a Bill of Lading for 19 bales Wool,3 of Skins,and 1 hide shipped per "Sallust" on account of Wesell,the freight on which is 5/8d.per lb. If the bales are pressed like former ones from the same place I have calculated that it will have cost him 1/8th of a penny per lb.more than shipping through Stanley.

16. The shipment of 2400 bales by the "Flamenco" is excellent, and,if I am not mistaken,a record. Wool has gone well at the late sales,and closed very firm.

17. In consequence of your statement that Mr.Bonner had received 10% discount on some press leathers while our invoices are net,I wrote to Hayward Tyler & Co.for an explanation; but you will see that they profess ignorance on the subject,and ask for particulars,with which you have not supplied us. Be good enough to let us know when and through whom Bonner got his leathers,or whether he dealt with them direct,and make a note to supply us in future with

proof of any similar assertions at the time they are made.

18. The probable increase of shipping business through the good will of Underwriters,coupled with the fact that you have seldom been of late without a ship under repair notwithstanding the adverse feeling that has hitherto existed,points to the need of making arrangements to cope with the altered state of affairs,if what we are led to expect becomes a reality. For months past you have been suffering from congestion in the way of shipping,and the consequent serious delay incurred,which means ~~xxxxx~~ grave loss to the owners,may prejudice them against Stanley to such an extent as to neutralise the benefit we expect to derive from the altered feeling that has found expression in Liverpool. When circumstances alter to such an extent as to produce perpetual instead of occasional inconvenience,it is of no use to sit down under them and utter lamentations; the right course is to devise plans for meeting them. At present and for months past you have been able to do no local work owing to the continual employment of the carpenters on ships,and the question is whether the time has not arrived for engaging here some more of them,to be put on the permanent staff. We have now only one,and for the execution of the work you have to depend entirely on local labour paid by the hour. Even this is greatly reduced,I understand,though as we do not see the names it is not possible to speak positively. You should let us know how many men are now available as compared,say,with ten or 15 years ago,and give your opinion as to the desirability of increasing the number ourselves,having regard to the probable amount of employment ashore at times when there is no shipping,and taking account also of the housing accommodation available without putting up any more buildings. I have referred solely in these remarks to numbers; but it is quite conceivable that improved methods of dealing with the work might be devised with advantage. Sufficient has been said for the time to draw your attention to the subject, and we shall be glad to hear if you have formed any definite opinions on it.

I am,Sir,

your obedient servant,

Ed. A. Lobb.

Managing Director.

Enclosures via Liverpool

Duplicates

Deppatch No.1055 dated 13th January.

Ledger & Journal Entries

Remarks on Accounts

Replies to Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Ortega"

List of Parcels

List of Clients' Goods per "Ortega"

List of Dutiable Goods per "Ortega"

B/L General Cargo per "Ortega"

List of Enclosures

Clients' Invoices goods per "Ortega"

Stickney Brothers	8	18	9
Holmested & Blake	4	1	10
Vere Packe	10	8	3
J.J.Felton	4	6	6

Clients' A/sales :-

D S	2 casks	Tallow ex "Junin"
L	11 ,,	,,
J B	19 ,,	"Corcovado"
S I	2 bales	Wool ex "Orissa"
R B C	2 bales	Sheepskins ex "Junin"
AP	69	Sheepskins ex "Oropesa"
McG	9 bales ,,	"Junin"
K	3 ,, ,,	,,
♧	108	Sheepskins ex "Corcovado"
B B	2 bales ,,	"Oriana"
T R	4 ,, ,,	"Junin"

Enclosures via Liverpool

"Originals

Wool & Sheepskins Market Report

Copy of Cablegram received

,, ,, sent

Copy of letter to Hayward Tyler & Co.,Ltd.of 29th ~~Febry.~~ Jany. & their reply of 5th February re press leathers

Wool Statistics for 1908

Letter from C.& E.Morton of 27th January re commission.

Copy of letter to R.R.Douglas of 4th February & letter from R.L.Connell of 5th Febry.

Reports & Contracts:-

HB	77	bales Wool ex "Oravia
H W	8	,, ,,
L	18	,, ,,
H G C	12	,, ,,
H G C	1	cask Pelts ex "Lima"
H	4	casks Sealskins ex "Lima" &c.

Brokers' press copies of above reoprts & contracts and Co's Sheepskins ex "Oravia"

North Eastern Raly's.report for W.A.Harding.

Credit note for £2 . 13 . 3 from Cooper Pegler & Co.

Letter for A.L.Allan

London 10th February,1909

Enclosures via Lisbon.

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oravia"

General Invoice goods shipped per "Oravia"

Plan for fixing Boot Boiler in Eagle Range

B/L cargo per "Oravia"

Contract for Rams per "Oravia"

Sight Draft on J.Kirwan for £ 80 . 15 . 11 for collection
B/L attached

Clients Invoices goods per "Oravia"

Henry Waldron ,~~Stickney Brothers~~,

~~Holmosted & Blake,Ltd,W.D.Benney's Estate~~,

Vere Packe,J.J.Felton,Isld.Adm.

Letters for the following:-

W.A.Harding,Vere Packe,A.L.Allan

Copy of letter from the P.S.N.Co.dated 11th Febry.

London 13th February,1908

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street,
London, E.C.

Per Orcoma.
No. 1057.

10th March, 1909.

Sir,

I have to acknowledge the receipt of your despatch no.351 and letters of 25th and 27th January (two),all of which arrived on the 20th ult.

2. 351-2. I do not think that it would be of any use to write to the P.S.N.Co.about the Port Stephens passengers,and will wait until I can bring the subject before Mr.Lamb personally.

3. Par.3. As freight on Tallow is invariably taken by weight, we never get the measurements of the casks unless they are specially asked for. Last week we chartered the "Ragnhild",360 tons regr.,a Swedish vessel of good class,and enclosed you will find copy of the Charter-party. The freight is £1,300 out and home with £10.10/.to the Master,and is very reasonable. We have 70 weather working days at both ends,those not consumed here to be at your disposal,and as the loading is not expected to take long you ought to have plenty of time. We have provided for acids and not exceeding 20 cwt.of Explosives free of charge,and a favourable feature of the charter is getting the four large spars carried on deck for an extra gratuity of £2.2/.,as the freight by steam would have exceeded £30. The ship is to load coal at Blyth for Stanley and Darwin,and to come to London to fill up; in the Islands after discharging at Stanley she is to go to Darwin,discharge coal,load tallow,and return to Stanley to fill up. Taking £650 as the freight each way both cargoes will be carried cheaply. You have unfortunately failed to send the list of rough goods promised in your 348-5 of 30th November last,and have landed me in a difficulty,as I cannot tell the quantity of coal that ought to go,or what to use to fill up; but

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

an examination of Stock returns and shipments of late years seems to indicate that if we ship 300 tons of coal for Stanley and 120. for Darwin we shall not be doing wrong,and that will leave us about 180 tons to make up in London. We can send shooks,some more paraffin both for sale and use in the oil engines,a little cement, possibly lime in hogsheads,and fill up with wood. I am afraid that we may have to work in this way for want of information,as the ship,now at Grangemouth,is to tow to Blyth to load on the 15th; but should she be delayed the mail due in less than a fortnight may bring your list,or you may say that you want as much coal as she can carry,in which case we may leave out the London loading altogether. I should have said that I am going to send 50 tons of Brancepeth Smithy coal at a venture,as I see that we have not shipped it for some time,and the Blacksmiths have been busily at work. I have cabled news of this charter,as it may influence you to keep back some sheepskins for filling up,and also suggest to you that you should lose no time in securing all the tallow that is available in the Islands. With regard to the freight home,you will be able to make an approximate estimate of the gross weight, and if you see that you can cover the £650 with some reduction in the rate you should make it. With time to stow the casks properly and delivery direct in London,the condition may be expected to be much better than if shipped by steam.

4. Par.4. As we are of the same mind on the subject of interest charged to clients the subject may be dropped.

5. Par.10. The Directors have discussed at length the question of the West Falkland mail service,and have decided to instruct you not to send in a tender. From the conversation with Mr.Salvesen reported last mail it would seem that the benefit to be expected from the services of the whaling tender is of very doubtful value,and the competition unlikely to be of much account. Mr.Alcock called here on the morning of the last Board meeting,and said emphatically that they would not tender,and we have decided to leave it to the Governor to do his best or his worst,whichever you like to call it. If Salvesens do not think £600 a year good enough, or if the arrangement proposed to be made with them falls through,

the Governor will have to come to us,and we shall be able to dictate our own terms,while,on the other hand,if we were to tender now,it would give him an opportunity of administering a snub,of which he would be likely to avail himself. I feel sure that Salvesens will not care to carry wool at our rates,and if we are free of the mail contract it will enable you to work the schooners more quickly than you are doing now. I ought to add that I had a talk with Mr.Alcock about coasting freights,and he told me that if the farmers would agree to a rate that would enable them to make both ends meet,the P.S.N.Co.wouldput on a steamer at once,but that as they do not visit the Islands for their health they are not prepared to submit to a certain loss. I have repeatedly said that if the farmers really want steam communication they must pay for it themselves,either directly or indirectly,and I have been working out freights at ⅝d. per lb.on wool to see if that would offer an inducement,but I fear not,unless the P.S.N.,in consideration of securing all the wool from the Colony,were prepared to come down on the amount to be earned by the ocean boats. Mr.Alcock said that if any arrangement were proposed it must be for a term of years,as they could not think of putting a boat on unless they saw their freights assured ahead for a considerable period. I am going to refer in a later paragraph to the question of the coasting freights we earn,with a view of showing what an advantage it would be to us to be relieved of the onus of carrying our clients' produce,which at present we have to do for the purpose of retaining their business. Working in association with the P.S.N.Co. we should be relieved of any serious misgivings on this point.

6. Par.11. With regard to Salvesens,we must know a little more about them and their intentions before we can judge as to whether they mean to enter for wool carrying in opposition to the P.S.N.Co. The probability seems to be that they will have their work cut out to carry all their own stuff,and should they take wool the presence of whale oil and manure would not improve its condition. If there are any people outside ourselves who care for a regular mail service by a first class line like the Pacific,they should be warned that the withdrawal of produce to a material extent would certainly militate against a renewal of the contract.

It has been reported that the Governor talks of the monopoly of the P.S.N.,and would like to attack it. It does not seem to have occurred to him that the small amount of business done with the Islands is incapable of division if the advantages of the mail service are to be maintained. The P.S.N.Co.would be only too glad of an excuse for severing their connection with the Colony.

7. Par.12. I do not think that we need be much disturbed about the Darwin Reserve. It would be better if we owned it of course; but our safeguard is the utter uselessness of a block of 3000 acres to anyone else,and the fact that our enemy,Sir Roger Goldsworthy,had to let it to us in 1895 shows that he knew no one else would take it. It is unfortunate that the dip is on it,but if the water supply is failing that may have to be moved,and if the Reserve were occupied by a stranger we should put up a ring fence round him,of which he would have to bear half the cost,and he would be harmless. Still,the better way would be to obtain possession of it,and before 1916 it may be possible to make a Governor see that it would be to the advantage of the Government to sell it to us outright.

8. Par.14. I have sent one of the accounts and your Certificate to Mr.Schmidt,who may or may not be satisfied,as he has not replied.

9. Par.16. The detailed information about the ships under repairs is interesting.

10. Par.17. We shall make the payment to the Crown Agents for G.Bonner & Co.,as requested.

11. Par.19. The "Flamenco" arrived a few days after the mail, and we have just got Reports and Valuations of the wool,which look satisfactory. It is to be up this afternoon,and we shall be able to give you the prices.

12. The request received from Mr.A.E.Felton and forwarded in your letter of the 27th January to the effect that he wishes us to "consign" his wool to Messrs.John Hoare & Co.shows such complete ignorance of the the usual course of business that I had better explain the position clearly. Mr.Felton,like other clients,receives during the year advances from us against his produce,and

when this is ready it is consigned to his London agents, ourselves, who take complete responsibility for it in every way, placing it in the hands of such Brokers as we may think most suitable, and having it realized to the best advantage. In consideration of our commission we accept responsibility for the cash proceeds; it is important to emphasise this, because the fact does not appear to be generally known, and questions have several times been asked about it. In giving this information, which I have done several times, I always refer to the case of Captain Packe, who many years ago consigned his wool to Brokers named Hall & Webster direct. Before the prompt the Brokers failed, and Captain Packe lost a lot of money; had he consigned to a responsible agent the loss would not have occurred. Now, having this responsibility, we cannot allow a client to tell us what Brokers we are to employ, and as a matter of fact we think that those who sell our own wool are good enough for our clients. There is this further advantage, that dealing as they do with the greatest bulk of F.I. wool that comes to London they are in touch with all the likely buyers, and circularize them as to the marks that are about to be put up. It cannot be suggested that Hoares get any betterprices than our own Brokers, and to wish them to sell for us is a pure fad. I believe that I may safely say that no shipper in Australia would dream of dictating to a London merchant as to the choice of a Broker, and we must decline to depart from what is an universal custom. You can convey as much of this as you think proper to Mr. Felton.

13. We have not heard yet whether the two bales of Wool in dispute have turned up or not.

14. The "Sallust" has arrived with Wesell's Wool and Skins and <u>one</u> hide. Could you not advise people who have a hide to make it into horse gear? It is ridiculous to put it up at Public Sale, and the Brokers say that the profit on it does not cover the cost of printing.

15. With reference to remarks on having possibly to send out more Carpenters, we want to know what houses are available, and a return should be sent of all the houses we possess in Stanley, excluding your own and Mr. Girling's, giving the names of the occupiers and, in the case of those let by the month, the rent paid.

16. According to clause 5 of the Telephone agreement with the Government the cost of maintaining and working the line is to be a first charge on the revenue, but we have never heard what the revenue is, if any, and whether it is devoted to the constant repairs that have been necessitated by flying geese. If these repairs, as seems probable, cost far more than the sum received by way of revenue, at whose charge are they executed? Perhaps it was an oversight in making the contract not to provide that the Government and the Company were to make good, regardless of what the revenue might be.

17. It has been the usual custom to send by the mail about the end of January such accounts-current as bring cash to us here, Port Stephens, Pebble, Waldron's, &c., but I am sorry to find that you have neglected them this time. Just now we are pinched for money, and have borrowed largely against the wool, and these accounts, which might have been worth two or three thousand pounds to us, would have been exceedingly helpful. With four in the office there surely ought to have been time to get them up; the rest do not matter.

18. As the schooners have worked so well, and the collection of produce is so far in advance of what it usually is, you ought to be able to lay at least one of them up for a long time, and unless any one of the others is in special need of repair, advantage might be taken of the opportunity of shifting the mast of the "Malvina" and carrying out all the suggestions made by G.L. Watson & Co. so long ago.

19. I have been going into the question of clients and their business, with a view to finding out whether it pays us or not, and if so, how much. I have assumed that if we have no clients and consequently no produce of theirs to deal with, we should be without the agency of the P.S.N.Co., who, with insufficient support from the Colony, would cease to call at Stanley. The calculation is made on the figures of 1907, and is sent herewith. It shows that the profit made reaches over £5000, including the mail agency, but the gilt is taken off by the loss on running the schooners, which amounts to over £2000, leaving £3000 net as the result. This wants some expla-

nation on several points. Dealing first with the schooners,the Profit & Loss Statement from Stanley usually shows a profit on the working; but in making up a ship's account it is the custom to debit her with depreciation and interest on cost,and neither of these is applied to the schooners' accounts,depreciation being debited to Profit & Loss generally,and interest left out altogether. The loss on the year we have dealt with is larger than usual owing to the cost of the Malvina's voyage out,but this has been the case with one or the other of them for some years,owing to the replacement of the three we have lost. In considering these vessels it must be remembered that we should have to provide for getting our own produce into Stanley,but in the highly improbable circumstances we are considering,when the need for sending schooners to the West and elsewhere would no longer exist,one schooner would do all the farm work,and probably belong to the establishment,as there would be no need for her in Stanley. In estimating the profit on Stores sold to clients we have taken 25% as the net amount,at a venture,and on this we should like your opinion. As you have pointed out,the sales are more likely to decrease than otherwise,owing to the quantity going out on commission,and the profit of £3171 is hardly likely to be maintained. After looking at the sums left on deposit practically with us without interest, being the credit balances of the farmers' accounts,we allow 2%,as it saves our borrowing here to that extent,and on the amount earned in interest on overdrawn accounts we credit a proportion equal to 2%,as we have to borrow money here to finance you,and therefore cannot give you the benefit of the whole 5%; this however is a small item. We have not put down any sum representing the advantage we gain from the lower freights we pay the P.S.N.Co.,due to the good position in which we stand with them in consequence of handling the bulk of the Colonial produce,nor anything for the discounts we get,exceptionally,on passages out and home,as this latter is a varying quantity,but the figures arrived at show that it is to our advantage to continue the clients' business,and would be still more so if we could get rid of the heavy loss we incur in doing their coasting so cheaply. I have always looked on this

as a serious handicap on what would otherwise be a profitable business,and consequently am inclined to encourage any proposal that would tend to remove it,provided that it would not endanger the business itself.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1056 dated 10th February

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oravia"

List of Dubiable Goods per "Oravia"

List of Parcels

List of Enclosures

List of Clients' Cargo per "Oravia"

General Invoice goods per "Oravia"

Clients' Reports & contracts:-

H G C	12	bales Sheepskins	ex "Oravia"
L	18	,,	,,
H W	8	,,	,,
HB	77	,,	,,
H G C	1	cask Sheepskins	ex "Lima"

Second of Exchange for £80 .15 . 11 & B/L attached

Contract note for 3 Rams ex "Oravia"

B/L general Cargo per "Oravia"

Enclosures via Liverpool

Originals

Copies of Cablegrams sent

Copy ,, received

Charter Party ship "Ragnhild"

Clients' A/sales :-

H G C	12 bales	Sheepskins	ex "Oravia"
L	18 ,,		,,
H G C	1 cask	Sheepskins	"Lima"
H B	77 bales	,,	"Oravia"
H W	8 bales	,,	,,
H	14	Sealskins	ex "Lima"
H	64 ,,		ex "Oropesa"

Brokers' copies Co's A/sales Sheepskins ex "Oravia" & Reports on Wool ex "Flamenco

Clients' Invoices goods shipped per "Oravia"

Henry Waldron	201	1	3
Stickney Bros.	35	10	2
Vere Packe	6	1	7
W.D.Benney's Estate	-	8	3
Holmested & Blake,Ltd.	1	14	1

Clients' reports & contracts:-

W E D	22 casks	Tallow	ex "Flamenco"
R B C	5 ,,	,,	,,

Ledger & Journal Entries

London 10th March,1909

Enclosures per Supplementary Mail via Lisbon

Originals

Supplementary Ledger Entries

Remarks on Accounts

Remarks on Stores & Supplementary remarks

Replies to Remarks on Stores

List of General Cargo per "Orcoma"

B/L cargo per "Orcoma

Sight Draft on J.Kirwan for £ 53 . 6 . 9 for collection

Analysis of Schooners' Expenses & Revenue for 1907

Statement of Cost of running the Company's Schooners

Wool Reports

Clients' reports & contracts

C C W	19 bales	Wool	ex	"Sallust
F	19	,,	,,	"Flamenco"
H G C	5	,,	,,	,,
S	160.	,,	,,	,,
Goodwin Roy Cove	2	,,	,,	,,
J B	220.	,,	,,	,,
H & B	261	,,	,,	,,
L	2	,,	,,	,,

Letter from W.Bain & Co.of the 9th instant re price of Standards.

Letters for the following:-

A.L.Allan,W.A.Harding.
(2)

Invoices for Vere Packe,H.Waldron,& D.Smith for goods shipped per "Orcoma"

London 13th March,1909

DESPATCH no.1057 per "ORCOMA",10th March,1909.

Precis of Subjects.

1. Acknowledges Despatch no.351 and letters.
2. Will not write about question of Port Stephens passages.
3. Reports Charter of "Ragnhild" with remarks on cargoes.
4. Will not pursue the subject of interest to Clients.
5. Reports decision not to tender for Mail service,and suggests higher freights on produce.
6. Discusses Salvesens,and suggests danger of losing the P.S.N.Co.
7. Reserve at Darwin,suggests buying when possible.
8. Accounts sent to H.H.Schmidt.
9. Acknowledges information about ships under repair.
10. Will make payment to Crown Agents on account of G.Bonner & Co.
11. Reports arrival of "Flamenco" and receipt of Reports on Wool.
12. Discusses request from A.E.Felton as to sale of his wool,and gives reasons for declining it.
13. No information about two bales Wool in dispute per "Flamenco".
14. Reports arrival of produce per "Sallust",and suggests that single hides should not be shipped
15. Asks for a return of Company's houses and the rents received.
16. Enquires about cost of repairs to Telephone.
17. Complains of non-receipt of certain accounts-current.
18. Suggests laying up a schooner,preferably the "Malvina".
19. Discusses in general terms the business done with clients and the profits derived therefrom.

STATEMENT of cost of running Company's three Schooners and note of advantages accruing

				1907								
Expenses												
WAGES	2656	-	-							650.	-	-
STORES	965	-	-							750.	-	-
BUTCHERY	89	-	-									
INSURANCE	1096	-	-									
Add on account of above expenses for "MALVINA" only included for 8 months say	450.	-	-									
	5256	-	-									
INTEREST on cost £8594 @ 5%	430.	-	-									
DEPRECIATION £8594 @ 10%	859	-	-									
				6545	-	-						
Revenue												
FREIGHT & PASSAGE MONEY & HIRE received				4406	-	-						
Nett loss on running				£ 2139	-	-				£ 5190	-	-

P.S.N.Co's.MAIL AGENCY

COMMISSION on Clients' Produce say £60,000 @ 1¼%

PROFIT ON STORES sold to Clients

sales for 1907 — 15857 - -

PROFIT say 25% on — 12686 - - = 3171 - -

15857 - -

PROFIT ON FINANCE

on Cash in hand say 2% on — 15000. - - — 300 - -

on Cash advanced say (as per a/cs) 2% — 169 - -

PROFIT on Insurance — 150 - -

E.B.

DEAN and CARPENTER.

W.M.Dean has a great prejudice against the Company I fear,inherited perhaps,and is not old enough to see any distance ahead. He has a fixed idea that you did not treat Carpenter fairly some years ago when his father died. Harding,1st November,1908.

W.M.Dean once told me that when his father died and Carpenter was sending out stores,he asked you about it,and Dean says that the Company would not give Carpenter any assistance,that he was not used to that sort of business; so that just at the time that Carpenter would have been glad of advice you would not help him....I expect that you are about right in saying that Carpenter only wanted a pretext for keeping all the business in his own hands. - Harding,22nd January,1909.

C.M.Dean died on the 6th November,1901.

Thd following are extracts from correspondence bearing on the above subject:-

In reference to the order for stores &c.given by the late Mr. C.M.Dean,we are instructed by the Executors to confirm same,and to request you to notify us of the first opportunity of shipping the goods.

Mrs.Dean thinks that the baling ordered by her Husband of Messrs.Hindley should be shipped as soon as possible,and perhaps you will give them instructions to send it by the next mail steamer.- Carpenter,5th December,1901.

In reply to your favour of yesterday with reference to goods ordered by the late Mr.C.M.Dean,I have to say that I hope to be in a position shortly to advise you of an opportunity of shipping them. Messrs.Hindley have the bagging ready,and it will be shipped by the Oropesa at the end of this month.- Cobb,6th December,1901.

By mail this morning I have received a copy of a draft Ordinance relating to Probate,which is shortly to be passed in the Legislative Council of the Falkland Islands,and I forward it to you

at once,as it may be of service to you in connexion with the affairs of the late Mr.C.M.Dean. You can keep it as long as you like, and then return it to me.- Cobb,7th December,1901.

We are obliged to you for informing us that the stores for Port Stephens will be despatched by cargo steamer from Liverpool.

We have now to ask you to make the following additions to the goods included in the late Mr.Dean's order,viz,

4 casks Paraffin

5 cwt.White Lead

1 barrel boiled Oil

2 doz.Galvanized buckets

These (except the buckets) were to be obtained from Hubbuck's, but we presume it will be easier to order them in Liverpool as the steamer sails from there.

These additional goods are for Port Stephens.- Carpenter,30th December,1901.

In reply to yours of yesterday's date,kindly let us know as soon as possible what kind of Paraffin and price (about) also whether the White Lead is to be in 7,14,or 28 lb.kegs,and the barrel of Boiled Oil,are we to read Hogsheads?- Memo from Co.,31st Dec.

In reply to your memo of 31st ult.please order a medium priced paraffin; the White lead should be in 28 lb.kegs,and the boiled Oil should be a hogshead.- Carpenter,2nd January,1902.

We return proof of Probate Ordinance 1901 with our best thanks Carpenter,20th January,1902.

With reference to the invoices forwarded to you lately for Port Stephens,I shall be glad to know how you propose to treat the account. Are we to have the consignment of the produce,and reimburse ourselves for advances out of the proceeds,or will you adopt the plan followed by Mr.J.M.Dean,that is to say pay cash as you go along,and place a sum with us in advance to meet current expenses? It does not matter to us which course you elect,and I am asking the question because when I last saw Mr.Dean we were speaking about the account,and he was unable to say what your ideas were on the subject. Of course I need hardly say that our best services will

always be at your disposal.- Cobb,12th February,1902.

I am obliged by your letter of 12th inst.,and in reply I am arranging with Mrs.Dean to pay for the stores in cash and I hope to accomplish this next week.- Carpenter,15th February,1902.

Last year the Company undertook the shipment of stores for Port Stephens,and I write to enquire whether this will be undertaken on the present occasion.- Carpenter,6th January,1903.

In reply to your enquiry I beg to say that we will do whatever you wish about the shipment of stores to Port Stephens,but that at the present time there is no cargo boat going to Stanley, as was the case last year,so that freights will be on a higher scale. We tried to get the Pacific Co.to put a cargo boat on last month,but the quantity of cargo we had to offer was not a sufficient inducement.- Cobb,6th January,1903.

I enclose four lists of stores to be shipped to above station. (Port Stephens) by the mail steamer leaving on 9th July or thereabouts,and have to request your kind attention.- Carpenter,5th June,1903.

I have your favour of the 5th inst.with indents which you wish us to execute for Port Stephens. We will do this in consideration of Mr.J.M.Dean's connexion with us,but you are probably aware that we have discontinued this kind of business,and ship for no one else.- Cobb,8th June,1903.

I am obliged by your letter of 8th inst.which is the first intimation I have received that the Company has discontinued the business of executing indents for stations in the Colony. Your letter of January 6th last did not indicate this in the least,and hence my letter to you of 5th inst.

Under the circumstances I think it will be better for Mrs. Dean and myself to make other arrangements,and perhaps you will be good enough to return the indents so that we may do so.- Carpenter, 9th June,1903.

All transactions with Mr.Carpenter have been carried out in

correspondence,and there is not a word in the above extracts to justify the assertion that we have been unfair to him in any way, or that we ever refused him assistance. On the contrary,we executed several orders for him after C.M.Dean's death,and offered to continue,notwithstanding that we had given up the commission business. We were,in fact,prepared in consideration of our connexion with the old gentleman to do for Port Stephens precisely what we have done,and are doing to the present day,for J.H.Dean,who brings all his orders to this office.

Mrs.C.M.Dean holds 350 Ordinary and 190 Preference shares in the Company in her own name,and 150 Ordinary shares jointly with Mr.William Carpenter. One would think that such a large shareholder would be one of the Company's supporters; but we should evidently have to look below the surface to discover the reason for the hostility displayed towards us.

26th February,1909.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per Orissa.

No. 1058.

London, E.C. 7th April, 1909.

Sir,

I have to acknowledge the receipt of your despatches nos.353 and 354 together with your letter of the 23rd February,which arrived on the 22nd ult.,and of your letter of 16th February per "Duendes",which came to hand on the 26th ult.

2. 352-6. I understand that each mail steamer in future is to have 200 tons space reserved for Stanley.

3. Par.11. You will see by enclosed correspondence that the P.S.N.Co.complain of the small shipment per "Duendes",but I think I have shown them that it is entirely the fault of their Manager in sending her so soon after the "Flamenco" without any requisition from you.

4. Par.12. The correspondence about the Telephone supplies the information we wanted.

5. Par.13. I have informed Lloyd's Register that in view of the impossibility of complying with their requirements,the "Samson" will have to go off the letter; it will make no difference in insurance,and if the Engineer watches the machinery closely and keeps it in thorough repair,we need not concern ourselves.

6. Par.14. The draft on account of the "Gulf Stream" has been accepted without remark; the Board would like to know,however,how it was that such an expensive and elaborate fitting as a Chart room was allowed to be substituted for a companion,for when a ship goes into an intermediate port for repair,the correct thing would appear to be to replace what has been carried away,but not to build anything that the whim of the Captain may desire. The Directors think that this might have been awkward for us if the Owners or Underwriters objected.

W.A.Harding,Esq.,

Manager,

Stanley.

7. Par.15. We shall feel more comfortable when the Gladova's bill has been accepted,for whatever may have been the amount expended previous to the second fire,it is clear that the disbursements in Stanley will exceed her value. Your cable via Sandy Point arrived on the 13th ult.as follows:- "Gladova fardeler eliminous isocryte butter walpurgis ciortone speedwell large",which is translated "Gladova caught fire in port but was extinguished before much damage was done expenses already amount to ? butter is much wanted here will you contract Speedwell large".Now there is no such word in the code as isocryte; isocyrte means £3500 and isocrate £2500; but on having the word repeated it came back Isocryte as before. This means either that the word was misspelt in your letter or that the Cable Company have blundered; should it be the latter we shall have a claim on them for the cost of several words. The message came by the Western Union,which is usually less correct than the Eastern; have you the power of directing by which line our messages are to go? As regards butter,having to cable for such an article,which is in constant demand,seems to show a want of foresight on the part of the Storekeeper,and it is to be hoped that when Mr.Creece has got the business thoroughly in hand he will avoid running short of any of the staple commodities.

8. Par.16. From the statement you give of sheep likely to be boiled down it looks as if you would have no difficulty in filling the "Ragnhild",and you will,of course,give preference to our own clients in the event of any tallow being shut out. As I gave full particulars by last mail no cable is being sent,as it would only arrive with the despatch. It is most unfortunate that the promised information about outward cargo was delayed so long,for the ship had to be chartered and a cargo to be arranged blindfold. Looking at the statistics of coal lately we came to the conclusion that we could not do wrong in sending 300 tons for Stanley and 120 for Darwin, and this quantity was accordingly ordered,together with 50 tons Smithy. It is disconcerting to find that you only want 200 tons for Darwin,none for Stanley,and no Smithy; fortunately we were able to stop the Wallsend,but the Smithy was alongside and had to be taken. You must have used a good deal on the ships lately,and shipping it in the Tyne as has been done gets it out much cheaper

than if trucked to Liverpool. The ship has just arrived in London, and will start loading bricks at once; other cargo,nearly sufficient to fill her,if not quite,has been ordered without touching the lumber. The order,in fact,is large enough for a ship 200 tons larger,and had we known that there would be so much tallow we could have filled such a ship out and home. The cargo ordered at present in addition to the coal is+- 50,000 bricks,Lime,Kerosene,Shooks, Tar,Pitch,Tanks,Roofing iron,Droppers,and Glass,besides Spars and some boats,which may possibly be taken on deck. I do not know whether the cargo ordered is wanted anyhow,or whether the list was merely a suggestion in case we chartered; if the former,we shall have to get the wood out by steamer,and there will not be enough to warrant our asking for a cargo boat. Should this charter prove a success,we must know earlier next year what tallow we shall have to provide for,and also have the indent in hand much sooner.

9. Our Solicitors are going on with the claim for Salvage on the "Gladova",and we are likely to get at least £500 without going to the Admiralty Court.

10. Despatch 353-3. The Directors are concerned at the falling off in Store profits,and especially to find that the Stocktaking has been conducted until now in such a slip-shod way as to afford no true indication of the year's results. What you told Mr. Creece was unexceptionable; that is to say that the stock should be valued as carefully as possible,that all stores should be entered at their net value,that anything unsaleable should be eliminated,and that values should be written down where necessary,so that the stock might be regarded as a true asset. But all this, excellent as it is,should have applied to the Stocktaking every year,and not only be brought forward prominently on the arrival of a new Storekeeper. Unless you have done yourself an injustice in the way you have put it,you seem to admit that the Storekeepers up to the present have not been governed by these rules,for you say that you were prepared to find some diminution in the profit, which can only mean that carelessness has hitherto been the rule. With regard to the items you put forward as explanations,there seems to have been in most instances neglect of the most reprehen-

sible description. That cartridges should be stored in a place so damp that they have become worthless is almost beyond credence. You say that they have been returned by purchasers as inferior; this can only be through damp,as the bulk of those sent out have been Eley's,and the rest Kynoch's. Has this been going on long,and how many and of what value have had to be written off? As regards your suggestion that they should in future be sent in tin lined cases,I am assured that not a single one has been sent out without this protection,and I find the cases charged in the only invoice that I have had turned up. Is it possible that old stock has been set aside when a new supply has arrived? No doubt you will see, personally,in future that such expensive stock is properly kept. Millinery Goods,if not sold off quickly,are sure to deteriorate, and we have had for some time a lurking suspicion that there must be a lot of old and unsaleable stock. This is a matter that Mr. Creece must keep in view; it has yet to be proved that this trade pays at all. Spars and rudder pieces are liable to go,and it may be no one's fault. If those you mention are unfit for masts or booms,what good will they be at all? You say that they have been written down,not that they have been omitted from the stock. In the case of sweetmeats,surely there has been great negligence. If the machines are no longer used,why could they not have been sold over the counter? Probably they were put away in a damp corner and forgotten. As to iron,the practice used to be to have out a weighing machine and take the actual weights. Blyth seems to have estimated them; it is difficult to understand why you did not see that the stock was taken properly. The explanation about the over valuation of steel wire is lamentable,for it shows that the Storekeeper can never have understood the meaning of Stocktaking,and that you failed to see that the proper values were entered. The Wheat ex Cassard must have been neglected,or it could not have become worthless; if it had all been shipped home in the first instance it would have been turned into cash. How we suffered losses through the large shipment per Galicia is not clearly explained; do you mean to suggest that we did not get all delivered,or that we were robbed? With regard to the shipments taken en bloc as just arrived, your suggestion seems to be that the Storekeepers [redacted] enter-

ed goods that had in fact been sold. This may have been through carelessness,or it may have been done knowingly in order to swell the supposed profits; which ever it was,you might have taken steps to prevent it. The Directors' opinion on the facts disclosed is summed up in a remark which I am instructed to convey,that they show a lamentable want of supervision,both as to valuation at Stocktaking,and also as to care of goods in stock.

11. Par.4. Although you say that there has been no hulk hire this year,was there not some dynamite or gunpowder stored on board the "Glengowan"?

12. Par.5. Considering all the towages the "Samson" was hardly expected to show a loss. The salvage,when earned,or I should say received,will go to her credit this year. Her gross earnings appear to have been £1200 odd,and considering that she is not in commission with a standing crew,her expenses seem high. Probably the voyages outside Stanley are responsible for the loss of £179.

13. Par.6. The schooners make a poor show. The "Lafonia" seems to be managed the best,for her earnings are £1838 against £1807 for the "Gwendolin",while her expenses have been £1654 against the "Gwendolin"'s £1766. The earnings of the "Malvina" are only £1637, although we have understood that she has made very smart trips,and her expenses are enormous,£1969. This cannot represent the cost of oil for the engine,and we should like to know why it is so excessive. Applying depreciation and interest to these vessels' accounts,I find that the "Lafonia" has lost £123,the "Gwendolin" £428,and the "Malvina" £840 during the year. This is a serious situation,and the Board would like you to consider whether it would not be possible to do something in the way of reducing the expenses; this applies also to the "Samson". It is clear that if we had to depend on our shipowning we should be in a very poor way. There cannot now be any reason for keeping all three schooners at work all the year round.

14. Pars.7,8,and 9. There is not much to be said about these accounts; the repairs to Buildings,though high,are necessary,and the expenses cannot be grudged.

15. Par.10. The item of Coals in "Consumption" has always been treated in the way it has been put,but I have often thought

that it is incorrect,for the coals are used on account of the Store,which takes the profit on the work done in the Blacksmith's shop.

16. The Directors hope that with the new Storekeeper,who seems to be shaping well,the management of the Store will show an improvement in the future. No doubt he will from time to time make suggestions for the better working of his department,and not be content to settle down in the same old grooves that have been followed so long. Among the changes that seem desirable the most important is the concentration of the retail business under one roof. In such a small place as Stanley it cannot really be necessary to have two Stores within so short a distance of one another, involving a duplicate staff,and much unnecessary work. The West,as the most central building ought to be the place where goods are retailed,and the East used for shipping orders,and storing goods in bulk. If Mr.Creece has anypower of organization,he might exercise them in this direction with advantage. Orders could still be received at the East,and transmitted by telephone,but the actual retailing should be done at the other. This would pave the way for the retirement of F.King on pension,about which I have been expecting to hear from you for some mails. He is an old and faithful servant,and has well earned it,but crippled as he is by gout,he cannot now be said to be worth his pay,and it was to meet cases such as his that the pension scheme was adopted.

17. The wool per "Junin" and "Oropesa",cabled lately,will make up a useful lot for the next sales. Prices seem to be keeping up.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1057 dated 10th March

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores & Supplementary

Replies to Remarks on Stores

List of General Cargo per "Orcoma"

List of Dutiable Goods per "Orcoma"

List of Parcels

List of Enclosures

List of Clients' Cargo per "Orcoma"

Second of Exchange of J.Kirwan with B/L attached.

Clients' reports & contracts :-

W E D	22	casks Tallow ex "Flamenco"
R B C	5	,, ,,
S	160	bales Wool ex "Flamenco"
F	19	,, ,,
H & B	261	,, ,,
H G C	5	,, ,,
C C W	19	,, ,,
J B	220.	,, ,,
H G C	1	cask Sheepskins ex "Lima"
H G C	12	bales ,, "Oravia"
L	18	,, ,, ,,
H	14	Sealskins ex Lima
H	64	,, ex "Oropesa"

Charty-Party ship Ragnhild

B/L Cargo per "Orcoma"

Clients' Invoices goods per "Oravia"

Stickney Brothers	35	10	2
Vere Packe	6	10.	7

Herny Waldrom	201	1	3	
Henry Waldron	69	19	5	
David Smith	35	9	10	per "Orcoma"
Vere Packe	10.	-	8	per "Orcoma"
Henry Waldron	28	16	-	per "Orcoma"

1

Enclosures via Liverpool

Originals

Wool & Sheepskins Market Report

Copy of Cablegrams sent

,, ,, received

Copy of letters from the Pacific Steam N.Co. of 17th & our replies of the 19th & 22nd March.

Completed General Invoice of goods per "Orcoma"

Norris & Henty's invoice goods shipped per "Orcoma"

Denstone College Accounts for W.C.Girling.

Clients' A/sales, reports & contracts :-

F B	9	bales	Sheepskins	ex "Flamenco"
♡	7	,,	,,	,,
W E D	22	,,	,,	,,
L	13	,,	,,	,,
F	17	,,	,,	,,
S I	18	,,	,,	,,
S	18	,,	,,	,,
T R	2	,,	,,	,,
J B	35	,,	,,	,,
H W	1	,,	,,	,,
S & S	5	,,	,,	,,
R B C	2	,,	,,	,,
C C W	3	,,	,,	"Sallust"
R B C	5	casks	Tallow	"Flamenco"
W E D	22	,,	,,	,,
J B	220	bales	Wool	,,
Goodwin	2	,,		,,
L	2	,,		,,
S	160	,,		,,
H G C	5	,,		,,
F	19	,,		,,
H & B	261	,,		,,
	5	,,		,,

H 31 Sealskins ex "Lima" &"Oropesa"
C.C.W. 19 bales Wool ex "Sallust"

Brokers' press copies of above A/sales,reports & contracts

Brokers' press copies Company's A/sales Wool ex "Flamenco"

Pabticulars of Homeward freight per "Flamenco"

Letters for the following:- .. ..

W.A.Harding,E.J.Mathews & A.L.Allan.

London 7th April,1909

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Catgo per "Orissa"

Corrected list of Clients' Cargo per "Orissa"

,, ,, Dutiable Goods per "Orissa"

General Invoice goods shipped per "Orissa"

Sight Draft on J.Kirwan for £18 . 7 . 6 for collection B/L attached.

Clients' A/sales,reports & contracts:-

S I	part	18	bales Sheepskins	ex "Flamenco"
H & B		143	Salted Hides	,,
L		48	,,	,,
S		53	,,	,,
W E D		10	,,	,,
C C W		1	,,	"Sallust"

Brokers' press copy A/sale Hides ex "Flamenco"

Letter for S.Miller.

London 8th April,1909

DESPATCH no.1058 per "Orissa",7th April,1909.

PRECIS of SUBJECTS.

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1. Acknowledges despatches and letters.
2. About space to be reserved for homeward cargo.
3. Complaint by the P.S.N.Co.about "Duendes".
4. Acknowledges correspondence about Telephone.
5. "Samson"'s class not to be kept up.
6. Remarks on "Gulf Stream".
7. Discusses "Gladova" and obscure cablegram. Remarks on butter.
8. Remarks on "Ragnhild" and her cargo.
9. Claim for salvage on "Gladova" likely to be settled.
10. Remarks on falling off in Store profits.
11. Enquires about explosives stored ex "Gladova".
12. Samson's account.
13. Schooners' do.
14. Sundry accounts.
15. Consumption account,especially with regard to Coals.
16. Suggestions for improving the management of the Store.
17. Remarks on Wool cabled for next sales.

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street,
London, E.C.

Per Oropesa.
No. 1059.

5th May, 1909.

Sir,

I have to acknowledge the receipt of your despatches nos. 354 and 355 per "Oropesa" and "Junin" respectively, which arrived on the 19th and 24th ult., also of your letter of the 23rd March.

2. 354-2. Messrs. Braun & Blanchard write that Bonachich Hermanos have a slip at Sandy Point and all appliances for dealing with vessels up to 6/800 tons; but if Messrs. Salvesen can accommodate us at New Island that will be much better. (I should have written "Bonacich".)

3. Par. 5. Mr. Theodore Salvesen called again last week to have a further talk about the mail service. He said that their Manager had stated that the produce available, if they took up the business of collecting it, would amount to 5000 tons of wool, and he gave a similarly inflated estimate of sheepskins and tallow, on all of which they could reckon on 10/. per ton freight, less 2/. per ton to us for storing in Stanley. This Mr. Salvesen did not consider encouraging, and he thought it less so when I told him that it must include a large quantity over which we had control. He was puzzled about the terms of the invitation for tenders, which mention a monthly service from Stanley and a quarterly one to certain other ports, but say nothing about the return mail from the West to catch the homeward boat. I judged that he would not care to have the boat in Stanley more than once a month; but if the service is to be of any use it seems imperative to make provision for carrying the mail both ways. He said emphatically that they had no idea of entering into competition with us, and his present inclination is to buy a boat that will be provided with passenger accommodation, but no cargo space. He asked whether we

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

should be in a position to offer them cargo ourselves, and I replied that if we had not so much invested in schooners we should be only too glad to get the carrying done for us, as it did not pay; but whether we could see our way to an arrangement I could not say. Mr. Salvesen said that they had sounded the P.S.N.Co., who told them that they had gone into figures several times, and could only bring out a loss, therefore they did not intend to tender. I have already informed you that for the same reason the Board decline to send in a tender, and they are unable to see that the Governor can make capital out of our not doing so. To refrain should show him more clearly than ever that we have only been running the mails to oblige the Colony: we anticipate that when we are free from the obligation of having a schooner in Stanley once a fortnight on mail business you ought to do the coasting with two schooners, except in the thick of the wool season, when a third will enable you to get it in as fast as you want.

4. Par.6. Mr. Ince reported last week that a statement of claim had been sent in and bail demanded; but I think that the matter will be settled without going to law.

5. Par.9. Your original complaint about pump leathers was that Bonner's were invoiced by Hayward Tyler & Co. at 10% discount, whereas we did not get such advantageous terms, and I accordingly wrote that firm in scarcely pleasant terms on the subject. Now it seems that after all the leathers were got through us, and that the preferential discount was imaginary. There was a similar complaint alittle while ago about some fencing posts supplied by W. Bain & Co., and in that case you were shown to be in error. Notice cannot be taken in future of complaints, unless proof of their accuracy is furnished at the same time; we must not risk dealing with mares' nests.

6. Par.10. Your report of the Mathews trial is unpleasant reading; a few such cases would give reason for a petition to restore the office of Judge. I understand, though you do not say so, that the Governor stated that there would be no appeal as the verdict was for less than £500; if he said so, he was wrong, so lawyers say here. To appeal now would be a waste of money, as the lady has gone off with the cash; but had notice been given of appeal the

money might have been paid into Court. There are several points on which the Governor seems to have gone wrong; for instance I understand that the jury were led to believe that they must give a verdict for the whole amount claimed or nothing. If this was not so, at all events the Governor failed to state to the jury that the amount to be awarded rested with them. I think that the conduct of this case, and the far from impartial bearing of the Governor, his evident collusion with the parson, and his animus against Mr. and Mrs. Mathews might be worked into a protest to the C.O., which would be very damaging, and also afford grounds for a petition for a Stipendiary or Judge. A petition to this effect was sent not long before I left the Colony, or perhaps it was in a letter from myself to the Governor. I remember saying that holding the joint appointment placed him in an invidious position, because however impartial he might be in Court there would be some who would say that he was biassed, and a Governor should be placed out of the reach of such imputations. I think that Governor Kerr agreed with me, and the result was the appointment of the late Judge Routledge. If you can find that letter, please send a copy.

7. Par.11. I am glad to say that the bill for the disbursements of the "Metropolis" has been accepted. It is satisfactory to read what you say about MacNicoll, such a man might be rewarded with a reasonable gratuity as an encouragement to persevere. If the other man gives way to drink, do not hesitate to dismiss him; you would always be commended for making a stand against drink.

8. Par.12. The "Gladova"'s bill has also been accepted without comment. You have not given the wording of your cable about the amount of her expenses, so that whether it was correctly typed or not does not appear.

9. Par.13. The "Ragnhild" sailed on the 24th ult., and from what you say I fear that you may have too much for her, and that what is left over must come by steam. The Captain is an unusually obliging man, and the work is likely to go smoothly. 19 lay days were used here, so that you have 51 for the work in Stanley and Darwin, which ought to be ample.

10. 355-1. It was very good of Captain Archer to take so much wool, and I am going to send him our thanks through the P.S.N.

They have not written about the short shipment by the "Duendes" since I answered their complaint,and I shall now have an opportunity of rubbing it into them about leaving our 171 bales behind.

11. Par.2. It is most singular that there should be so many whales about the Islands that Salvesens are even able to catch them in their own harbour. They were seen occasionally when I was in the Islands,but I cannot believe that they can have been anything like so plentiful as they are now. Had they been we should have been visited by the American Whalers that were so numerous 30 years ago,and probably local enterprise would have been able to deal with them,as it did with the seals before they were practically exterminated. I have had no opportunity of studying their habits,but I am inclined to guess that they must have come from some place where the whalers have made it too hot for them,and if they are in the habit of migrating,they may disappear as fast as they came.

12. I had a visit lately from Mr.Hardie of Glasgow and a Solicitor about the "Gunford",with which ship Captain Sember,who lost the "Perthshire" in 1885 was connected,but in what way I cannot see,as Gomm was the name of the Master. It appears that there is trouble with the Underwriters,and that much hangs on the character of Capt.Sember,whose certificate was suspended for six months for losing the "Perthshire". He asserts that I wrote either to himself or the owners,Thos.Law & Co.,that I did not consider that the suspension was justified,but the letter cannot be found,and I have undertaken to get a copy of it,if one exists. I have cabled for the correspondence,but fear that you may be puzzled as to what to send. I have looked up all that I wrote in despatches,and what is wanted must have been addressed either to T.Law & Co.,Capt.Sember, or Lloyd's. The latter have been applied to,but say that all confidential letters of that date have been destroyed. If you can find anything bearing on the case,please send it. The chief fault found with Capt.Sember was that he had not his anchors ready when he went on to Blind Island,and as the wreck occurred through an inset of the current,and they thought they were well outside the land,I think that my opinion at the time was that the Captain had been hardly dealt with.

13. Although you omitted to send a copy of Mr.Reid's account, I was able to see it when he called here, the amount being, as you have stated, a little under £200 to his debit. Looking back on his Ledger account from the beginning, the following have been the half yearly balances, in each case against him:-

Dec.31, '06	56.18. 4
June 30, '07	118. 5. 7
Dec.31	180.15. 7
June 30, '08	184.16. 4
Dec.31	264.18.10

The account rendered to him shows that you advanced him in cash over £150 in January, February, and March last. The Board are not satisfied that sufficient control has been exercised by you in this matter, and think that if you had chosen to put your foot down, there should have been no debt to be liquidated by Mr.Reid on this side. Bearing in mind the household extravagance to which you alluded some time ago, virtually admitted by him, and the progressive increase of indebtedness shown by the account, they cannot understand why you did not pull him up, at the latest when his notice was given, if not sooner, and explain clearly that he must not look to the Company for assistance in meeting the debts he had contracted. When the generous arrangement was made by which he actually received a gratuity of £250 on leaving the service, the Directors had no idea that the sum would be insufficient by nearly £200 to clear him of debt. Your method of dealing with the account suggests that you consider it right to allow an official of the Company to draw whatever he likes, regardless of the salary he has earned, and that whatever debts he may have contracted in the Colony, the Company is bound to find him the money to meet them. It is difficult to place any other interpretation on your action in this matter, looking at the constant indebtedness, apparently unchecked, disclosed by these figures, and the fact that in the face of his large debit balance you made such large cash advances up to the time of his departure. The Directors cannot view this matter with indifference, and desire to place on record, having regard to the future, their disapproval of the office

staff being allowed in any way to overdraw their salaries. In this office such a thing is unheard of; salaries are paid in cash quarterly or monthly as the case may be, and it would be much better if the same practice were adopted in Stanley.

14. As Mr. Allan will shortly be on his way home I am not writing to him, but have looked through his last letter to see if there is anything to comment on. "Bungs" are the only subject; dealers here say that they are scarce and certainly valuable, one quotes them in Germany at 10 marks per 100. They are used for making large German sausages, being short but much larger in diameter than casings. Our contract with Salm was for casings only and did not include bungs; therefore I think the best thing to do will be to have a deal with Irving over them, rather than get into a correspondence with Mr. Salm himself.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures per Supplementary Mail via Lisbon.

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores & Supplementary remarks

Replies to Remarks on Stores

List of General Cargo per "Oropesa"

General Invoice goods per "Oropesa"

Browne & Lilly's invoices and plan for Speedwell Island

Copy of letter from the P.S.N.Co.d ted 6th instant

Sight Draft for £ 47 . 3/- on J.Kirwan for collection

Denstone College Aacounts for W.C.Girling

Clients' Reports & contracts:-

B	74	bales Wool ex	"Junin" & "Oropesa"
W P	45	,,	,,
L	171	,,	"Oropesa"
Goodwin	1	,,	,,
S	128	,,	,,
T R	142	,,	,,
AP	73	,,	"Duendes"
M V	15	,,	"Junin"
H G C	115	,,	,,
H	64	,,	,,
P H	98	,,	,,
F B	91	,,	,,
S I	126	,,	,,
F	81	,,	"Duendes"

Brokers' Press copies reports on Co's Wool ex "Duendes"

Boulton & Paul's Account for Vere Packe.

Wool Reports

Letter for W.A.Harding.

B/L general Cargo per "Oropesa"
List of Clients' Cargo per "Oropesa"

London 8th May,1909

Enclosures via Liverpool

Duplicates

Despatch No.1058 dated 7th April

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Cargo per "Orissa"

List of Dutiable Goods per "Orissa"

List of Clients Goods per "Orissa"

List of Parcels

List of Enclosures

Copy of General Invoice goods per "Orcoma"

,, ,, ,, "Orissa"

Seonnd of Exchange for £18 . 7 . 6 on J.Kirwan with B/L attached

Clients' A/sales,reports & contracts

S I	18	bales Sheepskins	ex "Flamenco"
△ E B	9	,,	,,
S & S	5	,,	,,
L	13	,,	,,
F	17	,,	,,
S	18	,,	,,
W E D	22	,,	,,
R B C	2	,,	,,
H W	1	,,	,,
J B	35	,,	,,
T R	2	,,	,,
♡	7	,,	,,
C C W	3	,,	"Sallust"
♡	5	bales Wool	ex "Flamenco"
J B	220	,,	,,
S	160	,,	,,
◇ H G C	5	,,	,,
F	19	,,	,,

L	2	bales Wool	ex "Flamenco"
Goodwin	2	,,	,,
C C W	19	,,	"Sallust"
H	1	Sealskin	ex "Oropesa"
H	30.	,,	"Lima"
S	53	Salted Hides	ex "Flamenco"
L	48	,,	,,
H & B	143	,,	,,
W E D	10	,,	,,
C C W	1	,,	"Sallust"
W E D	22	casks Tallow	"Flamenco"
R B C	5	,,	,,

Enclosures via Liverpool

Originals

Copy of Cablegrams sent

Copy of Cablegram received

Anning & Cobb's Sheepskin Market Report

Particulars of Homeward freight per "Duendes"

Clients' Invoices goods per "Orissa" & "Ragnhild"

Orissa	H.Waldron	27	5	4
do	J.J.Felton	5	10	7
do	Vere Packe	65	4	3
Ragnhild	H.Waldron	13	16	1
	Holmested & Blake,Ltd	32	14	-

Clients' Contracts:-

W.E.D. 1 bale Pieces ex "Flamenco"

J B 26 ,, Skins ,, (remainder)

Copy of Langridge's freight account ex "Ragnhild"

Copy of letter to the Pacific Steam Navigation Co.of the 3rd ~~and their reply of the 4th~~ May.

Remarks on Cargo per "Ragnhild"

London 5th May,1909

DESPATCH no.1059 per "Oropesa",5th May,1909.

PRECIS of SUBJECTS.

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1. Acknowledges despatches and letter.
2. Refers to question of Slip.
3. Reports conversation with Mr.T.Salvesen about West mail.
4. Alludes to salvage claim on "Gladova".
5. Points out incorrect complaints received from Stanley.
6. Replying to report on the Mathews case,suggests protest to C.O. and petition for a Stipendiary or Judge.
7. Reports acceptance of bill on account of "Metropolis",and expresses approval of MacNicoll's methods.
8. Acceptance of "Gladova"'s bill reported.
9. Remarks on sailing of "Ragnhild",and states lay days used.
10. Commenting on Wool left behind by "Junin",expresses thanks of Company to Capt.Archer of "Oropesa" for filling up.
11. About Whaling.
12. Asks for correspondence relating to loss of "Perthshire in 1885.
13. Records Board's disapproval of advances made to members of the Company's staff,especially with regard to Mr.Reid's account.
14. Suggests selling sheeps' "bungs" to Irving.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)
REGISTERED 1902.

61, Gracechurch Street,
London, E.C. 2nd June, 1909.

Per Oravia.
No. 1060.

Sir,

I have to acknowledge the receipt of your despatches nos. 356 and 357, which arrived on the 16th ult.

2. 356-2. It seems likely that there will be a lot of Tallow beyond what the "Ragnhild" will be able to carry. I have asked Salvesen & Co. if they can bring it in their next steamer, but they are not certain about it, and on our part the matter is left in your hands. They want to send her direct to Leith, and suggest railing the tallow to London, but would call if there is enough to make it worth while. In negotiating with Mr. Henricksen you should try for a lower freight than we pay the P.S.N.Co., but the most important thing is that whatever ship brings it from the Islands must deliver it in London, there must be no trans-shipping or transit by rail. Failing an agreement with Mr. Henricksen you will have to ask for a cargo boat. We could not ship wool by any outside steamer, but are not precluded from arranging for tallow.

3. Pars. 3 & 4. Salvesens have decided to tender for the West mail, and no doubt will send a small steamer. How things will shape we have yet to see; but my idea is that, as they think it so important that they should get their mails regularly that they are prepared to take up a service on which they cannot but lose, they will not enter into competition with the P.S.N.Co. in the matter of freight, seeing that doing so would tend to destroy the service altogether. They want to buy the "Sabino", to be towed to New Island to make a pier, and enquired the price. I said that I thought the Board would let her go for £200 to £300, which they consider high, and this is left to your discretion. She cost £387 odd originally, and has been written down to £100; this not the important point, however, it must be clearly understood that if we let her go

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

she must be taken out of Stanley. Should you come to terms,you should have it in writing either in a letter or contract that she is sold for the purpose of being stationed in New Island. It is hardly likely that Salvesens would wish to start an opposition hulk in Stanley,and the "Sabino" would be a poor one for the purpose; but we have spent so much money in holding to our monopoly of hulks,that we cannot afford to take any risks. I offered them the "Glengowan" also,and you could let her go for what you could get.

3. Par.6. The letter to A.E.Felton is most judicious,and quite to the point.

4. Par.10. When making up the accounts,you should bear in mind that there are certain ones,such as Port Stephens,Pebble Island,and Packe Bros.',which are practically cash to us,and that in the early part of the year our finances are always low. At that time all remittances are most welcome.

5. Par.10. It does not seem that any alteration in local freights would be prudent just now,especially having in view Messrs.Salvesens' operations,about which we know nothing at present; with regard to the Farm,however,it would seem that it would be well to make a larger charge,which after all is merely a matter of bookkeeping,as the Farm profits will be diminished by the extra sum credited to the schooners.

6. Par.13. The news about Captain Indriksen is deplorable,and we seem to have lost a man who would,if he had lived,have been a useful servant for years.

7. Par.15. Your remarks about ship work in Stanley have been attentively considered,and the Board are inclined to send out some more appliances,about which we are going to make enquiries. It would be interesting to know the names and ages of the carpenters at present available,for such men as Lewis,whom you mention, may be employed at a pinch,but can hardly be reckoned as shipwrights. What we do will,to a great extent,depend on the result of some correspondence I am having with Mr.Douglas,to which I will allude later. I do not know if you are aware of the horse power that is required to work a circular saw; I was surprised myself many years ago when the bench we had then,and which may still be

in use,came out. The engine on the "Egeria" was powerful enough to cut scantling out of deals,but to the best of my recollection was brought to a stand-still when we tried to cut 9 in.deals on edge. There may be improvements since then,but it would be,in any case cheaper to have wood out of the probable sizes required,rather than to do bench cutting on a large scale. This applies specially to teak,which is almost always rotten in the heart of the log. I cannot believe in a saw worked by hand power being of any practical value. Regarding the foreman,it was not considered wise on your part when you took on in that capacity a native who could have no practical knowledge of modern methods,though until lately I know that you had a different opinion. Your remark in the despatch to which I am replying may be an unconscious admission of your error,but you hit off the situation precisely when you say that "the carpenters' shop has never been supplied with any modern labour saving appliances,and therefore compares unfavourably with the Smithy and the Engineer's shop". Why? Because your foreman never heard of such things,though he cannot be blamed for it,while the Smiths and the Engineer got their training in this country. It may be difficult if not impossible to remedy the mistake now, for Biggs has undoubtedly good qualities,though his range is limited,and it is hard to reduce a man who has been doing his best.

8. 357-3. The Board have considered G.Smith's application for a loan,and are prepared to grant it on Mortgage on the same terms as Mr.Bonner's,though they would suggest that £3000 might be sufficient. This,however,is immaterial,as we should have security on the whole farm,which would be ample. Getting the money is not such an easy process as Mrs.Smith seems to think,when she suggests that you "might send on the full sum at once". If the terms are agreed on you must give all particulars for our Solicitors to work on,and the documents will be prepared and sent out for signature. On the completion of the legal formalities the money can be held at Sharp's disposal. Perhaps G.Smith can hasten the affair by giving a power of Attorney to some one here to act for him. He should,as you suggest,undertake to proceed with the purchase of the land.

9. I enclose some correspondence with Mr.Douglas of Liverpool on the subject of the "Belford"'s Average Statement,which he sent up for perusal,and there will be more to come yet. It is a matter that requires special attention,for you will see that the case he makes out against us is not a light one. The gist of it is that the first Survey Report on the ship detailed the damages and made certain recommendations as to repairs,and this was signed by Captain Thomas and Biggs,while the final Survey,also signed by them,testified to the completeness and excellence of the work. But a further report made by a Surveyor in Liverpool states that some of the work certified to have been performed was not done at all,while the caulking,which the Stanley Surveyors declare to have been thoroughly done,was only partially carried out. In a second letter Mr.Douglas animadverts on the uselessness of a Survey Report and Certificate given by the servants of the Company which performed the work,and certified by Lloyd's Agent,who is the Company's Manager. While unable to give any explanation of details,I have pointed out the fact that the Biggs of the second Survey was not the foreman who carried out the work,but his father,and I have added certain explanations which may or may not have been favourably received. I have also alluded to the fact that the date of the first Survey to which the Liverpool man refers,was previous to the ship's arrival in Stanley. The whole thing wants careful examination,and I hope that it will be found, as I have told Mr.Douglas,that there are no grounds whatever for the suggestion that false reports are made. You have no doubt means of referring to the case,and can get declarations from the persons concerned as to the truth of their statements. You will see that I have written strongly as to my faith in the honesty of the reports,and declared that I believe the imputations conveyed to be untrue. Your reply may have much influence on our relations with the Liverpool Underwriters in the future,and you should get thoroughly to the bottom of the affair.

10. You may have observed that Mr.Cameron's wool fetched a remarkably high price in one of Hoare's sales. As some of the farmers seem to have an impression that those Brokers get better

prices than ours do, I though it desirable to make enquiries about this wool, and enclose copy of Messrs. Du Croz Doxat & Co.'s letter.

11. With regard to the list of the Company's houses, why is Mrs. Ryan still occupying one rent free, and what arrangement was made at the time of her husband's death? We cannot allow it to be taken as a precedent that when one of the Company's men dies his widow is to occupy the house rent free in perpetuity. Notwithstanding what you say about the carpenters the Board think that a man to be stationed in Stanley is likely to prove a better servant if he is married, and houses will be wanted if we send any out.

I am, Sir,

your obedient servant,

Managing Director.

Stanley 297-17 Oct 05

London 296-9 June 05

Stanley 297-14 Oct 05 Land worked by our [illegible] this at the time [illegible] left [illegible] Colony [illegible] Mch 06

Enclosures via Liverpool

Duplicates

Despatch No.1059

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores and Supplementary Remarks

Replies to Remarks on Stores

General Invoice Goods per "Oropesa"

Remarks on Cargo per "Ragnhild"

List of Clients' Cargo per "Oropesa"

List of Dutiable goods per "Oropesa"

List of Parcels

List of General Cargo per "Oropesa"

List of Enclosures

Secondof Exchange for £ @7 . 3 . - on J.Kirwan

Clients' Reports & Contracts:-

F	81	bales Wool	ex "Duendes"	
AP	73	,,	,,	
F B	91	,,	"Junin"	
P H	98	,,	,,	
S I	126	,,	,,	
h g c	115	,,	,,	
H	64	,,	,,	
W P	45	,,	,,	&"Oropesa"
B	74	,,	,,	,,
M V	15	,,	,,	
L	171	,,	"Oropesa"	
Goodwin	1	,,	,,	
S	118	,,	,,	
T R	142	,,	,,	
W E D	1	,,	skin pieces ex "Flamenco"	
J B	re 26	bales Sheepskins ex		,,

B/L General Cargo per "OROPESA"

Clients' Invoices Goods shipped per "Orissa" & "Ragnhild"

Vere Packe,H.Waldron,(2) J.J.Felton

Enclosures via Liverpool per "ORAVIA"

Wool Reports

Cablegram received, copy of

Copy of Cablegram sent

Draft on John Aldridge for £ 15 . 1 . 3 for collection

Clients' A/sales:-

J B	Quantity	Sheepskins	ex "Flamence"	
W E D	1 bale	,,	,,	
F	81	,,	Wool	ex "Duendes"
△ P H	98	,,	,,	"Junin"
△ F B	91	,,	,,	,,
L	171	,,	,,	"Oropesa"
Goodwin	1	,,	,,	,,
AP	73	,,	,,	"Duendes"
W P	32	,,	,,	"Oropesa"
S	128	,,	,,	,,
T	142	,,	,,	,,
W P	13	,,	,,	"Junin"
◇B	35	,,	,,	"Oropesa"
H	64	,,	,,	"Junin"
M V	15	,,	,,	,,
◇B	39	,,	,,	,,

S I	126 bales	Wool	"Junin
◇H G C	115	,,	,,	,,

Brokers' Press Copies A/sales Company's Wool ex "Duendes" & "Junin"

Particulars of Homeward Freight per "Oropesa"

Jacobs & Barringer's Invoice for £2 . 2 . 7

Copy of letter from R.R.Douglas of 24th & Capt.Nowell's report on repairs to Belford & our replies of 26th & 27th May. & 2nd June

Copy of letter from Du Croz Donat & Co.of 26th May.

Copy of letter from Montgomery Jones & Co.of 24th May.re flour

Precis of Subjects (despatch No.1059) omitted last mail.

Clients' Invoices goods shipped per "Oropesa"

Speedwell Island A/c.	238	10	2
Vere Packs	88	2	5

Bertrand & Felton 105 . 6 . 4

Copy of letters ~~from~~ to Salvesen & Co.of 26th May & 2nd June & their replies of the 27th & 29th May.

London 2nd June,1909

Enclosures per Supplementary Mail

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per Oravia

B/L cargo per "Oravia"

Sight Draft on J.Kirwan for £ 23 . 18 . 3 for collection

General Invoice goods per "Oravia"

Precis Of Subjects Despatch No.1060

Copy of letter from J.J.Douglas of the 3rd June & our reply of the 4th June re Belford

Suppliers Invoices for goods shipped per "Oravia"
(Norris & Henty,Montgomery Jones & Co.W.H.Samuel & Co.)

Credit Notes for the following:-

C.C.W. Sea-damaged Wool ex "Sallust"

N A ,, ,, "Flamenco"

Invoice for shipment of Stores shipped per "Oropesa"

Clients' Invoices goods shipped per "Oropesa" & "Oravia"

Speedwell Island Account

Baillon & Stickney

Vere Packe

Speedwell Island Account

London 5th June,1909

DESPATCH no.1060 per "Oravia",3rd June,1909.

PRECIS of SUBJECTS.

1. Acknowledges despatches.
2. On shipment of Tallow shut out of "Ragnhild".
3. Reports Salvesens' desire to buy "Sabino" for New Island.
3½. Approves letter to A.E.Felton.
4. Mentions accounts-current that are of value to London Office.
5. Suggests raising freights on Farm produce.
6. Regrets loss of Captain Indriksen.
7. On ship work,and machinery for Carpenters' shop.
8. Agrees to advance cash to G.P.Smith on mortgage.
9. Reports correspondence with Mr.Douglas of Liverpool,and comments on same.
10. Refers to price of WKC Wool.
11. Enquires about house granted free to Mrs.Ryan.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 30th June, 1909.

Per Orcoma.

No. 1061.

Sir,

I have to acknowledge the receipt of your despatch no.358 and of your letter of the 19th of May,both of which arrived on the 14th inst.,your letter of the 14th ult.per "Sorata" is also to hand.

2. Par.4. Your remarks on boiling down are noted,and I shall have an opportunity of talking with Mr.Allan on the question of supplies from outside.

3. Par.5. Your detailed explanations on the subject of the Store have also received attention. Without expecting you to look too minutely into details,the Board consider that such irregularities as you reported in connection with the Store ought not to have escaped attention.

4. Par.9. The Directors have read with interest what you have written about alterations in the management of the Store. This is a detail which will have to be worked out by yourself with the assistance of Mr.Creece.

5. Par.10. The information about the "Perthshire" has been sent to the Solicitors at Glasgow who asked for it,and they say it will be useful,although it seems that there was no report to Lloyd's about the suspension of Captain Sember's Certificate.

6. It is unfortunate that the "Malvina" did not get in with the West mail,but it appears that she has had to trust to her sails alone owing to the engine being out of order.

7. With reference to the sale of our casings to Mr.Salm of Berlin,and the letter of credit on the Deutsche Bank provided by him,I was not a little surprised to find that Mr.Irving had returned here before seeing the work finished,and settling up with

W.A.Harding,Esq.,

Manager,

Stanley.

you according to the terms of the credit. This was for £500,and it was one of the conditions that the bill should be drawn in Stanley (that is implied in describing him as "of the Falkland Islands") and accompanied by Bills of Lading,Invoice,&c. Not only has Mr.Irving turned up here without having signed the bill,but the amount of the credit has been considerably exceeded,and you did not even advise his departure,or apparently take any steps to get the arrangement carried out. The Board will be glad to hear why this matter has been ignored. In order to put it in order,we have got Mr.Salm to provide a further credit for £200,and arrange that the first is to be extended to the 31st July,and the second not to expire before the 30th September,Mr.Irving to sign the bills here when the necessary documents come home. Naturally these casings should come forward without delay by the first available steamer,and not be kept for the "Ragnhild".

8. You mention in a private letter that the Malvina's engine is so badly broken down that she has had to run for some time without it,but you have not given details. I hear,however,that the man in charge has allowed the shaft to run without proper lubrication,and that the metal in the bearings has consequently fused. If this has been the case,are you satisfied that the driver is a man fit to be trusted in future? Seeing that instructions for improving her sailing qualities by altering her masts and sails were got from G.L.Watson & Co.of Glasgow a year and a half ago,it is time that she was taken in hand; up to the present there has been a valid excuse for delay in the press of work caused by many months' ship repairing,but it is difficult to see why she was not laid up the moment the last ship was out of hand. If the collection of wool were behind hand it might afford some reason for running her in her crippled condition,but statistics show that against a total shipment of wool during the whole of 1908 of 5344 bales,we have already received in the first half of this year 5298 bales,and although there is probably a 10% increase this season two schooners could play with what is left. The clear course to be adopted,therefore,seems to be to lay up the "Malvina" and get masts,sails,and machinery put into thorough repair,in-

stead of continuing to run her in her crippled condition. The excellent work done by the schooners in the half year shows that while they are running without accident they can do more than the work that you are able to provide, and suggests that, except at the busiest time two are enough, and that one should be laid up. There were never more than two until we bought the "Fair Rosamond", and even then she was intended to be only a stand-by; I have been looking at what the "Castalia" and the "Hornet" did the years before I left, with a little but not much assistance from the "Orissa", and I am satisfied that what I am saying is correct. I expect that you will find a great difference when you are no longer hampered with the mail contract.

9. Among the passengers by the "Orcoma" was a Mr. Barclay, who has been arranging for the erection of some canning works at San Julian, and he appears to have made provisional arrangements with some of the farmers on board for a similar establishment in the Falklands. In this he has the advantage of the co-operation of Mr. Markham Dean, who is also associated with him in the Patagonian Works, and from what I can learn their plan is to form a small Company, mainly among the Falkland farmers themselves, and in connection in some way, which at present is not very clear, with a firm named Ellis Kislingbury & Co. of St. Mary Axe. The outline of the project, as nearly as I can gather is this:- the F.I.Co. is to come in with their sheep, without them the scheme is to fall to the ground, we are to lease Goose Green to them for 99 years, and to sell or lease all our buildings, plant, machinery, fencing, &c. there, and they expect to get 18,000 sheep from us, for which they will pay 7/. or 7/6d. per head. We may take shares if we like, but it is not obligatory, on the other hand, if we do, it is more than hinted that no representative is wanted on the Board of the local Company, as anyone of us would not be a persona grata to "all" the farmers. The Board will meet next week to decide whether we are to go in or not. There are certain inconveniences in an affair of this kind being run by people who are totally unacquainted with the Islands and the ways of the farmers, and the Company are not usually associated with ventures in the Islands in which, if they do not exercise control, they do not take a strong lead. This

they would be precluded from doing under Mr.Barclay's scheme,and the disadvantage and positive damage we should suffer from the presence within a mile and a half of our chief settlement of a body of strangers,subject in no way to our rule,would be so great, as to nullify any probable extra profit we should derive from the sale of our sheep to them. What the Board will decide I cannot say; but we are making enquiries in several directions as to the feasibility of canning comparatively small numbers of sheep,and the result may be that we shall formulate some scheme of our own.

I am,Sir,

your obedient servant,

Chas Lowe

Managing Director.

Enclosures via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Orcoma"

Corrected list of Clients Cargo per "Orcoma"

Particulars of Mr Alex.Reid's Account

General Invoice goods per "Orcoma"

Final Invoice goods per "Oravia"

Clients Reports & contracts:-

H	16	Salted Hides	ex "Sorata"
H	7	,,	,,
J B	20	,,	,,
D H	85	,,	,,
McG	37	,,	,,
J B L	8	,,	,,
♣	169	bales Wool	ex "Oravia"
AP	153	,,	,,
S & S	154	,,	"Sorata"
J B	150	,,	,,
L	46	,,	,,
F	174	,,	,,
D H	129	,,	,,
P H	1	,,	,,
B	25	,,	,,
H & B	50	,,	,,
S	27	,,	,,
T R	4	,,	"Orcoma"
♡	198	,,	"Sorata"

Reports only

Brokers' press copies of reports on Co's Wool ex "Sorata"

Clients' A/sales :-

H G C	1 cask	Sheepskins	ex	"Oravia"
P H	1 bales	,,		,,
J B	5 ,,	,,		,,
H	6 ,,	,,		,,
M V	4 ,,	,,		,,
T R	1 ,,	,,		"Oropesa"
B	3 ,,	,,		"Oravia"
W P	6 ,,	,,		"Oropesa"
H G C	1 ,,	,,		"Oravia"
D H	5 ,,	,,		,,

B/L gemeral cargo per "Orcoma"

Brokers' press copy A/sale Company's Skins ex "Oravia"

Letter for W.A.Harding.

Corrected particulars of Homeward freight per "Junin"

Invoice for Vere Packe goods per "Orcoma" 66 . 17 . 11

,, Baillon & Stickney ,, 9 . 1 3

London 3rd July,1909

Enclosures

Duplicates

Despatch No.1060

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Enclosures

List of Cargo per "Oravia"

Precis of Subjects Despatch No.1059

List of Clients' Cargo per "Oravia"

List of Parcels

List of Dutiable Goods per "Oravia"

General Invoice goods per "Oravia"

List of Enclosures

Draft on J.Aldridge for £15 . 1 . 3

,, j.Kirwan ,, 23 18 3

B/L General Cargo per "Oravia"

Clients' Sales :-

W E D	1 bale	Skins	"Flamenco"	
J B	Quantity	,,	,,	
F	81 bales	Wool	ex "Duendes"	
AP	73	,,	,,	,,
W P	32	,,	,,	"Oropesa"
◇B	35	,,	,,	,,
T R	142	,,	,,	,,
S	128	,,	,,	,,
L	1	,,	,,	,,
△H	64	,,	,,	"Junin"
△P H	98	,,	,,	,,
P B	91	,,	,,	,,
W P	13	,,	,,	,,
◇B	39	,,	,,	,,
M V	15	,,	,,	,,

Clients' Invoices goods per"Oravia"

Vere Packe	1/3		
Baillon & Stickney	50	6	8
Vere Packe	88	2	5
Bertrand & Felton	105	6	4
Speedwell Island A/c	19/-		

London 30th June,1909

Enclosures via Liverpool

Originals

Copy of Cablegram sent

Copy of Cablegram received

Clients' reports & contracts:-

A N	1	cask Sealskins	ex "Junin"	
H	6	bales Sheepskins	ex "Oravia"	
B	3	,,	,,	,,
J B	5	,,	,,	,,
M V	7	,,	,,	,,
W P	6	,,	,,	"Oropesa"
T R	1	,,	,,	,,
H G C	1	,,	,,	"Oravia"
D H	5	,,	,,	,,
P H	1	,,	,,	,,

Brokers' press copies of above reports & contracts

Anning & Cobb's market report (Skins)

Alfred Wilson's account for Dr.Foley

Particulars of Homeward freight per "Junin"

Printed Balance Sheet for 1908

Letter of W.A.Harding

London 30th June,1909

DESPATCH no.1061 per "Orcoma",30th June,1909.

PRECIS of SUBJECTS.

1. Acknowledges receipt of Despatch and letters.
2. Notes remarks on boiling down.
3. Notes explanations on the subject of the Store.
4. About proposed alteration in management of the Store.
5. On information about the wreck of the "Perthshire."
6. Alludes to West mail having been delayed.
7. Asks for explanation about settlement of account for Casings.
8. Suggests laying up "Malvina" for alterations and repairs,and remarks that two schooners ought to do the remaining work.
9. Reports project for canning mutton brought before the Board by Ellis Kislingbury & Co.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 28th July, 1909

Per Orissa

No 1062

Sir,

I have to acknowledge receipt of your despatch No.359 dated the 14th June and also your letter of the 17th ulto., both of which arrived on the 13th instant.

2. Your despatch has not yet been laid before the Board, no meeting of the Directors having been held since it came to hand . The Managing Director is at present out of Town so that any matters not fully dealt with by this opportunity, will probably be referred to again next mail.

3.Par.2. The copy of correspondence with the Colonial Secretary has been read with interest,and it is a matter of satisfaction to the Directors,that the Company is now relieved from the obligations attaching to the Mail Service.

4.Par.3. Your proposed arrangements for laying up the "Malvina",and reducing her expenses to a minimum,are noted.

5.Par.4. The copies of correspondence in 1887 relative to the Administration of Justice,are to hand,and,with your remarks on the subject,have been read with interest by the Directors. On the return to Town of the Managing Director, he will have an opportunity of seeing Mr Grant and Mr Packe together,and may possibly discuss the question of agitating for a Judge .

6.Par.7. The information you send with regard to Mr Irving would have been more useful,had it been conveyed at the time, In paragraph 7,of my last despatch,I dealt with the trouble occasioned by the irregular proceedings in connection with this casing business,and since I last wrote you,owing to the delay in the goods coming forward,have been obliged to get Mr Salm to further extend the credit for £500,until the 30th

September. With regard to the question of Bungs, if you will refer to the copy of our contract with Mr Salm, which you have, you will see we sold him "the whole of our product of Sheep Intestines as taken from the sheep...the price to be paid being 4½d per full intestine". Although the bungs are a separate marketable commodity, they are undoubtedly part of the intestine, and in view of the above wording in our contract, it is unlikely that we can establish a right to make an additional charge for them.

7. Par. 8. The papers in connection with the salvage services rendered by the "Samson", to the "Fairport", are to hand, and so far appear complete. They have been handed to our Solicitors, Messrs Ince, Colt & Ince, and for your information, you will find enclosed, a copy of their letters on the subject. If you are able to furnish the certified copy of weather report referred to in the last paragraph of this letter, please do so.

8. Par. 9. Messrs David Corsar & Sons, the owners of the "Fairport", wrote us as recently as the 24th instant in reply to our enquiry, that, they had no further news from the Captain with regard to the sale of any portion of the coal cargo. As no such sale can be effected without the approval and consent of the owners of the cargo, and the Underwriters, it seems very improbable that you will have the chance of replenishing your supplies of steam coal from this source. Your request will therefore be borne in mind, and instead of chartering a vessel, arrangements will probably be made with the Pacific Steam Navigation Co. to take about 200 tons from Swansea.

9. We gather that all the casings will most probably be shipped by the July sailing from Stanley, and trust that this will be so as Mr Salm is getting impatient for his goods.

10. Par. 11. The fact of a working arrangement between the Western Union and the Eastern Telegraph Companys is noted, but in addition to cables over these two lines, we frequently

receive your messages via Punta Arenas,on the Anglo American Telegraph Company's forms.

11. Although,as previously stated,there has been no Board Meeting since the receipt of your despatch,some of the Directors have seen the announcement of Dr Foley's appointment as Acting Colonial Surgeon,and wish to know whether it was offered direct to him,or through you,and also,why it was not reported in your despatch. The opinion has been expressed that although no doubt the Board would offer no objection to a temporary friendly arrangement in a case of emergency,for a few days,it would certainly regard an official appointment like this,as highly irregular,and constituting a precedent that is wholly contrary to the ideas and wishes of the Board.

12. For your information I enclose a copy of a letter from Messrs Ince,Colt & Ince dated 27th July relative to the case of our claim for salvage services rendered by the Samson in extinguishing the fire on the "Gladova". Copies of the Statements of Claim and Defence are also enclosed. Your special attention is drawn to that portion of Messrs Ince,Colt & Ince's letter dealing with the omission to advise in your reports,that previous to the Samson arriving alongside,assistance had been rendered from the shore,and also by the crews of the "Metropolis" and"Lodore". The letter strongly emphasizes the great importance of not surpressing facts so material to the unbiassed consideration of the case,and the Board will look for your explanation on the subject. At the same time your remarks will be valued with reference to the denial in the defence,that about 10 p.m,the Master sent ashore a message to the effect that if the Samson was not alongside in a quarter of an hour,he feared he would be unable to save the ship. How many persons are there who could swear to the receipt of this message?

13. Copy of letter received from Mr A.E.Felton dated West Point Island 6th May,09 and my reply,which please post to him after perusal are enclosed. I also send for your information, landing weight

account,which please return when finished with. It is evident that Mr Felton is under the erroneous impression that the Wool is weighed by the Brokers.

I am,Sir,

your obedient servant,

E. B. Goddard.

For the Managing Director.

Despatch No.1062 per "Orissa" 28th July,1909

Precis of Subjects.

1 Acknowledges despatches.

2 Advises that no Board Meeting has been held since the receipt of last despatch.

3 Refers to the termination of Mail Contract.

4 Arrangement for laying up Malvina noted.

5 Refers to the Administration of Justice.

6 Mr Irving,Casings & Bungs.

7 "Fairport" Salvage case.

8 Refers to improbability of obtaining Coal from "Fairport".

9 Notes probable date of shipment of Casings.

10 Cable from Stanley received through three Companys.

11 Refers to appointment of Dr Foley as Colonial Surgeon.

12 Refers to "Gladova" fire Salvage case.

13 Encloses letter to Mr A.E.Felton re weights of Wool.

Enclosures via Liverpool

Duplicates

Despatch no.1061 dated 30th June

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Cargo per "Orcoma"

List of Clients' cargo per "Orcoma"

List of Dutiable Goods per "Orcoma"

List of Parcels

List of Enclosures

General Invoice goods per "Orcoma"

Clients' A/sales reports & contracts

D H	5 bales	Sheepskins	ex	"Oravia"
T R	1	,,	,,	"Oropesa"
B	3	,,	,,	"Oravia"
W P	6	,,	,,	"Oropesa"
H G C	1	,,	,,	"Oravia"
M V	4	,,	,,	,,
P H	1	,,	,,	,,
H	6	,,	,,	,,
J B	5	,,	,,	,,
H G C	1 cask		,,	,,

Clients' Reports & Contracts:-

H	7	Salted Hides	ex	"Sorata"
J B	20	,,	,,	
J B L	8	,,	,,	
McG	37	,,	,,	
D H	85	,,	,,	
B	16	,,	,,	
A N	1 cask	Sealskins	"Oropesa"	"Junin"

Clients' Wool reports:-

♡	192	bales Wool ex	"Sorata"
H & B	50	,,	,,
△ D H	129	,,	,,
△ P H	1	,,	,,
◇ B	25	,,	,,
☘	169	,,	"Orayia"
S & S	154	,,	"Orcoma"
S	27	,,	"Orçoma"
T R	4	,,	"Orçoma"
J B	150	,,	"Sorata"
AP	153	,,	,,
L	46	,,	,,
F	174	,,	,,

Clients' Invoices goods per "Orcoma"

Vere Packe	66	17	11
Baillon & Stickney	9	1	3

London 28th July, 1909

Enclosures via Liverpool

Originals

Wool Broker's Market Reports.

Particulars of Homeward freight per "Oravia" & "Sorata"

Copy of Telegrams sent.

Corrected General Invoice goods shipped per "Sarmiento"

Lamb Brothers' invoice Timber shipped per "Sarmiento"

Clients' Invoices goods shipped per "Orcoma" & "Sarmiento"

H & G Cobb	4	1	5
,,	4	5	10
Speedwell Id.A/c.	13	7	3
Vere Packe	24	-	10
Mrs T.Robson	7	10	11

Corrected final Invoice for goods shipped per "Oravia"

Final invoice for goods per "Orcoma" & "Sarmiento"

Clients' A/sales:-

A N	1	cask Seal Skins	ex "Junin"
B	16	Salted Hides	ex "Sorata"
McG	37	,,	,,
J B	20	,,	,,
H	7	,,	,,
J B L	8	,,	,,
D H	85	,,	,,
F	174	bales Wool	ex "Sorata"
L	46	,,	,,
H & B	50	,,	,,
D H	128	,,	,,
P H	1	,,	,,
S	24	,,	"Orcoma"
T R	4	,,	,,
S & S	28	,,	,,
J B	150	,,	"Sorata"
♣	169	,,	"Oravia"
	169	,,	"Sorata"

◇B	26	bales Wool	ex "Sorata"
AP	153	,,	,,
S & S	126	,,	,,
L	2	casks Casings	ex "Orcoma"
H & B	5	,,	,,

Broker's press copies A/sales Co's Wool ex "Sorata"

Copy of letter from Ince,Colt & Ince dated 27th July,re Gladova

,, ,, ,, ,, re Fairport

London 28th July,1909

Enclosures via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Weston & Westall's invoice salt shipped per "Orissa"

List of General Cargo per "Orissa"

Copy of Statement of Claim "Gladova & Defence

Letter of A.E.Felton

Clients' Reports & contracts:-

McG	11	bales	Sheepskins	ex "Sorata"
Club	7	,,	,,	"Oravia"
T R	2	,,	,,	"Orcoma"
S & S	2	,,	,,	,,
AP	4	,,	,,	"Sorata"
J B	26	,,	,,	,,
H & B	6	,,	,,	,,

General Invoice goods per Orissa

Sight Draft on J.Kirwan for £ 48 . 15 . 3with B/L for collection

B/L general Cargo per "Orissa"

Clients Invoices goods per "Orissa"

Vere Packe	53	8	8
H & G Cobb	21	17	3
Bertrand & Felton	1	16	4

London 30th July,1909

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street,
London, E.C. 25th August, 1909.

Per Oropesa.
No. 1063.

Sir,

I have to acknowledge the receipt of your despatch no.360 and of your letter of the 13th July, both of which arrived on the 9th inst.

2. In further reference to Mr. Irving and his business, especially his letter of the 19th April enclosed in your despatch no. 359, it seems to me that he not only left some of his work undone, but imposed on you a responsibility to which you ought to have objected. When he bought casings in various parts of the Islands, if he was unable to see to their shipment himself the utmost he could ask you to do was to pay for the number reported by the seller as being in the casks, without making it a condition that they were not "smelling and bad". The scent of entrails at the best of times is not an agreeable perfume, and the suggestion that these purchases should be opened and smelt should have been rejected. I mention this, because Mr. Salm is now writing about the delay in the shipment of his goods, and hinting that they may deteriorate in value; no blame can be attached to you for the inability of the "Oropesa" to carry them, but it is not the less regrettable, as it may raise unpleasantness when the account has to be adjusted. This is bad enough with our own lot, but would be worse if any difficulty arose over those bought by desire of Mr. Irving.

3. 360-2. We must leave it to you to get the balance of Tallow home as you think best. The arrival of the "Ragnhild" has been reported at Lloyd's, so part of your difficulty will be over. From what you say, it seems that the Blenheim will be leaving before you know the quantity that will be available after the "Ragnhild" has been loaded, and if this is the case you will have to arrange for

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

shipment by a mail or cargo boat. Should you ship by "Blenheim",it would have to be to London,as the expense of getting the Tallow from another port would be great,to say nothing of the damage to be expected.

4. I do not understand the proposed arrangement with the Salvesen steamer,as I thought that much of the loss of time was caused by the boat having to wait on the West to bring the return mail in time for the homeward boat.

5. It will be satisfactory if you get rid of the "Sabino" and "Glengowan" on the terms you mention.

6. Par.6. The Directors will send in the course of time whatever machinery may be required in reason for the Carpenter's shop. We have already ordered a mortising machine and a small blast forge,neither of which require engine power; but with regard to the remainder,as Mr.Blake and I are both likely to be in Stanley about the end of the year,we had better leave the larger requirements for discussion on the spot. I have already enquired about the use of an oil engine for driving a saw,and judge that Baseley's fears are groundless,as such engines are often used for the purpose. I will make further enquiries on this subject.

7. Par.7. In your letter to Mrs.Smith about the advance required you have either misread or purposely misquoted the Directors' decision,in the latter event in the expectation of getting her to accept £3000 only,which I can understand. But what I wrote in 1060-8 was that they were prepared to grant the loan (of £4000) though they would suggest that £3000 might be sufficient. That, however,I said was immaterial,as we should have security on the whole farm,which would be ample. I expect to hear next mail that you acted on this,and have granted the full sum.

8. Par.8. The reply to Mr.Douglas's complaints is excellent, and it is difficult to see how it could have been bettered. I sent him a copy in full,together with some remarks of my own,and from an extract I enclose from a private letter of Mr.Connell's you will see that Mr.Douglas is duly impressed,and expresses his intention of seeing me as soon as he can. Mr.Connell thinks that before long Mr.Douglas's Clubs will advise all Owners to instruct

their Masters to make for Stanley in the event of incurring damage off the Horn.

9. Par.10. I have not spoken to Mr.Packe yet about the administration of Justice,but will do so. I have,however,exchanged a few ideas with Mr.Grant on the subject,and if there is a general feeling that something ought to be done no doubt we shall be prepared to play our part. A man may suffer a grievous wrong in an action for a good deal under £500,if the verdict goes against him,and it does not seem right that the decision should be final,when the Court is presided over by a man who is not a lawyer,and the verdict given by a Stanley Jury. In the joint letter written by the late Mr.G.M.Dean and myself to the Governor on the 7th of January,1887,we said:- "The Governor should be supreme over all; once let him enter the Court as Judge,though he may conduct its proceedings with the most absolute impartiality,still in a small community like this there will be people ready to state that his judgment has been biassed.....what we wish to indicate is that the possibility of such an idea tends to lower the dignity of the Queen's Representative,and to detract from that respect on the part of the Colonists which is his rightful due". The Governor quite agreed with this,but it took four years to bring about what had been advocated,and by that time he and I had left the Colony and Mr.Dean was dead. Now in a late case the words quoted have come true to the letter,and it seems to me that without showing any feeling on either side people quite outside the case might well refer to them,and suggest that the time had come for the appointment of another Judge or Stipendiary Magistrate,who must be a barrister. Mr.Grant tells me that there is plenty of work for such an official for some years,in codifying the laws,even if he has no cases before him,and with the surplus of income over expenditure mentioned in the Blue Book Report the excuse that there are no funds available will not hold water.

10. No reference was made in the last despatch to the question of canning,but you would have inferred from the terms laid before us that nothing would come of the proposal put forward by Messrs.Ellis Kislingbury & Co. The Company would have to be in its

dotage before it could accept such a position as was proposed to be assigned to it under the scheme. Whether it was to be carried out or not was to depend on our joining, and yet it was arranged that we were to take a back seat, and have no voice in the management, although we were permanently to alienate our land, a little over a mile from our settlement, and hand over at a price all our buildings, machinery, and plant. Such a proposal carried with it its own condemnation. In any scheme of the kind, if we are to join, we intend to take a leading part, and we have already made a number of enquiries, and have sent out to Australia for information that we cannot get here. We shall have full details of all the machinery and buildings required, and ascertain the minimum number of sheep needed per annum to make the venture a success; we shall also know if we can get a trustworthy Manager to superintend the working, and at what salary, for it need hardly be said that it would be mainly on one man that we should have to depend. We are told that the market for canned mutton is a good one, but on this point we shall have to be assured. If the replies and the information we get are generally favourable, the Board will then go into the matter. How it will be carried out I am unable to say; but there is a feeling that in such a business it would be desirable to invite the sheepfarmers to take an interest in it, rather than run it entirely ourselves. You can let anyone who feels an interest in the subject know how it stands at present.

11. I wrote you a few lines while away for my holiday telling you that I was probably coming out to the Islands towards the end of the year. The Board think that it would be a good thing for me to be able to discuss on the spot the details of the canning business, and also to have a general look round after an absence of over 18 years. I shall probably leave by the "Orissa" in November, and return home with Mr. Blake and his party.

12. You wrote in May that the Indent for rough goods was to be cancelled, and that you would send an amended one. This has not come, and you are aware that the wood previously ordered has already been shipped. We had an understanding with the P.S.N.Co. that when the amended order arrived we were to have the benefit of the

cargo boat rates by the next mail steamer,in consideration of our obliging them by shipping per "Sarmiento" at a time when we had an incomplete indent; I fear,however,that this privilege will be considered lapsed in consequence of the delay. Regarding Steam Coal,this question is bound up with the indent in question,as we may induce them to ship it in Swansea. Such a small quantity is difficult to deal with,and the same remark applies to any quantity up to 700 or 800 tons,small vessels being scarce. Mr.Grant tells me that the Government can sell Admiralty Coal,but he is not clear about the price. With such a large quantity lying at Stanley it might be possible to make terms with the Admiralty,if the coal is still fit to burn. You had better let us know about this.

13. In a letter to Mr.A.E.Felton last mail it was stated that wool invariably lost weight on the voyage. This is not strictly accurate,as I have known cases in which there has been a fair gain on the shipping weights; but it does not affect the main point,which is that the weights given in the account-sales are rendered from the Docks,and that the Brokers have no control over them whatever. I have looked up our own weights for 1908 and find that although the returns from the sheds gave Tons 609.1.3.5,the actual gross weight rendered from the Docks was 606.9.1.14. It depends greatly on the condition of the wool when baled,and again there may be errors in the local weighing machines,which are hardly likely to be as carefully tested as those in London.

I am,Sir,

your obedient servant,

Managing Director.

DESPATCH no.1063 per "Oropesa",25th August,1909.

PRECIS of SUBJECTS.

1. Acknowledges Despatch and letter.
2. On Salm's purchase of Casings.
3. Remarks on balance of Tallow to be shipped.
4. Refers to West Mail.
5. Approves of suggested prices for "Sabino" and "Glengowah".
6. Reports ordering some machinery,balance to be decided later.
7. On Mrs.G.P.Smith's application for a loan.
8. Approves reply to Mr.Douglas's complaints.
9. Remarks on desirability of appointing a Judge at Stanley.
10. Deals with the Canning question,and reports rejection of the proposed scheme.
11. States that Managing Director is to visit the Islands.
12. On Indent for rough goods,and suggests purchase of Coal from Admiralty stock.
13. Corrects inaccuracy in letter to A.E.Felton last mail.

Enclosures via Liverpool

Duplicates

Despatch No.1062 dated 28th July.

Ledger & Journal Entries ,,

Remarks on Accounts ,,

Remarks on Stores

List of General Cargo per "Orissa"

General Invoice goods per "Orissa"

List of Enclosures

List of Parcels

List of Clients' Cargo per "Orissa".

List of Dutiable Goods per "Orissa"

Clients' Contracts & A/sales:-

H & S	154	bales Wool	ex "Sorata" & "Orcoma"
♡	169	,,	,,
♣	169	,,	"Oravia"
B	25	,,	"Sorata"
AB	153	,,	,,
F	174	,,	,,
J B	150	,,	,,
L	46	,,	,,
△ D H	128	,,	,,
△ P H	1	,,	,,
S	24	,,	"Orcoma"
T R	4	,,	,,
B	13	Salted Hides	ex "Sorata"
McG	37	,,	,,
J B	20	,,	,,
H	7	,,	,,
△ D H	81	,,	,,
J B L	8	,,	,,
L	2	casks Casings	"Orcoma"
A N	1	,, Sealskins	"Junin"

Clients' Reports & Contracts:-

McG	11	bales	Sheepskins	ex "Sorata"
☘	7	,,	,,	"Oravia"
T R	2	,,	,,	"Orcoma"
J B	26	,,	,,	"Sorata"
S & S	2	,,	,,	"Orcoma"
AP	4	,,	,,	"Sorata"

Clients' Invoices goods per "Orissa" "Orcoma" & "Sarmiento"

H & G Cobb	£ 21	17	3
Vere Packe	53	8	8
Bertrand & Felton	1	16	-
H & G.Cobb	4	1	5
Speedwell Isd.A/c.	15	7	3
H & G Cobb	4	5	10
Vere Packe	24	-	10
T.Robson	7	10	11

B/L general Cargo per "Orissa"

Second of Exchange for £ 48 . 15 .. 3 with B/L attached

Enclosures via Liverpool

Originals

Copies of Telegrams sent

Copy of letter to R.R.Douglas of 9th & extract from Mr. Connell's letter of the 10th August.

Colonial Reports for 1909 (2)

North Western Railway's Report for W.A.Harding.

Wilson's Accounts for Dr.Foley & Mr.D.Shaw.

Clients' A/sales:-

J B	26 bales	Sheepskins ex	"Sorata"
McG	11	,,	,,
S&S	2	,,	"Orcoma"
AP	4	,,	"Sorata"
T R	2	,,	"Orcoma"
☘	7	,,	"Oravia"
H&B	pt.6	,,	"Sorata

Precis of Subjects Despatch No.1061 omitted.

Walter Rae's Agreement.

Copy of letter to T.& S.Plum of 16th & their reply of 14th August re Butter.

Final Invoice for Stores shipped per "Orissa"

Clients' Reports & Contracts:-

D H	1 bag	Hair ex	"Sorata"
McG	1	,,	,,

Letter for W.A.Harding

London 25th August,1909

Enclosures per Supplementary Mail

Originals

Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oropesa"

Corrected General list of Dutiable Goods per "Oropesa"

Supplementary Journal Entries

Parcel receipt of one package marked Blake,Hill Cove

B/L general Cargo per "Oropesa"

Sight Draft on J.Kirwan for £87 . 15 . 9 for collection and B/L attached.

Weston & Westall's invoice for Salt.

General Invoice for goods per "Oropesa"

Clients' A/sale :-

McG 1 bag Hair ex "Sorata"
D H 1 ,, ,,

William Baily's invoices for goods supplied

Clients' Invoices for goods shipped per "Oropesa"

Bertrand & Felton	16/-
Mrs C.H.Williams	24.15 .8
Vere Packe	16.11.11

Letter for W.A.Harding.

London 28th August,1909

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street,
London, E.C. 22nd September, 1909.

Per Oravia.
No. 1064.

Sir,

I have to acknowledge the receipt of your despatch no.361 and of your letter of the 13th ult.,both of which arrived on the 7th inst.,and of your despatch no.362 per "Duendes",which was delivered on the 16th inst.

2. 361-2 and 362-5. A settlement has been made with Mr.Irving who came here with a representative of Mr.Salm from Berlin,and we have the draft on the Deutsche Bank,though there was delay through the credit of £700 having been exceeded. It would have looked more finished if the account you forwarded had been added up,and the Bills of Lading ought to have been to "Order",as instructed; the premature departure of Mr.Irving afforded no reason for altering this.

3. 361-3 and 4. Your remarks on the "Malvina" are noted,and the Board hope that when the alterations have been carried out the running of the schooner will be more satisfactory,and free from machinery troubles.

4. Par.5. We have some valuable information from Australia about canning,and are sending some more queries. Our informant lays stress on the need of carefully prepared plans,based upon all the necessary data and factors,and says that it would be better to put off beginning for a year until we have them,as it is easy without due care to be landed into loss of money and reputation in the initiation of a comparatively simple business like this.

5. Copy of letter from the British Consulate in Christiana is enclosed,but it does not say much. Nothing is known here of canned mutton from Norway.

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

6. Par.7. It has always been considered desirable to avoid bringing the Company's dividends under the notice of the Governor, whoever he may be, on the grounds that our prosperity might incite him to increase the taxation of the Colony, and there is probably reason for this. But in the case you mention the mischief was done, the Governor had the information, and the Board do not think that it served our interests to say so plainly that they would be averse to its publication. It would have been better to tell Canon Seymour that the dividend mentioned in the Financial Times, while interesting, and I am sure gratifying, to the shareholders, was really not a matter of general interest, and that a desire to know details of the pecuniary fortunes or misfortunes of other people is usually inspired by petty and vulgar curiosity. If Canon Seymour proposed to pander to curiosity of that nature, you might have told him to publish the paragraph. How it came out is explained in the enclosed correspondence; the Stock Exchange alone has, and always has had our annual results, and this year it went in too early; it will not occur again.

7. Par.9. Under the Merchant Shipping Act we are liable for wages and medical attendance to the Mate of the "Gwendolin", and in such cases in future you need not trouble to send details and certificates home, as we have not renewed the policy.

8. Par.10. The damages to the schooners were comparatively trifling, and do not amount to a claim.

9. Par.11. We cannot take any action in the matter of the Privy Council Appeals Ordinance except by way of supporting a protest from the Colony, should it be thought desirable to send one.

10. Par.12. Under the exceptional circumstances it will be right to give Stewart a return passage, but in his condition there might be a difficulty in getting him put up on board, unless he could be isolated. It is very unfortunate for him, but unless he can be cured no doubt it will be better that he should leave. I have written both to Messrs. Fleming & Haxton and Mr. Moir about a successor.

11. 362-3. Information about the Wool Sales is always sent as soon as the dates have been fixed.

12. Par.4. Instructions have been given to forward the portion of the "Gwendolin"'s steering gear to Coubro & Scrutton,who are about the most practical people in the matter of ships' stores and fittings in London.

13. In settling the account for Casings,Mr.Irving stated that you had sold him the casks at 10/.each,but had charged 13/6d. We do not believe him,but may as well hear what you have to say about it.

14. Months ago you said that you were going to send an amended order for rough goods by a cargo boat; are we to understand that the late shipment of timber has caused you to change your mind? It would be convenient just now if we had anything to offer, for there will probably be some rams to go shortly for several places,and the P.S.N.Co.do not k like live stock in the passenger season on board the mail boats. There is also the schooner "Golden Fleece",which King & Co.have nearly completed for Mrs.Hansen,and this has already been arranged for as soon as cargo is forthcoming.

15. I referred to the Board your remarks about winding up Pereira's Estate,and have to convey their permission to you to retain the fees for Court work,giving the Company credit for the commission on the remittance.

16. The Wool per "Duendes" will be put up next Monday,the 27th inst.

Mr.Blake left for Buenos Ayres in the "Orita",and Mr.Allan returns by this boat.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1063 dated 25th August.

Journal Entries

Remarks on Accounts

Remarks on Stores & Supplementary remarks

Replies to Remarks on Stores

,List of General Cargo per "Oropesa"

List Of Cliemts' Cargo per "Oropesa"

List of Parcels

General Invoice goods per "Oropesa"

List of Dutiable Goods per "Oropesa"

Clients' A/Sales :-

McG	1	bag Hair	ex "Sorata
△ D H	1	,,	,,
♣	7	bales Sheepskins	ex "Oravia"
T R	2	,,	"Orcoma"
S&S	2	,,	,,
McG	11	,,	"Sorata"
J B	26	,,	,,
H & B	6	,,	,,
Ap	4	,,	,,

Enclosures list of

Sight Draft on J.Kirwan 87 . 15 . 9 with B/L attached.

Clients" Invoices goods per"Oropesa"

Bertrand & Felton	16/-
Vere Packe	16 . 11 . 11
Mrs Williams	24 15 8

Enclosures via Liverpool

Originals

Copy of Cablegram sent

Copy of Cablegram received

Anning & Cobb's Sheepskins Market Report

Copy of letter received from the British Consul at Christiania dated 13th September.

Richard McCarthy's Agreement and receipt for £2 attached

Copy of letter to the Share & Loan Department of 28th June and their reply of the 29th June.

Copy of invoice for Holmested & Blake,Ltd.for goods shipped per "Oropesa"

Copy of letter from the East Yorkshire Cart & Waggon Co.,Ltd. of the 16th September and plan attached.

Du Croz Doxat & Co's Wool market reports

Credit notes for the following:-

George Bonner & Co.,Ltd.	4	19	-
Packe Brothers & Co.	3	8	5
Bertrand & Felton	6	15	2
Vere Packe	4	3	2
Farm Account	10	4	2

A.Wilson's account for A.L.Allan 15/9

Letter for W.C.Girling.

London 22nd September,1909

Enclosures per Mail via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oravia"

General Invoice goods shipped per "Oravia"

Copy of Balance Sheet & Profit & Loss Statement for 1907/8

Carroll's account for cleaning watch

B/L general Cargo per "Oravia"

Sight Draft on J.Kirwan for £33 . 9 . 8 for collection B/L attached

Copy of letter from Mr Leslie McGhie to Mr.Laing dated 8th Aug.

Clients' Invoices :-

Holmested & Blake,Ltd.	47. - .8
Bertrand & Felton	1 15 .1
Mrs C.H.Williams	32. - .5
Mrs T.Robson	6. 9 .4

Clients' Reports :-

W E D	185	bales Wool	ex "Duendes"
H W	45	,,	,,
F	45	,,	,,
Fell	46	,,	,,
D S	71	,,	,,
K	36	,,	,,
S	3	,,	,,
R B C	27	,,	,,
F B	3	,,	,,
J B L	3	,,	,,
B B	21	,,	,,
M & G	33	,,	,,
J R	29	,,	,,
AP	27	,,	,,

Final Invoice for goods per "Oropesa"

Brokers' report on Co's 9 bales Wool ex "Duendes"

Letters for the following:-

W.A.Harding,A.L.Allan & George Bonner & Co.,Ltd.
(2) of S. Miller

London 25th September,1909

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street.
London, E.C.

Per Orooma.
No. 1065.

20th October, 1909.

Sir,

I have to acknowledge the receipt of your despatch no.363 and of your letter of the 8th of September, which arrived on the 4th inst.

2. Par.2. You seem to forget that the value of the "Fairport and cargo is comparatively small, nothing for instance like that of the "Hyndford", and that the service could not be rated as highly as in that case. You gave the value of the ship as £11,000, and the Owners put it at £3000; unfortunately for us we found on enquiry that a ship of the same age and tonnage had lately been sold at about that sum, and we have agreed that for the purpose of the action £3500 is to be taken as the value. The total, including cargo and freight, is not much over £7000, and Mr. Ince's opinion was that the Court might not award more than 5%. I am sorry that your cabled application to settle on the spot was overlooked and answered a fortnight later than it should have been; but the reply was in the negative, for the reason given in Messrs. Ince's letter, copy enclosed. An agreement for salvage made on the spot in a time of great stress is not infrequently upset afterwards.

3. Par.3. It would have been cheaper to buy coal ex "Fairport" no doubt; but as it is not for sale we have arranged to ship 200 tons Ocean Merthyr from Swansea in about a fortnight, and this is useful just now, as it enables us to get out 16 rams bought at Ashford last month. There was not sufficient rough cargo ordered to make it worth while putting on a cargo boat, and this coal just makes it possible. If rams are bought at Ashford in September every year, we ought to have an indent for timber and stuff of the

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

kind ready to offer the P.S.N.Co.,as they resolutely decline,and with reason,to carry rams on a crowded passenger steamer.

4. Par.4. The Board having heard the circumstances of the case decided that Dr.Foley's appointment by the Government was ultra vires. The incident is over,and they do not wish to attach exaggerated importance to it,or to do more than state their view clearly for your future guidance. Nor would they like it to be thought that they wished to restrict any assistance that he might on occasion render in a case of emergency,as that would be suggestive of inhumanity. Their sole objection was to his having been gazetted as Acting Colonial Surgeon,and not even with any acknowledgment of its being with the Company's permission. Arrangements of this sort so easily create a precedent; if the Government think that he is available at any time,an assumed right to his services will be the next step,and in the interest of our own people it is necessary to guard against this. It would seem to have been mismanagement on the part of the Government to let Dr.Born go before making sure that his successor would be on the spot to take up his duties; but we cannot go into that. In future it would be bet- to let it be,as already mentioned,a friendly arrangement between the Doctors themselves,always,however,with the concurrence of yourself and Mr.Allan; but do not let us hear of any more official appointments. It will be of no use now to raise further bad feeling by opening up the matter with the Governor; you know the Board's wishes,and will be guided by them.

5. Par.4A. The statement signed by three men has been sent to Messrs.Ince,and I suppose that the case of the "Gladova" will come on before long. Referring to the remark in your letter,it seems only too clear that the allusion to outside assistance was prompted.

6. Par.5. Note has been taken of yourwish to have the weight of three casks of Mr.Felton's tallow.

7. Par.6. I have not looked up G.L.Watson's instructions,but hope that in dealing with the bowsprit and jibs of the "Malvina" you have not deviated from them in any way.

8. Par.7. Captain Dagwell seems to be a regular caller at

Stanley. I will allude here briefly to the two cables reporting the ship having been on fire, and salvage services rendered in both cases. If, as seems likely, it turns out that there were two fires, it will be a most complicated matter, and Messrs. Ince, whose letter on the subject is enclosed, cannot advise until the circumstances are fully known. Meanwhile we have taken out a p.p.i. policy on the ship for £1000. Salvage at the extreme rate of 50% in such a case is sure to be disputed.

9. Par. 9. The Bills of Lading are made out by Messrs. Lowden, and they have been asked to state the measurements of cargo on them. We understand that you have the measurement slips as well, and it is not clear why both are wanted.

10. Par. 10. The sailing of the "Ragnhild" has been reported at Lloyd's, and it seems to show that she has had excellent despatch.

11. Par. 11. The error in charging primage per "Sarmiento" was noticed, and you will have seen that it was corrected.

12. Par. 12. It is a good thing having got rid of the "Glengowan", and the price is quite satisfactory.

13. Before Mr. Allan left we agreed, at his request, to commission a local man to bid for three of C. File's, which he had inspected and taken the numbers of, or rather three out of six of which he approved, and put the limit at Seventy guineas each. I am glad to say that we got the lot for Thirty four guineas, as competition for those was not very keen; Mr. Packe was less fortunate, as his buyer was opposed by a New Zealander, and he had the honour of giving the highest price in the sale for one ram, One hundred and five guineas!

14. In further reference to F. King's pension, the Board have agreed to fix it at the round sum of £70 per annum. It works out fractionally less; but his services have been so long that they are glad to fix it at this sum.

15. Par. 13. With regard to the question of Teak, Mr. Lamb has been here, and has explained that we indent for too large a size. Further remarks on the subject will be found in the Remarks on Stores.

16. Mr.Anson wrote a few weeks ago that he wished to arrange for our doing his business in future,or I should have said the business of Dean & Anson,and followed it up by calling here after last mail had left. They are dissatisfied with their treatment by Braun & Blanchard,and propose to do everything through us; he mentioned that they still wished us to sell their wool through John Hoare & Co.,and said that Mrs.Dean,he felt sure,would never leave them. In the end it was settled that all business arrangements should be settled with Mrs.Dean when I come to Stanley. The Board consider that if business is offered not involving large advances we can hardly refuse it if the proposed client insists on the employment of a particular Broker; at the same time they think that as F.I.wool must necessarily be limited in quantity it is of advantage to all the shippers to have their consignments in the same hands. When there is a sale our Brokers circularize the probable buyers,giving the special marks to be put up,and a sale of a good many marks,running into perhaps a couple of thoudand bales,is more likely to attract buyers than one in which there may be only a hundred or two.

17. A list of next year's Wool sales is enclosed,and a copy has been sent to the P.S.N.Co.,who will forward it to their Coast Manager.

18. Mr.Moir will return next mail,and a travelling Schoolmaster named Adam will go by the same boat. A shepherd named Lewis Gordon is being kept back for the "Antisana,to look after the rams.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1064 dated 22nd September.

Remarks on Stores

Replies to Remarks on Stores

Remarks on Accounts

List of General Cargo per "Oravia"

List of Clients' Cargo per "Oravia"

List of Dutiable Goods per "Oravia"

List of Parcels

List of Enclosures

General Invoice goods per "Oravia"

Sight Draft on J.Kirwan and B/L attached

B/L goods shipped from La Rochelle

Clients' Invoices goods per "Oravia":-

Holmested & Blake,Ltd.	£47	. - .	8
Bertrand & Felton	1	15	1
Mrs Williams	32	-	5
Mrs T.Robson	6	9	4

Clients' reports :-

R B C	27	bales Wool	ex "Duendes"
J B L	3	,,	,,
M & G	33	,,	,,
AP	27	,,	,,
J B	29	,,	,,
B B	21	,,	,,
F B	3	,,	,,
S	3	,,	,,
D S	71	,,	,,
Fell	46	,,	,,
F	45	,,	,,
W E D	185	,,	,,
H W	45	,,	,,

Enclosures via Liverpool

Originals

Wool Reports

Copy of Cablegrams received

Copy of Cablegram sent

Invoice for Cartridges for Dr Turner

Copies of letter from Montgomery Jones & Co.dated 6th &13th October re flour

Army & Navy's Account for A.L.Allan

Dates of London Wools Sales for 1910

Clients' A/Sales & contracts:-

L	68 casks	Tallow ex "Duendes"	
S I	19	,, ,,	,,
K	36 bales	Wool	,,
△ F B	3	,,,,	,,
♡	29	,,,,	,,
♡	45	,,,,	,,
S	3	,,,,	,,
B B	21	,,,,	,,
M & G	33	,,,	,,
D S	71	,,,,	,,
H W	45	,,,,	,,
Fell	46	,,,,	,,
J R	29	,,,,	,,
W E D	185	,,,,	,,
F	45	,,,,	,,
R B C	27	,,,,	,,
A P	27	,,,,	,,
J B L	3	,,,,	,,

Brokers Press Copy of Company's A/sale Wool per "Duendes"

Copy of letter from Ince Colt & Ince dated 14th October re "LONSDALE"

Copy of letter from Ince Colt & Ince dated 13th September re "FAIRPORT"

Copy of letter from Cooper Pegler & Co.dated 6th October & credit note attached

Copy of letter from Lamb Brothers dated 5th October re Teak

Copy of Invoice goods shipped per "Oravia" for Holmested & Blake
Letter for A.L.Allan.

London,20th October,1909

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street,
London, E.C. 22nd October, 1909.

Per Supplementary Mail.
No. 1066.

Sir,

I was at Liverpool for two days this week, and had the opportunity of seeing both Mr. Douglas and Mr. Porter, representing the Underwriters and Owners of the "Lonsdale" respectively. The case is an extraordinarily complicated one, and requires the utmost care in handling; I have accordingly had an interview with Mr. Ince on the subject this morning, and he has written a letter for your guidance, copy enclosed.

On the first fire we have a salvgge claim for £1000, and on the second 50% on value of property salved. The cargo is valuable but perishable, and we may assume that the many tons of caustic soda, starch, paper, tin plates, and cement are practically valueless. As to the caustic soda, it is more than probable that it has destroyed a portion of the ship's framing, and condemnation will be inevitable. Mr. Douglas would like an estimate made of the cost of repairs, but thinks that if it is true that the beams are buckled nothing can be done to save the ship. He told me that from the Underwriters' point of view £6750 could be spent on repairs before the ship would be a constructive total loss. But on the other hand, if repaired she would only be worth £4000, and the apparent anomaly is caused by the fact that she is insured much above her true value. She is a Company herself, and is in debt to over £1000 on this side, no one will make any advances as far as we know, and Mr. Porter is probably right in saying that we should be utter fools if we allowed her to go on to her destination. At all events you would on no account allow any portion of the cargo to leave Stanley until security has been given for payment of the

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

salvage. We are dealing in a preliminary way with the case now without having any of the details which are following by mail. When these arrive possibly another complexion may be put on the case,but this we shall not know for another 10 days. With the number of agents all representing conflicting interests you are likely to have a bad time of it,but I hope that you will manage to do the right thing in the interests of all concerned. If when the facts are full y known I can come to terms with Mr.Douglas I shall endeavour to do so.

2. I have just had an interview with Mr.Robson of the firm of Wildridge & Sinclair of Sydney and other places,Engineers. We have had a preliminary talk on the subject of meat canning,which he thinks quite feasible with the number we have,and I am endeavouring to arrange to get their Manager,a Mr.Allen,down by the January mail,to consult with Mr.Allan and myself on the spot about the erection of the works at Goose Green. I tried to make it December,but Mr.Robson thinks that out of the question. Please communicate this to Mr.Allan,as I may not be writing to him again.

3. The "Antisana" is to leave Liverpool on the morning of the 28th inst.,and I saw Hobbs yesterday about the rams. He will settle the gratuities to the butcher and the shepherd,whose wages, I think I mentioned,begin from the time he goes on board.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures per Supplementary Mail

Originals.

Ledger & Journal Entries.

Remarks on Accounts.

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Orcoma"

General Invoice goods per "Orcoma"

B/L Cargo per "Orcoma"

Credit note for £ 1 .12 .6 from Rownson Drew & Clydesdale, Ltd.

Copy of letter from Ince Clot & Ince dated 22nd instant re "Lonsdale".

Austin,Bennett & Kohn's invoices for goods shipped.

Sight draft on J.Kirwan for £52 . 15 . 8 & B/L attached

Final Invoice for goods per "Oravia"

Letters for the following:-

W.A.Harding,A.L.Allan

London 23rd October,1909

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per Orissa.

No. 1067. London, E.C. 12th November, 1909.

Sir,

I am writing early in reply to your despatch no.364,which arrived on the 1st inst.together with duplicates of documents per "Ragnhild". If there is anything to add,Mr.Goddard will write a supplementary despatch.

2. 364-4. With every desire to meet Mrs.Smith's wishes,the Board cannot make the advance asked for on the security (?) you have forwarded. To begin with,the form of Mortgage is under an Ordinance that deals exclusively with freehold or real property, and of this there is very little that is offered. Security is wanted also on the leases and live stock,and the Ordinance touches neither. More important,perhaps,is the question whether Mrs.Smith has the power to mortgage the farm at all,and if under her husband's will she owns the half share,she cannot at present give us a charge on the whole farm,including Sharp's half,for the simple reason that no sale to her by him has yet been made as far as we know. Sharp will not part with his property until he sees his money secure,and both transactions will probably have to take place in London simultaneously,as was the case with the Bonner mortgage. The Company will certainly not advance the money for 20 years certain,but only on the usual conditions,and in proposing to accept the document you have forwarded you have overlooked the fact that we see no profit in locking up a large sum at 5%, but offer to do it in consideration of other advantages. You should therefore have inserted the usual condition that the Company is to retain the agency of the Mortgagee including the consignment and sale of the produce during the continuance of the Mortgage. I am in correspondence with Sharp,and shall probably

W.A.Harding,Esq.,

Manager,

Stanley.

be able personally to convey to you further information on the subject.

3. Pars.12 and 19. The "Lonsdale" affair is most unfortunate; I have been trying to get in touch with the Underwriters on the cargo, but at present without success. The Salvage Association are not interested, and Wendt & Co., who represent most German Underwriters, have nothing to say at present. I am to have a final talk with Mr. Ince, and shall be well posted up by him; at present all I am able to say is that until we get security for our salvage we must not release our grip on the property.

4. Par.21. The Board have no objection to Mr. Girling taking leave of absence on the expiration of his second term of five years.

5. We are in treaty with a firm of Engineers in Sydney and Brisbane with regard to the despatch of an Engineer in their service to visit Goose Green, and advise personally on the spot as to canning. At present the sum asked by them is more than we think we ought to give, notwithstanding that we know from an outside source that the Engineer in question is a thorough expert in the business.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Bills of Lading general cargo per "Antisana"

Remarks on Cargo per "Antisana"

List of Clients' Cargo per "Antisana"

List of General Cargo per "Antisana"

List of Enclosures

General Invoice goods per "Antisana"

Clients' Invoices goods per "Ancoma"

Mrs C.H.Williams	3	15	4
Bertrand & Felton	1	14	7
Fell Brothers	11	13	1
H.& G.Cobb	1	2	11

Contract for carrying Live Animals

Enclosures via Liverpool

Originals

Copy of Cablegram received dated 6th November.

Copy of Norris & Henty's reply to Baseley report on the Malvina's Engine dated 26th October.

Copy of letter from Hayward Tyler & Co.dated 5th November replying to Mr Felton's complaint

Copy of letter from Bischoff & Co.dated 5th November re Mrs Smith's loan.

Copy of letter from Montgomery Jones & Co.dated 9th November re claim for damaged flour.

Norman L.Adam's agreement & sundry testimonials.

Clients' A/sales,reports & contracts:-

report only →	C C W	21	bales	Wool	ex "Elm Branch"
	D S G I	7	bales	Sheepskins	ex "Duendes"
	♡	7	,,	,,	,,
	W E D	6	,,	,,	,,
	B B	2	,,	,,	,,
	F	10	,,	,,	,,
	AP	3	,,	,,	,,
	R B C	4	,,	,,	,,
	M & G	3	,,	,,	,,
	◇H	5	,,	,,	,,
report only	Fell	7	,,	,,	,,
,,	J R	2	,,	,,	,,
	H & B	112	Sheepskins	e x	"Sorata"

Brokers' market report & press copies of above reports & contracts.

Certificate for Ram substituted for J.J.Felton

Copy of letter from the Kent & Romney Marsh Sheep-Breeders' Association dated 30th October.

Copy of letter from Charles File dated 28th October re substitution of Ram per "Antisana"

Copy of letter from South American Missionary Society dated 26th October re their account.

Copy of letter from P.W.Heyman dated 30th October re butter.

Bills of Lading & key to lockers for Mrs Hansen's boat.

Fordham & Langdon's invoices goods shipped per "Antisana"

Debit note for H.& G.Cobb for 11 packages Furntiure &c.ex"Duendes"

Statement of cost & division of Expenses Rams shipped per "Antisana"

Corrected General Invoice goods per "Orcoma"

Completed ,, ,, , "Antisana"

Clients' Invoices for goods per "Orcoma" &"Antisana"

Vere Packe,J.J.Felton,Holmested & Blake,Ltd.

G.Bonner & Co.,Ltd.Farm Account,M.Buckworth.

~~Copy of letter to Thomas Sharp dated 10th instant~~

Copy of Correspondence re Smith & Sharp Mortgage &c.

Final Invoice goods per "Orcoma"

,, ,, ,, "Antisana"

Clients' Reports & contracts

B	17 casks	Tallow ex	"Orissa"
H	6	,,	,,
S	14	,,	,,
H & B	89	,,	"Ragnhild"

Brokers' press copy of contract FIC 100 casks ex "Ragnhild"

London 17th November,1909

The Falkland Islands Company, Limited.
(INCORPORATED BY ROYAL CHARTER 1851.)
REGISTERED 1902.
61, Gracechurch Street,
London, E.C.

Per Supplementary Mail.
No. 1068. 20th November, 1909.

Sir,

Following up my remarks in par.2 of 1067,I now enclose copy of a letter received from our Solicitors,Messrs Bischoff & Co,, setting out very clearly the line of procedure to be followed in the matter of the proposed Mortgage to Mrs.Smith,and the payments to be made in connection therewith,to Mr.Sharp.

I also enclose a copy of the agreement to sell,the original of which has been signed by Mr.Sharp,and also the draft of a Power of Attorney to be signed by Mrs.Smith to enable some one here to act for her,when the final execution of the Mortgage, and the payments to Mr.Sharp,are simultaneously put through.

2. A few days before the "Antisana" sailed,Mr.Charles File advised that one of the Rams from John File's flock,purchased at the Ashford Sale on account of Mr.Felton,had developed lameness,and could not be forwarded for shipment.We therefore decided to take the responsibility of purchasing as a substitute, another,strongly recommended by Mr.C.File,and which had an excellent pedigree,and prize record. Unfortunately the price paid for it,although only £5 above what it made in the sale, was £38.12.0 compared unfavourably with that paid for the lame one viz.£13.13.0,but no doubt Mr.Felton will appreciate that he has a better Ram. Mr.C.File agreed to take over the one left behind,at the £13.13.0 paid for it,and this sum has been passed to Mr.Felton's credit in accounts. The Ram has since died,and we shall establish a claim on our insurance policy, and refund Mr.File the £13.13.0 and Mr,Felton,anything in excess, that we recover.

The copies of Mr.File's letters which are sent herewith, will give further details.

3. We send you by this Mail, a statement of cost, and division of the expenses, in connection with the Rams shipped per the "Antisana" on account of Clients.

I am, Sir,

your obedient servant,

F.E.COBB.

Managing Director,

per E. B. Goddard.

Enclosures per Supplementary Mail

"Originals"

Ledger & Journal Entries

Remarks on Accounts

Copy of Bischoff's letter of the 19th November.

Copy of the Agreement signed by Mr Sharp to sell his share in farm to Mrs Smith

Draft of Power of Attorney to be granted by Mrs Smith to somebody here to act for her re Mortgage of farm

Copies of letters received from Charles File dated 22nd October & 9th November.re Rams.

General Invoice goods per "Orissa"

Contract for B 12 casks Tallow ex "Orissa"

Bills of Lading general cargo per "Orissa"

Sight Draft for £15 . 4 . 10 on J.Kirwan for collection B/L attached.

List of General Cargo per "Orissa"

Smith Premier,Ratin & Blanch's accounts for goods shipped

Debit note for George Bonner & Co.,Ltd.error in freight charged per "Sorata"

Remarks on Stores

Replies to Remarks on Stores

Letters for the following:-

Robert Blake (2)

A.L.Allan

London 20th November,190

over.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 15th December, 1909.

Per "Oropesa"

No. 1069.

Sir,

I have to acknowledge receipt of your despatches nos.365 and 366, dated the 1st and 2nd November respectively, which arrived on the 29th November. I also received, on the 2nd Dec., your letter dated the 21st September, per "Ragnhild", covering Documents for shipments by that vessel.

2,365-2. Your remarks with regard to charges made in Mr. Irving's account for Casings and Salt, have been passed on to Mr. Salm, but no opportunity has occurred, to discuss the matter with Mr. Irving as that gentleman is now on his way to South America. The account referred to in your despatch, for five casks of Casings per "Oropesa", was not enclosed, but on our promising to produce it on arrival, Mr. Salm accepted your figures. As this shipment is a purchase from Mr. Reddeman, on account of Mr. Salm, we took it to be quite outside our contract, and therefore asked for prompt payment. To this, Mr. Salm readily agreed. I enclose copies of correspondence with Mr. Salm, from which you will see, he has declared to exercise his option of taking the Company's output of Casings during the coming year, at the same price. He has however asked, and we have complied with his request, that instead of being put to the expense of keeping a credit in London for a long period, as occurred last year, we will allow him to pay net cash on arrival of the goods, in exchange for the documents. This will be a saving of ninety days interest to us, and in addition it will perhaps be some advantage, not to have to depend on Mr. Irving's uncertain presence, for his signature to the Drafts. I would draw your attention to Mr. Salm's request, with regard to Salt he purposes shipping to Stanley, and to the facilities he asks to be accorded to his representative, when in the Islands.

3,365-3. I note that you have ample stock of Stores detailed, and cannot therefore at present send an ident for rough cargo.

4,365-4. Your thanks to the Directors,were conveyed to them at the last meeting of the Board.

5,365-6. The draft for £1557.16.2 in settlement of the "Fairport's" account,has been duly accepted.

6,365-10. The Directors at the last Board meeting,read with interest your remarks with regard to the "Lonsdale",and I note that at the time of your writing,it was not possible to give the valuations asked for in our cable of the 30th October.

There is little to add by this opportunity,excepting to confirm the cables,as per copies enclosed,which have passed between us.

The cable to the Managing Director at Monte Video,sent at the request of Mr.Douglas,had just been despatched when a telegram was received from Messrs,P.Iredale & Porter,Ld asking you to retain sufficient of the proceeds of the cargo,if sold,by the Underwriters,to meet the Ship's lein for freight and Average charges.I have obtained payment from Messrs,Iredale & Porter for cost of cable sent for them,and the cost of that,sent at the request of Mr.Douglas,is being passed out to you for inclusion in the account against the Ship.

7,366-2. We shall look for the cargo you refer to,in the "Oravia" or "Esmeraldas".

8. The "Ragnhild" arrived at Gravesend on the 27th November, having made the passage in the good time of sixty six days. Her cargo has been discharged,and has turned out in good condition.

I am,Sir,

your obedient servant.

For THE FALKLAND ISLANDS CO. LTD.

E. B. Goddard.

.....Accountant.

W.A.Harding,Esq.,

Manager,

Stanley.

P.T.O.

LATER.

9. I enclose copy of a letter dated 2nd December, received from Messrs, Ince, Colt & Ince, recommending the acceptance of an offer they have received from the Solicitors representing the "Gladova", of £500 and taxed costs, in settlement of our Salvage claim. The Board has decided to accept this offer, and I have today heard from our Solicitors, that the matter will be completed on these lines, next week.

E.B.G.

Enclosures via Liverpool

Originals:-

Wool Reports.

Copy of Cablegram sent 26th November via Punta Arenas.

,, ,, 10th December via Montevideo. (2)

Journal Entries.

Particulars of homeward freights per "Duendes & Orissa.

Clients' A/sales;-

H 6 casks Tallow ex "Orissa"

S 14 ,, ,,

B 17 ,, ,,

C C W 21 bales Wool ex "Elm Branch" (& contract)

Debit note for J.J.Felton for Insurance on Ram per "Antisana"

Kirkland Cope's account for W.A.Harding for 9/-

,, ,, F.I.King 19/10

Copy of Cablegram received 3rd December via Montevideo.

Copy of letter from G.W.Robson dated 30th November re engagement of Mr Allen.

Copy of letter from Ince Colt & Ince re salvage "Gladova" dated 2nd December.

Clients' reports & contracts :-

H & B	23	casks Tallow	ex "Ragnhild"
△	40	,,	,,
H	16	,,	,,
♡	3	,,	,,
B	2	,,	,,
W P	31	,,	,,
D S			
G I	5	,,	,,
W E D	28	,,	,,

Brokers press copies Company's reports & contracts Tallow ex "Ragnhild"

Letter for A.L.Allan.

London 15th December,1909

Enclosures via Liverpool

Duplicates

Despatches Nos.1067 & 1068.

Ledger & Journal Entries.

Remarks on Accounts.

Remarks on Stores & Replies

B/L General Cargo per "Orissa" (2)

Sight Draft on J.Kirwan with B/L attached

List of General Cargo per "Orissa"

List of Clients' Cargo per "Orissa"

List of Dutiable Goods per "Orissa"

List of Parcels

List of Enclosures

General Invoice goods per "Orissa"

Clients' A/sales & contracts :-

	♡	7 bales	Sheepskins	ex "Duendes"	
	F	Quantity	Sheepskins	ex "Duendes"	
	R B C	4 bales	Sheepskins	ex	,,
	W E D	6 ,,	,,		,,
	A P	3 ,,	,,		,,
	D S	7 ,,	,,		,,
	H	5 ,,	,,		,,
	B B	2 ,,	,,		,,
	M & G	3 ,,	,,		,,
reports only	Fell	7 ,,	,,		,,
	J R	2 ,,	,,		,,
	C C W	21 ,,	Wool	ex "Elm Branch"	
reports & contracts	B	17 casks	Tallow	ex "Orissa"	
	H	6 ,,	,,		,,
	S	14 ,,	,,		,,

Invoices for the following :-

Vere Packe goods per "Orcoma""Antisana" &"Orissa"

Farm Account for Rams per "Antisana"

J.J.Felton for Rams & Goods per "Antisana"

Holmested & Blake,Ltd ,, ,,

G.Bonner & Co.,Ltd. ,, ,,

Bertrand & Felton ,, "Orissa"

Henry Waldron ,, ,,

A.F.Cobb ,, ,,

London 15th December,1909

Enclosures per Supplementary Mail

Originals:-

Supplementary Joubnal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oropesa"

B/L ,, ,, (2)

Sight draft on C.F.Thompson for £13 . 4 . 2 for collection

General Invoice goods per "Oropesa"

Correspondence with F.Salm re Casings

Woods' invoice for Woolpacks

Clients' Reports & contracts:-

S	10 bales Sheepskins ex "Orissa"
McG	10 ,, ,,
Fell	659 Sheepskins ex "Duendes"
J R	2 bales ,, ,,
F	149 Sheepskins ,,

Brokers' press copies of above reports & contracts

Clients' Invoices goods per "Oropesa"

Holmested & Blake,Ltd.Vere Packe,

Dr.Turner,Baillon & Stickney,Mrs Smith

A.F.Cobb & H.Pitaluga.

Letters for the following:-

F.E.Cobb,A.L.Allan & Dr.Turner.

London 18th December,1909

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 12th January, 1910.

Per "Oravia"

No. 1070.

Sir,

I have to acknowledge receipt of your despatch no.367, and letter, both dated Stanley, 30th November. I have also received your letter from Monte Video dated the 4th December, and your further letter by the "Esmeraldas", dated 6th December.

Your despatch and letter of the 30th Nov. were landed by the "Oravia" at Lisbon as usual, but owing to the storms and floods experienced in Spain about that time, were much delayed, and not delivered in London until Thursday the 30th ult:.

2.2. As previously advised you, the measurements of all cargo shipped to Stanley for Clients, is detailed on the Bill of Lading, and in addition, we have arranged with Messrs W. Lowden & Co., to send separate measurement slips, This has proved a convenience to us, and no doubt, will be equally helpful to you.

3. 5. The Board will look forward with interest, to this matter being arranged satisfactorily by the Managing Director, when he meets Mrs. Dean.

4. 6. The circumstances of the visit to Stanley of the Ship "Deccan", are noted, and it is most extraordinary, that she too, should have fallen a victim, to the epidemic of incendiarism which now seems to afflict all vessels calling at your Port.

5. 7. Your report on the position of affairs in connection with the "Lonsdale", and your correspondence with Mr. Porter, have been laid before the Board, and the complicated nature of the position with which you have to deal, is appreciated. The Manifest shews what a very miscellaneous assortment of cargo she has on board, and the possibility of valuing it, even approximately, in its present condition, must be all but impossible. It is fortunate that the Managing Director is on the spot to assist you, and we interpret the fact, that no further cable has been received from you on the

subject,since his arrival,coupled with your advices,that,there is every probability of the vessel being a "constructive total loss". Your advices of further developments,will be looked for with much interest.

6. The "Esmeraldas" arrived in London on Monday last and unfortunately the Sheep Skins could not be delivered and sorted in time for the sale to be held on the 21st inst. They will therefore be put up at the next sale on the 4th March when there is every indication of their meeting an excellent market. You will gather from the Broker's Market Report sent herewith that prices are good and firm.

7. From the enclosed copy of a letter dated 29th Dec.,from Messrs Ince Colt & Ince,you will see that the "Gladova" Salvage claim has been settled by the receipt of a cheque for £475.12.0.

8. I regret to inform you that Thomas Patterson,for many years a servant of the Company in the Islands,and recently in receipt of a Pension,died at Dumfries on the 6th inst.from cerebral hemorrhage.

9. Owing to the late delivery of the Mail,referred to above, the time for executing the orders for your indent received,has been short,and this has been the cause of rather more of the items than usual,not being shipped. These will of course be sent by next Mail.

I am,Sir,

your obedient servant,

For THE FALKLAND ISLANDS CO. LTD.

F. E. Cobb

Managing Director

Per: E. B. Grauard.

Enclosures via Lisbon.

"Originals.

1 Journal Entries & Account Current.

2 Remarks on Accounts.

3 Remarks on Stores.

4 Replies to Remarks on Stores.

5 Bills of Lading Cargo per "Oravia".

6 List of General Cargo per "Oravia".

7 General Invoice goods per "Oravia".

~~8~~ Clients' Invoices goods per "Oravia".

8 Stickney Brothers £26.13.8

9. Rev.M.L.Mignone 13/10

10 Final Invoice for goods per "Oropesa"

11 Suppliers' detailed Invoice goods per "Oravia"

(Corrected account) C.& E.Morton

Engelbert,Spratt's Patent,Ltd.,&

Price's Patent Candle Co.,Ltd.

London 15th January,1910

Enclosures via Liverpool

Duplicates:-

Despatch No.1069 dated 15th December.

Remarks on Accounts.

Remarks on Stores.

Replies to Remarks on Stores.

List of General Cargo per "Oropesa".

List of Dutiable Goods per "Oropesa".

List of Parcels.

List of Clients' Cargo per "Oropesa".

List of Enclosures

General Invoice goods per "Oropesa"

Clients' A/sales.reports & contracts:-

A/sales only	B	17 casks	Tallow	ex "Orissa"
	S	14	,,	,,
	H	6	,,	,,
	C C W	21 bales	Wool	ex"Elm Branch"
Reports &m contracts only	S	10 bales	Sheepskins	ex "Orissa"
	McG	10	,,	,,
	Fell	pt.7 bales	,,	"Duendes"
	F	pt.10 ,,	,,	,,
	J R	2 bales	,,	,,
	H	16 casks	Tallow	ex "Ragnhild"
	B	2	,,	,,
	♡	3	,,	,,
	△	40	,,	,,
	D S G I	5	,,	,,
	W E D	28	,,	,,
	W P	31	,,	,,

Clients' Invoices goods shipped per "Oropesa"

Baillon & Stickney,Vere Packe,Dr.Turner

A.F.Cobb,Mrs Smith,Holmested & Blake,Ltd.

H.Pitaluga.

London 12th January,1910

Enclosures via Liverpool

"Originals"

1 Copy of Cablegram sent on the 24th December,1909.

2 Du Croz Doxat & Co!s Annual Wool Report.

3 Anning & Cobb's Sheepskin Report

4 Corrected Debit note for Dr Turner for goods per "Oropesa"

5 Debit note for Baillon & Stickney error in freight per ,,

6 Copy of letter from Ince Colt & Ince dated 29th December re settlement of claim "Gladova"

Clients' A/sales,reports & contracts:-

7	B & S	49	Salted Hides	ex "Ragnhild"
8	P B	26	,,	,,
9	J B L	16	,,	,,
10	S & S	39	,,	,,
11	J D M	10	,,	,,
12	H W	17	,,	,,
13	W	46	Salted Hair Sealskins	,,
14	M V	1	cask Tallow	,,
15	J B	10	,, (pt.91cks.)	,,
16	H G C	4	,, (pt.56cks.)	,,
17	McG	6	,,	,,
18	B	2	,,	,,
19	W P	3	,, (pt.31cks.)	,,
20	D S	5	,,	,,
21	♡	3	,,	,,
22	W E D	28	,,	,,
23	△	14	,, (pt.40cks.)	,,
24	H & B	89	,,	,,
25	Fell	pt.7	bales Sheepskins	ex "Duendes"
26	T R	2	bales ,,	,,
27	F	pt.10	bales ,,	,,
28	McG	10	bales ,,	"Orissa"
29	S	10	,,	,,

30 Brokers' press copies A/sales &c.Company's Tallow Hides & Skins ex "Ragnhild"

31 Copy of Correspondence with Montgomery Jones & Co.re Claim for damaged flour per"Orcoma"

LONDON 12th January,1910

The Falkland Islands Company, Limited.
INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.
61, Gracechurch Street,
London, E.C.

Per "Orcoma"
No 1071.

9th February, 1910.

Sir,

I have to acknowledge receipt, on the 24th inst, of your Despatches, nos. 368 & 369, dated the 27th & 29th December respectively.

2. 368.2 369.4. The formal authority, signed by Mrs. Smith, to pay to Mr. Sharp $1500, has come to hand and that sum has been duly paid over. The fact that Mrs. Smith's sons have an interest in the Farm, is noted, and our Solicitors confirm the view taken by Mr. Cobb, that it will be necessary for them all to sign the Power of Attorney referred to, and I gather from your remarks that this will be done.

3. 368.3. I have to thank you for the Certificate for the Ram which died before shipment, and it has now been returned to the Romney Marsh Sheep Breeders Association. With regard to Mr. Packe's remarks as to Ram no. 17 Elham being shipped in place of no. 53 Elham, I enclose copy of correspondence which has ensued on the matter, with Mr. Charles File, and I trust his explanation will recall the circumstances, and prove satisfactory to Mr. Packe.

4. 369.4. Your remarks on the arrangements made for the shipment of the wool clip are noted, and in this connection I have to acknowledge receipt, on the 7th inst, of your cable advising the shipment by the "Orissa" of 495 bales, and the "Corcovada" 1450 bales. This total of 1945 bales, compares unfavorably with the 2386 bales shipped by the "Flamenco", about the same date last year, and having regard to the satisfactory way you report the wool to be coming in, to Stanley, I fear the two vessels have not been able to clear all you have on hand. The "Orissa" is due in Liverpool on the 21st inst and the "Corcovada" should reach London about the 28th, so that both should be in ample time for

the Sales commencing on the 8th March. From the Market Reports sent you, you will see that prices have continued to advance, and that there is every prospect of good prices being realized.

5. 368.5. The loss of Mr.Packe's dog, is very unfortunate and we are glad to hear that the Rams were landed safely. The insured value of the dog has been recovered from the Underwriters, and also the premium which is returnable in respect of the safe arrival of the Rams. Credits for these appear in accounts being sent you herewith.

6. 368.6. We are glad to hear of the safe arrival of the hulk "Glengowan" at New Island and the Board is hopeful that your negotiations for the sale of the "Sabino", will be equally successful.

7. 368.7 369.6. Your further remarks, and correspondence with Mr.Porter in connection with the "Lonsdale" have been read with much interest and whilst it is noted that the second Salvage claim has been reduced, by arrangement, from 50%, to 331/3%, a final settlement of the whole matter does not yet appear to be in sight. The Board entirely approve of the position taken up in not allowing the Company to be associated with any offer made by speculators, for the purchase of the Ship and Cargo.

8. You will no doubt have heard from the Managing Director, of our cable to him of the 5th inst. advising that Mr.Allen-of the firm of Messrs Wildridge & Sinclair of Sydney-left that port on that day for Monte Video. He is clearly making to catch the "Ruahine", leaving Wellington on the 10th February and due at Monte Video on the 1st March. This will enable him to catch the P.S.N.Co's steamer leaving there on the 5th March and due in Stanley on the 9th. As you are aware, Mr Allen is to advise on the Canning proposal.

9. I am glad to advise, that in response to your cable of the 5th inst, asking for a tappet guide for the "Malvina" to be sent immediately, that I have been successful in urging the suppliers to deliver it in Liverpool this morning and it was put aboard the "Orooma", under a Parcel Ticket, an hour only before that vessel sailed today.

10. I enclose copy of letter received from our Solicitors, Messrs Ince, Colt & Ince, dated 27th January, 10, which refers to the position of the case of the "Fairport" Salvage Claim. From this you will see that it was stated by the Defendants on the 27th January, that the ship was still in the Falkland Islands. Lloyd's Register however, reports her arrival at Antofogasta on the 1st December, and in the absence on any advice from you of her return to Stanley, we conclude that there is no justification for the Defendant's statement.

I am, Sir,

your obedient servant,

For THE FALKLAND ISLANDS CO. LTD.

E. B. Goddard.

.....Accountant.

W.A.Harding, Esq.,

Manager,

Stanley.

DESPATCH NO.1071 per "Orcoma",9th February,1910.

PRECIS OF SUBJECTS.

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1. Acknowledges Despatches 368.369.
2. Refers to Smith & Sharp sale and mortgage matters.
3 Ram certificate returned,and exchange of Packe's Ram.
4 Advice of wool shipments acknowledged.
5 Insurance for Mr.Packe's dog recovered & return premium rams.
6 "Glengowan" sale and "Sabino".
7 "Lonsdale".
8 Mr.Allen's departure from Australia.
9 Tappet guide for "Malvina" shipped per "Orcoma"
10. Letter from Ince,Colt & Ince re."Fairport's" position.

Enclosures via Liverpool

Duplicates

" " "

Despatch No.1070 dared 12th Jany.1910.

Journal Entries. " "

Remarks on Accounts. "

Remarks on Stores.

Replies to Remarks on Stores.

List of Enclosures.

General Invoice goods per "Oravia".----

List of General Cargo per "Oravia".

List of Dutiable Goods per "Oravia".

List of Clients' Cargo per "Oravia".

List of Parcels.

Invoice for goods shipped for Stickney Brothers per "Oravia"

Debit note for freight & charges on goods shipped per "Oravia for Rev.M.L.Mignone.

Clients' A/sales&c:-

W	46	Hair Sealskins	ex "Ragnhild"
J D M	10	Salted Hides	ex "Ragnhild"
S & S	39	,,	,,
P B	26	,,	,,
H W	17	,,	,,
B & S	49	,,	,,
J B L	16	,,	,,
McG	6	casks Tallow	,,
M V	1	,,	,,
J B	10	,,	,,
H G C	4	,,	,,
S	10	bales Sheepskins	"Orissa"
McG	10	,,	,,
F	Quantity	,,	"Duendes"
T R	2 bales	,,	,,
Fell	Quantity	,,	,,

W P	3 casks Tallow ex "Ragnhild"	
B	2	,, ,,
D S	5	,, ,,
♡	3	,, ,,
W E D	28	,, ,,
△	14	,, ,,

Enclosures via Liverpool

Originals:-

1 Wool Reports

2 Copies of Cablegrams sent

3 ,, ,, received

4 Final Invoice for goods per "Oravia"

5 Correspondence with Charles File re Rams.

6 Copy of letter from the Crown Agents dated 25th January re payment Weddell Island.

7 Copy of Claim recovered for damage to Bungalow per "Oropesa" from William Harbrow

Clients A/sales,reports & contracts:-

8	△	6	casks Tallow ex "Ragnhild
9	H&B	2	bales Wool ex "Esmeraldas"
10	T R	1	,, ,,
11	S&S	1	,, ,,
12	L	1	,, ,,
13	WED	2	,, ,,
14	W P	28	casks Tallow "Ragnhild"
15	J B	9	,, ,,
16	H	6	casks Sealskins ",,
17	A N	remainder	,, "Orissa"
18	H & B	62	Salted Hides ex "Esmeraldas"
19	K	3	casks Tallow ,,
20	♧	17	,, ,,
21	Brokers' press copy Co's A/sale Tallow ex "Ragnhild"		

reports & contracts only.

Clients credit notes:-

22	F.I.Co.,Ltd.	1	8	9			
23	J.J.Felton		13	7			
24	Packe Brothers & Co.	2	11	3			
25	Vere Packe	£ 2	4	4	and	£ 9	8 2

London 9th February,1910

Enclosures via Lisbon

"Originals"

1 Account Current

2 Remarks on Accounts

3 Remarks on Stores

4 Replies to Remarks on Stores

5 General Invoice goods per "Orcoma"

6 List of General Cargo per "Orcoma"

7 Copy of letter from Bischoff & Co.dated 26th Jany.re Smith & Sharp.

8 Copy of letter from Ince Colt & Ince dated 27th Jany.re "Fairport"

9 Crout's Invoice for goods,per Parcel Post,for Bertrand & Felton

10 Copy of Cablegram received from Sydney dated 5th Febry.re Allen's departure.

11 Bills of Lading (2) Cargo per "Orcoma"

Clients' A/sales:-

12 ♣ 1 cask Tallow ex "Esmeraldas"

13 ✱ 1 ,, ,, ,,

Clients' Invoices goods per "Orcoma"

14	Henry Waldron	£ 20 . 16 . 1
15	Bertrand & Felton	£ 16 . 6 . 1
16	Vere Packe	£ 25 . 3 . 2
17	Holmested & Blake,Ld.	£ 44 . 19 . 2
18	ditto.	£ - 5 . 3
19	Stickney Brothers	£ 60 . 15 . 2
20	A.Pitaluga	£ 19 . 10 . 5

21 Contract for J.B. 72 casks Tallow ex "Ragnhild"

22 ,, H G C 52 ,, ,,

London 12th February,1910

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 12th March, 1910.

Per Supplementary Mail.

No. 1073.

Sir,

1. Following up my remarks in par.8.1072,I send you herewith copy of correspondence exchanged with the P.S.N.Co.,with reference to the shortage of tonnage available in the "CorcovadO".

2. I also send you copy of a letter,-and my reply- received this morning from Messrs.Salvensen & Co making the extraordinary suggestion that Mr.Henricksen purchased with the "Glengowan", about 800 tons of Coal Duff. Your despatch,of the 6th September last,which I have quoted in reply,is particularly clear on the point,but we shall be glad to know,if you have anything further to add in this connection.

I am,Sir,

your obedient servant,

For THE FALKLAND ISLANDS CO. LTD.

E. B. Goodard.

Accountant.

W.A.Harding,Esq.,

Manager,

Stanley.

Enclosures via Lisbon.

Originals.

1 Account Current.

2 Remarks on Accounts.

3 Remarks on Stores.

4 Replies to Remarks on Stores.

5 List of General Cargo per "Orissa"

6 Corrected List of Clients' Cargo per "Orissa"

7 B/L Cargo per "Orisaa"

8 Final Invoice goods per "Orcoma"

9 Copy of letter to the P.S.N.Co.dated 9th March & their reply of 10th March.

10 Copy of letter from Salvensen & Co.dated 10th & our reply of 11th March.

11 Sight Draft for £ 34 . 15 . 7 on J.Kirwan for collection B/L attached.

12 Royal Insurance Fire Policy No.12020754 (On Building of a Bungalow,Speedwell Island)

Clients' Invoices goods per "Orissa"

13	R.B.Baseley	1	10	7	
14	Bertrand & Felton	24	17	10	
15	H.& G.Cobb	,3	5	9	
16	Vere Packe	6	6	11	
17	J.L.Waldron,Ltd.	9	16	1	
18	Mrs T.Robson	1	8	-	
19	do	6	9	4	per"Oravia" Sept.shipmen
20	G.Bonner & Co.,Ltd.		3	6	
21	Dr.H.M.S.Turner	3	9	4	
	,,	11	17	6	

22 Credit note for error in charging out twice Stemps Account for 2/3

23 Irving & Co's invoice for Potatoes per "Orissa"

Letters for the following:-

W.A.Harding,Dr.H.M.S.Turner & A.L.Allan.

24 General Invoice goods per "Orissa"

London 12th March,1910

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 9th March, 1910.

Per "Orissa"

No. 1072.

Sir,

I have to acknowledge receipt of your Despatches, nos. 370 & 371 which came to hand on the 22nd and 25th ulto. respectively. I have also received, on the 4th inst. your letter dated the 27th January, forwarded by the "Corcovada".

2. 370.2. Your remarks have been passed on to Mr. Salm, and he has raised no objection to the proposed charges on his salt. With regard to advances to be made to Mr. Irving, he writes as follows. "As to providing Mr. Irving on the Islands, you will oblige me by instructing your Manager, to pay at his desire, up to £75, as a rate of salary, and to disburse the money for wages, casks and freight, against the receipts or bills". Kindly therefore give effect to Mr. Salm's wishes, and include in your account for the casings, when shipped, all payments you have made on his account.

3. 370.3. The documents enumerated in your letter, relating to the Berkely Sound Farm, transfer and Mortgage, have all been safely received, and, together with a copy of your remarks, are at present in the hands of our Solicitors. The Mortgage Deed is being prepared, and Mr. Rhodes H. Cobb has consented to act, under the Power of Attorney granted to him by Mrs. Smith. The whole transaction should be completed in ample time to advise you by next Mail.

4. 370.4. I have to thank you for the copy of letter addressed to the Sheepfarmers of the East, and the Directors will be interested to hear, what response you obtain.

5. 370.5. It is noted with satisfaction, that the "Sabino" has at last been sold.

6. 370.6. Your advice with regard to Mr. Salvensen's proposed steamer, for the West Falkland Mail service, has been read with interest by the Board.

7. 370.7. The various accounts detailed in your despatch, have come

to hand,and the balances of same are being collected. Some remarks in connection therewith,will be found in the "Remarks on Accounts".

8. 370.8. 371.2. It appears clear from your despatch,that the discrepancy of 400 tons,in the space promised in the "Corcovado", and that actually available,nearly resulted in our having about 500 bales of Wool less to offer at the current Sales. That this is not so,appears to be owing entirely to the fortunate circumstance that the lighters were loaded when the "Orissa" arrived. It is annoying,in view of the serious loss that might result,by the possible loss of market,that the P.S.N.Co should treat us so. Their attention is being drawn to the matter.

The wool ex.the "Orissa" and "Corcovado",has been delivered, and will be put up at the Auction Sales on Tuesday next;the sales commenced yesterday,and the Broker's Market Reports which we send you herewith,will give you a close indication of the prices ruling.

9. 370.9. 371.3. From the cables which have been exchanged between us,as per copies enclosed,you will have learnt that we have been able to charter the "Ragnhild" again,for the round voyage,on the same terms as before. A copy of the Charter Party is enclosed,and we are now placing the orders for the rough goods, detailed in your indent received. On comparing the present Charter with the last,you will see that the vessel's official dead weight capacity,is now 550 tons,instead of 610 tons. This is owing to the Norwegian authorities recently adopting regulations affecting the load line.

10. 371.5. The position of the "Lonsdale" matters,at the time of your writing,is noted,and has been supplemented by your cable of the 27th ult.,advising that the vessel had been arrested,and your second cable informing us that the Agents had paid the Salvage Claims. These messages were laid before the Directors at the last Board meeting,and the successful closing up of the matter was regarded as most satisfactory.

11. I was glad to receive your cabled information that the profits for the year ending 31st December last amounted to £45,000 and we now await your final accounts,to enable us to close our

Books.

I am, Sir,

your obedient servant,

For THE FALKLAND ISLANDS CO. LTD.

E. B. Conrad.

Accountant.

W.A.Harding, Esq.,

Manager, Stanley.

DESPATCH NO.1072.per "ORISSA" 9th March,1910.

PRECIS OF SUBJECTS.

1. Acknowledges receipt of Despatches nos.370 and 371,and letter of 27th January.
2. Mr.Salm,Casings,and advances to Mr.Irving.
3. Refers to Smith & Sharp sale and Mortgage matters.
4. Letter to East Falkland Farmers re.Canning proposal.
5 "Sabino" sale.
6. Salvensen's Mail steamer for West Falklands.
7. Sundry Accounts Current.
8 "Corcovada" reduced tonnage available at Stanley
9. "Ragnhild" again chartered.
10. "Lonsdale",Salvage claims paid.

Enclosures via Liverpool

Originals

1 Copies of Cablegrams received

2 Copy of Cablegram sent

3 Copy of Charter Party ship "Ragnhild"

4 Copy of letter from Anning & Cobb dated 4th March

5 Debit note for Charges on Mrs Hansen's Tallow ex Esmeraldas"

6 ,, ,, Stickney Brothers ,,

Clients' Asales:-

7	H & B	62	Salted Hides	ex "Esmeraldas"
8	J B	72	casks Tallow	ex "Ragnhild"
9	H G C	52	,,	,,
10	K	2	,,	"Esmeraldas
11	♣	16	,,	,,
12	J B	9	,,	"Ragnhild"
13	A N	1	cask Sealskins	"Orissa"
14	H	6	,,	"Esmeraldas"
15	H	16	casks Tallow	"Ragnhild"

16 Copy of letter from R.Hornsby & Sons,Ltd.dated 1st March.

17 Corrected Invoice for goods shipped per "Orcoma" for Vere Packe,

Clients' reports & contracts:-

18	♣	20	bales	Sheepskins	ex "Esmeraldas"
19	S	6	,,	,,	,,
20	R B C	2	,,	,,	,,
21	T R	4	,,	,,	,,
22	H W	5	,,	,,	,,
23	S & S	8	,,	,,	,,
24	H G C	17	,,	,,	,,
25	W P	10	,,	,,	,,
26	B	12	,,	,,	,,
27	L	38	,,	,,	,,
28	J B	29	,,	,,	,,

29	H & B	65	bales	Sheepskins	ex "Esmeraldas"	
30	S I	16	,,	,,	,,	
31	W E D	17	,,	,,	,,	
32	K	9	,,	,,	,,	
33	△	15	,,	,,	,,	
34	F	10	,,	,,	"Duendes"	(remainder)
35	Fell	7	,,	,,	,,	do
36	F	10	,,	,,	"Orcoma"	
37	S	4	,,	,,	,,	
38	△	20	casks	Tallow	ex "Ragnhild"	

39 Brokers' press copies of above reports & contracts

40 ,, ,, A/sales Company's Hides & Hair ex"Esmeraldas" &"Ragnhild"

41 DuCroz Doxat & Anning & Cobb's Market Reports.

42 Debit note for Stickney Brothers.

London 9th March,1910

Enclosures via Liverpool

Duplicates:-

Despatch No.1071 dated 9th February.

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice Goods per "Orcoma"

List of General Cargo per "Orcoma"

List of Enclosures

List of Clients' Cargo per "Orcoma"

List of Dutiable goods per "Orcoma"

List of Parcels

Clients' A/sales,reports & contracts:-

△	6 casks Tallow ex "Ragnhild"
L	1 bale Wool ex "Esmeraldas"
W P	28 casks Tallow ex "Ragnhild"
S & S	1 bale Wool ex "Esmeraldas
T R	1 ,, ,,
W E D	2 ,, ,,
♧	1 casks,Tallow ,,
J B	81 casks Tallow ex "Ragnhild"
H G C	52 ,, ,,
H	6 cask Sealskins ex "Esmeraldas"
A N	quantity Sealskins "Orissa"

Clients' Invoices goods per "Orcoma"

Bertrand & Felton	16	6	1
Vere Packe	25	3	2
A.Pitaluga	19	10	5
Henry Waldron	20	16	1
Stickney Brothers	60	15	2

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 6th April, 1910.

Per Oropesa.

No. 1074.

Sir,

I have to acknowledge the receipt of your despatches nos.372 and 373 and letter of the 25rd February,which arrived on the 21st ult.

2. 372-3. The better profit in the Store is considered satisfactory,and I have told the Board that I believe that the stock-taking may be relied on as correct,and that great pains were taken in working out the prices. If the work was done in a perfunctory manner the previous year,it is obvious that the profit now shown is actually more than would have been realized if it had been carried out properly. An opinion was expressed at the last meeting that if what has been entered as stock was solely what was found to exist,without any regard to the quantity on hand on the first of January and arrivals during the year,it could not be regarded as satisfactory,as it could not lead to the detection of any pilferage or robbery. That is to say,supposing you began the year with 40 cases of tea or anything else,received 50 during the year, and had 50 on the 31st of December,your books ought to show that 60 had been delivered during the 12 months,and if this was not the case the discrepancy ought to be explained. This could be carried out with some trouble with whole cases,and King will remember that for some years I took account of whole packages much in the way suggested; but with the vast quantity of retail stuff that we have all over the place I said that to carry out the suggestion would require a clerical army. I shall be glad to hear what you have to say about this.

3. Par.5. The Samson will show a good deal better this year

W.A.Harding,Esq.,

Manager,

Stanley.

after she has received credit for the remaining salvages, but after she has been charged with depreciation and interest annually it is an unfortunate fact that she has not been a profitable venture. The same remark applies to the schooners, mentioned in par.6, and in the management of all of them it is necessary that you should exercise the greatest economy. I do not think that if the latter are laid up as soon as work is slack there will be any reason to regret the loss of the mail subsidy, and as you seem to have got in some time before the end of March nearly two thirds of the wool, and none of the Company's tallow will have to be brought in, the prospect of laying up seems hopeful. In saying this I am not forgetting that the more distant stations have now to be visited, which will make the collection slower.

4. Par.11. The increase in Stanley wages is alarming, and the Board wish you to look into this question seriously, and rely on your cutting down in every direction. The estimate of £6000 for the current year they look upon as excessive.

5. Par.2. It will be interesting to see what it costs to bring in the Chartres wool, and you should send a precise account of the time occupied. Unless you can make an arrangement with Mrs. Dean to supply the station with stores, taking up this business again must be regarded as an experiment, for we cannot allow ourselves to be made use of for carrying the wool without reaping some corresponding profit. In fact, Mrs. Dean, as I told you, mentioned this subject herself when I had a talk with her about the business, and she said quite frankly that we ought not to work for nothing.

6. Par.3. Mr. Ince thinks that the settlement of the Lonsdale case was a good one, considering the small value of the property saved after the second fire; but I am afraid that we shall not recover on the policy, as we have taken £1925 in full settlement of our claims. We could not have done otherwise, and after all to get £1925 for less than a week's work is not bad pay. Messrs. Iredale & Porter promise settlement of the ship's account as soon as the figures are known, and they have received payment from their Underwriters. I fear that they will not recognise the payment of £100 to Capt. Spruth, and we may have in the end to make an application to Hamburg.

7. Par.5. If the subject of commission on cash advances to Messrs.Salvesen & Co.was discussed when I was in Stanley,I am sorry to say that I have no recollection of it,and I have nothing to give me a lead in writing to them,especially as they have not referred to it.

8. Par.6. I have informed the Board that the making and stepping the Malvina's new mast in so short a time reflected great credit on those concerned.

9. Your cable advising shipment per Kenuta and arrival of "Deanmount" arrived during the Easter holidays,and application was made to Messrs.W.C.Jarvis & Sons for a Bank credit for £1000. This was furnished in time to advise via Montevideo,and is on Lloyd's Bank,Ltd.,Liverpool. I have said repeatedly that in asking for a credit you should give some indication of the probable amount; you will reply that it is impossible,but it is not impossible to make a guess,as I have had to do,and the deficiency,if any,can be made good by cabling for a supplementary credit. No one will give an unlimited credit,and some sum must be named,larger rather than smaller than you are inclined to guess at first,for it is always unpleasant to have to ask for more. In the case of a British ship actually owned by people of good standing and repute there is less need for a sum to be named,as the Master by British law can pledge his Owners' credit for necessaries; but this ship,owned by the British and Mexican Shipping Co. and managed by a small but respectable firm in Liverpool,is not one to which we should give credit.

10.When I reached Montevideo I forgot whether in the hurry of my departure,accentuated by the long interview with Capt.Spruth,we had arranged to cable the settlement of the salvage; I therefore took the precaution of sending a cable through Wilsons. I mention this,as you may not understand the charge in their next account. It was fortunate,as I see that all you cabled was that you had arrested the Lonsdale,a message that I thought you had cancelled after the settlement.

11. The Board have agreed to grant a lease of Bleaker Island to Mr.A.F.Cobb,and the document will be prepared and forwarded as

soon as possible.

12. The "Ragnhild" has arrived at Blyth, and will leave shortly for London. Referring to the homeward voyage, in the absence of any definite information about the gross weight of her cargo of tallow, freight has been charged at steamer rates; but a very fair profit is shown, and we are going to give the Farm and our clients some reduction, details of which will be worked out and sent next mail. I do not think that it is necessary to extend this concession to outside shippers, as they, as well as all of us, have got their tallow home in the very best condition, far better than if sent by steam.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates.

Despatches Nos.1072 & 1073.
List of Enclosures.
Remarks on Accounts.
Remarks on Stores.
Replies to Remarks on Stores.
List of General Cargo per "Orissa".
Dutiable Goods per Orissa".
List of Parcels.
List of Clients' Cargo per "Orissa"
Charter-Party ship "Ragnhild".
General Invoice goods per "Orissa"
Sight Draft,with B/L attached,on J.Kirwan for collection
Clients' A/sales:- & reports & contracts

A/sales

H G C	52	casks Tallow	ex "Ragnhild"
J B	72	,,	,,
J B	9	,,	,,
A N	1	cask Sealskins	ex "Orissa"
H	6	,,	"Esmeraldas"
♣	16	casks Tallow	,,
H	16	,,	,,
F	10	bales Sheepskins	ex "Orcoma"
S	4	,,	,,
W P	10	,,	"Esmeraldas"
△	15	,,	,,
K	9	,,	,,
W E D	17	,,	,,
S I	16	,,	,,
H G C	17	,,	,,
S & S	8	,,	,,

J B	29	bales Sheepskins ex Esmeraldas"	
H W	5	,,	,,
L	38	,,	,,
H & B	65	,,	,,
♣	20	,,	,,
B	12	,,	,,
S	6	,,	,,
R B C	2	,,	,,
T R	4	,,	,,
F	10	,,	"Duendes" (remainder)
Fell	7	,,	,, ,,
△	20	casks Tallow ex "Ragnhild"	

Clients' Invoices goods per "Orissa"

J.L.Waldron	9	16	1
Vere Packe	6	6	11
G.A.Cobb	3	5	9
T.Robson	1	8	-
Bertrand & Felton	24	17	10
Vere Packe	25	5	10

Enclosures via LIVERPOOL.

Originals:-

1 Wool Reports.

2 Copy of Cablegrams received.

3 Copy of Cablegrams sent.

4 Copy of letter from W.K.Cameron of 22nd.& our reply of 31st March,re Canning.

5 Copy of letter from George Bonner & Co.,Ltd.of 30th. & our reply of 31st March.

6 Wilson's Account for A.L.Allan.

Clients' A/sales & contracts:-

7	S & S	53	bales Wool	ex "Orissa"
8	S	133	,,	,,
9	J B	209	,,	,, & Corcovado
10	H & B	147	,,	"Corcovado"
11	F	82	,,	,,
12	J B L	4	,,	,,
13	Fell	7	bales Sheepskins	ex "Duendes" (remainder)
14	F	10	,,	,, ,,
15	S	4	,,	"Orcoma"
16	F	10	,,	,,
17	S I	16	,,	,,
18	H G C	17	,,	,,
19	K	9	,,	"Esmeraldas"
20	W E D	17	,,	,,
21	△	15	,,	,,
22	H & B	63	,,	,,
23	W P	10	,,	,,
24	H W	5	,,	,,
25	J B	29	,,	,,
26	S & S	8	,,	,,
27	♧	20	,,	,,
28	B	12	,,	,,

29	L	38	bales Sheepskins ex "Esmeraldas"
30	S	6	,, ,,
31	T R	4	,, ,,
32	R B C	2	,, ,,
33	△	20	casks Tallow ex "Ragnhild"

34 Brokers' press copies Company's Wool & Skins ex"Ragnhild" "Orcoma","Corcovado"& "Orissa".

35 Credit note for J B error in A/sale 9 casks Tallow ex "Ragnhild"

36 Copy of letter from Lloyd's Bank dated 1st April.

London 6th April,1910

Enclosures via Lisbon.

"Originals"

1 Account Current.

2 General Invoice goods per "Oropesa"

3 List of General Cargo per "Oropesa"

4 Remarks on Accounts.

5 Remarks on Stores.

6 Mann Byars's Account for Mr Moir.

7 Bain's invoice for Wire shipped per "Oropesa"

8 Fordham's ,, for goods ,,

9 Clay Paget's invoice for goods to Mr Packe last mail omitted.

10 Specification of Brown & Lilly's houses for Mr Packe.

11 Sight Draft for £78 . 12 . 1 on J.Kirwan for collection B/L attached.

12 Bills of Lading general Cargo per "Oropesa" (2)

13 Carroll's account for repairing jewellery .

14 One small parcel containing the jewellery.

Letter for the following:-

W.A.Harding (2), A.L.Allan (2), Capt.Thomas, E.J.Mathews, & Dr Turner.

Clients' Invoices goods per "Oropesa"

15 Vere Packe, Bertrand & Felton & H.Waldron.

16 Final Invoice for goods per "Orissa"

London, 9th April, 1910

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61. Gracechurch Street.

Per Supplementary Mail.

No. 1075. London, E.C. 6th May, 1906.

Sir,

I have to acknowledge the receipt of your despatches nos.374 and 375,which arrived on the 18th ult.,also of letters per Kenuta of 23rd and per Bombay of 26th March on the 25th ult.and 2nd inst respectively.

2. 374-9. You may find that the freight paid to the Hattie L. M. would be good enough to accept for one of our schooners; but you are quite alive to the fact that wool carrying from the West has to be undertaken as incidental to our business with the farmers,and that in itself it does not often pay expenses,and in the case of Pebble Island,where I have been fairly often,I know that you cannot work cargo,especially wool,with a S.W.wind of any strength.

3. Par.10. The Directors think that Dixon had better be sent to the Buenos Ayres Hospital,as suggested by Dr.Foley. You will, of course,do this as economically as possible. When men have gone there belonging to our staff,how have you dealt with their wages during their absence?

4. Par.11. I have written to Mr.Salm,and enclose copy of my letter and of his reply. You had better let Mr.Allan see the correspondence.

5. Par.12. Would it not have been a simple matter to get the name of the Company owning the Lonsdale from the Certificate of Registry? I have nothing but good news,fortunately,to report about this ship's business. By Mr.Ince's advice we addressed the bill to Iredale & Porter,Ltd.,Managers of the Lonsdale,and it was accepted without comment. Although Mr.Ince had given an opinion adverse to our recovering anything on the p.p.i.policy,I had a talk with our Insurance Broker about it,with the result that I got £200 from the Underwriters,notwithstanding that they gave several

W.A.Harding,Esq.

reasons which in their opinion freed them from liability. With regard to the advance to Capt.Spruth,I wrote the Hamburg people, enclosing your letter,and luckily Spruth himself arrived there a few days later. He admitted that he had had the money,but said that he had intended to get it from the ship,and so had not reported it. The V.H.A. at once sent us a cheque for £124,and said that they would endeavour to recover it. We have therefore got salvage amounting to £2125 on a total value of £3850,and all our advances have been or are to be repaid,a result that is considered very satisfactory. You will have to take warning by this not to make any advance on a ship's account that is not sanctioned by the Captain,for we have got this £124 with a good deal of luck,and we are fortunate in having had to deal with an institution of such high standing as the Verein Hamburger Assecuradeure. You can now settle up the salvage,and to get the net amount you will have to deduct all our outlays,including the Solicitors' costs. You will find enclosed a memorandum suggesting how the division should be made,framed more or less on previous cases; but we cannot go beyond the principal persons concerned,as we know neither the names nor the ratings of the rest of the crew. I think that as Biggs did a good deal of work in cutting holes in the decks and sides of the ship at the time of the fire,it would be quite legitimate to rate him as ship's carpenter. Do not forget to charge all the cables,including what I sent through Wilsons.

6. Par.13. The Board approves of your suggestion to send a quantity of unsaleable goods home by the Ragnhild,if there is any prospect of their realizing sufficient to pay the freight.

7. Par.16. The explanations you give of the increase in the wages paid in Stanley has had the attention of the Board,and the Directors recognize that some of the outlays have been exceptional; they also take account of the work done by the mason,painter, and others,which is charged through the Store. Generally speaking, although without handling the labour myself I could hardly form a competent opinion,especially in a short time,the impression was forced on me that the expenditure was on the full side,and I both spoke and wrote to you about the hands in the Store. I think that

I am not wrong in saying that at both East and West the staff had been exactly doubled since my time. Now that there is only one retailing Store, there is room for considerable economy in labour, for the men, belonging no longer to "East" or "West", but to "The Store", can work as required at both places. You said that Creece, when you spoke to him about labour, told you that he could not do with less than five (I think) at the West. It is not always desirable to take such a pronouncement as final; it might be expedient to suggest that, if one of your heads of departments professed his inability to work with fewer men than you thought sufficient, perhaps someone else might have to take on the job. There is, I ~~know~~ believe, no question that the Mail Agency entails the maintenance of a larger staff of labourers than would otherwise be the case. You say that in Mr. Baillon's time it was usual to draw 3 or 4 hands from the navvy gang to do rough work in the Store, but that they were strange to the work. It occurs to me that if you had a few of the more intelligent of these men trained to work in the Store or at Store work during the intervals between the steamers, with the understanding that they were to be in the gang if required, you could reduce your Store staff by that number. Given the fact that the ordinary navvy gang is too large, it is a matter of organization of labour that you have to deal with, and I feel sure that if taken in hand resolutely a substantial saving will be the result. There is another point to which you allude, the excessive wages paid to men on the Samson, when she goes out of Stanley. You give Stanley pay, with overtime if the tug is running after bell-ring, and double pay on Sundays whether she is under steam or not, besides finding provisions. I think that an arrangement might be made by which there would be certain men recognized as the Samson's crew, with a scale of wages approximating what is usually paid on a sea-going ship when the Owner finds provisions. There ought to be little difficulty about this, as the bonuses in the way of salvage have several times been substantial, in fact there might almost be competition for the appointments. You told me, I remember, that you had temporised over this question, and had never come to a definite understanding about it. Further about the Samson, I think, as I told you, that the staff is excessive, and far larger

than would be allowed by an owner in this country. And I also have misgivings about the Engineering staff,whether there are not too many men under Baseley,not only expensive in the matter of wages,but tending to make him look upon himself as a sort of Superintendent Engineer,instead of the Engineer of the Samson,which he really is. I believe that if you apply yourself to this wages question,and organize your labour properly,knocking off a man here and a man there as you see an opportunity,the bill for the year may be considerably reduced. When you consider that the average wages per annum for the ten years 1900/1909 amounted to £5246,and that the bill last year was £6214,nearly £1000 in excess of the average,it must occur to you that some cutting down is desirable.

8. Par.17. It is curious about the Capricorn,for when we took over the Deans' business she was thrown in as useless,owing to an incurable leak. I have reassured myself on this point by looking up the contract,where I find in the schedule of vessels and hulks the Dennis Brundrit,Orissa,Sissie,Charles Cooper,J.P.Smith,Tilton, and Præcis only. It may be of use to you to know that the leak was suspected to be in the stem,but that no one could find it. If you have found her tight,which she was not when I left,something must have got into the leak and acted for years as a stopping,and has now worked out again. Possibly when empty some trickle may be discovered by overhauling her from within,and the stem is the place to look for it in the first instance.

9. Par.18. The letter to shipmasters is good,but you cannot fill in the name until you know it; I thought it was to be a circular letter to be delivered by the pilot or Capt.Thomas,headed "Warning to Shipmasters".

10. 375-2. You have not given the date of Steel's departure, but I assume that the new man will not be wanted before September.

11. The Kenuta's wool was all sold on the 4th inst.at prices that look about a penny down; however there is not much to grumble at,as our total for the year seems likely to amount to £58,000 in value.

12. Referring to par.5,I should correct what I said about the payment of the Lonsdale salvage; the money is not in our hands yet,as it was remitted in a draft at 90 d/s which is not due for some time. You can arrange the division,and you will be informed

when the bill has been paid.

13. The Ragnhild sailed on the 4th inst.from Gravesend,having used 17 lay days at Blyth and in London.

14, In making up the freight account per "Ragnhild" we find that she has done fairly well,and we are returning 7/6d.per ton to all shippers. Freight on Tallow is deceptive,as the weight is far less than the measurement,but she seems to have stowed well.

15. P.Iredale & Porter,Ltd.have complained of the delay in forwarding the Lonsdale's accounts,which I cannot understand,as I feel sure that you must have given Capt.Dagwell copies. Correspondence is enclosed.

I am,Sir,

your obedient servant,

Chas. E. Todd.

Managing Director.

DESPATCH no.1075 per "Oravia",6th May,1910.

PRECIS of SUBJECTS.

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1. Acknowledges despatches and letters.
2. Refers to question of carrying Pebble Island Wool.
3. Dixon to be sent to hospital.
4. Correspondence with Salm about Irving.
5. Reporting on Lonsdale business,and giving instructions about Salvage.
6. Approves suggested shipment of old Stores.
7. On the wages question.
8. Alludes to the leak in the Capricorn.
9. On letter to Shipmasters about incendiary fires.
10. On engaging a mason in place of Steel.
11. Reports sale of Wool per Kenuta.
12. Further on Lonsdale Salvage.
13. Reports sailing of Ragnhild.
14. Advising return of freight per Ragnhild.
15. Reporting complaint of Iredale & Porter about delay in forwarding accounts.

DESPATCH no.1074 per "Oropesa",6th April,1910.

PRECIS of SUBJECTS.

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1. Acknowledges despatches and letter.
2. Remarks on Store account.
3. ,, ,, Samson and schooners.
4. ,, ,, Stanley Wages.
5. On carrying Chartres Wool.
6. Lonsdale.
7. Refers to commission on Salvesen's accounts.
8. Commending work on Malvina's mast.
9. Advising credit on account of Deanmount.
10. Reporting cable from Montevideo.
11. Advising grant of lease of Bleaker Island.
12. Reports arrival of Ragnhild at Blyth,and advises that there will be a rebate on homeward freight by her.

Enclosures per Supplementary Mail

Originals

1 Account Current.

2 Remarks on Accounts.

3 Remarks on Stores.

4 Replies to Remarks on Stores.

5 Remarks of Sailing vessel Indent.

6 List of General Cargo per "Oravia"

7 General Invoice goods per "Oravia"

8 B/L cargo per "Oravia"

9 W.A.Gamage's invoice for goods shipped.

10 Debit note for goods supplied by Wilson 17/-

11 Copy of letter from P.Iredale & Porter,Ltd.dated 5th May.

Clients' contract :-

12 McG 72 Salted Hides ex"Kenuta"

13 H 24 ,, ,,

14 Letter from DuCroz Doxat & Co.dated 6th May

15 Sight Draft on J.Kirwan for £39 . 14 . 6 for collection,B/L attached.

16 Precis of Subject of Despatch No.1074.

17 Lenanton's invoice for Timber per "Ragnhild"

18 General Invoice goods per "Ragnhild"

19 Final Invoice goods per "Oropesa"

Contract Catalogues for Wool sold

20 C.Bender,A.Pitaluga,Mrs T.Robson,Mrs Hansen,Vere Packe, & Bertrand & Felton.

21 Clients' Invoices goods per "Ragnhild"

22 ,, ,, ,, "Oravia"

23 Suggested division of Salvage for "Lonsdale"

London7th May,1910

List of Enclosures via Liverpool

Duplicates:-

-:

Despatch No.1074 dated 6th April

List of General Cargo per "Oropesa"

Remarks on Stores.

Remarks on Accounts.

List of General Cargo per "Oropesa"

List of Dutiable Goods per "Oropesa"

List of Clients' Cargo per "Oropesa"

List of Parcels.

Clients' A/sales :-

	20	casks Tallow ex "Ragnhild"		
S	200	bales Wool ex "Orissa"	& Corcovado"	
J B	209	,,	,,	,,
F	82	,,	"Crocovado"	
J B L	4	,,	,,	
S & S	53	,,	"Orissa"	
H G C	17	,,Sheepskins ex "Orcoma		
F	10	,,	,,	,,
S	4	,,	,,	,,
	15	,,	,,	"Esmeraldas"
W E D	17	,,	,,	,,
K	9	,,	,,	,,
W P	10	,,	,,	,,
H W	5	,,	,,	,,
J B	29	,,	,,	,,
S & S	8	,,	,,	,,
	20	,,	,,	,,
B	12	,,	,,	,,
L	38	,,	,,	,,
S	6	,,	,,	,,

T R	4 bales	Sheepskins ex "Esmeraldas"	
R B C	2	,,	,,
F	10	,,	"Duendes"(remainder)
Fell	7	,,	,, ,,

Invoices for the following:-

Bertrand & Felton, Henry Waldron & Vere Packe.

Duplicates (originals per Ragnhild)

Bills of Lading (2)

List of General Cargo

List of Clients' Cargo

List of Enclosures

Enclosures via Liverpool

"Originals

1 Copy of Cablegram sent.

2 Copy of Cablegram received.

3 Wool market reports.

4 J.J.Felton's account dated 6th January returned.

5 Ellis Kislingbury & Co.dated 14th January returned.

Clients' reports:-

6	S	153	bales Wool	ex "Kenuta"
7	L	130	,,	,,
8	H & B	187	,,	,,
9	M V	15	,,	,,
10	H	28	,,	,,

11 Particulars of Homeward freights per "Esmeraldas","Orcoma", "Orissa" & "Corcovado"

12 Recapping Pins from W.Hughes & Sons ordered Indent No.418

13 Credit note for return freight allowed Clients' on Tallow shipped per "Ragnhild"

14 Corrected General Invoice goods per "Oropesa"

15 A/sale,report & contract McG 10 bales Skins ex "Orissa"

16 DuCroz Doxat & Co's notice to buyers re Falkland Wool

17 Copy of Ince Colt & Ince's charges re "Lonsdale"

18 Copy of letter from P.Iredale & Porter,Ltd.dated 2nd & our reply of the 4th May.re "Lonsdale's Accounts.

19 Copy of letter to F.Salm dated 19th & his reply of the 27th April re Casings.

Clients' reports:-

20	H G C	118	bales Wool	ex "Kenuta"
21	S I	127	,,	,,
22	D H	139	,,	,,
23	T R	153	,,	,,
24	A P	162	,,	,,

25 Brokers' press copies Co's Wool ex "Kenuta"

London 4th May,1910

Brown

44

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

61, Gracechurch Street.

Per Orcoma.

Ack Falkland's letter of Mr. Jones

No. 1076.

London, E.C. 1st June, 1920.

Sir,

I have to acknowledge the receipt of your despatch no.376 and of your letter of the 21st April, both of which arrived on the 17th ult.

2. 376-3. The three answers to the circular about canning I saw before I left, so I assume that the others, with the exception of Mrs. Robson, did not reply. I think that Mrs. Smith said that she would do what she could, and the two Petalugas are the only ones left who could supply sheep.

3. Par.4. I am sorry to hear about Mr. Sorensen, who seemed a good man to work with: I hope that he has recovered.

4. Par.5. Correspondence with the P.S.N.Co. about the "Corcovado" muddle is enclosed, and you will see that they admit everything, and have not a word to say in self defence. Whether the reprimand that the Manager is to get will improve his method of serving us or not remains to be seen; the same thing has happened before.

5. Par.7. The charge of 5% commission covers the advance of funds and the agency service as well, and the Average Adjusters were right in assuming that 2½% could be apportioned for each. We are out of our money for some time, and the commission covers interest, while the agency includes all arrangements for the work to be done, and the time lost, which is often considerable, in listening to the Captain's conversation. When cash is paid in advance, as has been the case in rare instances, 2½% should be charged.

6. Par.9. The repair of the "Deanmount" without the aid of a diver or the use of a dock ought to please the Underwriters.

7. Par.10. It is well that the "Great Britain" is being tho-

W.A.Harding, Esq.,

Manager,

Stanley.

roughly repaired,and it is only necessary to rub in the Board's desire that a better watch should be kept in future on needed repairs to property,and that nothing,ashore or afloat,should be neglected and ill-treated in future as the "Great Britain" has been.

8. Par.13. You will have been glad to see the last of the "Lonsdale",but I am wondering whether there was any truth or not in the report I mentioned to you in one of my letters that she is to return as a hulk for L.Williams.

9. The letter from Mr.Stubenrauch about wireless telegraphy is most interesting; can you get any information from him as to the cost of installing a station?

10. Mr.Woods is very irate about the imputation that he has been in the habit of supplying us with bagging of 7 porter instead of 8 according to contract; but as far as I can see the charge has been proved most conclusively. You will remember that a piece of his firm's bagging was sent home early last year,and a strip of this was sent to them by Mr.Goddard before my return with an invitation to quote for this year's supply. They fell into the trap,and wrote a letter abusing the bagging,which they said was 7 porter,and inferior at that,and now being confronted with the fact that it came from the Islands at a time when there was no bagging but theirs in our possession,they still maintain that they are being cruelly maligned. I know that you cannot have any bales of old stock left; but is it possible to get from any of the Camp stations a piece that was undoubtedly supplied by Woods and not by Hoare Marr & Co? If not,I am quite satisfied that it is all pure bluff on the part of Mr.Woods,but he is very persistent,and I have promised to try for another sample. We have ascertained that the 7 porter cloth supplied by Hoare comes over in good condition,and we shall order it in future; at present the evidence points clearly to the fact that we have been using it for years at the price of 8 porter.

11. We have heard with regret of the total loss of the "Malvina",just as she seemed to be doing a little better. It is assumed that she was either going to or returning from the Chartres, and you ought to have stated the nature of the cargo,for if home-

ward bound the loss to the Underwriters will be something like doubled. Until we hear details no step will be taken to replace the schooner, especially as you cannot be pressed for want of one until towards the end of the year. It is not understood at present how a total loss can have occurred in Reef Channel, where the water is usually smooth, although the tide is a strong one.

12. In your remarks on the "Lonsdale"'s accounts you write "we agreed with Mr. Porter to make a reduction of £40 on the inward towage", but you leave it in doubt how this £40 was to be refunded. From a letter received from Capt. Dagwell we gather that it was to be done here, for the original amount of the towage, £120, remained in the account uncorrected. The Board wish to know why the allowance was not adjusted when the final account was made up, and why, if a cheque for the amount was to be sent from here, you did not enter it in the statement, or ask us to send it. There is no doubt that the first method would have been right and that the second was wrong; but in the circumstances we had no option and sent the cheque, taking care at the same time to let the Underwriters know about it.

13. By the "Kenuta" there is a bale of Wool short from North Arm, and apparently 2 bales from Dunnose Head, the Bill of Lading giving 159; but the specification was for 157 and that was the number Mr. Buckworth expected. Possibly next mail may bring an explanation; meanwhile we have given notice of claim.

14. We have written the manager of the "Copley" for a Bank credit, but have no reply as yet. She seems to be a single ship Company, and we hear that Knohr & Burchardt of Hamburg are interested in her. You cannot let her go until we are secured.

15. Referring to paragraph 9, Mr. Mantle has promised to enquire about the Telefunken apparatus, which is evidently German.

16. With regard to Steel's pension, I have some recollection of his having left us without intending to return a good many years ago. He came home, but whether on a visit only or for good I cannot remember. He was nursed for delirium tremens at Dartmouth, and there met and married his second wife. No doubt the Darwin books will show how long he was absent, and if the date can be found there may be a reference to him in one of my despatches.

476 par 37 Mch 12th 1859

Mr Steel, our Mason who left us his wife a year or two ago for home for the winter, and will return in July or Aug at his own expense. He has not a better servant, and I am keeping a house for him, and he wife he means to bring, her only fault is a flaming fire-brand.

17. The General Meeting is to be held on the 20th inst.,and the Directors have decided to pay a final dividend of 20%,making 30% for the year,and to place £5000 to the Special Reserve Fund. In consideration of the increased profit shown,it has been resolved to give another bonus of 10% to the staff,on precisely th same lines as adopted three years ago,and you are to notify it a before,sending a detailed account of the sums paid.

18. The question of incendiary fires at Stanley has come to the front in a way that makes it necessary for us to take action. I heard lately from Mr.Connell,who got his information from Mr. Douglas,that an informal meeting had been held some months ago at the Board of Trade,at which Governor Allardyce was present,and that it had been decided to ask the Colonial Office to hold an official enquiry into the subject. The bad impression has been accentuated by the news that there has been another fire of the same kind on board the "Deanmount". I spent last evening with Mr. Connell in London,and got further particulars. It seems that a body of aggrieved Underwriters had an interview with the Committee of Lloyd's,and urged them to appoint a special agent in Stanley to watch their interests; but the Committee would not accede to their wishes. There is a suspicion that in order to gain salvage there is underhand work going on in Stamley,and,whatever may be the cause of this fire epidemic,it cannot be denied that it is a most serious thing for the place,and that unless all right minded people will help to put it down,the days of Stanley as a repairing port are numbered. How the Board of Trade and the Governor are mixed up in it is not at present clear,but I hope to get more information before I close this. I enclose some lengthy correspondence with Mr.Connell and Mr.Douglas,and you will see that the latter is much pleased with what I have written,and considers that the bona fides of the Company has been so conclusively established that no further enquiry is necessary as far as his clients are concerned. But I say that this will not do for us; we want an enquiry,and are prepared to join cordially and give every assistance. If it is dropped,we must ourselves approach both Lloyd's and the Colonial Office,and put ourselves right. Meanwhile,although we are prepared to earn what salvage may come in

in a legitimate form,we can touch nothing that is tainted with a suspicion of foul play,whether on our part or on that of the Stanley people. You are therefore to make it known publicly that should any incendiary fires occur after this,the services of the "Samson" and her pumps are to be gratuitously placed at the disposal of the ships,and you are,in the way that may seem to you best,to ask all right minded inhabitants to form a volunteer fire brigade for the purpose of helping to put out the fires,pointing out to them that Owners and Underwriters are so much disturbed in their minds about late events that ships will be ordered to avoid Stanley at all hazards rather than incur the risk of being fired. Further with regard to the "Deanmount",should the "Samson" have been employed on a salvage agreement,the Company will not press the claim. These are strong measures,and to a short sighted person contary to our interests,but it is necessary to take a step of the kind in order to restore the confidence of people here that has been rudely disturbed.

19. Mr.Allen has nearly finished his plans and specifications,and a number of tenders have come in for the machinery and buildings,out of which a selection is being made,and orders are going out. He is doing the work in a most thorough manner,and I feel sure that the result will be successful. The question that I am now considering is how to get the materials out. We could charter a sailing ship,but that would lead to much delay,so much that all hope of starting next season would have to be abandoned. We could ship to Stanley by cargo boat,but the trans-shipment into schooners,especially as you are now one short,might entail almost as great a delay. I saw Mr.Lamb last night,and have little doubt that he would agree to send a cargo boat to Darwin,where she could anchor inside the narrows. Again there is a drawback, for with coals we should have 500 to 600 tons,and the P.S.N.would never stand discharging at the rate of 40 tons a day,which would be about the maximum possible. Since then another idea has occurred to me that looks feasible. With the small demand in these days for hulks for discharging from vessels in distress we could easily spare one of them,and the "Garland" seems to be the most

seaworthy one. If on the arrival of the cargo boat the hulk were ballasted with 200 tons of coal, she could be towed by the former to Darwin, and there discharged at leisure after receiving the machinery and buildings. With the increased work at Goose Green it might probably be useful to have her stationed there permanently as a receiving hulk, and we could sell her to the Canning Company. The only doubt in my mind is whether the acid-eaten frames might give out on the tow; but it would be a short one, and if the "Glengowan" could go round safely to New Island the tow I suggest ought not to present an insurmountable difficulty. As to workmen, I think that we shall have to send a few carpenters, even if they have to return home, and possibly a fitter or two might be useful; but the chief work will be in cutting and screwing pipes, and there are men both in Stanley and the Camp who could be told off temporarily for that job. We have not got any further in the scheme of working the Company, as the whole of Mr. Allen's time has been taken up with other details; but we hope to formulate a plan, or alternative plans as soon as he is less engaged.

20. Since writing the preceding paragraph I have seen Mr. Lamb, and have put the cargo boat project before him. He thinks it quite practicable, and talks of the "Sarmiento". I want you to cable the word "Rujada", if you think it practicable to send the "Garland" to Darwin. I had a long interview, and went into many matters in connection with the agency and freights, particulars of which I cannot give you now, as I have only just time to finish this. Briefly, I pointed out to him that we got nothing out of the agency, and asked for various concessions, as to which heis to see me again. He has been making enquiries of a leading Underwriter, who has promised to find out about the fire enquiry.

I am, Sir,

your obedient servant,

Managing Director.

Rujada
Codurada
Rhirolle
Stanley

DESPATCH NO.1076 per "ORCOMA" 1st JUNE,1910.

PRECIS OF SUBJECTS.

1.Acknowledges despatch and letter.

2.Circular letter to Farmers re.Canning Co.

3.Mr.Sorensen.

4 P.S.N.Co.and shortness of tonnage per "Corcovado" homeward.

5.Charge of 5% Como:in Ship's accounts,covers interest & Agency.

6.The repairs to the "Deanmount".

7.Repairs to "Great Britain" and the upkeep of property.

8. "Lonsdale's" ultimate destination.

9. Wireless telegraphy and Mr.Stubenrauch.

10.Supplies of Canvas from Mr.Woods and his attitude.

11.Loss of "Malvina".

12.The refund of £40 towage per "Lonsdale"

13. "Kenuta",Bales of Wool shortdelivered,N.A. 1 Bale, D.H. 2 Bales.

14 Bank Credit re."Copley" applied for.

15 Mr.Mantel is enquiring about Telefunken apparatus

16.Steel's Pension and services.

17.Financial result of 1909 and Bonus to Staff.

18.The recurrence of incendiary fires in Stanley.Measures to be taken.

19 Canning Works,progress of work,suggestions re.freightage of Plant etc. to Goose Green.

20.Proposed steamer cargo to Goose Green,interview with Mr.Lamb,P.S.N.Co's Agency generally.

Enclosures via Lisbon.

Originals

1 Account Current.

2 Remarks on Accounts

3 Remarks on Stores.

4 General Invoice goods per "Orcoma"

5 Bills of Lading General Cargo per "Orcoma"

6 Sight Draft on J.Kirwan for £ 47 . 10 . 9
for collection B/L attached.

7 Final Invoice for goods per "Ragnhild" & "Oravia"

8 Precis of Subject Despatch No.1076

9 List of General Cargo per "Orcoma"

10 Suppliers' Cartificates of strength of Whisky shipped per "Orcoma"

Clients' Reports & contracts:-

11	M V	4	bales Sheepskins	ex "Kenuta"
12	H	5	,,	,,
13	E R	1	,,	,,
14	AP	4	,,	,,
15	H G C	2	,,	,,
16	D H	5	,,	,,
17	H & B	10	,,	,,
18	S I	1	,,	,,

19 Brokers' press copies above reports.

20 Weston & Westall Invoice for Salt shipped per "Orcoma

21 Invoices for goods shipped for Holmested & Blake,Ltd., Vere Packe,& Bertrand & Felton.

22 Measurements of Co's Produce per Sundry vessels.

23 Copy of letter from C.Christensen dated 27th May.

London 4th June,1910

Enclosures via Liverpool.

Originals

1 Wool Market Reports.

2 Copies of Cablegrams sent.

3 Copy of Cablegram received.

4 Copy of letter to the P.S.N.Co.dated 25th & their reply of the 26th May.

5 Copy of letter from the East Yorkshire Cart & Waggon Co. dated 18th May,re.enquiry from Mr Clifton.

6 Copy of letter from Woods Sons & Co.dated 18th May.

7 Copy of letter from Capt.Dagwell dated 12th May.

Clients' A/sales:-

8	M V	1 cask	Tallow	ex "Kenuta"
9	McG	72	Salted Hides	,,
10	H	24	,,	,,
11	T R	153	bales Wool	,,
12	S	133	,,	,,
13	AP	162	,,	,,
14	H	28	,,	,,
15	M V	15	,,	,,
16	H G C	118	,,	,,
17	D H	137	,,	,,
18	S I	127	,,	,,
19	H & B	187	,,	,,
20	L	130	,,	,,

21 Press copies Broker's A/sales Co's Wool ex "Kenuta".

22 Corrected General Invoice goods per "Oravia".

23 Copy of letter from the Singer Sewing Machine Co.dated 12th May & illustrations attached.

~~24 Copy of letter to R.R.Douglas dated 30th May.~~

24/Copy of correspondence with Messrs Connell & Douglas re Fire Question at Port Stanley.

London 1st June, 1910

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C.

Per "OROPESA"

No. 1078 28th July 1910

Sir,

I have to acknowledge receipt of your letter of the 8th June and also despatches Nos 379 and 380 of the 13th and 15th June respectively; and also to confirm cables passed between us as per copies enclosed.

2. 379-2. Mr Dean has not as yet approached us on the subject of the Pebble Island freight.

3. Par.3a. I am glad to hear you have been successful in recovering from the Bremen Underwriters your expenses to Monte Video and back in connection with the "Lonsdale".

4. Par.4. Your remarks in connection with wages have been carefully noted, and I have only to add the matter must be very carefully watched, and trust that the current year will show some reduction. As to Salvage, it is a question whether it would not be possible to arrange with the usual crew for a fixed percentage on the amount recovered, without wages, as used to be done in the sealing days. It will perhaps be well for you to send your suggestions on this point, but do nothing in the matter without consulting the Board.

5. Par.6. F. P. Sollis, the mason and bricklayer engaged in place of Steel, will sail by the August mail steamer.

6. Par.10. I note from your cable advice that disbursements, etc, in connection with the "Copley", will exceed the credit established

W. A. Harding, Esq.

Manager,

Stanley.

by £210. Messrs Knohr & Burchard have agreed to increase the credit accordingly.

7. Par.11. Captain Maats's error was a serious one, but as Masters are so scarce the Board think that he had better be given one of the other schooners, as you suggest. Having no British certificate, he would not be eligible to take out a new vessel from an English port.

8. Par.12. I have had a talk with the British & Foreign Marine Insurance Co., and find that it rests with us to recondition the produce, because the Underwriters will not at this stage accept abandonment; but they will pay all expenses, so that you will have to send in a full account for the hire of the schooner and "Samson", and also for the labour at Goose Green, and the cost of rebaling. They also inform me that the only warrant for selling at auction would be your certificate as Lloyd's Agent, that that is the best course to pursue in the interests of all concerned, and this could scarcely be given unless the case was quite clear, and further salvage would be a waste of money, and then the ship and cargo would be put up in separate lots. If they go to separate buyers you would have to see that any assistance given by which the cargo was saved was amply paid for by the purchasers, for if we bought the vessel, for instance, it would probably be impossible for the owners of the cargo to recover any more after the schooner had had to give up, unless we floated her. The only safe course would appear to be to do all that a prudent owner on the spot ought to do to save the property, until it is quite clear that further expenditure would be more costly than the value of either ship or cargo when repaired or reconditioned, and this should be clearly shown in the certificate. You must understand clearly that in this case there is no question of salvage at so much per cent, but expenses could be rightly put in at so much a day for the tug and schooner. As to making the vessel a lighter, the

Board and the Underwriters too would like to know why, if she can be floated to Stanley, she cannot be restored as a schooner. We shall have to act soon about replacing her, and enquiries have already been made about a schooner. People in the Islands cannot grasp the fact that a steamer would inevitably lose money, unless freights were considerably raised, and we are urged to send one. We and the P.S.N.Co. have been into the question ad nauseam, and come to the same conclusion. On paper, if we had a clean sheet and could start afresh, we should lose less on one steamer than three schooners; but there would be the ever-present fear that the steamer might break down or be wrecked, and then where should we be? Imagine her going ashore in Reef Channel about November with all the wool carrying before her; when would the clip reach the sales? We ship, say, 6000 bales a year, therefore a steamer carrying 400 would do the whole of the wool carrying in 15 trips; what is she to do the rest of the year? She would not pay with part cargoes, and would have to be filled each time; there are in many places poor facilities for landing and loading; in fact, the Islands are neither large enough nor fit for running a steamer, though it is hard to make people who do not go into figures understand this. They pay in the Straits and on the Coast of Patagonia, but there, everyone knows, they have full cargoes the greater part of the year, and they run day and night. We are enquiring whether it would be possible to get a small boat on a time charter to run the wool during the first three months in the year, and then return home; if this is practicable, but it is most doubtful, we might see how a steamer works, and judge what freight we should have to insist on, if we put on one of our own.

9. Par.13. It was fortunate to be able to beach the "Samson", and Baseley's report shows that, although there are items that require attention, there is nothing very serious the matter. Still, it will be necessary to get her on the slip at the first opportunity.

10. Par.15. The West mail service does not seem to be much of an improvement on the old one, and though more expensive, the passenger accommodation is practically nil.

11. Par.16. The Board approve of the engagement of Mr Lubke.

12. 380-2. The credit for the "Deanmount" was increased as requested, and the bills have been accepted.

13. Par.3. On the 1st inst. we received your cable reporting the abandonment and salvage of the "Inverness-shire". We at once placed the matter in the hands of our Solicitors, Messrs Ince, Colt & Ince, and, resulting on their negotiations with the Solicitors representing the vessel, an undertaking was given to provide any bail that might be demanded by us after ascertaining values; we accordingly cabled you to release the ship and cargo. Your later cable, of the 16th, advising that Thomas was in charge during the salvage tow to Stanley, and that the Captain of the "Inverness-shire" was unrepresented, was read with much satisfaction. With so few facts before me, I cannot express an opinion on this mysterious case, and we must wait the arrival of your next despatch. In the meantime, it seems that everything has been correctly done, and a private letter from Mr Connell lately received says: "Douglas says your tug people could not have done anything other than they did do, in the case of Laws's ship." No doubt you will consider this most satisfactory, especially as the Captain has cabled Liverpool that some indignation had been expressed, by whom we do not know, at the tug not having picked him up first. The values of the ship and cargo, as given by the Solicitors representing the vessel - as per copy enclosed - appear very low, but the ship is believed not to be worth more than £5000. I am unable at present to say more, pending receipt of the full facts by next mail.

? freight

In this connection, I would mention that your long cable from

Monte Video by the Eastern came to hand without a mistake, the other from Punta Arenas by Anglo-American was mutilated, as usual.

14. Mr Allen has now nearly completed his work in connection with the Canning Scheme, and we are looking for a competent engineer, whom he can thoroughly instruct in every detail of the building and machinery, and who, before Mr Allen leaves for Australia, will make himself thoroughly acquainted with the plans and specifications. This engineer will leave by the August mail to superintend the erection of everything, and will return home when the work is completed.

With regard to the freightage of the material and machinery, it is somewhat fortunate that the P.S.N.Co. have just bought an old steamer, the "Thorndale", which they are sending out to serve as a hulk at Punta Arenas, and we have arranged to pay them the lump sum of £1100 for carrying 700 tons of cargo and coal to inside Squib Point. The tonnage for this general cargo is estimated to be about 450 tons, weight and measurement, and it has been arranged to take 250 tons of steam coal and so make up the 700. It is further agreed that, in the event of the tonnage of general cargo being less than 450, we will make up the deficiency by taking it in coal at Stanley. The "Thorndale" is now loading at Cardiff, and will leave there about the 3rd August for Darwin; the P.S.N.Co. say she may go inside Squib Point, and we have told them that the nearer she gets to Darwin or Goose Green, the more assistance she will receive, and the quicker will be her despatch.

It will therefore be for you to use your utmost endeavours to see that she <u>does</u> go inside, and when the "Garland", in conformity with the instructions cabled to you, is towed to Darwin to receive the "Thorndale's" cargo, I would suggest that you see that she is anchored opposite Goose Green under the shelter of the Islands somewhere about the 4½ fathom water. Ten labourers will be sent out in the August mail, and the P.S.N.Co. have been

promised that every assistance will be given their vessel as regards discharge and despatch. You will appreciate the great advantage it will be to have the whole materials conveyed direct from Cardiff to Goose Green by steamer.

I am not sanguine about it, but think there is just a sporting chance of getting the work so advanced that perhaps some canning can be done before the season ends, and so be something of a guide for our future operations. I think it was scarcely necessary to go to the expense of cabling Mr Allan's doubts on this point.

With regard to the staff required for killing and canning, this will be about 50 to 60, and I shall therefore be glad if, immediately on receipt of this, you will telephone to Allan enquiring about the accommodation, and what extra he thinks will be needed, either in the Cook house extension, or house or houses, and report his ideas on the point to us by cable from Sandy Point. I send you herewith a few code phrases for your use when cabling in this connection.

I am, Sir,

Your obedient Servant,

FREDK. E. COBB,

Managing Director.

per E. B. Gouaud

Enclosures per Supplementary Mail

Originals

1 Account Current.

2 Remarks on Accounts.

3 Remarks on Stores

4 List of General Cargo per "Oropesa"

5 General Invoice goods per "Oropesa"

6 Bills of Lading cargo per "Oropesa"

7 Sight Draft for £72 . 7 . 4 on J.Kirwan for collection with B/L attached.

8 Royal Worcester Warehouse Co's invoice.for goods shipped

9 Richard Hornsby & Sons' invoice ditto.

10 Alfred Wilson's accounts for W.A.Harding & D.Shaw.

11 Final Invoice for goods per "Orissa"

Clients Invoices goods per "Oropesa"

12 Holmested & Blake,Ltd.

13 Vere Packe

14 Bertrand & Felton

15 Baillon & Stickney

16 Smith & Sharp

17 H.& G.Cobb

18 Corrected list of Clients' Cargo per "Oropesa"

London 29th July,1910

Enclosures vis Liverpool

"Originals.

1 Wool Reports .

2 Copies of Cablegrams received.

3 Copies of Cablegrams sent.

4 Hall's agreement & testimonials.

5 Henderson's ,, ,,

6 Copy of letter from W.A.Crump & Son dated 6th July re Inverness-shire.

7 Copy of letter from Hayward Tyler & Co.,Ltd.dated 22nd July re Presswork at Goose Green.

8 Small parcel from Rownson Drew for Sydney Miller.

Clients' Reports &c.

9	♡	252 bales Wool ex "Esmeraldas"			
10	B	98	,,	,,	& contract catalogue
11	S	16	,,	,,	ditto
12	♣	168	,,	,,	
13	W P	45	,,	,,	& contract catalogue
14	S & S	97	,,	,,	ditto
15	M & G	27	,,	,,	ditto
16	△ P H	91	,,	,,	
17	△ F B	99	,,	,,	
18	K	39	,,	,,	
19	D S	69	,,	,,	
20	Z	293	,,	,,	

21 Recapping Pins from J.Bourne & Son to replace those returned last mail

22 Brokers' press copy of Report on Company's Wool ex Esmeraldas

London 27th July,1910

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street.

Per Orissa.

No. 1077.

London, E.C. 29th June, 1920.

Sir,

I have to acknowledge the receipt of your despatches nos. 577 and 578, which arrived on the 15th of this month.

2. 577-2. Your figures show that a sale took place in the Store every seven minutes during the period mentioned, and that more than two shipping invoices were made out per diem.

3. Par.3. I have not yet received an answer to the proposals for a revision of terms put before the P.S.N.Co., as they have been much occupied with their deal with the Royal Mail. As soon as the answer comes we had better tell our clients that we cannot go on on the old terms. As regards insurance, considering the way we have lost schooners in the past, it would be madness to give it up or to reduce it, and it is part of the expense of running them that has to be faced. We heard some time ago that Salvesens had undertaken to build a steamer for the West mail service, and that Mrs. Allardyce had christened her; but lately they wrote that they were going to run the mail with one of their whalers, and asked if we knew any farmers who would be willing to pay £5 a trip to have their letters landed. Upon my replying that if the vessel destined for the service was still in this country I should like to see her, they again stated that the whaler would do the work. It is not likely to be such a catch as was thought by some, as the passenger accommodation is only moderate.

4. Par.4. If work was done on board the "Ragnhild" for cargo belonging to the Farm, surely that account ought to have been charged with the cost, or if not, what account paid for it?

5. Par.5. On the first two voyages of the "Malvina" you may

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

have been able to make out what she would have earned per day on the job of bringing in the Chartres wool, had she not met with disaster. We need not concern ourselves very much over this account, and if it does not pay we shall have to ask more freight, as you suggest.

6. Par.6. The apportionment of the "Lonsdale" salvage was left in your hands, and you would probably have deducted from the gross amount any expenses to which we were put outside the wages of the crew.

7. Par.7. The Whaling Company make themselves useful to us at times, I think, and we might respond by charging them 2½% for advancing cash, on the understanding that the accounts are sent at periods of not more than every three months, and that Salvesens pay us in cash, not by acceptance, which would leave us too long out of our money.

8. Par.8. You can use the word "Fearful" when you are going to cable the amount of credit required later, but don't do this more often than necessary. It is true that it may have been difficult to gauge the "Deanmount's" probable disbursements, but on the other hand we wanted in her case a Bank credit, and some amount had to be given. Looking at the damage reported, I said at a guess, "This looks like a thousand pound job", and asked for a credit up to that amount, which was given by Lloyd's Bank. Now we have been asked to get it expended to £1250, and this also has been done without any trouble. If, however, there had not been a fire in port, possibly the original £1000 would have been sufficient. Now with regard to the "Copley". This was another case in which we wre not satisfied as to the stability of the Owners, but you made things easy by asking for a credit for £1500, so that we knew pretty well where we were. It had to be reduced to £1250 afterwards, but that was better than increasing it, and your aim should always be, whenever possible, to name a sum that is fairly likely to be sufficient.

9. Par.10. The lease of Bleaker Island goes by this opportunity, the counterpart to be signed by the Lessee.

10. I am sorry to have made a mistake in the last paragraph but one, in saying that the credit for the "Copley" had been re-

duced,implying that you had done this. Knohr & Burchard,who have undertaken to meet the draft,have given us credit at present for £1250 only,that being the sum named by the Captain,and this amount has been cabled out to you. Your cable that £1250 would be sufficient referred to the "Deanmount",and I had mixed up the two. I told Knohr & Burchard that the reduction in the amount asked for might lead to the detention of the ship,and you would do quite right to keep her if the amount of the credit is insufficient,as it is possible that she is not worth the amount of the disbursements.

11. 578-5. We all hope that the perpetrator of the fire on board the "Deanmount" was discovered,and that none of the shore people were implicated. This fire question is becoming more and more serious,and the Underwriters are thoroughly aroused. I enclose a copy of a private letter I received from Mr.Connell lately,which shows incidentally what a firm friend we have in Mr.Douglas; this is for your own information only,and the contents should not be communicated. I am to hear more shortly; at present I can tell you that some kind of investigation is going on at Lloyd's,at the instance of the Colonial Office,and that a body of Underwriters who approached the Committee seem to have had the support of Governor Allardyce. On the other hand,we have means of finding out to a great extent what is going on,the Chairman of Lloyd's is a friend of our Broker,and our Chairman has been promised that before the enquiry is over he and I will be asked to say anything we wish. If,as it seems,there is a feeling that we or our people are implicated,it is strange that the enquiry is being held in such a hole-and-corner fashion without giving us a chance of being represented,and still more so considering what I said to the Governor about these fires when I called on him in Stanley. I am taking care to say nothing myself about the Governor's animus,but to let it make itself apparent from circumstances that must and will come out,and when the time is ripe,probably a letter to the C.O.will set the Secretary of State thinking. There is one thing about which I am beginning to crow gently in correspondence already; that is that while the Governor has clearly set

the ball rolling on this side with a view to prejudicing us and the Stanley people,the only practical precaution against a recurrence of the fires (useless in the case of the "Dea nmount") has been taken by us in the issue of the circular letter to shipmasters,and I am asking where the printed warning is that the pilot should deliver as soon as he gets on board an incoming ship.

12. Par.4. It is disappointing not to have heard anything more by cable about the position of the "Malvina",for if there is a chance of saving her we shall not want to buy another vessel, while if she is a total loss there is but little time to spare. You will no doubt have reported how the accident occurred,and we want to know if the engine was working at the time,for in a place like Reef Channel,whatever the wind may have been,it would have been right to keep it going,or to have had it ready in case of any mishap occurring.

13. At the General Meeting a final dividend of 20%,making 30% for the year,was declared,and a vote of thanks passed to the staff for their exertions during the year.

14. We received your cable from Rio brought by the "Esmeraldas",which should be here in time for our Brokers' second sale.

15. There is a cable at Lloyd's about the Inverness-shire having been abandoned north of the Sea Lions,and one report states that she is at anchor,atug,doubtless the "Samson",having gone to her assistance. We are looking forward to detailed news with interest,and hope that we have another good salvage; but there is the possibility that the tug may turn out to have been one of the whalers,and the word "doubtless" above may have been used out of place.

16. About the canning I have only at present to report that practically all the materials,including the buildings have been ordered,and that everything ought to be ready for shipment by the end of next month. The P.S.N.Co.do not like towing a hulk to Darwin,and would not go inside Squib Point,so I have suggested our sending the "Garland" to Mare Harbour in tow of the "Samson",the steamer to discharge into her there,and the tug to take her on to Goose Green. We cannot risk her with cargo on board between the Lighthouse and Mare Harbour in any case,but the tow up the Sound

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

LETTERS SHOULD BE ADDRESSED TO
THE MANAGING DIRECTOR.
TELEGRAMS TO "FLEETWING, LONDON."
TELEPHONE No. AVENUE 443.

61, Gracechurch Street,
London, E.C.

1st July, 1910.

Per Supplementary Mail.

W.A.Harding,Esq.,

Stanley.

Dear Sir,

The despatch for this mail was closed on the 29th ult.,and I now write to say that we have received your cable via Punta Arenas this morning,which I read as follows:- "Inverness-shire an-
"chored near Bull Point abandoned by the crew has been towed
"in here u/damaged claim salvage on the vessel and cargo
"ship and cargo are arrested."

You do not say that the "Samson" has done the work,but I assume it to have been the case,as you ask us to claim salvage. This is most important news: the ship is described in Lloyd's Register as a steel 4 masted barque,2147 net tonnage,belonging to Thos. Law & Co.of Glasgow,and built in 1894. Being outward bound the cargo is probably of small value,but the ship ought to be worth something. I do not think that we can move until we get confirmation and full details by mail; salvage in case of derelict is usually on a high scale,and much depends on the amount of skill exercised and danger incurred by the salvors. It is hardly likely that the faint-hearted crew that abandoned an undamaged vessel in sight of land would be taken on again,and I assume that a new master and crew will be sent from here.

If the cargo is coal,you will of course be on the look out

for spontaneous combustion. As the ship must have a Government man on board there ought to be no fear of incendiarism, but you will have objected, no doubt, to the Captain or any of the old crew going back on board.

I am, Dear Sir,

yours truly,

Ted E Cobb

Managing Director.

would be comparatively easy. The Board are of opinion that it is impossible to get the Works up in time for next season, but have left it in my hands, and there are two main things to be considered, the cost of shipping the materials and the length of time it will take to put them together. By sail we can put everything straight away from London to opposite the jetty at Goose Green, at a probable cost of 20/. a ton. By steam the freight may be doubled, and there must be one trans-shipment; but the time occupied will be less than half. In the former case beginning in March cannot be thought of; in the latter there is a bare possibility. I do not think that the P.S.N.Co. will really take it up, and am going to enquire about a tramp. When completed the establishment will be in every way up to date, all the machinery having been designed and selected by Mr. Allan with the utmost care.

17. Enquiries have been made by the Anglo-South American Bank about a Mr. George Price Kinsey, formerly of Buttington Hall, Welshpool, about 40 years of age, who was last heard of about 1901 when he was at Stanley, and understood to be engaged in sheepfarming. They want to know his present address, or if he has left, when, and for what destination, or if dead, a certified copy of the entry in the local registry, whether he was married, and if dead, whether intestate or not. Mr. Girling does not remember the name, and the whole story may be a myth.

I am, Sir,

your obedient servant,

Managing Director.

DESPATCH no.1077 per "Orissa",30th June,1910.

PRECIS OF SUBJECTS.

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1. Acknowledges despatches.
2. On sales in Store.
3. On terms of business with the P.S.N.Co.and the W.F.mail.
4. Work on account of Farm should be charged accordingly.
5. Dean & Anson's business.
6. Apportionment of salvage on "Lonsdale."
7. Commission to be charged to Salvesen & Co.
8. Relates tocabling for credits on account of ships.
9. Lease of Bleaker Island sent,counterpart to be signed.
10. Further on Ships' credits.
11. Fires on board ships,proceedings being taken here.
12. On loss of "Malvina".
13. Reporting dividend and vote of thanks at Genl.Meeting.
14. Acknowledging cable per "Esmeraldas".
15. Incerness-shire reported at Lloyd's as abandoned near Islands.
16. Reporting progress as to canning,and remarks on shipment of materials.
17. Enquiries about G.B. Kinsey.

Enclosures via Liverpool.

Originals

Copies of Telegrams received

Copy of ,, sent.

Particulars of homeward freight per "Kenuta"

Lease & Counterpart of Bleaker Island for completion &c.

Copy of Balance Sheet & P& L for 1909

Clients' A/sales:-

AP	4 bales	Sheepskins	ex "Kenuta"
T R	1	,,	,,
H	5	,,	,,
M V	4	,,	,,
H & B	10	,,	,,
S 1	1	,,	,,
H G C	2	,,	,,
D H	5	,,	,,

Copy of Broker's A/sale Co's Skins ex "Kenuta"

Invoice for Camera &c.for A.F.Cobb

Invoice for Records for H.Waldron

Copy of letter to Lloyd's dated 6th June.

Copy of letter from Jacobs & Barringer dated 28th June.

Copy of letter from R.L.Connell dated 21st June.

Two letter for W.A.Harding.

London 29th June,1910

Enclosures via ~~xxxxxxxx~~.Lisbon.

Originals

1 Remarks on Accounts.

2 Remarks on Stores.

3 Replies to Remarks on Stores.

4 Account Current.

5 List of General Cargo per "Orissa"

6 B/L cargo per "Orissa" (2)

7 Corrected List of Clients' Cargo per "Orissa"

8 General Invoice goods per "Orissa"

9 Suppliers detailed account for goods per "Orissa"

Clients' Invoices goods per "Orissa"

10 Vere Packe (2)

11 Holmested & Blake,Ltd.

12 Bertrand & Felton

13 H.& G.Cobb

14 W.D.Benney's Estate

Letters for the following -

A.L.Allan , W.A.Harding
3 2

London 2nd July,1910

15 Sight Draft on J.Kirwan for £56 . 17 . - & B/L attached.

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 24th August, 1910.

Per Oravia.

No. 1079.

Sir,

I have to acknowledge the receipt of your despatches nos.381 and 382,which arrived on the 8th instant,also of several cables, copies of which are enclosed.

2. Par.4. My enquiries on the subject of wireless telegraphy came to an abrupt end when I discovered that all systems are a Government monopoly which is rigidly enforced. I had a Marconi man here,and he seemed to think that private enterprise would be ruthlessly prohibited.

3. Par.6. I have already mentioned that there is no question of salvage on the Malvina's cargo,but full expenses must be sent in. If the vessel is brought in it will have to be very clearly explained why she is fit to be a lighter but not to go to sea. A lighter,to be economical,should be tight in the bottom,and this the Malvina is not,or used not to be,and stranding is hardly likely to have made her take up. It must not be supposed that the Board are at all glad at the prospect of a total loss,for after all the trouble she has been to us she was just beginning to be a little useful. Therefore to satisfy us as well as the Underwriters it must be clearly shown that the cost of re-instating her would be more than her value when repaired.

4. Par.7. Notwithstanding corroborative detail,the explanation about the Lonsdale's towage is in the words of a classic a bald and unconvincing narrative. If you had reported the undertaking,as you seem to imply at the end of your remarks,there would have been no occasion to enquire about it; but the report was not found in the despatch forwarding the accounts and draft.

5. Par.8. Mr.Buckworth was quite satisfied about the apparent error in the quantity of his wool,but I fear that we shall find

W.A.Harding,Esq.,
Stanley.

when the last of our own wool reaches London that we are a bale short.

6. Par.9. I was rather fluttered on reading that I had told the Board in 1889 that I was keeping a wife for Steel and the wife he meant to bring, as it had a distinctly bigamous sound; but I was relieved to find that "house" should have been substituted for the first "wife", and that the clerical error did not lie at my door. I am glad to find that his pension is all right. The pensioners on arrival do not report themselves, either personally or in writing; Jennings is, I am told, in England, and King I saw on Monday for the first time; but where Steel is I do not know.

7. Par.10. The Board will be glad to hear that the bonus has been appreciated. The circular conveying it, though somewhat marred by a split infinitive, is judicious and otherwise correct.

8. Par.11. It is satisfactory to have got the paper signed by our own men agreeing to help to extinguish fires, and I have already shown it to Mr.Douglas. If you can suggest a pattern for the proposed badge we can get it made here. As to the "Deanmount", Mr.Douglad had spoken to me when I was in Liverpool last month about the charge of £70 for standing by her during the night of the fire, and I thought that this was a case in which it was desirable to show that we meant what we had promised; on my return to town therefore, after looking up the account I wrote Mr.Douglas that on payment of the bill we should return £60 out of the £70, and the effect of this will be good.

9. Par.12. I could see no way of meeting the wishes of the P.S.N.Co. over the "Thorndale" but by undertaking to send a hulk to Darwin, and in view of the urgency of the case decided to cable you to do so. Is it possible that the decks of all the hulks, with the exception of the Garland, are so bad that they cannot be made watertight? Has nothing been done to keep them in order? And if the decks are too far gone, what is the state of the beams? It might be the best thing to have some of them broken up, and free the harbour of obstructions. If the Proecis is otherwise sound, what would it cost to sheath or redeck her? I am wondering whether it would be better to do this, or to buy another old vessel here,

send her out with coals and rough cargo, and dismantle her on arrival. You had better send a report on all the hulks, ans state what ought or could be done to make them serviceable. In numbers we have more than enough with the Great Britain, J.P. Smith, Proecis, Vicar of Bray, Capricorn, and Garland. I am writing from memory, and may have omitted one. Has the Capricorn's leak been discovered, and have the repairs to the Great Britain been completed? It seems to me that when the Canning Works are established a hulk at Darwin or Goose Green will be a necessity, and the Proecis, if her decks can be made good, is about the size required.

10. There are 250 tons steam coal for the Works, and 200 for Stanley on board the Thorndale, as you will have seen, and as the stipulated quantity of cargo for Darwin was provided, the whole of the Stanley coal goes at one rate.

11. Par. 13 and 382-3. The report on the Inverness-shire case is most interesting, and the copy of the Court proceedings valuable. On the part of the Company I may safely say that it has been carried out without a mistake; I say so with some confidence, as Mr. Douglas told Mr. Connell that he did not see that anything else could have been done, and the salving of the ship without calling for the Captain and crew is commended on both sides; on the part of the Underwriters because an hour or two's delay might, I do not say it would, have imperilled the safety of the ship and cargo, and the crew were already out of danger; on our part because it is likely to make all the difference in the salvage to have taken in a ship that was absolutely a derelict, which she would not have been if the Captain had been allowed to resume possession. Indirectly I have heard that Capt. Flett has complained of our procedure, and he would seem from his own account to have elicited a certain amount of sympathy in Stanley; in fact, until I was able to show by the dates of the telephone messages that Thomas left Stanley in ignorance of the Captain's request, the Underwriters did not know how things stood. If there are any who still think that anything wrong was done, you can assure them that the affair was carried out according to the strict and acknowledged rules of the game, and Captain Thomas is to be commended for the way in which

he played it. The only jarring incidents noted in the evidence were those in which the names of some of our people were brought in. Many years ago it was the practice on the coast of Cornwall, according to old records, when a wreck occurred, for the denizens of the nearest village, headed by the parson, to proceed to the scene and help themselves to what they found; things have changed since then, but Falkland Islnders would still appear to think that anything wrecked was common property, or we should not hear of a boat being given away here, a barometer there, and so on: the recipients might be surprised to know that they rendered themselves liable to prosecution and imprisonment for receiving stolen property. The case is in the hands of Messrs. Ince as usual, and the salvage will be good; I hope that it will be arranged without recourse to the Admiralty Court, and there is every probability of its being so. I am informed that Captain Flett at the instance of the Board of Trade has been superseded, and that the Mate will take command.

No only boat & aneroid which were left at once

12. Par.15. Both drafts on account of the Copley have been accepted by Messrs. Knohr & Burchard.

13. The Thorndale sailed from Cardiff on the evening of the 4th inst., and if she keeps up her eight knot speed should be in Stanley from the 7th to the 10th of September. We have done all we can on this side, and now it rests with you and Mr. Allan to carry out the rest. Mr. Allen has left for Sydney, having completed his work here, and he has done it thoroughly well. We have engaged a man named James Cookman, an Engineer recommended by Babcock & Wilcox very highly, and he goes out by this mail to superintend the erection of everything, having been most closely into details with Mr. Allen himself. He was in Babcock's employ, and has been a good deal about the world erecting machinery; it is a great point in his favour that he has had two years' experience in the canning factories at Chicago, and Mr. Allen has formed a high opinion of his abilities. Very likely the puzzle might have been put together without his assistance, but with the limited time before us we must not take any chances, and although his pay is fairly high, if through engaging him we are able to begin this next season, the outlay will

be amply repaid. We have to find him board and lodging while in the Islands, and no doubt Mr. Allan will be able to manage this, it seems to be usual when engagements are made for a limited time. He carries with him three copies of plans and specifications, one each for you and Mr. Allan, and the third for his own use. A filling machine will be sent from Sydney by Wildridge & Sinclair through Montevideo, and tin making machinery has yet to go from Rhodes, as well as wood for boxes and sundries; but all the machinery and buildings wanted immediately want by the Thorndale. Ten labourers are sent by this boat, a mail in advance, and the stonemason, Sollis and wife, are also passengers. Among the labourers is a man who has been a rough joiner or country carpenter, and use may be made of his services at once. We hope to hear that with this extra labour to reinforce what Mr. Allan already has the work may be carried through in time.

14. With regard to the Canning Company we have not yet arrived at a working plan, and the Board is taking a two months' vacation. The more we look into it the more difficult it seems to be. We are the freeholders, and we have a number of buildings already on the spot, together with machinery, fencing, and other plant, the value of which will have to be determined. Assuming that all the new property is to be provided by the Canning Company how are we to deal with the old? Are we to sell it, or are we to lease it? And if the latter, what are we to do about the principal building, the digester shed, which by additions and alterations will be when completed beyond recognition? How much of it will belong to us, and how much to the Canning Company? If the latter buy, they will not only have their property on land that does not belong to them, but will at the start have to raise a larger amount of capital than may be desirable. I mention all these points to show that the construction of a Company within a Company, when the contained one will be partly the property of shareholders who have no interest in the other, is not as easy as it might appear at first sight. An idea has occurred to me that I intend to bring before the Board. It is that we ourselves should complete the Works, and let them to the Canning Company

on a repairing lease, at a rent representing 5%, or whatever the Board may decide, on the whole value, which will include the cost of the present installation as well as the present value of what is already on the ground. The F.I.Co. would thus have their property maintained by the other, and be at no expense in the way of interest or writing down for depreciation. If we ran the works ourselves we should have to take account of both, and considering that although we should be dealing with the shareholders of the subsidiary Company, we are likely ourselves to represent 75% of the holding, the plan seems to me to be a reasonable one, and to get over most of the difficulties. The Canning Co. will have to raise a moderate amount of capital, as compared with what they would have to do if they had to pay cash for the whole establishment themselves, and will only require sufficient for working expenses and replacements when necessary. I have no idea what view the Board will take of this; but if they object, they will doubtless formulate some other plan. Much the simplest thing would have been for us to run the whole thing ourselves; everyone will admit this, but we want to give our neighbours an interest in the success of the venture, which means getting a larger number of sheep than we otherwise should have to deal with, and keeping them away from the other shop.

15. The question of the replacement of the Malvina is by no means settled yet, and it is not impossible that we may after all do something in the way of a steam service. When I was in Scotland, a letter from Salvesen & Co. was sent down to me, and I called at their office in Leith. The letter contained a suggestion that we might join forces in doing the coasting trade and running the West Falkland mail. I had a long talk with Mr. Theodore Salvesen, and if the Board approve I think that an arrangement may easily be made for running a boat, which they have in view already in the River Plate, on joint account. Mr. Salvesen hit the nail on the head when he suggested that we were not shipowners in the true sense of the term, while they were, and had been for generations; it is a truth that is ever present in my mind. On the other hand, he said that he knew that it was useless to try to

run against us for cargo,as we controlled nearly the whole of the produce of the Colony. I assented to both propositions,and modestly remarked that after setting aside our own produce,that of our Mortgagees,and other shipments that we controlled,there would not be much open to competition. Now we have been for years running the schooners at a loss,in order to secure other advantages,and how to reduce that loss is an ever present problem. In 1908,after charging the schooners with interest and depreciation, we lost nearly £1400,and last year this item increased to nearly £2000. And yet the farmers are not satisfied,and their cry is, give us a steamer. They know nothing of the figures,and will not believe that at the current rates there would be an inevitable loss. It seems to me that the time has arrived for telling them that they may have their steamer,if they will pay for it. We cannot raise the schooner rates,because that would drive some of the more independent ones into chartering for themselves; but if we gave them steam,it would provide them with facilities for travelling round the Islands,which is really what they want. This is a sop to offer them,and they will swallow increased rates with it,unless I am mistaken. A partnership with Salvesens would be an ideal combination; they would provide the experience,without which no ship can be run successfully,while we should supply the cargoes. I have therefore made a tentative suggestion,telling them that I am doing it entirely off my own bat,as I do not know the view the Board will take of it,that we should run a steamer together,and that the joint account should be debited with 5% commission to us on freights earned through our influence. As to what these freights would be,I have put forward a request to the P.S.N.Co.for a reduction to 22/6 per ton all round,abolishing the distinction between near and distant ports,and then that we should charge a through rate of ⅝d.per lb.on wool and skins from the outports to London. This is the rate at which Braun & Blanchard took the Chartres wool from Dean & Anson,and I am having it worked out; but owing to being shorthanded it is not possible until next week to get the result as applied to the produce of 1909. We could collect all the wool in three months,in all probability,and then lay the steamer up; but the sop of passage fac-

ilities would then be wanting, and I know that it would be hopeless to bring our friends into line without that. Salvesens dislike the mail contract they have taken up with the whalers, and are anxious to get out of it. A service once a month in a whaler is as bad as it can be, and the accommodation is of the poorest: Mr. Salvesen made no bones about admitting that theirs was a stinking trade, and that association with whalers must necessarily be distressing to the olfactory nerves. Schooner travelling again as I know well from past experience, renewed when I was in the Islands last summer, is not a thing of joy, especially to those liable to sea sickness, and now, when we must do something to fill the vacancy caused by the loss of the Malvina is the time to take action. Notwithstanding what I have written, I cannot conceal my dislike for the all-eggs-in-one-basket position into which we should be putting ourselves; but the feeling about a steamer seems to be so strong, that we may have to give way to it, at all events to give it a trial. Facilities for working cargo on the coast are generally poor, and in some cases non-existent, much more smartness in harbour working and in getting away to sea will have to be the rule in future if it is to be kept up; but Salvesens would have, which we have not, the opportunity of working with crews not accustomed to the easy-going ways of the Islands, and crews too that by means of their ocean boats can be changed from time to time. The schooners can still be used for creek work, and for delivering materials round the coast where it would be waste of time to employ a steamer; it would also be prudent to keep them, at all events for the present, as a stand-by, in case of accident: laid up however, without expenses going on, they would not cost us £2000 a year as at present.

16. Knohr & Burchard have written to say that the Captain of the Copley has not sent accounts, and they have asked for the loan of ours to obtain a settlement of the average. This is an oversight on the part of Captains that is now of frequent occurrence, and I wish you would see that their copies are properly posted.

I am, Sir,

your obedient servant,

Fred E. Lowe Managing Director.

Enclosures via Lisbon

Originals

1 Supplementary Account Current

2 List of General Cargo per "Oravia"

3 General Invoice goods per "Oravia"

4 B/L cargo per "Oravia" (2)

5 Sight Draft on J.Kirwan for £ 57 . 11 . 4 for collection

6 Remarks on Stores

7 Replies to Remarks on Stores

8 Suppliers certificates of strenght Whisky & Rum shipped

9 Carroll & Robertson's invoices

10 Extract received from Messrs Wilson Sons & Co.referring to Butter shipments &c.

11 Invoices for the following:-

Holmested & Blake,Ltd.,Vere Packe,Bertrand & Felton, H.& G.Cobb,Speedwell Isld.Account,Mrs Williams,G.Bonner, H.Waldron,Baillon & Stickney.

~~12x~~ Letter for the following:-

A.L.Allan,W.A.Harding (2 each)

London 27th August,1910

Enclosures via Liverpool

"Originals"

1 Copies of Cablegrams sent.

2 Copies of Cablegrams received.

3 Falkland Islands Annual Colonial Report for 1909

4 Letter from Mrs Cantlie dated 18th August.

5 Account Current.

6 Remarks on Accounts.

7 Clients A/sales:-

	♣	167 bales Wool ex "Esmeraldas"		
8	B	98	,,	,,
9	F	173	,,	,,
10	P H	91	,,	,,
11	F B	99	,,	,,
12	D S	69	,,	,,
13	K	39	,,	,,
14	Z	293	,,	,,
15	♡	252	,,	,,
16	S	16	,,	,,
17	S & S	97	,,	,,
18	M & G	27	,,	,,
19	W P	45	,,	,,

20 Brokers' press copies A/sale Co's Wool ex "Esmeraldas"

21 Copy of letter to Mr.James Cookman of 19th & his reply of 20th August.

22 Wilson's accounts for Mrs Newing,D.Shaw & A.F.Cobb

23 Invoice for Goods per "Thorndale"

24 Final Invoice Goods per "Oropesa"

25 Clients' Invoices for goods per "Thorndale :-

J.J.Felton,Greenshields Bros.,W.K.Cameron,H.& G.Cobb, Holmested & Blake,Ltd.,Vere Packe,A.F.Cobb

26 Frank P.Sollis's agreement.

27 B/L cargo per "Thorndale. (four)

28 Norman Dewhirst's testimonials.

29 10 Labourers' Agreements & testimonials as follows:-
Alexander McPhee, Robert Y. Douglas, John Macdonald,
Donald S. McPhee, Thomas Stevenson, Joseph Campbell,
James Ritchie, Alexander McDonald, James Millar,
David Scott.

30 Copy of letter from C. Salvesen & Co. dated 1st August.

London 24th August, 1910

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

London E.C. 21st September, 1910.

Per Orcoma.

No. 1080.

Sir,

I have to acknowledge the receipt of your despatch no.383, which arrived on the 3rd inst.followed by your letter of the 9th August on the 5th,and another of the 2nd August per "Duendes" on the 12th inst.

2. Par.2. I have nothing further to report on the steamer and West mail proposals,as Mr.Theodore Salvesen,who has the F.I. business in hand,is away for a holiday. I may say,however,that the Board regard the proposal I mentioned in my last despatch with approval.

3. Par.3. It is a question whether the cost of work on the "Ragnhild" should be charged to the freight account here or to Farm,according to the purpose for which it was incurred; in no case ought Company's Shipping to be saddled with it. If it was for restowing for the purpose of taking more cargo,the amount should have been passed to the London Office.

4. Par.4. You say that the "Malvina" had good luck over the Chartres trips,and yet I calculate that she made not more than £3 per day,which would not have paid here. It is unfortunate that the record of the remaining schooners has been so bad; possibly you have shifted Maatz into the "Gwendolin" by now.

5. Par.5. Salvesens are satisfied with the commission to be charged on cash advances,that is to say they have paid it without demur.

6. Par.8. The Underwriters have settled a total loss on the "Malvina" without waiting for an account of any salvage. If the expenses you have incurred exceed the value of the property,we shall probably have to take it to repay ourselves. It will,there-

W.A.Harding,Esq.,

Manager,

Stanley.

fore, be necessary to distinguish clearly between the outlay on the cargo and on the attempted salvage of the vessel. We must assume from what you say that she cannot be restored as a schooner, but if she can be brought into Stanley it follows that the oil engine will be saved in some kind of condition, probably bad. This cost over £600, and may be turned to some account, for although many of the small fittings are likely to be rusted up and useless it ought to be possible to restore it at some expense. You have never alluded to the engine as yet. I may have more to say on this subject before closing.

7. Par.9. It is satisfactory to hear that there will be no hitch about the "Garland". You have had full particulars of the arrangement with the P.S.N.Co., and we now await news of the "Thorndale". Possibly you may not have found it necessary to send the "Samson" round a second time, as if the steamer went inside Darwin Harbour she could have got close to the hulk without needing a tug.

8. Par.11. Have you any suggestion to make about Dixon? The Hospital Surgeon writes of "chest deformity" and "old pleurisy", for neither of which we are responsible. It is an unfortunate case, and we ought to help him if we can, though it hardly seems that it is incumbent on us to do so. Perhaps you can give him some light work at pay sufficient to keep him.

9. Par.12. The loss of the "Hattie L.M." is a serious thing for the owners, and it illustrates the folly of running schooners on the coast without insuring. You have pointed out more than once what a heavy charge it is, but it is one that has to be reckoned with, and cannot be avoided. The underwriters have been notified of the loss. Perhaps some of the cargo may be salved and rendered merchantable. I do not believe the story about an uncharted rock on the spot, if there had been one it would have been discovered long since. This is a point that ought to be cleared up. We have lost 10 vessels since the "Lotus" went down in 1871, and they have had an average life of about 7 years. But if the "Hornet", "Fortuna", and "Fair Rosamond" are eliminated from the list, the average life of the rest was not much over three years.

10. Par.16. The suggestion to have a vessel loaded with wood

is certainly good,and ought to be carried out. It is said that framed houses can be got in Sweden and Norway very cheaply,and I will see what information can be got on this subject. Whether we go to Lamb or Lenanton for wood we seem likely to have bad material mixed up with it,if the splitting you mention is not due to rough handling. I intend in future to have all wood inspected before shipment.

11. Par.17. We have heard nothing more of late about the "Inverness-shire",but I am negotiating with an Average Adjuster representing the Underwriters on the cargo and freight,and hope that we may settle the salvage without going into the Admiralty Court. The total value is not much over £10,000.

12. Par.18. Is the oil for the "Malvina's" engine so different from what is suitable for the Hornsby engine that it cannot be used? Has it been tried?

13. Par.20. Steel has not yet asked for his daughter's passage,and really the request is too far fetched altogether. He went out in 1874 with a wife and young family,and the certificate I gave him in 1877 must have been granted on account of an omission in his agreement; I can only guess this,as at that time we were giving return passages in most cases. It applied to his wife and children at the time,and when he came home in 1889 after 15 years' service,his wife was dead,his sons grown up and at work, and his daughter has since married. He married a second time,and the daughter for whom he asks a passage is by the second wife; he went out in 1899 at his own expense,and how he can have thought that he had a shadow of a claim I am unable to see.

14. It is unfortunate that the "Duendes" was before her time in Stanley,as she has not come to London owing to the small shipment of wool,and it is being sent round from Liverpool.

15. I enclose copy of some correspondence with the P.S.N.Co. on several subjects,the principal ones being freight out and home by their steamers. The letter from them is not pleasant in tone, and suggests that they wish the questions between us to be considered closed; but Mr.Connell,to whom I have shown it,agrees with me that it is bluff,and he is going to talk to the General

Manager. It is unfortunate that the Assistant General Manager is away on holiday just now,as I think that he is less convinced of their power to dictate to us on F.I.matters than the other. The arrival of your cable reporting the adhesion of Bonner,Packe,and Greenshields to the proposal that a charge of ⅝d.per lb.should be made on wool to be carried by steam puts a different complexion on the business,as it appears to foreshadow a general agreement, to which Holmested and Blake and Cameron on this side have also assented. I have asked Mr.Connell to negotiate with Mr.Alcock for a weight basis in place of the hitherto existing arrangement,and he will suggest the Sandy Point rate,52/6d. This is now adopted by all the steamship Companies,and the freight from the outports in Patagonia I understand is ⅝d. to London as a through rate. From calculations we have made there would be a good profit to the steamer even on our present terms with the P.S.N.Co.,but if weight is charged throughout we shall know where we are,whereas if they continued to charge measurement and we adopted weight the profit to us would vary on each lot according to the pressure,and in some extreme cases of light pressing,such as Bender's and Browning's,as well as other small men,the profit would disappear altogether. If the worst came to the worst,we might do a deal with the Kosmos Company,and failing them,there are steamers homeward bound from the West Coast that would jump at £7000 or £8000 light freight on the top of their heavy cargoes. We have to show a certain amount of independence,and I think that the P.S.N.Co.will fall into line. I make out that they draw over £22,000 from the Islands annually in figures that I actually have,excluding what they get from passages outwards that do not pass through our hands.

16. We are shipping the Cookhouse and dwelling house asked for by cable,and the despatch constitutes a record in which we have been greatly assisted by the smartness of Browne & Lilly of Reading. On the 29th July we sent you some code words to denote the precise requirements,and on the 29th August got your reply via Sandy Point,doubtless obtained by telephone from Mr.Allan while the steamer was in. The same day Browne & Lilly were informed what we wanted,and on the next they sent word that they

were going into the matter promptly, on the following I gave them some further suggestions I had received from Mr. Blake, these they got in the evening, completed their plans and estimates early next day, brought them up here, and on the afternoon of the 1st inst. the order was given; work was begun next morning, and 12 days later, on the 14th inst. the whole was despatched to Liverpool, both buildings having previously been erected in their yard.

12. Referring to par. 11, since I began this I have heard from Mr. Connell, and judge that if Mr. Douglas only were concerned we should not have much difficulty in settling the Inverness-shire claim. He is trying to get other Underwriters on the hull in line with him; but there are still those on the cargo and freight, and it appears that they are holding out at present for a sum that we cannot accept.

13. Mr. Connell also reports having had a talk with Mr. Alcock, and thinks that if we wait until Mr. Lamb's return from his holiday we may be able to put matters on a permanent and satisfactory basis.

14. In making estimates of probable results if a coasting steamer is established, we have been looking into the question of the amounts credited to Company's Shipping for storage in the Great Britain, and all labour employed in receiving and shipping produce, but we have failed to discover what percentage of the balance of freight is allowed, an examination of the figures of several shipments showing that there is a good deal of variation. In fact it looks as if the accounts had been subjected to a kind of fancy process, and the result is anything but satisfactory, seeing that in 1908 the sum credited for the whole of the labour and storage was £726, and in 1909 £559. The proportion allowed used to be about 20%, and whatever it is it should be constant.

No 676 Leaper

There is nothing fanciful about the apportionment of return freight between coaster and shipping, and the practice of Shipping is credited with 20% as [illegible] with the following exceptions

I am, Sir,

your obedient servant,

Managing Director.

When bonafide outside shipping comes beside when develops direct into steamer scheme receive the whole C&W produce — you reduce sch. freight £3 — handsome gain shipping only 20% state, I suggest be to closed — handsome profit £4

Enumerator produce Shipper Dec 6 1909
Return Freight not credited till April next year 1910

Despatch no.1080 per "Orcoma",21st September,1910.

PRECIS OF SUBJECTS.

1. Acknowledges despatch and letters.
2. Refers to proposal for a steamer.
3. On wages paid on account of work on "Ragnhild".
4. Remarks that "Malvina"s work at Chartres had not paid.
5. Salvesens agree to commission for cash.
6. Settlement of Malvina"s claim for total loss.
7. Remarks on "Garland" and "Thorndale".
8. Enquires about Dixon"s case.
9. Refers to loss of "Hattie L.M." and risks on the coast.
10. Approves suggestion to load cargo of wood in Sweden or Norway.
11. Reports negotiations about "Inverness-shire" salvage.
12. Enquires about possibility of utilizing the Malvina's oil.
13. Remarks on Steel's request for a passage for daughter.
14. "Duendes" not coming to London.
15. On new proposals for freight homeward and coasting steamer.
16. Reports shipment of buildings for Goose Green.
17. Further on Inverness-shire.
18. Alludes to interview between Messrs.Connell and Alcock.
19. Enquires about amounts credited to Co.'s Shipping for work on and storage of produce.

Enclosures via Liverpool

DUPLICATES (Origibals per "Oravia")

Despatch No.1079

Remarks on Accounts

Account Current

Remarks on Stores

Replies tp Remarks on Stores

General Invoice goods per"Oravia"

List of General Cargo per "Oravia"

List of Enclosures

List of Clients' Cargo per "Oravia"

List of Dutiable Goods per "Oravia"

Clients' A/sales Wool per "Esmeraldas"

Clients' Invoices goods per "Oravia"

Sight Draft on J.Kirwan for £ 57 . 11 . 4

List of Parcels

DUPLICATES (Original per Thorndale)

General Invoice goods per "Thorndale"

Bills of Lading.goods per "Thorndale"

List of Enclosures.

Remarks on Accounts

Clients' list of Cargo per "Thorndale"

List of General Cargo per Thorndale

Clients' Invoices goods per "Thorndale"

London 14th September,1910

Enclosures via Liverpool

ORIGINALS

1 Copy of Cablegram sent.

2 Copy of Cablegram received.

3 Order received from P.S.N.Co.to issue Mr Cookman a

4 Copies of letters to the P.S.N.Co.of 18th August & 9th Sept. and their reply of the 3rd September.

5 Particulars of Homeward freight per "Esmeraldas"

6 Debit note for Vere Packe for error in Rownson's invoice dated 29th July.

7 Anning & Cobb's Sheepskin market report.

8 Debit note for goods sent in Stationery case for Dr.Turner

9 Schooner freight returns ex "Esmeraldas"

10 Debit note for freight short charged on Z & K Wool ex "Esmeraldas"

11 Photo of Filling Machine to be supplied by Wildridge & Sinclair,Ltd.

12 Copy of Invoice goods shipped to Bleaker Island per "Oravia"

13 Wilson's receipted Account for Mr D.Ogilvie .

Clients' Reports & Contracts:-

14	D S G I	4	bales Sheepskins	ex "Esmeraldas"
15	♡	15	,,	,,
16	Z	14	,,	,,
17	F B	10	,,	,,
18	☘	6	,,	,,
19	McG	6	,,	,,
20	W P	1	,,	,,
21	S & S	1	,,	,,

London 21st September,1910

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per Supplementary Mail.

No. 1081.

London, E.C. 23rd September, 1910.

Sir,

I mentioned in par.6 of my despatch via Liverpool that I might refer again to the question of the "Malvina" and salvage; but I was unable to arrive at a settlement before the mail had closed. I have now to report that I laid the case before our Insurance Broker, giving him your valuation of stores recovered and of the probable result of a sale by auction of the vessel as she lies. I also made it clear that we might get her off, in which case her value would be greatly advanced, while on the other hand I pointed out that if the attempts to do so failed much expense might be incurred, which we should ask the Underwriters to make good. He said that he would see them at once, and I asked him to explain that we were in a delicate position, as owners of the vessel, salvors, and possible purchasers; if we were dealing with other salvors it would not matter, but if we took the thing over and did well over it, they might think that they had been had. He came here yesterday to say that the matter had been thoroughly discussed, and that the Underwriters were prepared to accept your valuations; they would take a cheque for £120 in settlement of all salvage, on condition that we waived any claim for the services already rendered by the "Samson", and I closed at once. Seeing that the goods you have valued at £70 included two large boats, a dinghy, the windlass, wheel, a whole suit of sails and nearly another complete, besides practically all running gear and many sundries, all of which will come in for our other vessels, it is quite clear that the bargain is a good one so far, and then as to £50 being the value of the wreck as she lies, if you can do nothing with her probably you can recover that sum at auction, at all events that is your

W.A.Harding, Esq.,

Manager,

Stanley.

own valuation. Of the £120 we receive one-seventh on account of the Underwriting fund. The vessel is now at your disposal to make the best you can of her.

2. The practice of shipping goods on commission is increasing to an inconvenient extent, judging by the last few shipments, and it seems to me that the understanding on which we agreed to recommence this business has been somewhat overlooked. I need hardly recapitulate all that has taken place with regard to these shipments, but may recall the fact that during the time of depression in the Wool market we found that we were supplying a large majority of our clients with goods shipped from here on a bare 2½% commission, and were lending them the money as well, the result of which was twofold, we got short of money ourselves, and we robbed the Store of sales and consequent profits that we should have made; we therefore discontinued the system altogether, and our clients had to buy from us. When wool went up again, and our friends found themselves with money in their pockets, the inevitable happened: we were not doing a commission business, and they sent orders and cash to various firms in London who were. We were then obliged to say once more that in the case of those who were independent of us we might as well have the commission on their purchases, small as it was, as other people, and we began buying again for them to an extent that was intended to be limited, that is to say it was to be restricted to those who had sufficient balances in our hands to pay for the goods. It seems now that this has been unduly extended; every farmer sends for his own wool baling materials, as well as other goods, and they are shipped out in his name, regardless of the fact whether he owes us money or not. I see that there were nine invoices by the "Oravia" last month, the commission on which ran to £24.11.5, but if the largest item, £16.17.3, is eliminated, the rest were trifling, and ran from 1/10d upwards. All this means a lot of fiddling clerical work, and it does not pay us, but where to draw the line is the difficulty. It is said that you disregard these invoices, and charge the goods through the Store in some cases, - quite right too, but let us know what they are, and it will save this office the trouble of making them out. It seems to me that this is a question that can

never be settled to the satisfaction of everone concerned. We are Storekeepers, and have always bought here at wholesale prices, selling in Stanley at a considerable profit, a profit that is absolutely necessary considering the heavy expenses of the establishment. If we put the profit all round at 25%, and it is difficult to estimate it, it is no more than we want if the net profit for the year on the Store account is to be worth having. Now our friends get to know about wholesale prices and discounts, and they want their goods as cheap as they can get them. If we sell them out of the Store what has cost us £100 we get £25; if we buy on commission our remuneration is £2.10/-, and the Store gets nothing at all. Is it or is it not worth while going on with the Store business, if it is to be confined to local over-the-counter purchases? And if it is not, what can we do to make the account more profitable, unless we can get more than we seem to be doing out of our clients? I shall be glad to know what you think of the whole thing; there is another point that has occurred to me, the Store deliveries to the various departments and vessels are made at full selling prices, and how much this bolsters up the account, and helps to show a profit which is more or less delusive, it is impossible to calculate, and it may be necessary to adopt a new system by making all these deliveries at cost price.

3. The Pacific have written to ask for the rates we paid the Kosmos out and home, so are evidently prepared for a further deal.

4. In order that we may know as early as possible how work is progressing at Goose Green, I enclose a short code for use as soon as anything definite can be reported, which I do not expect will be on the arrival of this. We shall have to arrange to get the Preserver from Australia when we know that the Works will be ready for use, but this expense need not be incurred if by any chance we have to wait for a year.

I am, Sir,

your obedient servant,

Managing Director.

Despatch no.1081 per Supplementary Mail,23rd September,1910.

PRECIS OF SUBJECTS.

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1. Settlement with Underwriters of "Malvina".
2. On shipping goods for clients on commission,and remarks on the Store business.
3. Reporting enquiry by P.S.N.Co.about freight rates.
4. Code sent for reporting progress at Goose Green.

Enclosures per Supplementary Mail via Lisbon

Originals

1 Account Current.

2 Remarks on Accounts.

3 Remarks on Stores.

4 Replies to Remarks on Stores.

5 General Cargo per "Orcoma"

6 General Invoices goods per "Orcoma"

7 Precis of Subject Despatch No.1080

8 List of Additions ~~for~~ to Clients' Cargo list sent via Liverpool.

9 Plan of Rownson Drew & Clydesdale's Conveyor

10 Sight Draft on J.Kirwan for £ 61 . 9 . 10 for collection B/L attached.

11 Copy of letter from C.Salvesen & Co.dated 21st September.

12 Lockerbie's invoice goods shipped per "Orcoma"

13 Certificates of Strength of the Whisky shipped per "Orcoma"

14 List of Code Words re Canning Business.

15 Hobb's invoice for Hay shipped per "Orcoma"

16 Final Invoice for goods per "Thorndale" & "Oravia"

17 B/L General Cargo per "Orcoma"

Clients' A/sales :-

18	Z	14 bales	Sheepskins	"Esmeraldas"
19	D S	4	,,	,,
20	♡	15	,,	,,
21	F B	10	,,	,,
22	S & S	1	,,	,,
23	W P	1	,,	,,
24	McG	6	,,	,,
25	♣	6	,,	,,

Clients Invoices goods per "Orcoma"

26 Bertrand & Felton,Mrs T.Robson,G.Bonner & Co.,Ltd., Vere Packe,W.D.Benney's Estate,Stickney Brothers, Holmested & Blake,Ltd,Mr D.Smith,Baillon Stickney, Henry Waldron,Speedwell Island A/c.,H.& G.Cobb.

London 24th September,1910.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 19th October, 1910.

Per Orissa.

No. 1082.

Sir,

I have to acknowledge the receipt of your despatch no.384, letter of 7th ult.,and cablegram of the 8th inst.from Montevideo.

2. Par.3. I reported in my last despatch that I had settled the "Malvina" claim by paying for the salved gear and the wreck according to your valuations. If I had thought that you were going to put the latter up to auction,I might have waited to see the result,but as this might have delayed the settlement of the gear it seemed better to clear the whole thing up. As it is you will have sold our own property; if under £50 we lose,and the opposite if the bidding goes higher. It is so small a matter,and the value of the gear is so much under what it is really worth,that it really does not matter.

3. Par.4. We should like to know why our chances of using the slip at New Island are diminished with the advent of a new Manager.

4. Par.5. The Underwriters have not approached us again about the Inverness-shire,and as we are not going to run after them the case may come on for trial. I hear,however,that Mr.Douglas is trying to bring the others into line with him,and we shall probably have an offer.

5. Par.6. I am glad that the "Garland" has got round without any hitch,and this is so far satisfactory,but we have heard nothing yet about the arrival of the "Thorndale",which ought to have reached Sandy Point long before this.

6. Par.7. The news of the arrival of the "Sabino" at New Island is also satisfactory. Please report how much the caulking and other repairs cost altogether.

W.A.Harding,Esq.,

Manager,

Stanley.

7.Par.8. I am glad to say that the Smith-Sharp affair has now been settled,and I hope that the Mortgage will be ready to send out for registration by this mail. Our Solicitors have the money in hand,and the conveyance of Sharp's share has been received. There has been some delay caused by Mrs.Smith's obstinacy over some details,and when I say that you know what I mean. Fortunately when she found that she could only borrow the money on our terms she gave way. A further hitch occurred over the amount to be paid to Sharp on account,but I managed to settle that,and enclosed you will find a statement showing how the figures have been arrived at. The final balance due can only be ascertained when Mrs.Smith returns to Stanley,and it is agreed that your decision is to be accepted by Sharp. Mrs.Smith says that there were certain payments made by her husband which have not yet been charged to the farm; this may or may not be the case,and it seems singular that if Probate of his will was obtained any outstanding accounts were not adjusted then. I have made a mistake all through in thinking that the date of the sale was the 1st and not the 31st March,as it appears to have been,and consequently in paying the interest to Sharp we have given him a month too much,of which account will have to be taken in the final settlement,as well as of £52 he has already received on account of profits.

8. Par.9. With your remarks on the steamer question we are in practical agreement,and there is not one point in your long essay on the subject that has not been turned over here the last month or two,and discussed ad nauseam. We have always held that a steamer could not pay,because we have not expected until quite lately that the farmers would agree to a rise in freights. Now that they have agreed to it the case is completely altered,and we can see that if a suitable boat gets general support and is properly managed,she can be made a success. But how to secure that general support is a problem,and to keep it when we have got it; for there are people in the Islands ,as there are everywhere else,who like to get a benefit without paying for it,and shippers, while enjoying the facilities on the coast that a steamer would afford,are quite capable of chartering a sailer for their own

produce. If all the farmers expect too much the venture will be a failure; for instance,Mr.Packe wants the boat to call at one of his places once a month,and if everyone asked the same it could hardly be done in a month of 30 days. The steamer will get round the Islands faster than three schooners in all probability,but you cannot tell how much faster until you have had experience,and there may be disappointment. That she will cost a good deal to run we know,and many people do not know; but if she is expected to run about with an empty hold,calling at ports whetherthere is cargo for her or not,such an idea must be dispelled. I am sorry that at the present moment nothing has been actually settled,although negotiations which have been carried on with the P.S.N.Co. for some months are so far advanced that I may be able to announce an agreement before closing this despatch. What we shall undoubtedly establish is freight on a weight basis,and it will be arranged so as to give a substantial difference between the sum paid to the P.S.N.Co.and the through rate. Several clients have written as to the hardship of paying for weight on their well pressed bales,and say that the money spent on their presses has been thrown away. It is not so at all; for there will be,coupled with the rate for weight,a stipulation that the measurement must not exceed 2½ times the weight,and this will come into force according to my calculation,as soon as the weight drops below 22.4 pounds per cubic foot. A table of the respective weights and measurements of bales of wool from every station has been compiled, and a copy is sent for your informatiom. The points of the agreement with the P.S.N.Co.which up to the present have been settled are the following. The outward rates are to be raised: they say that since 1900 when they first went to the Islands freights have been raised all round with the exception of ours,and that a rise in our case has become necessary. They will charge on the four classes respectively,50/.45/.42/6.and 30/.,and as this compares with 55/.45/.35/.and 25/.to Punta Arenas,there is not much to com plain of. On the other hand,they are going for the first time to give us a clean 20% off the whole,which is what I have been asking for for a long time,and if the increased rates have the effect of

stopping or reducing the importations of private individuals, we shall not have much to complain of. They will not increase the rates by cargo boats, but they want us to desist from chartering any outside tonnage. To this I have objected, as we must have the means of sending out coal both to Stanley and Darwin, and their reply to this is not yet in. They agree at last to give us a commision on passages engaged for anyone not in our service, and as to the homeward freight I expect their final answer any time. With regard to the steamer, Salvesens have approached us with two alternative propositions, to run a boat conjointly with them, or to put one on on their own account, and give us a commission on all earnings. The Board lean to the latter arrangement, as giving us a certain moderate profit without risk, but there may be difficulties in the way. We know the advantage that Salvesens have in the matter of crews, their slip, and facilities for repair at New Island, as well as their long experience in the business of running steamers. You speak strongly of the difficulty of getting crews for the schooners in the Islands, and there is no reason why the same difficulty should not show itself if we had a steamer ourselves. It would be worse to have the one steamer laid up for want of hands than to be partially paralysed by the schooners, because in the one case work would be absolutely at a stand-still, while it would be strange if you could not get something out of the others. When people talk about the change from sail to steam you should say that it is being brought about by the general wish backed by promise of support, that the rates must be higher, but that it would not be fair to compare them with those that been in force up to now, because we have to admit that we have been running for years at a loss solely to support the mail service, that the service is now sufficiently established to run without our help, and that in any case, steamer or no steamer, the rates would have had to rise, for we can put up with the annual loss no longer. At the present moment I cannot tell you what we are going to do, but by hook or by crook we shall provide the means of getting the wool in in time for the usual sales next year.

9. Par.11. The papers in connection with the "Hattie L.M."

were sent at once to our Brokers,and the same day we heard from them that a difficulty might be raised on the ground of there being no receipt or Bill of Lading for the lost goods,for the Underwriters had asked what evidence there was that they had ever gone on board. I understand that there is no proper system at work in this respect,which is news to me; it is so obviously incorrect and slack to ship insured goods without taking a receipt, whatever the form may be,that the practice must be discontinued at once,and whenever you have to forward a claim,this receipt must accompany it. I am glad to say that we have heard this morning that the Underwriters have waived their objection,and are passing the claim,including the salvage. Regarding the latter,in the circumstances you will understand that I have not much to say; but I may refer you generally to any book on salvage,and you will find what you no doubt know already,that is that there must be an extraordinary combination of circumstances to warrant such a high rate as 50%. I used to combat any claim over 33 1-3rd %,and you ought to bear in mind that such high charges are more than likely to act prejudicially in causing Underwriters to raise rates. You refer elsewhere to the fact that as the ship was uninsured the Master did not make a protest. This is one of the reasons why he ought not to have neglected it. Look at the law books and you will find that the protest is made to protect the Master,and I think the Owners against claims. The Master undertakes to carry certain goods to their destination,and if he fails to do so,the owners of the cargo can proceed against him. His answer to this is the protest,and in every case of accident it is only prudent on his part to note a protest as soon as he can. Here you will find he can stop,and if the protest is required to establish a claim it must be extended at the expense of the persons who want it. You will find this in Kay,and in all the other law books in your office. The Underwriters here waive the protest in this case,but it would have been open to them to dispute the claim on the ground of its absence.

10. At a meeting in July the Board agreed to allow Mr.Girling to take his holiday on full pay,and at the last Board it was set-

tled that his salary should be £500 per annum for the next five years, which commence from the date of his leaving Liverpool. As the other terms will be the same we have agreed that an endorsement on his old agreement of the change of salary will be sufficient.

11. I send some correspondence with E.Wilkins together with 10 title deeds of his property in Stanley, which he wishes sold, and the proceeds remitted through us. I told him that to do this he must authorize someone by Power of Attorney to act for him, and he replied that George Turner had a general Power from him under which he could act. This may or may not be the case, anyhow it is not our affair, and all we have to do is to hand over the documents to Turner, and receive the proceeds from him. I pointed out that a Conveyance seemed to be missing, that is from John Casey's Executor to Mrs.C.Smith, but that again is not our affair. Wilkins asked for an advance on the deeds, but I replied that we were not in the habit here of lending on Stanley property, in fact I do not think that he is a man who could ask a favour of us.

12. The cable asking for a credit on account of the Marechal de Castries seems to imply that she is in Stanley, but the Owners ask if we know this, as their advices point to her being at "Smilie". A cable from Punta Arenas makes this still more perplexing, and until your despatch arrives we shall be in the dark. It is also reported at Lloyd's that salvage has been claimed, and that she is under arrest; to this you do not allude, so I must assume that it is not at the instance of the Company. In fact, if she is safely in Stanley, and has no means of running away, it would look like a high handed proceeding. I can only hazard a wild guess that as Weddell Island is near New Island one of the whalers has helped her out of a difficulty in Smiley's Channel, and has arrested her for salvage. Whether this is correct or not remains to be seen. I must again point out, and how many times I have done it I do not know, that it is useless to ask for credit, especially for a foreign vessel, without mentioning some sum to be named to the Owners; you cannot know, of course, perhaps within hundreds of pounds, but you can guess better than we can, and should say some-

thing,which may afterwards be increased or reduced. In this case, after speaking to Mr.Girling about it,I asked for a credit for £1000,but the Owners reply that they can do nothing until they get a reply to a cable they have sent to the Captain.

13. Referring to par.8,a letter just received from the P.S. N.Co.giving their final offer enables me to state precisely how we shall stand. They say that they will not interfere with the small vessel we charter out,but hope we will not give her more rough cargo than we can help. Wool is to be taken at 52/6 weight, when the measurement does not exceed 2½ times its weight,when it does,the rate is to be 22/.per ton of 40 cubic feet. I would rather have had it 21/.,because that is the exact equivalent of 52/6 weight,and the new rate penalises the light pressed bales to the extent of 1/.per ton. Seeing,however,that the most I asked in the first instance was a reduction to the all round rate of 22/6,I do not think there is much to complain of. Coupled with this is the condition that we have the control of the whole of the wool shipped from the Colony; this must be an oversight,because they know well that Port Stephens and Port Howard do not ship through us,and I am pointing this out. There is another condition that the control of the business must be in our hands,and this makes it imperative that we should act conjointly with Salvesens,not merely supply them with cargo. I can now give you the estimate we have made up,based on last year's shipments. Gross freight we charge at ⅝d when the weights allow,and on this the P.S.N.Co.get 52/6 weight. On the other they get 22/.,and the proper proportion,9 to 20,gives 48/8d.as the gross freight. I think,however,that we have so much in hand,especially if the P.S.N.Co treat each shipment as a whole,that if we ask 45/.& 5% we shall do well enough. I have been calculating on one-fifth as the proportion to be taken by us for hulk hire,use of steam,lighterage at times,and hulk hire. No objection to this has been raised by Salvesens,but the return to us is so extremely good that we can keep it up our sleeves in case there is any bargaining to be done. Then I have put down £1438 as the sum earned by the schooners last year for local freights and passages,exclusive of the produce carried,and lastly

there is the mail service, of which we should be entirely independent, but as a matter of policy we probably ought to take it up.

The gross freight at $\frac{5}{8}$d or 45/.& 5% comes to		13740
To P.S.N.Co.@ 52/6 or 22/.		6266
		5)7474
To Company's Shipping for hulk hire and labour		1495
		5979
Local freight and passages		1490
Mail service	?	600
Gross revenue		£8069

If these figures are approximately correct, there is a good future for the steamer, always provided that we keep others out. There is not room for two, and opposition would be disastrous for both parties. Considering the advantages to be gained in better communication, the extra freight will not be a serious item, and I think that if the first year is successful, and I hope to run a year as a trial without committing ourselves further, the accounts may show that we could come down a sixteenth or possibly an eighth in the rates. I would say as little as possible outside the office of the prospects, for after all they are not assured, and although we have got out a workable scheme, we have still to reckon with Salvesens.

I am, Sir,

your obedient servant,

Managing Director.

Despatch no.1082 per "Orissa",19th October,1909.

PRECIS OF SUBJECTS.

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1. Acknowledges despatch,letter,and cablegram.
2. Remarks on sale of "Malvina" wreck.
3. Enquires as to slip at New Island.
4. About Inverness-shire,Underwriters have not moved.
5. About "Garland" and "Thorndale".
6. Enquiring as to cost of fitting out "Sabino".
7. Reports proceedings in the Smith-Sharp transaction.
8. Discusses the steamer question in full.
9. Reports that Underwriters are settling the "Hattie L.M." claim,and remarks on missing documents.
10. Reports arrangements with Mr.Girling.
11. Refers to title deeds of property in Stanley sent out on account of E.Wilkins.
12. On the subject of the credit asked for on account of the "Marechal de Castries."
13. Further on the subject of coasting steamer,and commenting on Pacific Steam Navigation Co.'s revised rates.

Enclosures via Liverpool.

Duplicates

Despatches Nos.1080 and 1081

Remarks on Stores.

Replies to Remarks on Stores

Remarks on Accounts

List of Cargo per "Orcoma"

List of Parcels

List of Clients' Cargo per "Orcoma"

Additions to Clients' list of Cargo per "Orcoma"

Sight Draft on J.Kirwan & B/L attached.

General Invoices goods per "Ocoma"

Particulars for Erecting Bungalow from Browne & Lilly.

List of Dutiable goods per "Orcoma"

List of Enclosures

Clients' A/sales,reports & contracts:-

Z	14	bales Sheepskins	ex "Esmeraldas
D S	4	,,	,,
W P	1	,,	,,
△	15	,,	,,
F B	10	,,	,,
McG	6	,,	,,
	6	,,	,,

Clients' Invoices for goods per "Orcoma"

H.& G.Cobb,Mrs T.Robson,G.Bonner & Co.,Ltd.

Vere Packe,W.D.Benney's Estate,Stickney Bros.

David Smith,Baillon & Stickney,H.Waldron.

London 19th October,1910

6

Enclosures via Liverpool

"Originals"

1 Wool Reports

2 Copy of Cablegram received

3 Labourers' Agreements :-

A.Sutherland, A.Rae, W.Turner, G.Robertson, A.M.Kenzie, C.Dyer.

4 Woolsorter's Agreement H.N.Dewhirst.

5 A.Wilson's Account for W.C.Girling

6 Mr.Bull's Schooling Account for Vere Packe

Clients' A/sales:-

7	Fell	51	bales Wool	"Duendes"
8	J B	155	,,	,,
9	J R	31	,,	,,
10	M & G	28	,,	,,
11	S	3	,,	,,
12	C C W	10	,,	,,
13	W E D	184	,,	,,
14	H G C	39	casks Tallow	,,

15 Brokers' press copies Co's Wool & Skins ex "Esmeraldas" & "Duendes"

16 Wool Sweeping Returns for 1909

17 Copy of Browne & Lilly's specification for Shepherd's House dated 15th October.

18 Catalogue of Ashford Ram sale showing F.I.Co.& H.& B's purchases.

19 Copy of letters from the P.S.N.Co.dated 15th + 18th and our reply of the 16th October.

20 Copy of letter from Thomas Sharp dated 12th October.

21 Copy of letter dated 10th October from Mrs M.A.Smith.

22 Copy of letter received from E.Wilkins dated 28th Sept.& Documents referred to(see detailed list attached)

23 Messrs Durrant Cooper & Freeman's receipt for expenses a/c Mrs M.A.Smith.

24 Final Invoice for goods per "Orcoma"

over

London 19th October, 1910

London 19th October

25 Particulars relating to payment made to Mr Thomas Sharp on account of Messrs Smith & Sharp.

26 Statistics of Weight & Measurements of Wool & Skins shipped in 1969

Small parcel for Dr Turner.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 16th November, 1910.

Per Oropesa.

No. 1083.

Sir,

I have to acknowledge the receipt of your despatch no.385, which arrived on the 31st ult.,your letter of 4th ult.on the 1st inst.,and despatch no.386 per "Corcovado",posted in Montevideo, which came to hand on the 12th inst.

2. 385-2. At the time we settled with the Underwriters it was not absolutely clear that you were going to sell the "Malvina" and gear,in fact there was no object in sending your certified valuation except for the information of the Underwriters. It was desirable to accept a settlement at once,and I see that if we had delayed we should have got the property a few pounds cheaper,but there is full value for the money after all. We will try to recover the Lloyd's Agency fees for you,but cannot be sure of getting them.

3. Par.3. I seem to have expressed myself awkwardly on the subject of the "Lonsdale" towage,for in a former despatch I acknowledged your remarks on the accounts, and it was then that I pointed out that you had not written sufficiently clearly. Perhaps I should have written," if you had explained the undertaking". It may not have occurred to you that by not taking the reduction off the final account you place yourself in the eyes of the Underwriters under the suspicion of conniving with Porter to do them out of £40; we know here that it was not so,but I thought it better to notify the payment to Douglas,in case it should escape Porter's memory.

4. Par.5. I hope that the final repairs to the "Great Britain" will be done as soon as the weather permits. I shall be on the look out for a small vessel for the next coal for Darwin,to

W.A.Harding,Esq.,

Manager,

Stanley.

be dismantled on arrival,and laid up as a hulk for the Canning Works.

5. Par.6. The account that should have been signed by Capt. Flett has been sent to Messrs.Thos.Law & Co.with a request for payment. If the "Orcoma" was in port for several hours,there ought not to have been any difficulty in settling this account.

6. Par.7. I have heard nothing from the P.S.N.Co.about the "Thorndale",and suppose that they are quite satisfied with the despatch she got,considering the paucity of deck hands.

7. Par.8. The suggestion I made in 1079-14 was referred to Messrs.Bischoff & Co.,who consider it quite feasible,and have drafted a scheme of which I enclose a copy. This provides for leasing the property at Goose Green from us,and suggests restrictions on various points,mainly the holding of shares. The Board having in the first instance declared themselves willing to allow certain of our clients to take shares in the canning venture,do not wish to back out of it,and will form the Company if so desired; but they wish to ascertain the feeling of the farmers first, and suggest that it might suit them equally well if we were to pay them a good sum for their sheep,and give them a bonus if the canning turns out well. There would be a certain amount of expense in forming even a private Company,stamps,lawyers' fees,&c. Let us know what Messrs.Bonner & Packe have to say,and the Board will then decide. If the works turn out a success,I look forward some day to having a large lighter in Falkland Sound to bring over sheep from the West.

8. Par.9. We have got on with the steamer scheme since last mail left,and details are practically settled. We have followed the desire of the Board not to take any share in the boat,and yet the arrangement is not unsatisfactory to ourselves. The figures have been reduced,and Messrs.Salvesen have agreed to a through rate of 9/16d,we taking the sixth instead of a fifth of the local earnings for Stanley expenses. This rate is exactly half,or I should say double the Pacific charge,9/16d being equal to 105/. per ton,so that the calculation will be simple. We have agreed that Salvesens are to own ~~to~~ the boat,and that we are to have the

sole control of her working on the coast. Freight on last year's wool at 9/16d.weight or 42/.& 5% measurement,according to pressure,has been worked out at £12,525,and after paying the P.S.N. Co.half,i.e.at 52/6 weight or 22/.measurement,there will remain a sum of £6263,of which we take one-sixth,or £1044 to pay for wages,lighterage,and the hire of the "Great Britain". I said that I had a lot up my sleeve,and I think you will agree that after paying the wages there will be a good deal of hulk hire left. Deducting £1044 from £6263,we get at the actual amount of the local freight inwards,£5219,on which the steamer's account pays us 5% commission,or about £261. Now dealing with freight out from Stanley,we get a commission of 5% on the gross amount,uncertain,say £65,and on passages and the mail subsidy,as at present arranged we get no commission,but I am going to ask for it on the former. The earnings on wool and sheepskins will be supplemented by the transport of tallow and other produce,as well as the cases of canned meat. Salvesens estimate the coal at 1300 tons at £2 per ton,but this is at present uncertain. The accounts of the steamer are to be made up annually,and of the profit they are to take a preferential dividend of 10% on the cost,which will represent the capital,and the balance left is to be divided between them and ourselves in equal shares. Now,considering that we take no risk,lay out no money,and have no share in the boat,the terms seem fairly favourable,and the long negotiations that have taken place have not been waste time. As to tallow and the rest,the rates have not been arranged yet,but they may be expected to follow the rise on wool and skins. With regard to some remarks which you pass on in your despatch,what is really the value of any opinion expressed by people who have no knowledge whatever of the working expenses of a steamer,or any means of finding out? You have no warrant for saying that if we are in partnership with Salvesens,they will not make any reductions. How can you know? You have never met any of the firm,and what you say is pure guesswork,contradicted even within the last few days by their assent to a reduction of 1/16th. I know,on the contray,from enquiry that they are a firm of the highest standing; their brother,Lord Salvesen,is one of the Scotch Judges,and the opinion given to me by Mr.Ainslie,also of Leith,of

Mr. Theodore Salvesen, who has this business in hand, is that he is a shrewd man and absolutely straight. In the matter of crews, you have said so much about the difficulty of getting good men now a days that we feel, assuming what you say to be true, that to run a steamer of our own with such men to rely on would spell disaster. The master and crew have been picked with an eye to sobriety; Mr. Salvesen knows that the whalers are not paragons, and that they have committed excesses in Stanley. But if any of the crew should go wrong, they will have better means of replacing them from other vessels or New Island than we should. The steamer is the "Columbus", now in the Plate, where she has acted as a sort of tender to the boats of the Hamburg-South American Co., to whom she lately belonged. She has good passenger accommodation, and is fitted with electric light. The drawback at the present time is that it has been discovered that through beaching her constantly some damage has been done to her ballast tanks, and this is being put right in dry dock, entailing some delay. I very much regret this, as it means that she will not be available for service until some time in January; but when she gets to work, it is hoped and expected that she will make up for lost time. The crew are to sail shortly in the "Starlight", and Mr. Salvesen expects that on arrival in Buenos Ayres they will find the ship ready. You will, therefore, have to keep the two schooners for our own work, which must not be allowed to suffer, and I doubt if you will be able to get any clients' wool in in time for the first homeward boat.

9. You will find it necessary to make a change in your methods in using this steamer, if she is to be worked to the best advantage. You speak of getting stores out as a proof that she will have to use more steaming days than we expect. But stores will have to go on each outward trip, and will have to be got ready in time for shipment so as to avoid delay. There will have to be numerous instructions got out for your guidance, among them the minimum amount of freight that will warrant a call at a port, for it will never do to expend £5 on earning £2. There is no more to be said on the subject this time, but I enclose for your information extracts from correspondence which will show you how the arrangement has been brought about.

10. Par.10,and 386-2. There is no question that the "Samson" must go to Sandy Point,since the New Island slip has broken down. The prices quoted,however,are simply appalling,and though the owner of a slip is entitled to a good return for his enterprise in such a place,and therefore £165 for hauling up and refloating may be swallowed,what justification is there for £186 for scraping and painting,for which we have just got an estimate of £10 for labour and £20 for materials,£30 in all,from one of the principal dry docks here? The people over there must surely have made allowance for commissions and baksheesh all round! Could you not arrange a price for putting her on the slip on the basis of so much per day,sending over materials and one or two handy men who can lay on paint in addition to the crew,and let them do the work? Is there more than one slip,or is it a monopoly? If not,cannot a competitive price be got? From your account and Baseley's report it is evident that we should be doing wrong to allow her to run any longer without an overhaul,and it must be left in your hands to carry it out as cheaply as possible. I shall be surprised if she comes away from Sandy Point without dropping £1000,and do you suppose that the steamship owners there,Braun & Blanchard for instance,have to pay through the nose for everything that is done? Would it not be well to consult them,as well as Mr.Stubenrauch? This,I hope,will be the only time she will have to go,for Mr.Salvesen tells me that they will have to strengthen the slip at New Island to take up the "Columbus". With these remarks we must leave it to you to do the best you can.

11. I have a word to add on the subject of the "Columbus"and the freight arrangements; I rely on your not divulging to anyone outside the office any of the details of our two deals with the P.S.N.Co.or Messrs.Salvesen. No doubt there will be a good deal of curiosity,and it must remain unsatisfied.

12. Par.11. Let us have no doubt about the safety of the Smithy boiler; if it is played out it must be scrapped. It went out, to the best of my recollection,at the end of 1888 or the beginning of the next year,and has been written down to nothing long since. It was originally a second hand boiler,Davey Paxman I think,and it ought to be replaced by a new one. It occurs to me

to ask whether it would be practicable to use the oil engine from North Arm to run the rest or a portion of the machinery, and have a smaller boiler specially for the hammer. It is a question whether the 8 h.p. of the oil engine would be sufficient or not, if not, that settles it; but the horse power of the Hayward Tyler engine is also eight, and with an arrangement of pullies and belts, which I believe are now in use, it might be worked. If this idea is no good, then I think you ought to let us know what sized boiler should be sent out to replace the old one. That at Goose Green is doubtless too large.

13. Par.12 and 386-6. Before the arrival of the mail per "Corcovado", the owner of the "Marechal de Castries" accompanied by his London agent came here to talk about the credit. I told them that I supposed that if Salvesens did the work at New Island they would make their own arrangements about payment, but it seems that we are the agents of the ship, which is chartered by Balfour Williamson & Co., and from what I could make out they wished us to make all payments. I believe that the owners are people of means, but nevertheless I said that we should like a credit on London. They went away, and have not returned, so I do not know how we stand with them. Now it seems that you are providing supplies to some extent, and I must get in touch with them; but I fear that I cannot report anything this mail, and I do not yet know the amount of the credit required.

14. Par.13. You and Mr. Packe were quite right in protesting against the expenditure proposed on account of the drill hall, and a stand should be made against tampering with the Land Sales fund. Opposition from the Colony in such a case always has more weight with the C.O. than representations from here; but if you memorialize the C.O. we will do our best to support you. Volunteering in the Falklands is at best playing at soldiers, for no one can expect the little band to be of any practical value. It would not matter, in fact might be a good thing, if the expense were not so enormous, but the services that could be rendered are altogether out of proportion to their value.

15. The Board have considered your suggestions on the subject of the division of the "Lonsdale's" salvage, and I am to say

that in these cases the proportion allotted to the crew is what we are bound to give according to the Merchant Shipping Act,and that it is open to them,or to any individual member of the crew, to sue us if they are dissatified,for which reason we got our Solicitors to arrange the proportions that they,in their experience, thought would be awarded by the Court. This was done in the case of the Hyndford and of another,and with this precedent before you it was considered that you could work on the same lines without getting Messrs.Ince's assistance. There is no objection to the increased amount given to Baseley,provided Thomas is satisfied, and you need not ask him; but when you suggest that this legal obligation should be stretched into giving a bonus to others who have no claim,the Directors cannot assent to the establishment of such a precedent. Moreover,all in the Company's service have received lately a bonus on their salaries for 1909,and the application is consequently scarcely well timed. With regard to your suggestion with regard to yourself,the Directors are unable to see any grounds for it. You went to Montevideo on account of the Underwriters,and your expenses were repaid by them; how then can you ask to have them paid over again,especially as you made your charges in the ordinary way for your services as Lloyd's agent in the case?

16. 386-3. The answer to your circular about the Cemetery will have to stand over until the next meeting of the Board.

17. The same may be said with regard to Mr.Packe's wish to connect with Fitzroy by telephone,on which Mr.Mantle will have to be consulted. There is the question of cross talk,of which he made a great point when the subject was considered some years ago,and as to the inconvenience in the office,that could easily be prevented by leading all lines into the Store,and having messages for the office switched on to you. A switch of this kind is in use in many offices in the City,where a line into the principals' office would be an intolerable nuisance.

18. Par.5. I do not know what answer to give you about accidents. It would generally be better to compensate by the grant of a lump sum,and you might be able to ascertain what would be acceptable. In Perring's case the subject is complicated by the

uncertainty as to whether the wire was the cause of the injury to his finger.

19. Par.7. The owners of the "Wray Castle" will accept the Master's drafts for disbursements,as already cabled.

20. Par.9. The Pacific have made no remark as yet about the "Thorndale".

21. Since I began this,Messrs.Galbraith Hill & Co.have undertaken to accept drafts on account of the "Marechal de Castries".

22. The mortgage and other documents relating to the advance to Mrs.Smith are enclosed,and you will please have them registered as usual,and then return them. Messrs.Bischoff & Co.ask me to point out that they must be taken according to their dates,that is to say the conveyance from Sharp to Mrs.Smith must be registered before the mortgage.

23. There are 36 rams on their way per "Junin",which left on the 11th inst. The P.S.N.Co.decline to take live stock in the mail boats,and there were not orders on hand sufficient for a cargo boat,so that we were in a fix. We received ultimately an offer to carry the whole in the "Junin",which is making a special call for the purpose,on condition that we would ship all cargo by her at mailboat rates,and guarantee £150 freight. It happened most perversely that the orders were unusually scanty,but we ran the risk on an undertaking from the owners of the rams that they would make up the amount pro rata if called upon. The freight has exceeded the sum,and they are free; but you should bear in mind that there are likely to be rams every year after the Kent sales, and endeavour to have an order home about the time suitable for shipment by cargo boat. You might also remember that it is undesirable to send large orders by the "Orcoma": this was done lately, and the goods were,as usual,promptly despatched. If the Storekeeper would look a little ahead,and send larger orders by the ship before the "Orcoma",reducing her indent to the smallest possible bulk,you would not have so much to handle in Port William.

24. I am sending you some copies of a circular I have addressed to the wool shippers,which you may like to send on as well

in duplicate with your own observations in some cases. A list of those to whom it is posted is enclosed.

I am, Sir,

your obedient servant,

Geo. E. Lobb

Managing Director.

Despatch no.1083 per "Oropesa" 16th November,1910.

Precis of contents.

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1. Acknowledges despatches and letters.
2. About sale of "Malvina".
3. Further on Lonsdale towage rebate.
4. On repairs to Great Britain and purchase of small hulk.
5. Refers to Inverness-shire accounts.
6. On despatch of "Thorndale".
7. Asks for farmers' views as to forming a Canning Company.
8. Discusses and explains scheme for working coasting steamer.
9. On methods to be observed in working the steamer.
10. Samson to go to Punta Arenas for repairs: remarks on estimate.
11. Enjoins secrecy as to negotiations with P.S.N.Co.and Salvesens.
12. Remarks and suggestions as to Smithy boiler.
13. Reports interview with owner and agent of "Marechal de Castries."
14. Company will support protest against expenditure on account of Drill Hall.
15. Remarks on division of "Lonsdale's" salvage.
16. Reply about contribution to Cemetery Fund deferred.
17. Enquiries to be made as to Mr.Packs's proposal re telephone.
18. Discusses accidents,and asks for further information.
19. Credit for "Wray Castle" obtained.
20. No complaint from P.S.N.Co.about "Thorndale."
21. Credit obtained for "Marechal de Castries."
22. Encloses Mortgage of Berkeley Sound Farm,and gives instructions as to registration.
23. Reports despatch of rams per "Junin",and suggests sending an order for a cargo boat in the autumn in future.
24. Refers to circular to Sheepfarmers on steamer question.

Enclosures via Lisbon.

Originals :

1 Remarks on Accounts.

2 Remarks on Stores.

3 Replies to Remarks on Stores.

4 List of General Cargo per "Oropesa"

5 General Invoice goods per "Oropesa"

6 Copy of letter from W.Cooper & Nephews dated 10th Nov. and copies of correspondence with J.R.Robson

7 Particulars of Rams shipped per "Junin"

8 Sight Draft for £6 . 7 . 5 on J.Kirwan for collection and B/L attached.

9 Copy of letter to Chr.Salvesen & Co.dated 17th November.

10 List of persons to whom freight circular has been sent.

11 Statement of apportionment of freight under the new arrangements

12 B/L general Cargo per "Oropesa" (2)

13 Copy of letter received from Thomas Law & Co.dated 17th November.

14 Rownson's invoice for goods shipped "Oropesa"

15 Bellamy's ,, ,, ,,

16 Statement of cost & division of expenses of Rams per "Junin" and invoices.

17 Letter to W.A.Harding.

London 19th November,1910

Enclosures via Liverpool

1 Copy of Cablegrams received.

2 Copy of Cablegrams sent.

3 Documents relating to the Berkeley Sound Farm.

Clients' A/sales:-

4	J.B.	4	bales Sheepskins	ex "Duendes"
5	McG	4	,,	,,
6	Fell	4	,,	,,
7	C C W	1	,,	,,
8	J R	2	,,	,,
9	W E D	6	,,	,,

10 Copy of Brokers' A/sale Co's Sheepskins ex "Duendes"

11 Copy of L.O.Cash Account & Mail Agency Account .

12 Credit notes for claims recovered for seadamaged Wool ex Esmeraldas & Duendes & Stores,Salvage &c.ex Hattie L.M.

13 Copy of Draft Scheme for Canning Factory.

14 Copy of letter from P.S.N.Co.dated 28th October.

15 Bischoff's duplicates receipt for expenses re Berkeley Sound Farm.

16 Correspondence with Messrs Salvesen & Co.re Coasting steamer.

17 Copy of contract for the Conveyance of the Interinsular Mails & Passengers &c.

18 Specification of Columbus.

19 Final Invoice Stores per "Orissa"

20 Account Current .

21 Remarks on Accounts

22 Letter for A.L.Allan,

23 Duplicates of mail papers per "Junin"

London 16th November,1910

Enclosures via Liverpool

For Journ

Duplicates .

Despatch no.1082 dated 19th October.

Remarks on Accounts.

Remarks on Stores.

Replies to Remarks on Stores.

General Invoice goods per "Orissa"

List of General Cargo per "Orissa"

List of Enclosures

List of Parcels.

List of Clients' Cargo per "Orissa"

List of Duitable Goods per "Orissa"

Sight draft on J.Kirwan with B/L.attched.

Clients' A/sales:-

J R	31	bales Wool	ex "Duendes"
S	3	,,	,,
WED	184	,,	,,
J B	155	,,	,,
FELL	51	,,	,,
M & G	28	,,	,,
C C W	10	,,	,,
H G C	39	casks, Tallow	,,

Clients' Reports and contracts:-

J B	4	bales Sheepskins	ex "Duendes"
M & G	4	,,	,,
C C W	1	,,	,,
J R	2	,,	,,
Fell	4	,,	,,
W E D	6	,,	,,

Clients' Invoices goods per "Orissa"

Holmested & Blake,Ltd.,Baillon & Stickney,
A.Pitaluga,W.C.Girling,Bertrand & Felton,
W.D.Benney'sEstate,Dr.H.M.S.Turner,Vere Packe

London 16th November,1910

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street,
London, E.C. 14th December, 1910.

Per Oravia.
No. 1084.

Sir,

I have to acknowledge the receipt of your despatch no.387 and of your letter of the 1st ult.,which arrived on the 28th id.

2. 387-4. Considering the danger of using the X Rays that has caused lasting injury if not death to several medical men,it would hardly be safe to set up an apparatus at Stanley,unless the Colonial Surgeon is an expert in its use.

3. Par.6. A standard of timber is 165 cubic feet. I have seen Captain Anderson,and have spoken about buying a load in Sweden; but it is not possible to decided at present whether we shall charter the "Ragnhild" again or not,and if we were to do so,there would be a difficulty about getting the coal in first. I am making enquiries about an old vessel of about 350 tons to be laid down as a hulk at Darwin,and the probability is that if we buy one we shall put the timber in her.

4. Par.7. Nothing has been said about Captain Kite by the P.S.N.Co.,and I think it likely that the steam these Captains get up is soon dissipated. I have seen them blow it off at other ports,and assume that they think it necessary to get the work along.

5. Par.9. Note has been taken of the system of apportionment of return freight,which we were unable to make out from the returns. When the steamer is running the arrangement will be simplified.

6. Par.11. On the 25th ult.we cabled you to draw on Messrs. Galbraith Hill & Co.for the "Marechal de Castries".

7. Par.12. The list of repairs needed by the "Samson" has been submitted to our Engineers,and a copy of their comments is

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

enclosed. The vessel does not pay, and not a penny more than is necessary should be spent on her. One of the points made by the other side in the "Inverness-shire" case is that her market value today is not over £1000, and if that is so, the depreciation we have written off is insufficient. Taking her account since she went out in 1900 I shall be much surprised if at the end of this year, even if we ascertain the "Inverness-shire" award, she will show any profit at all. Something might be done to reduce her working expenses, for it seems extravagant to send her round the coast with men on Stanley wages including overtime. I think that in consideration of the bonuses they get periodically in salvage cases, the men who go in her regularly ought to be content to go on ship's pay and conditions for the time being. I spoke to you about this when I was in Stanley, and you said that you had shelved the question up to that time. The crew she carried would be considered excessive on this coast, and I think that if you go into it you will see more than one way of introducing economies. As regards Baseley's requisitions, you should remember that Engineers are never backward in asking for things, and their wants have to be kept down. I hear that Braun & Blanchard have their own slip and repairing appliances, and suggest that you might come to terms with them at a lower figure than you quoted lately.

8. Par.13. I wrote to the P.S.N.Co. about your suggestion to place the "Garland" at Walker Creek, and Mr. Connell saw Mr. Alcock about it. All I can get from them is that you must arrange with Mr. Pearson, and this I cabled you per "Oropesa". I have asked the P.S.N.Co. if they will cable Mr. Pearson to give the matter his favourable consideration.

9. Par.14. The system of charging commission on suppliers' invoices only and not on the total disbursements must be peculiar to the office you mention, for I cannot hear of any other that does not charge in the usual way. Probably what you say is correct, that the retail business in Stanley is of little value. Regarding charges to our own departments, they have for many years been made at retail prices, on the ground that if the Store did not exist we should have to buy from someone. If it is continued,

you must insist that our own departments get the most favoured treatment,that is to say,goods must be delivered on the best terms granted,wholesale or otherwise,to clients or other customers. I have been told that all deliveries are made at full prices without discount,and that if there is any article,of which the quantity or quality may be dubious,it goes to some department,a schooner perhaps,and the price charged is more than any independent customer would give. This is really only inflating the Store profit unfairly,at the expense of the other departments,and the system prevents your knowing what the legitimate profits are. Whether the argument that if the Store did not exist we should have to buy from others is a legitimate one or not,I have my doubts. If we were not selling to the public,we should still have to hold stocks for our own use,and we should naturally export them from this country. In that case the Store would be simply a distributing department,working without profit,but to the advantage of all the others. If the actual profit made,however,is really small,the importations in the case I have supposed would be restricted to what we actually want,the staff would be smaller,and at the end of the year the accounts might pan out just as well as they do now. If the profits legitimately made are really worth having,by all means let us go on; but we want to know that they are,and to get at the fact all inflated charges to departments will have to cease.

10. Par.15. We did not understand that Mr.Allan wanted 600 yards of tram,and ordered that length of rails. This has now been doubled,and the rails go by this boat. We are in a difficulty about sleepers,because we do not know whether it is intended to lay them longitudinally or transversely; with "bridge" rails which are sent the former is the proper system,but there might be a difficulty about bending them for curves. I am sorry that we have been unable to get them off this time,but we will go into the question as soon as the mail has gone,and despatch them next month. Probably the tram is of less importance than the other materials,at all events at the outset.

11. Par.16. The Board regrets to hear that you have been suffering from neuralgia,and we hope that your visit to Buenos

Ayres will cause this trouble to cease. It will, doubtless, be a pleasure to you to travel down from Montevideo with the Governor and Mrs.Allardyce.

12. In your notes on the hulks you state the "Vicar of Bray" to be a soft wood ship. She is at the end of her tether no doubt, but I think that you will find that she was built of hard English oak; if she had not been she could not have been a seagoing ship for 40 years or more.

13. The Board will give a donation of £50 to the Cemetery fund in compliance with your request.

14. The Ragnhild arrived on the 30th ult., and as far as we know at present, all the cargo has been delivered. You are aware that we were two casks of Tallow short last year, and we have been into this matter with Capt.Anderson. The Bill of Lading of the mixed marks was signed five casks in dispute, but the whole number was accounted for. Capt.Anderson is positive that all the casks shipped at Goose Green came out of the ship, and the inference is that two of these, owing possibly to the marks being obliterated or to carelessness at the Wharf, were taken to make up the other number, and the ship having signed, taking into account the five in dispute, for fewer than were delivered, we have no claim on her. One of the clients has got the benefit of our two casks, and I should like to know if we have accounted to any one for more than you received in Stanley, or if by chance two casks were left behind in the hulk, and came on afterwards by steam. Should this have been the case we shall have accounted for them twice over, and very likely given them more weight in one of the cases than their casks contained.

15. I enclose copy of a letter from Mr.Mantle on the subject of Mr.Packe's proposal to run a telephone to Fitzroy. You will see that he disapproves of the second independent wire, and advocates the Mount Pleasant connection. We are bound to defer to his opinion as an expert, and therefore ought not to sanction anything likely to upset the efficiency of the line as it is at present. The second and more complicated plan he mentions ought not to be adopted in the absence of a skilled electrician in the Islands, for if we may judge by the comic system in use in Stanley, which

seems perpetually to be calling up everyone who is not wanted, local knowledge of telephony is not very far advanced. Mr.Packe asked that the necessary materials might be shipped at an early date, but he must have forgotten that we were not free agents, and that we have an important partner who has to be consulted. Nothing therefore can be done until sanction has been obtained.

16. As there is no doubt now that the first wool will have to come by schooner from the ports, and the P.S.N.Co. will be charging their new rates, I think that you had better make the through one ½d, as no one can complain of it, and it will be only for one shipment or part of one. I assume that all the early wool will come within the weight stipulation; but should there be an exception you must adjust the rate accordingly.

17. I have written to Messrs.Chr.Salvesen & Co. for their opion on certain matters in connection with the running of the steamer, and expect their answer in time for the Supplementary mail. Of course I need hardly say that you will have to do your best to avoid friction with the Government, and I hope that the Governor will give no cause for it, as I am sure you will not.

18. Mr.Charles L.Chute, a barrister, instructed by Mr.Tweed, a Solicitor on behalf of Mr.Bertrand, goes out this time to conduct a case in the Supreme Court for the latter. Cables have been passing on the subject of funds, but as to what the case is the whole affair is "wropt in myst'ry", and I have not attempted to peer through the veil of secrecy. As stated elsewhere, Mr.Chute has a credit with us for cash received from Parr's Bank.

19. As the result of some correspondence Mr.Mathews on behalf of J.L.Waldron Limited has agreed to ship the Port Howard produce through us, and this will be confirmed at their next Board. Mrs.Waldron seems to have looked after the interests of Spearing & Waldron, and refused to consider our proposals unless we agreed to give that firm a commission or brokerage of 5% on the freight. To this Messrs.Salvesen consented, and the arrangement has been made. As Port Stephens has as yet made no sign, I have written to Mr.Carpenter for their decision, and hope to communicate it by this mail. I had to quote 55/. for tallow, giving the steamer 15/., or 12/6d net after taking off our sixth. This is not as good as the wool freight, but considering that the tallow will be collect-

ed in the latter part of the season when there may be little or no wool,it is better than running with an empty hold. Messrs.Salvesen & Co.agree to our taking 5% commission on passages obtained through our office,but say that the Captain will also issue tickets on board; this will probably mainly be from the outports. We are to have an agreement drawn up containing all the terms of our arrangement,and a copy will be forwarded to you.

20. The Chairman and I had a long interview a few days ago with the Chairman of Lloyd's,on the subject of rumours that had reached our ears about complaints both in writing and stated verbally that had been made against yourself as their Agent. We were met by Mr.Beck in the most friendly manner,and came away with the impression that what we said confirmed an opinion that he had previously formed. A pile of papers had been prepared for him,containing references to occurrences extending over nine years,but he only gave me the names of two,the Beeswing and the matter of the landing and storage of the Admiralty coal ex "Sofala",on both of which I have the facts,and am going to give them to him. There is a lot of malice at the bottom of all this,and I have been informed privately that the Chairman does not like the part that the Secretary of Lloyd's has played in the matter. I have,in fact,been told that but for the interposition of the former it was more than likely that the Agency would have been declared vacant. I told him that to receive complaints and not to acquaint the person most concerned of them seemed to me a most un-English proceeding,and he did not dispute it. More may come of this before it is over.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1083 dated 16th November.

List of Enclosures.

Remarks on Stores.

Remarks on Accounts.

Replies to Remarks on Stores

List Of Parcels.

List of Clients' Cargo per "Oropesa"

List of Dutiable Goods per "Oropesa"

List of General Cargo per "Oropesa"

General Invoice goods per"Oropesa"

B/L.goods per "Oropesa"

Sight draft on J.Kirwan with B/L attached

Clients' Account Sales as follows:-

W E D	6 bales	Sheepskins	ex "Duendes"
J B	4	,,,	,,
McG	4	,,	,,
J R	2	,,	,,
FELL	4	,,	,,
C C W	1	,,	

Enclosures via Liverpool

Originals:-

1 Wool Market Reports.

2 Copies of Cablegrams sent.

3 Copy of Cablegram received.

4 Particulars of Produce shipped in 1908/9 returned as requested.

* Mr.A.E.Allen's estimate of Staff required for Canning Works.

5 Copy of Jacob & Barringer's reply to list of repairs to tug "Samson".

* Copy of letters from Browne & Lilly dated 1st & 6th Dec.

6 Copy of letter from Chr.Salvesen & Co.of 22nd and our reply of 23rd November.

7 Copy of letter from P.J.Mantle dated 2nd December re.Mr Vere Packe's proposed telephone line.

Clients' reports & contracts:-

8	B B	21	bales Wool ex "Corcovado".	
9	S I	7	,, ,,	
10	F	42	,, ,,	
11	H W	46	,, ,,	
12	AP	9	,, ,,	
13	T R	6	,, ,,	
14	R B C	32	,, ,,	
15	HP	119	,, ,,	
16	A F C	6	bales Sheepskins ,,	contracts only.
17	R B C	2	,, ,,	
18	A P	2	,, ,,	
19	McG	12	,, ,,	
20	H P	7	,, ,,	
21	H W	9	,, ,,	
22	T R	9	,, ,,	
23	B B	4	,, ,,	
24	F	24	,, ,,	
25	W E D	14	,, ,,	

26 Copy of letter from E.F.Baillon dated 20th November

Clients' reports & contracts:-

27	F	37	casks Tallow ex "Corcovado"	
28	A F C	2	,, ,,	
29	H P	1	,, ,,	

30 R.B.C. 10 casks Tallow ex "Corcovado"

31 H W 9 ,, ,,

Clients' Invoices for goods per "Junin" & "Oropesa"

32 { Dr.Turner,Dean & Anson,B.Stickney, Vere Packe,H.Waldron. } "Junin"

33 Dr Turner,Vere Packe,Dean Anson "Oropesa"

34 Copies of lettersreceived from E.J.Mathews dated 17th., 24th & 26th November.

35 Credit notes for Claim pd.by Underwriters "Malvina"

36 ,, for amount received from Chr.Salvesen & Co.

London 14th December,1910

* Enclosed in Mr A.L.Allan's letter

Enclosures per Supplementary Mail

Originals

1 Remarks on Accounts.

2 Remarks on Stores

3 Replies to Remarks on Stores

4 List of General Cargo per "Oravia"

5 General Invoice goods per "Oravia"

6 B/L cargo per "Oravia"

7 Code for advising shipment

8 Copy of letter from Chr.Salvesen & Co.of 14th & our reply of 15th December.

9 Copy of letter from W.Carpenter dated 14th December.

10 Sundry Credit note.

11 Particulars of Homeward freight per "Duendes"

12 Invoice for Bertrand & Felton for boat per "Lenita" B/L attached.

Clients' A/sales:-

13 S I 7 bales Wool ex "Corcovado"

14 B B 20 ,, ,,

15 F 42 ,, ,,

16 AP 9 ,, ,,

17 HP 119 ,, ,,

18 T R 6 ,, ,,

19 R B C 32 ,, ,,

20 H W 46 ,, ,,

21 Account Current.

22 Day & Dewar's certificates

23 Hood' invoice for Tinplates for Canning Account.

24 Copy of letter from Thomas Law & Co.dated 17th and our reply 18th November.

25 Brokers' report on Company's Tallow ex "Ragnhild

26 Final Invoices goods per "Junin" & "Oropesa"

Clients' Reports & contracts:-

27 W 1 bag Hair ex "Corcovado"

28 F 1 ,, ,,

29	△	47 casks Tallow	ex	"Ragnhild"
30	K	2	,,	,,
31	W P	9	,,	,,
32	H & B	53	,,	,,

Letters for the following:-

W.A.Harding,A.L.Allan,(2) Dr.C.N.Foley.

33 Copy of letter from Secretary of Lloyd's dated 14th December.

34 Royal Insurance Co's police No.12101114.

35 Clients' Invoices goods per "Oravia"

Baillon & Stickney,Bertrand & Felton,A.L.Allan,Vere Packe, Dean & Anson,H.& G.Cobb,W.D.Benney's Estate,Holmested & Blake & San Carlos North Rifle Club.

London 17th December,1910

Despatch no.1084 per "Oravia" 14th December,1910.

Precis of Contents.

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1. Acknowledges despatch and letter.
2. On danger of X rays.
3. About timber from Sweden and hulk for Darwin.
4. On conduct of P.S.N.Co.'s Captains.
5. Noting system of apportionment of return freight.
6. Confirming cable on subject of credit for "Marechal de Castries".
7. On "Samson" and her working.
8. Suggestion about "Garland" referred to Valparaiso.
9. Remarks on system of charging deliveries.
10. Tram for Goose Green,rails shipped.
11. Approves of Manager's proposed trip to Buenos Ayres.
12. Suggests that "Vicar of Bray" is an oak ship.
13. Grants donation to the Stanley Cemetery.
14. Reports arrival of "Ragnhild",and enquires about tallow short on the previous voyage.
15. Reports expert's opinion on proposed telephone line to Fitzroy.
16. Remarks on freight on early wool.
17. On subject of steamer,letter written to Salvesens,reply expected.
18. Mr.Chute,barrister,going out for Mr.Bertrand.
19. Port Howard produce to be shipped by steam. Remarks on freight and passages.
20. Reports interview with Chairman of Lloyd's on subject of Agency,and comments on same.

1911-01

Rec'd

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902

61, Gracechurch Street,

London, E.C. 11th January, 1911.

Per Orcoma.

No. 1085.

Sir,

I have to acknowledge the receipt of your despatch no.388 and of your letter of the 29th November.

2. 388-2. I thought it best to pass on to Messrs.Salvesen your remarks on their Manager,in order to show them the difficulty in which you might be placed. From their reply you will see that so far as the "Columbus" is concerned you will have nothing to do with him,or with anyone but Captain Saanum,and from a further letter you will observe that in the event of stores being wanted for New Island application is to be made to the Company. You must give them the best terms you can,and it may lead to their doing an increased business with us. Naturally,as they send out their own boats,they must be expected to ship their stores direct.

3. Par.3. As your remarks on Accounts of 31st October mentioned that you were passing the price of the "Sabino" to Messrs. Salvesens' debit I suppose that it will come forward in the next account to be settled.

4. Par.5. It seemed useless to cable to you from here information about the movements of the steamer at Buenos Ayres,about which I assumed that you could get later news direct if you thought of asking for it. There has been regrettable delay owing to a low river,but Salvesens say that the crew had arrived at Montevideo,and that the repairs were expected to be completed in the second half of this month.

5. Par.9. The delay in cabling a credit for the "Marechal de Castries" was caused by the Owners and their agents here,who wanted to understand the situation before they acted. Generally

W.A.Harding,Esq.,

Manager,

Stanley.

speaking,it is hardly regular or safe to take a draft on ~~xx~~ Owners upon cabled instructions from them to their Captain,for the question of financial standing comes in,on which it rests with us to satisfy ourselves. In this case no harm will have been done,as Messrs.Galbraith Hill & Co.have accepted the draft for the Owners payable in London.

6. Par.12. When the accounts for drying and re-conditioning the wool ex "Malvina" come forward,I expect that you will have added the charges for the use of the "Samson" and "Lafonia",for we cannot settle until we get them.

7. With regard to a supposed error in the word "Altiora",to which you refer in your letter of the 29th November,it was perfectly correct,being the telegraphic address of Galbraith Hill & Co.

8. 388-6. With regard to the cases of rifles and ammunition saved from the "Hattie L.M." being,according to the report of the consignees,irretrievably damaged,it would appear that you did not carry out the intention expressed in your notes of the 22nd August to open and repack the goods on arrival in Stanley,or it would not have been left to them to find out their condition. As you said in those notes that the salvage could not be determined until the condition of the goods was known,we have intimated to the Brokers that there will be a further claim. It was quite right to ask for an offer,and it is likely that there will be some value left,as I am informed that although the rifles if rusted cannot be depended upon for accurate shooting at a target,it is quite possible that most if not all the cartridges may have resisted the water,and are still fit for use. They are not like sporting cartridges,and in dealing with those of similar make it is one of the Government tests to put them under water for a long period. I hope,therefore,that you may get an offer that you would feel it right to accept. In your remarks on the receipt given for cargo coastwise the practice you state is incorrect; you say that a receipt is given to the Master of the vessel to be signed by the Station holder,but what is needed in case of loss is the proof that goods went on board at all. In the first case the question

is between the ship and the station,and possesses no interest for the Underwriters; what they want to know is whether they were actually on board the ship or not,and this can only be shown by a receipt given before she leaves her port of loading. When things are done in an irregular manner,no doubt the Underwriters allow a certain latitude,and their attitude may probably be expressed by the words,"poor things,they are honest and don't know any better",but it will not do to rely too much on this,or on their taking our word,for some cantankerous Underwriter may be on the policy some day prepared to dispute our mere assertion. Get a receipt from the Captain or Mate,and you avoid this possible difficulty at once. Regarding salvage,I think that you have missed the fact that I was writing generally,and not on the subject of this particular case in the remarks I made on percentage. I referred to the cases of 50% you cited,and I am bound to say I smiled; these irrefutable precedents were established by -Mr.Baillon,and I cannot think that you were writing seriously. I will refer you to the case of the "Balcarry" in 1870,as it was one that taught me more about salvage than any other I ever had to do with. She was wrecked on the coast of Tierra del Fuego,or I should say stranded,and a contract for salvage was made by Mr.Dean with the owners of three schooners,the Louisa,Fairy,and Southern Cross,at 75% on Stanley sale value. The cargo was said to be worth £50,000,and in quantity far more than Stanley could have absorbed. All went merrily until a Captain Sceales arrived on behalf of the Salvage Association,when a dramatic change took place. He simply brushed the agreement on one side,told the salvors that such a rate was unknown in the civilized world,and would be recognized by no Court,that 50% had been given on rare occasions when all the circumstances were in the Salvors' favour,and that unless they agreed to take 33 1-3rd% on English sound value,he would throw the case into Court. This wasagreed to,and the whole of the salvage was carried out on those terms,much of the cargo was sent on to Valparaiso,and finally the ship herself was brought in. After that I set my face on all occasions against anything over that percentage as long as I remained in the Islands. Going from the general to the particular,I do not think that in a small case like that

of the "Hattie" the result to the salvor was any more than was justified,and it would,perhaps,have been better if the claim had been put in for the daily cost of the cutter. When the value of goods salved is small,the remuneration of the salvors is admitted to be due on a higher scale. There has been so much said of late about the pirates and robbers of the Falklands,that my general remarks were made with the idea of getting you to arrange salvage when possible on a scale more in accordance with the usual custom.

9. Your cable about the "Alsterberg" duly arrived,and the Owners very promptly arranged a credit with the Dresdner Bank, London,which we advised via Montevideo. Cables continue to come at times through the Western Unoin from Punta Arenas,seldom without mutilation,while those through the Eastern Telegraph Co.are almost invariably correct. I wish that it could be ascertained how to ensure our messages coming by the latter; this I have mentioned more than once.

10. I enclose a copy of letter from Mr.Raymond Beck,Chairman of Lloyd's,following the interview the Chairman and I had with him,and the contents you will see are satisfactory. I replied to this in another letter,copy also enclosed,but this so far has not been acknowledged,and probably will not be. I think,however,that I managed to get in some wholesome truths that may make them more careful in future.

11. The tallow per "Ragnhild" has been going off in small lots,at prices some shillings under those of a few months ago,but still fairly good.

12. At the last Board it was resolved to make Mr.Oswald an allowance of £50 per annum in lieu of a house.

13. It was also agreed that we should buy a suitable vessel to be laid down as a hulk at Darwin. Messrs.W.Lowden & Co.sent up a list,a copy of which I enclose,and of the seven vessels mentioned the "J.S.Sterry" seems to me to be nearest to our requirements,having regard to age,price,and depth of hold,though the "Argo" being of oak and copper fastened might last even longer,though possibly of too small a tonnage. I suppose that 400 to 500 bales

would be enough to provide for at the outside,assuming that it might be possible for a vessel not to be available during the whole season,a most unlikely contingency. There is no hurry about this,and my idea is that when a suitable time arrives we should buy the vessel,and send her across to Sweden with coal from the Tyne as ballast,to load a cargo of timber.

14. No further progress has been made towards a settlement of the "Inverness-shire" case,and the other side are taking up an impossible attitude. They deny the abandonment of the ship,and their latest freak has been to make us an offer,without prejudice, of £750,which has been emphatically declined by our Solicitors. The probability now is that the case will have to come into Court.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool.

Originals.

Wool Market Reports.

Cablegrams sent.

,, received.

Copies of letter from Hayward-Tyler & Co.of 3rd & 9th and our reply of 4th January.re Mr Packe's complaint.

Copies of letter from Chr.Salvesen & Co.of 27th 29th December & 3rd January.and our replies 28th & 30th December.

Precis of contents of Despatch No.1084

List of Wool Sales for 1911.

Corrected Debit note for charges on Rams per "Junin" account Dean & Anson.

Debit note for Insurance Private Effects D.Smith.

Copy of letter from the Chairman of Lloyd's dated 20th and our reply of the 21st December.

Clients' A/sales,reports and contracts:-

H & B	3 casks	Casings	ex "Duendes"
H & B	37 casks	Tallow	ex "Ragnhild"
B	12	,,	,,
J B	28	,,	,,
S	11	,,	,,
S I	31	,,	,,
W P	9	,,	,,
K	2	,,	,,
△	14	,,	,,
D S	6	,,	,,
F	1 bales	Hair	ex "Corcovado"
W	1	,,	,,
R B C	10 casks	Tallow	,,
F	37	,,	,,
A F C	2	,,	,,
H W	9	,,	,,
H P	1	,,	,,

R. B.C.	2	bales Sheepskins	ex "Corcovado"
A F C	6	,,	,,
H W	9	,,	,,
T R	9	,,	,,
H P	7	,,	,,
McG	12	,,	,,
A P	2	,,	,,
W E D	14	,,	,,
B B	4	,,	,,
F	24	,,	,,
R B C	7	Salted Hides	,,
AP	30	,,	,,
S	55	,,	,,
S & S	36	,,	,,
W	22	,,	,,
W E D	9	,,	,,
F	28	,,	,,
H & B	61	,,	"Ragnhild"
J B	51	,,	,,
△	47	,,	,,
S	20	,,	,,
A F C	10	,,	,,
Fell	8	,,	,,
J D M	7	,,	,,
McG	37	,,	,,
N H I F S	75	casks Casings	ex "~~Corcovado~~ Esmeraldas"

Brokers' press copies A/sales & Sundry reports & contracts

Skins & Tallow & Hides ex "Ragnhild" & "Corcovado"

Copy of letter from the Dresdner Bank dated 2nd January

Particulars of Old Sailing vessels to be used for Hulks.

London 11th January, 1911

Enclosures per Supplementary Mail

via La Pallice

"Original"

1 Remarks on Accounts.

2 Account Current

3 Remarks on Stores

4 Replies to Remarks on Stores.

5 List of General Cargo per "Orcoma"

6 B/L General Cargo per "Orcoma" (2)

7 General Invoice goods per "Orcoma"

8 Miller v Bertrand C O D E.

9 Final Invoice goods per "Oravia"

10 General Electric Co's list of export discounts

Clients' reports & contracts:-

11 △ 33 casks Tallow ex "Ragnhild

12 J B 35 ,, ,,

13 H & B 16 ,, ,,

Invoices for the following:-

14 Bertrand & Felton, Vere Packe & Dean & Anson.

Letters for the following.

W.A.Harding, A.L.Allan, S.Miller & E.Redman.

London 13th January, 1911

Enclosures via Liverpool

Duplicates

Despatch No.1684 dated 14th December

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oravia"

General Invoice goods per "Oravia"

List of Dutiable Goods per "Oravia"

List of Parcels

List of Enclosures

List of Clients' Cargo per "Oravia"

Clients' Invoices for goods per "Orppesa"

,, ,, ,, "Junin"

,, ,, ,, "Oravia"

Account Current

B/L boat for Bertrand & Felton per "Lenita"

Clients' A/sales :-

T R	6	bales Wool	ex "Corcovado"
R B C	32	,,	,,
H P	119	,,	,,
A P	9	,,	,,
B B	20	,,	,,
F	42	,,	,,
H W	46	,,	,,

Clients' Reports & contracts:-

K	2	casks Tallow	ex "Raghild"
W P	9	,,	,,
	47	,,	,,
W	1	bag Hair	ex "Corcovado"
F	1	,,	,,

Clients' reports & contracts:-

H P	1	cask Talow	ex"Corcovado"	
H W	9	,,	,,	
R B C	10	,,	,,	
A F C	2	,,	,,	
[redacted]	37	,,	,,	(report only)
W E D	14	bales Sheepskins	ex"Corcovado"	
B B	4	,,	,,	
R B C	2	,,	,,	
F	24	,,	,,	
A P	2	,,	,,	(contracts only)
A F C	6	,,	,,	
T R	9	,,	,,	
H W	9	,,	,,	
H P	7	,,	,,	
McG	12	,,	,,	

Despatch no.1085 per "Orcoma",11th January,1911.

Precis of Contents.

1. Acknowledges despatch and letter.
2. Explains arrangement with Salvesens as to management,&c.
3. Expects price of "Sabino" to be included in accounts.
4. On delay of "Columbus" in Buenos Ayres.
5. Refers to Marechal de Castriês,and drafts for ships' accounts.
6. On charges for dealing with salved wool.
7. Points out that cable about Marechal de Castries was correct.
8. On the subject of the "Hattie L.M." and Salvage generally.
9. Acknowledges cable about "Alsterberg" and remarks on message having come by "Western Union".
10. Encloses copy of letter from the Chairman of Lloyd's and of reply.
11. Reports sales of Tallow per "Ragnhild".
12. Conveys resolution to give Mr.Oswald an allowance in lieu of house.
13. Reports decision to buy a hulk for Darwin Harbour.
14. Progress in"Inverness-shire"case.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 8th February, 1911.

Per Orissa.

No. 1086.

Sir,

I have to acknowledge the receipt of your despatches nos.389 and 390,which arrived on the 23rd ult. We have also got your cable reporting the shipment of 1675 bales Wool and other produce per "Flamenco",and are glad that in the face of the hindrance caused by the delay of the steamer you have been able to send so much.

2. Par.3. I have already reported the freight on tallow,and am going to make an arrangement with the P.S.N.Co.about the freight on other sundries. As regards rates from Stanley,you have to be guided by those laid down in the contract with the Government, which you are aware give an advantage to the ports near Stanley. In anticipation of any suggestion that this should be extended to produce,I must point out that it is even less applicable with the steamer than it was before. The rates are general from all ports in the Islands,and comprise discharge,storage,and reshipment in Stanley,and as the time occupied in the actual sea work on the coast,comparing near and distant ports,is likely to be very much less than with the schooners,it will be seen that there is no reason for an alteration. As regards salvage,correspondence which may not have been in your possession when you wrote will have since shown you that,as the manangement of the steamer is absolutely in the Company's hands,her use as a salvage boat cannot arise,and therefore it is unnecessary to mention it to Messrs.Salvesen. Besides this,she has not nearly the power of the "Samson",and would be unsuitable as a tug,except in calm weather. Of course if she fell in with a vessel in distress on the coast,it would be to our advantage,as well as Salvesens',that she should offer assistance.

W.A.Harding,Esq.,

Manager,

Stanley.

I have pointed out to the P.S.N.Co.that the 20% rebate is a matter that concerns the two home offices,and they agree that it should not be entered even on the Purser's copies of the Bills of Lading. Should you see it again,please mention it. Sending for Nilsen to accompany you in calling on the Governor on the subject of the "Columbus" was unnecessary,and in fact wrong; but you may not at the time have understood the position as clearly as you do now. Nilsen is Salvesens' Whaling Manager,you as representing the Company are their Stanley agent,especially so as regards the steamer,and he has no right to associate himself with or to control you in any way. You have already been informed of the view Salvesens take of clause 5,which they maintain was for a certain purpose only,and will now be inoperative. To strengthen you in holding this position I am able to send you a copy of a letter from them to the Colonial Secretary,which puts the case in the plainest possible terms. The establishment of the steamer in the coasting trade may be looked upon from two points of view: ours and Messrs. Salvesens' is that she will be there for the purpose of carrying goods and produce from and to Stanley,adding a little to her earnings,greatly to the benefit of the community,by carrying mails and passengers,the remuneration for which is inadequate,though a certain amount of sacrifice is necessary to bind the shippers together; on the other hand,the Government and others may think that she is primarily a mail,passenger,and pleasure steamer,at liberty at odd times to devote herself to the collection of produce. If this is really so,the sooner it is knocked out of their heads the better. With regard to your expression of opinions,I have looked up what I wrote in reply to your despatch 385-9,and cannot see that it went beyond fair comment on what you had written. After carrying on negotiations of an intricate character with the P.S.N.on the one side and Salvesens on the other,and having concluded them after a period of some two months with advantage to ourselves and to the satisfaction of the Board,I was not best pleased to receive opinions which,as I said at the time and repeat,were founded on pure guesswork. One of your main points was that if Salvesens ran the steamer they would not make any reduct-

ions,and this was shown to be incorrect shortly afterwards. Even in the despatch now under reply you support your opinion by quoting their remark on 11th November,"Our reason for embarking on "this venture is mainly because we think it will with your co-op-"eration prove paying";but you should not have stopped there,for the next words were, "but we are quite at one with you that it "cannot be continued as a monopoly unless the service is run on "fair lines. If the steamer were to show a profit of 50% or 60%, "it seems natural that shippers would consider this too much,and "look about for some cheaper means". There is no use in enlarging on this subject; what I wish you to understand is that when your opinions are founded on facts,especially when those facts are known to you and not to us,then the Directors are glad to have them,in fact expect them; but when they rest on imperfect information,inference,gossip,or what not,then we are better without them

3. Par.4. When the "Samson" is at Sandy Point every thing necessary will have to be done,including the fitting of the new crank-shaft,which has been waiting for an opportunity for several years. I forget if I have mentioned that I was told that Braun & Blanchard had their own slip; if this is true,is it not possible that as you make yourself useful to them in Stanley they might reduce their terms a bit for us? The fact that we have thrown up her class makes it all the more imperative that no necessary repair should be neglected,and whatever it may cost go she must,and as soon as you can arrange it. With regard to your suggestion that the bottom might be found to be so bad as to require new plates, have you any reason to think that she has struck anywhere and damaged it? For if not,I can hardly think that a vessel of her age always in the water can have rusted sufficiently to injure the plates to a dangerous extent. She is not 23 years old yet; what about the bottom of the "Great Britain",which is 70? When I see a shipowner I will ask him whether the bottoms of iron ships are liable to quick decay.

6. Par.10. You will,of course,report when the rams have reached their respective destinations,so that we may claim the return for no loss.

7. Par.11. The draft on account of the "Wray Castle" has been

accepted.

8. Par.13. The "Wavertree", judging from the excellent photographs sent by Dettleff, is beyond repair, having regard to the fact that she is destined to become a hulk at Talcahuano. We have been asked to make an offer, but the Underwriters have been told that we could only give a nominal sum, and I think that they are contemplating towing her through the Straits. As things are now in Stanley, we need no longer fear any competition over produce, and so it is not as urgent as it used to be that we should hold the only hulks at all costs. If we could get her for £600 or £700 we might keep her as a stand-by in case the "Great Britain" were to break out in the bottom.

9. Par.13 and 390-5. All the arrangements about the "Alsterberg" are satisfactory, both here and in Stanley.

10. 390-2. The Directors will leave it to you and Mr.Allan to arrange with Messrs.Packe and Bonner about the supply of sheep, and think that if the first year's mutton turns out well we might give them a bonus on realization. As regards the Butchery, they think that we had better await the result of the canning before committing ourselves to any change in the Stanley butchery, but quite agree that if it is as good as we expect it may prove desirable to shut the retail business down altogether. In that case no doubt the price of mutton in Stanley would rise.

11. Par.4. Fleming & Haxton are already on the look out for a successor to G.R.Gordon.

12. Par.6. The news about the "Plym" is disastrous; you say that one plate is corroded right through, but is this possible in so short a time? Is it not more likely that she has been aground and sitting on a rock? Should this have been so, probably a patch is all that is required. To hear by the same mail that one boat has a hole rusted through, while the state of the other is doubtful in the extreme, is sufficient to confirm the Board in their conviction that with the appliances we possess in Stanley, or rather the want of appliances, it would be madness to think of owning a steamer ourselves.

13. The Directors complain that the carbon copies of despatches are often unreadable. Whether it is that your carbons are

used too long,or that the rollers of your type-writers are too soft,we cannot judge here; but better copies must be got somehow, and I am sending you some black carbons which I find better for taking several copies than the purple variety. These remarks apply equally to the copies sent by Mr.Allan.

14. I enclose some correspondence with the P.S.N.Co.on the subject of a cheque for £25,stated by you to have been drawn in payment of passage money,but asserted by the Purser of the "Oravia" to have been cashed by him for the late Master of the "Deccan". The facts are set out in a memorandum enclosed,and you may be able to put them straight,which we cannot possibly do. It is a singular thing that this cheque,advised at sea on the 2nd December, 1909,and another in favour of Captain Purnell,which was on a subsequent statement from Stanley,both bore the same number,and the latter has never been presented.

15. I have to refer to the gratuity given to Rowlands on retirement,which you have paid £50 in excess of the sum authorized by the Board on the 11th March,1908,and referred to by you in acknowledging the instructions sent you as a handsome gratuity. The Directors note that the payment was made in error,but consider that you should not have trusted your memory,which in this case led you astray. They will not ask for a return of the excess,or call upon you to pay it yourself,which in such a case some Companies would do; but they cannot get away from the fact that you have incurred censure for carelessness in the matter. It seems somewhat strange that,although we conclude that Rowlands was told at the time that £200 had been voted him,he appears to have said nothing about a mistake when he received £250.

16. The Crown Agents'Shipbrokers asked me lately if I could suggest to them any way of shipping 60 tons of house coal,for which the Government had indented,and as I was unable to do so,they wanted to know if we could supply it,and at what price. I told them that I believed the retail price to be 60/.per ton,but that you could let them have that quantity at 50/. At the outside the coal per "Ragnhild" cost 37/6 over the side in Stanley,and it is better to get a moderate profit like this than none at all. Be-

sides this,it will be a distinct gain if we can induce the Government to make a practice of buying our coal instead of importing their own. If they had done the latter,the cost of landing would have fallen on them; I think,therefore,that you cannot be expected to cart it up and deliver it,and that if you put the hulk,in which I believe a supply is stored,alongside their jetty,you will be doing all that is reasonable. It ought to answer their purpose to buy from us,for you must remember that they never have the chance of getting it,as we do,at 13/9d in the Tyne,the London price,which they have to pay,being much higher.

17. I send a copy of a letter received this morning from Messrs.Salvesen & Co.giving the disastrous news that the "Columbus" is going on slowly,and may yet be detained until the end of this month. I hope that by this time you have arranged to get news of her direct from Wilsons,which will be more than three weeks later than this.

18. It is surprising to learn that,although we sent out some rum lately which was certified by our Wine Merchants to be proof, the Customs at Stanley have discovered it to be 15.7 overproof,and have charged us no less that £10.13.7 on one cask,or nearly 2/.per gallon. We cannot sit down under this,and we have got an official certificate,enclosed herewith,stating the specific gravity to be proof as originally certified. You must get this rectified with as little unpleasantness as possible,and you might blandly suggest that the officer of Customs for once was in error; but if this is refused you will have to hint that we shall have to appeal to the C.O.,and that we shall have to ask for an enquiry as to the training the Customs Officers at Stanley have gone through and their capacity for fulfilling their duties.

19. The Board desire me to say that it is evident from your late despatches and from various circumstances that have come under their notice,that you are badly in want of change and rest. You cannot continue the same old round,day after day and year after year,without feeling the need of freshening up,especially in Stanley,where everything runs in such a narrow groove. They think it necessary to say,therefore,that in the Company's interest as

well as your own it is imperative that you should take at least six months' holiday, and desire that you will make arrangements to do this with the least possible delay.

20. I am writing to Mr. Allan fully on the final arrangements for canning, and will not duplicate my remarks. As notified by cable we are sending out a Preserver named Hutcheon, who has been well recommended, having been with Moirs of Aberdeen for some time, and gives us the impression of being a practical man.

21. The Inverness-shire case may have to come into Court, as the other side show signs of fighting to the last.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

List of Dutiable goods per "Orcoma"

Despatch No.1085 dated 11th January.

List of Cargo per "Orcoma"

List of Clients' Cargo per "Orcoma"

List of Parcels

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores.

General Invoice goods per "Orcoma"

List of Enclosures

Clients' Invoices goods per "Orcoma"

Clients' A/sales,reports & contracts:-

BB	4	bales Sheepskins	ex "Corcovado"	
HP	7	,,	,,	A/sales only.
TR	9	,,	,,	
HW	9	,,	,,	
WED	14	,,	,,	
AFC	6	,,	,,	
RBC	2	,,	,,	
AP	2	,,	,,	
McG	12	,,	,,	
F	24	,,	,,	
F	1	bag Hair	,,	
HW	1	,,	,,	
HP	1	cask Tallow	,,	
HW	9	,,	,,	
AFC	2	,,	,,	
F	37	,,	,,	
RBC	10	,,	,,	
JB	28	,,	ex "Ragnhild"	
Z	35	,,	,,	
DS	6	,,	,,	

K	2 casks	Tallow ex	"Ragnhild"
WP	9	,,	,,
B	12	,,	,,
SI	31	,,	,,
△	14	,,	,,
S	11	,,	,,
△	47	Salted Hides ex	"Ragnhild"
McG	37	,,	,,
JDM	7	,,	,,
AFC	10	,,	,,
Fell	8	,,	,,
J B	51	,,	,,
S	20	,,	,,
W	22	,,	"Corcovado"
S	55	,,	,,
S &S	36	,,	,,
AP	30	,,	,,
RBC	7	,,	,,
WED	9	,,	,,
F	28	,,	,,

Enclosures via Liverpool

Originals.

1 Copies of Cablegrams sent.

2 Copy of Cablegram received.

3 Wool market report.

4 Precis of Contents Despatch No.1085

5 Copy of letter to the P.S.N.Co.of 24th and their reply of 25th Jany.re rebates on B/L.

6 Custom's Certificate re strength of Rum shipped per "Orissa" October last by S.H.Day & Co.,Ltd.

7 Bills of Lading goods per "Oropesa" returned.

8 Mr Hughes's certificate as to quality of Lamb's timber shipped last mail per "Orcoma"

9 P.S.N.Co's order to provide Mr Redman with a return passage

10 Mr Hutcheon's agreement.

11 Wilson's credit note for 10/10 for Duncan Shaw.

12 Debit note for freight on Sealskins ex "Corcovado" Mrs Best

13 Wilson's account for Papers sent to Mr Girling.

14 Credit note for H.Waldron for tallow damaged to Wool ex "Corcovado"

15 Copies to letter from P.S.N.Co.of 23rd 25th & 27th and our replies of 24th,26th,27th & 30th Jany.re cash to Capt.Purnell.

16 Copy of letter to Chas.Salvesen & Co.of 23rd & their reply for the 24th Jany.

Clients' A/sales:-

17 J.B. 35 casks Tallow ex "Ragnhild"

18 H & B 16 ,, ,,

19 33 ,, ,,

20 A N 1 casks Sealskins ex "Corcovado" } Contract & Brokers' memo.re. shortage

21 Brokers' press copies Co's Tallow ex "Ragnhild"

22 Schooner freight returns ex "Esmeraldas" returned as requested

23 Clients Invoices goods per "Orcoma"

Bertrand & Felton,Baillon & Stickney& W.D.Benney Est.

24 Copies of letters received from Jacobs & Barringer of the 26th,28th,30th January & 3rd Febry.re "Plym"

Letters for the following:-

A.L.Allan,W.C.Girling,Vere Packe,Mrs T.Lawes (2)

London 8th February,1911.

Enclosures per Supplementary Mail

Originals.

1 Account Current .

2 Remarks on Accounts.

3 Remarks on Stores.

4 Replies to Remarks on Stores.

5 List of General Cargo per "Orissa"

6 B/L cargo per "Orissa" (2)

7 Sight draft on J.Kirwan with B/L attached.

8 Particulars of homeward freight per "Corcovado"

9 Mather & Platt's invoice for goods shipped.per"Orissa"

10 Harker's invoice for goods per "Orissa"

11 National Rifle Association invoice for Rifles per "Orcoma"

12 General Invoice goods per "Orissa"

13 Copy of letter from Mr B.J.Mantle re Mr Packe's order for Telephone Sundries.

14 Copy of letter from Chr.Salvesen & Co.dated 8th February.

15 Final Invoice goods per "Orcoma"

Clients' Invoices goods per "Orissa"

16 G.J.Felton 11/3

17 Dr.Turner 8 .5 .2

18 Vere Packe 5 .7 .-

19 Holmested & Blake 40 . 14 . 1 (copy)

Letters for the following:-

W.A.Harding,A.L.Allan,Dr Turner,E.Redman.

London 11th February,1911

Despatch no.1086 per "Orissa",8th February,1911.

Precis of Contents.

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1. Acknowledges despatches and cable.
2. General instructions regarding "Columbus"
3. On proposed repairs to "Samson".
4.5. Omitted in error.
6. Arrival of rams at destinations to be reported.
7. Acceptance of draft a/c "Wray Castle".
8. On possible purchase of "Wavertree".
9. Arrangements about "Alsterberg" satisfactory.
10. Arrangements about purchasing sheep left to Managers. Closing of Stanley Butchery to be delayed.
11. Successor to G.R.Gordon being looked for.
12. On reported damage to "Plym".
13. Complains of bad copies of despatches.
14. Enclosing correspondence with P.S.N.Co.about a cheque.
15. Refers to unauthorized gratuity to Rowlands.
16. Arrangement with Crown Agents to supply coal to Government.
17. News of delay of "Columbus".
18. On overcharge of duty on Rum.
19. Instructs Manager to take a holiday.
20. Advises despatch of Meat Preserver.
21. Inverness-shire case likely to come into Court.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per Oropesa.

No. 1087. London, E.C. 8th March, 1911.

Sir,

I have to acknowledge the receipt of your despatch no.391 and of your letter of the 25th January, both of which arrived on the 20th ult. Your cable reporting a profit of £55,000 also arrived on the day of the last Board meeting, and gave great satisfaction to the Directors.

2. 391-2. The question of subscribing to the Memorial to King Edward VII was discussed at the Board, and it was decided to put our name down for a hundred guineas. The position is the same as before, that is to say the Articles do not provide for payments of this kind, and in giving a subscription the Directors make themselves personally liable for the money unless their action is condoned by the Shareholders at a General Meeting. Considering the successful year the Board are willing to take the risk, and the proposal will be placed on the Agenda for the Meeting in June.

3. Par.8. It is unfortunate that the two lost casks of Tallow ex "Ragnhild" cannot be traced; it is evident now that we have to put up with the shortage.

3. Par.9. I brought the subject of the Telephone before the Board last week, and it was decided to allow the Darwin line to be taken to the Exchange on certain conditions. You will remember that when Homer had finished his work he, or possibly Mr. Mantle on getting his report, strongly urged that there should be no connection with any local system. The reason was that as that system was of a most primitive and unsatisfactory nature there was every chance of local conversations getting on to the Stanley-Darwin

W.A.Harding, Esq.,

Manager,

Stanley.

line. If,however,it is intended to reorganize the Stanley local Exchange system by employing an Electrician to set it in order, we think that the objection raised by Homer falls to the ground. There should be an operator at the Exchange always in attendance or within call,and then when you wish to speak to Darwin from the office it ought not to take 15 seconds to get on. Against this trivial delay you would have the set-off of not being liable to the calls of people who want to speak themselves,and of collecting payments from them,as public messages would naturally be sent from the Exchange and the fees received there. Another advantage would be that when the office is closed communication with Darwin would not be cut off as it is at present. We assume that most of the principal inhabitants will be subscribers to the Exchange, which,with no watered capital,ought to be run on cheap lines. It might be necessary to stipulate that the Company and the Government are to have precedence in the use of the Darwin line,but this must be left to your judgment. In England a trunk call always has priority,and there would be still more reason on our line as we own it with the Government.

4. Par.10. The freight entered on the Bills of Lading per "Flamenco" was not optional,but was stated in each case as 52/6 weight. It will not matter,as if there is any difference we can arrange it,the produce being consigned to us. On looking further into this,I see that you are referring to consignments to Hoare and others,and I cannot say that much judgment has been exercised over them. I recommended you to charge ½d per lb.on schooner borne wool and skins,and in stating this on the Bills of Lading at 93/4d per ton,no doubt it is true,but why go out of your way to call attention to it? Then as you reduced the freight from 9/16ths to ½d,why did you not make a corresponding reduction in the measurement rate,which you have maintained at 42/.& 5%? I fear that we shall not settle this freight without getting some protests. Mr.Connell was here last week,and I gave him a list of all possible varieties of cargo homeward,with the freights that I want him to suggest to the Pacific Co.in each case,and I hope to be able to send you definite instructions before this mail closes. The continued detention of the "Columbus" is most unfortunate; Mr.

T.Salvesen was here on Monday,and told me that the 22nd February was mentioned in the Captain's last letter as the probable date of leaving,and yet we have heard nothing of her actual departure. They are taking advice as to damages they have sustained by the delay,but are not sure of their ground yet.

5. Par.11. You will have seen from subsequent correspondence and instructions that Mr.Nilsen has no standing in the matter of the "Columbus",and that therefore it was unnecessary to send for him on the subject of the mail service. Both you and the Governor seem to have had a wrong impression on the subject,so that it seems not to have been clearly explained.

6. Par.14. If you have not already written to Lloyd's there will be no use in doing so,as we hear that they are perfectly satisfied with the explanations already given,and reopening the question would bore them.

7. Par.15. The P.S.N.Co.do not want the "Wavertree" at any price,Salvesens would give £200,and it might answer our purpose to raise a little on that; but I believe that it is the owners' intention,having settled with the Underwriters,to have her towed to Sandy Point,and I was asked last week if we could undertake it with the "Samson". This I declined on the ground of insufficient power for such a tow,having also in mind her somewhat decrepit condition; now Mr.Salvesen says that they may offer with one of their Store ships,and possibly Duncan Fox & Co.can give a price on behalf of Braun & Blanchard.

8. Par.16. Considering that Government money is being used to crush out of existence the Assembly Rooms Company,an institution originated with the active assistance and approval of the then Governor,and one that has undoubtedly been a boon to Stanley, I think that fair grounds might have been cited for getting a price voted that would have returned 20/.in th £ to the Shareholders,many of whom are or used to be working men in Stanley. Otherwise it is,perhaps,a boon to the Shareholders to get as much as 18/.back.

9. Par.19. I have looked up the correspondence about a slip, and am not surprised to hear that the Governor is likely to be deterred by the figures. There seems to be no reason why we

should not put up a small slip to take the "Plym",which cannot draw 6 ft.when light,and the cost of this ought not to be great. I cannot see the object of putting up a slip for the whalers,when Salvesens themselves will have one before long. If you or any of the nautical staff see the possibility of getting vessels drawing more than 6 ft.up for repairing or cleaning,the Directors will be ready to consider the question. The small dock or pontoon would be altogether too costly.

10. Par.21. The pump you have asked for has been constructed under the directions of Mr.Barringer,and has been sent by passenger train from Dartmouth to catch this steamer. The Directors are glad to hear that the Plym's plates can be replaced at Stanley. Those of the "Samson" and "Garland" would be much thicker of course,and will take much longer to rust through,unless those of the latter were much thinned by acid.

11. Par.25. The gale of the 21st January seems to have been serious,and we may be fortunate in not having sustained more damage to our floating property. You mention the mate of the "Lafonia" as having done good work,but do not give his name or say that what he did was meritorious. This caught the eye of some of the Board,and it was decided to leave it to you to give him a gratuity or not,as you may think fit,with the Company's thanks,say up to £10 or so.

12. The "Flamenco" arrived on the 27th ult.,and the wool will be up this month. It is hoped that half the skins may be included in the sale of the 10th inst.

13. I regret very much to say that the Filling machine ordered from Australia as long ago as May last has not been sent in time to meet the "Orissa",and will only be despatched from Sydney to reach Montevideo on the 28th inst. I have written to Wildridge and Sinclair,complaining strongly of their neglect.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1086 dated 8th February.

Remarks on Stores.

Replies to Remarks on Stores.

Remarks on Accounts.

General Invoice goods per "Orissa"

List of General Cargo per "Orissa"

Lists of Enclosures.

List of Clients' Cargo per "Orissa"

List of Dutiable Goods per "Orissa"

List of Parcels.

Clients' A/sales :-

33 casks Tallow Ex "Ragnhild"

J B 35 ,, ,,

A N 1 cask Sealskins ex "Corcovado"

Second of Exchange for £59 . 12 . 8 on J.Kirwan and B/L

Clients Invoices :-

Bertrand & Felton	£23 . 19 . 11	per "Orooma"
W.D.Benney's Estate	105 . 1 . 7	per "Orooma"
Bailhan & Stickney	63 . 7 . 6	per "Orooma"
Dr Turner	8 . 5 . 2	per "Orissa"
Vere Packe	5 . 7 . -	per "Orissa"
Holmested & Blake,Ltd	40.14 . 1	per "Orissa"

Enclosures via Liverpool

Originals

1 Copies of Cablegrams sent.

2 Copies of Cablegrams received.

3 William Fitchett's agreement & testimonials.

4 Wool statistics for 1910.

5 Mrs M.Turner's Letter of 22nd Jany.to Chilprufe Co.& Money order attached.

6 A/sale for A.Nilsson 1 cask Sealskins ex "Corcovado"

7 Copy of letter from Jacobs & Barringer of 22nd Febry. re "Plym"

8 H.Hughes's Certificate re Timber shipped per "Orissa"

9 Copy pf letter to the P.S.N.Co.of 22nd & their reply of the 23rd Febry.re loss of posts ex "Antisana"

10 Copy of letter to Chr.Salvesen & Co.of 20th & 21st.& their reply of 21st & 22nd February.

11 Gladstone Morris's agreement & testimonials.

12 Copy of letter to the P.S N.Co.of 22nd & their reply of 23rd February re "Wavertree".

13 Account Current dated 8th March.

14 William Cooper & Nephews's invoice for Dip on Consignment

15 Debit note for Bertrand & Felton for 2/9.

London 8th March,1911

Enclosures per Supplementary Mail via Lisbon.

Originals

1		Remarks on Stores.
2		Replies to Remarks on Stores.
3	✓	Remarks on Accounts.
4		List of General Cargo per "Oropesa"
5	✓	B/L general cargo per "Oropesa" (2)
6	✓	Sight Draft on J.Kirwan for collection & B/L attached.
7		General Invoice goods per "Oropesa"
8	✓	Copy of letter from the South American Missionary Society dated 9th March & copy of letter to Mr Whaites.
9	✓	Precis of contents of Despatches Nos 1086/1087
10	✓	Copy of letter to Dr Turner dated 9th March.

Clients' Reports & contracts:-

11	✓	Z	4	casks Tallow ex "Flamenco"	
12	✓	Club	55	casks ,, ,,	
13	✓	L	20	,, , ,,	(report only)
14	✓	S	31	bales Sheepskins ex "Flamenco"	
15	✓	L	29	,, ,,	
16	✓	H	2	,, ,,	
17	✓	Club	17	,, ,,	
18	✓	F	2	,, ,,	
19	✓	T R	3	,, ,,	
20	✓	W P	5	,, ,,	
21	✓	B	11	,, ,,	
22	✓	S I	14	,, ,,	
23	✓	H G C	14	,, ,,	
24	✓	H & B	66	,, ,,	
25	✓	Heart	7	,, ,,	
26	✓	S & S	8	,, ,,	

27 ✓ △ 24 bales Sheepskins ex "Flamenco"

28 ✓ Z 36 ,, ,,

Clients' Invoices goods per "~~Flamenco~~xxx"Oropesa"

29	Spwedwell Island Account	£ 18	. 7	.8
30	H.& G.Cobb	18	. 7	. 8
31	Bertrand & Felton	15	10	10
32	Stickney Brothers	82	9	3

Letters for the following:-

W.A.Harding,A.L.Allan

33 ✓ Code.

London 11th March,1911

Despatch no.1087 per "Oropesa",8th March,1910.

Precis of Contents.

---

1. Acknowledges despatch,letter,and cable.
2. Company to give 100 guineas to King Edward Memorial.
3. Alludes to shortage of Tallow per "Ragnhild".
4. Discusses subject of Telephone being led to Exchange.
4. On freight per "Flamenco",condemns entry at per ton instead of per lb.as instructed.
5. New Island Manager no authority over "Columbus".
6. Lloyd's satisfied with explanations given.
7. Wavertree likely to be towed to Sandy Point.
8. On purchase of Assembly Rooms by Government.
9. Alludes to slip,and possibility of constructing one for "Plym".
10. Pump shipped for "Plym".
11. On gale reported,commends action of Mate of "Lafonia".
12. Reports arrival of "Flamenco".
13. Announces delay of Filling Machine ordered from Sydney.

Indexed

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The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C.

Per Oravia.

No. 1088.

5th April, 1911.

Sir,

I have to acknowledge the receipt of your despatch no.393 and letter of the 21st February,which arrived on the 20th and 21st ult.respectively.

2. Par.3. As Messrs.Salvesen & Co.reported lately that the "Columbus" was on the point of leaving Buenos Ayres,we hope that she has by now arrived at Stanley. She will have lost the cream of the coasting work this year,and the Owners have spoken of claiming damages for the delay. We note that you have asked for space for 1500 bales for the May sales.

3. Par.5. As you say,the matter of Lloyd's can now be dropped.

4. Par.7. I shall now take up the matter of the hulk for Darwin,which I did not want to hurry before getting your opinion. It is my intention not only to have the vessel we buy thoroughly overhauled,but to give her a small steam winch or donkey engine for working cargo.

5. Par.8. The "Inverness-shire" case is set down for hearing after Easter. The other side have increased their offer to £1500, which has been declined. It is probable that they will come to our terms at the last moment; the Solicitors are not a first class firm,and are noted for their shuffling ways.

6. Par.9. I am glad that you have written at length about the "Samson",and I agree with what you say for the most part. It is true that we never expected to make much of a profit out of her ordinary working,but that plums in the way of salvage might be expected from time to time. We have had these plums,but the worst of it is that the fruit has not been large enough to com-

W.A.Harding,Esq.,

Manager,

Stanley.

pensate for the smallness of the ordinary crops, that is to say when depreciation is taken into consideration. As regards the men usually employed on her not going on ship's terms when away from Stanley, I have referred to your remarks in 379-4, and see that they get regular shore wages with overtime, and you suggest that their share of salvage ought to be reduced. But the worst of it is that it cannot be reduced, as they are entitled to a certain percentage under the M.S.Act, and therefore they have it both ways out of us. What I meant to suggest was that as you have a regular set who man the "Samson", they ought, in consideration of the salvage advantages that they reap on occasions, to be ready automatically to drop into their positions at sea-going rates when she goes away from Stanley, giving, in fact, some little return for the privilege they enjoy. But if this cannot be brought about, there is no use in saying anything more about it. The purchase of the "Samson" was left in my hands, and I take all the responsibility. Neither I nor any other of the Directors would have bought her if we had known what turns out to have been her actual condition. I have turned up the correspondence that led to her purchase, and find that in the first instance Mr. Barringer advised against it unless she went first through the no. 3 Lloyd's survey which was then due. This I find in the contract was carried out, and we took her over immediately afterwards, Mr Barringer specified certain further repairs as necessary, and one of his Engineers was down at Hull all the time she was fitting out. In the first instance she was attractive both on account of her price, and of the fact that she was owned and had always been run by the proprietors of a ship-building yard, for I argued that they at least would know better than to let their own vessel run to seed. This idea turned out to be quite fallacious; they were ready to repair anything but their own property. I believe that Mr. Barringer did not make sufficient allowance for the boat going to a place where repairs were expensive and in some cases difficult to carry out; had he been advising about a tug for this coast it might have been all right. The Lloyd's survey may have been a perfunctory one, we cannot tell, and the work at Hull may have been scamped; however it may have been the result was disastrous, and there is no doubt

we were rather badly had. Since that was discovered no expense has been spared in putting the vessel in order, and now we are confronted with the difficulty about the bottom. As regards Atherton and your remarks which lead to the suggestion that he left voluntarily because he knew that trouble with the boat might be expected, you may or may not have forgotten the facts; but if you will look up my despatch 1024-18, and your own nos. 318-12, 321-14, and 322-7, you will hardly deny that he left to avoid being superseded; it is not clear why he was referred to at all. I think that our somewhat dearly bought experience shows that iron or steel vessels are unsuitable for us, and that if and when we have to replace the "Samson", it must be with a wooden tug, but whether the tug and the launch can be economically combined is a question for future discussion: I have an idea that it has been considered aleady, and answered in the negative, but when I do not know. You need not suppose for a moment that you have written too plainly, it is just what I like when you know what you are writing about. Regarding Engineers' indents, you explanation is re-assuring. I alluded to the subject, because in my own experience I always found, whether with Martin, Noble, or any of the others, that I had to put a curb on their requirements, and satisfy myself that they were really needed. The idea that the Company has plenty of money and can pay is deeply rooted.

7. Par.10. The stranding of the "Lafonia" was unfortunate so soon after the other mishap. You say that she came off without damage, but I hope that a protest was noted in case it should turn out later that the bottom was damaged.

8. Par.11. I am sorry that I omitted to inform you that the Royal Mail S.P.Co. had written us saying that they were about to appoint us their agents; I take it to be a matter of form, as they own the P.S.N.Co., but at present, at any rate, the latter sail under their own name, and I correspond with Liverpool. We have received notice that on the first of this month the London business was to be transferred to the Royal Mail Office here, and we may have later on to deal with them altogether, the Pacific Office being their Liverpool branch. It has been rumoured that Mr. Alcock

is to come to London, and Mr. Lamb be the head in Liverpool, but whether this is authentic or not I do not know. I have written to the R.M.S.P.Co. to explain your letter.

9. Par.12. What you say about the "Plym" is most satisfactory, and you will evidently be relieved to get the circulating pump you asked for.

10. Par.13. One of the sealing bills was at sight, the other at three days. The former is preferable, as it goes through the Bank as a cheque with a penny stamp, while the other entails sending for acceptance and requires a bill stamp.

11. Par.14. It would seem in the circumstances that as Messrs. Miller and Chute had to come in sending the "Samson" was unavoidable, although as it turned out they would have been brought in by the whaler. It is to be hoped that you got paid enough to cover expenses, and it should not be taken as a precedent that if anything happens to the regular mail boat the Governor has a right to call for the "Samson".

12. Par.16. The accounts-current were most useful, as we were able to collect the whole of the money in a few days.

13. Par.17. Your application for leave has crossed the Board's message on the subject, and as there is no reason why you should not come by Sandy Point we cabled "Ruramur" to Montevideo last week. You will have the advantage of being able to make some definite arrangement about the slip for the "Samson".

14. Besides the despatch now under reply, your no.392 covering the annual accounts has been received. Generally speaking they are very satisfactory, and require little comment except of a favourable nature. Par.2. Farm account we knew would be good as long ago as last May. Par.3. It is satisfactory to see the sales in the Store keeping up. Par.4. It was wrong to capitalize the repairs to the "Great Britain" and the "Charles Cooper", as they form no addition to the property, and in the case of the former repairs should have been undertaken from time to time as required. The effect of this is to raise the profits fictitiously by £450, and to cost us £26.5/. in income tax. Both these amounts will at once be written off. Par.5 & 6. The "Samson" and the schooners show a so-called profit of £1922.12.4, but this is subject to de-

preciation amounting to £819.9.4,and would be so treated in the accounts of any shipping Company. Par.10. It would have been legitimate to charge the new type-writer and safe to Office Furniture instead of General Charges. On what principle is stationery now charged to the latter instead of Consumption? The remaining items call for no special remark.

15. Jute is up,and bagging would be dear if bought now. I should like to know what stock you have at present towards next season's wants,as if we can defer ordering at the usual time the market may come down.

16. We have sold the wrecked wool ex "Malvina" at good prices,and I hope that you have sent full particulars of the whole,as there is nothing to show whether the bales are from Chartres or Roy Cove,and the original shipping specifications and weights are needed before we can settle up the claim. In your despatch 381-6 you report the salving of 136 bales,but do not mention how many there were of each mark,all these particulars are required. The British & Foreign are leaving it to us to realize the whole of the salved property,and we shall account to them for the proceeds less our charges for freight and reconditioning.

17. Among the enclosures was a draft by Dean & Co.on Mr.W. Carpenter in favour of Dean & Anson,sent forward for collection; but you omitted to get it endorsed by the payees,an oversight that should not have occurred. I have sent it to Mr.Anson in Italy for endorsement,and hope that it will pass,though it is not strictly regular. No bill should leave the office that is not complete.

18. Dr.Turner wrote to ask us to pay Sewell & Crowther for some goods he is getting out,not exceeding £100 in value,but I replied that as he had no account here we could not be of service to him. Even if he had had the money in Stanley it would have been irregular to make such a request; but since the mail came in I find that his balance is only £30 odd,and am rather astonished. Sewell & Crowther have applied for the money,and we have referred them to Dr.Turner. You will of course see that he does not borrow money from us to finance his private trading.

19. The wool sold at unexpectedly good prices,though not up

to last year's. The market has strengthened since the sales began, and the fact that there is not so much wool forward as usual may be in our favour.

20. I have been in communication with the P.S.N.Co. through Mr. Connell on the subject of freights, and enclose a list of rates settled for the present, though I am not satisfied with them. We cannot get the old rates down proportionately with those on wool and skins, which after all are the most important, as dealing with the greatest bulk of the shipments. I have put against the ocean rates a suggestion of what ought to be charged through, and I do not think that we can raise on them. The only concession that I have got at present is 35/. on canned meats direct to London, instead of 40/., but I want something better than that. In your Bills of Lading per "Flamenco" for our own consignments you entered 52/6 weight only, but it should have been 52/6 weight or 22/. measurement at ship's option. The consequence is that Andersons here, knowing nothing of the arrangement, have charged the weight rate throughout, even on some bales that are far below the standard. To protect ourselves we have ourselves charged the proper rates in the account-sales, and if the mistake is discovered it will not affect us.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool.

Originals

1 Wool Reports.

2 Copies of Cablegrams sent.

3 Account Currant and Vouchers.

4 Brokers' press copies sundry reports and contracts for goods ex."Flamenco".

Clients' Reports & Contracts:-

5	B	15	Salted Hides ex."Flamenco"		
6	L	27	,,	,,	
7	Z	37	,,	,,	
8	♡	5	bales Wool	,,	reports only
9	Z	64	,,	,,	reports only
10	♧	15	casks Tallow	,,	contracts only
11	L	20	,,	,,	contracts only
12	S	89	bales Wool	,,	contracts only
13	H	40	,,	,,	contracts only
14	B	1	,,	,,	contracts only
15	AP	1	,,	,,	contracts only
16	♧	1	,,	,,	contracts only

17 Particulars of Homeward Freights

18 Letter for A.L.Allan.

LONDON5th April,1911

Enclosures per Supplementary Mail

Originals

1 ✓ Remarks on Stores.

2 ✓ Replies to Remarks on Stores.

3 ✓ Remarks on Accounts.

4 ✓ List of General Cargo per "Oravia"

5 ✓ General Invoice goods per "Oravia"

6 ✓ B/L cargo per "Oravia" (2)

7 ✓ Sight Draft on J.Kirwan for £58 . 15 . 5 for collection B/L attached.

8 ✓ Copy of letter from Thos.Cook & Sondated 5th April together with documents relating therto.

9 ✓ Copy of Cablegram received.

10 ✓ Copy of Correspondence with Ince Colt & Ince & document attached for signature re "Inverness-shire"

11 ✓ Thompson & Newton's invoices for goods shipped per "Oravia"

Clients Invoices goods per "Oravia"

12	✓	Vere Packe	£2 . - . 1
13	✓	Mrs Allardyce	8 . 8
14	✓	Holmested & Blake,Ltd.	30 . 13 . 7
15	✓	do.	3 . 5

Letters for the following:-

A.L.Allan,✓ W.A.Harding ✓ & W.C.Girling. ✓

London 8th April,1911

Enclosures via Liverpool

Duplicates

Despatch No.1087 dated 8th March.

Remarks on Stores

Reples to Remarks on Stores

Remarks on Accounts

List of General Cargo per "Orpesa"

List of Enclosures

List of Clients Cargo per Oropesa"

List of Parcels

List of Dutiable Goods per Oropesa

General Invoice goods per Oropesa

A/sale A N 1 cask Sealskins ex "Corcovado"

Second of Exchange for £ 47 . 14 . 3 on J.Kirwan & B/L attached

Clients' reports & contracts:-

Z 4	casks Tallow	ex "Flamenco"
Club 40	,,	,,
L 20	,,	,,
L 29	bales Sheepskins	ex "Flamenco"
H 2	,,	,,
S & S 8	,,	,,
S 31	,,	,,
△ 24	,,	,,
B 11	,,	,,
H & B66	,,	,,
Z 36	,,	,,
L 5	,,	,,
♡ 7	,,	,,
T R 3	,,	,,
F 2	,,	,,
HGC 14	,,	,,

Clients' Invoices goods per"Oropesa"

Speedwell Island Account,H.& G.Cobb,

Stickney Brothers,Bertrand & Felton.

Despatch no.1088 per "Oravia",8th April,1911.

Precis of Contents.

---

1. Acknowledges receipt of Despatch and letter.
2. Owners of "Columbus" may claim damage for delay.
3. Subject of Lloyd's Agency to be dropped.
4. About hulk for Darwin.
5. "Inverness-shire" case to be heard after Easter. Offer increased, but not accepted.
6. On "Samson" and Engineers' Indents.
7. Refers to stranding of Lafonia, and asks if Protest noted.
8. Explains letter from Royal Mail Co.
9. Information about "Plym" satisfactory.
10. Bills on demand preferable to three days' sight.
11. Trip of "Samson" to Fox Bay.
12. Early accounts-current appreciated.
13. On Manager's application for leave.
14. Acknowledges despatch on accounts, with remarks on the latter.
15. Advises rise in the price of bagging.
16. Asks for particulars of salved wool.
17. Draft sent forward without endorsement.
18. Reports letter from Dr. Turner asking for a payment to be made, which has been refused.
19. Reports sale of Wool.
20. Encloses list of freight rates.

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

61, Gracechurch Street.

Per Orcoma.

No. 1089.

London, E.C. 3rd May, 1911.

Sir,

I have to acknowledge the receipt of your despatches nos. 394 and 395, which arrived on the 18th ult.

2. 394-2. I have submitted the rates on outward cargo suggested by you to Messrs. Salvesen & Co., and they have given them their approval. I was mistaken in saying that these rates had been laid down in the Mail Contract; I see that it referred to passage rates only.

3. From a copy of letter from Messrs. Salvesen & Co. you will see that they are annoyed at the attitude taken up by the Governor with regard to Mr. Nilsen, and have instructed the latter not to interfere in any way in the management of the "Columbus". They go so far as to suggest giving notice to terminate the mail contract, but I have advised them not to do this.

4. Par. 3. On the subject of treating steel plating on a ship's bottom, I send you copy of an opinion I have got from our Shipbrokers.

5. Par. 4. Upon information received from outside sources we had settled with the Underwriters in the matter of the rams. It should be remembered in future that as we have in all cases a rebate for no claim, information of the arrival of rams at their destination should be forwarded without delay. Mr. Blake was informed that the majority of those per "Junin" were suffering from lung worm and bronchitis, and that one of them had foot-rot; this you did not mention in reporting their arrival. I wrote to the P.S.N.Co. suggesting that they had been allowed to stand in wet

W.A. Harding, Esq.,

Manager,

Stanley.

bedding; but on the return of the ship I have been informed that the Commander was complimented by the Stock Inspector on their condition. It will be interesting to learn the truth of the matter.

6. Par.10. I have given notice to our Brokers about chartering a vessel for house coal,and am also pushing an enquiry for a small hulk for Darwin. If we get the latter first,the coal will be shipped in her. It appears that the "J.S.Sterry" is not coppered,and that to do this would cost from £800 to £900,so she is out of it.

7. Par.19. Mrs.Smith has been informed of what you say about an application to purchase the freehold of her leases. I believe that she intends to go out in the autumn.

8. Par.22. I have arranged with the P.S.N.Co.to ship steam coal in the "Kenuta",sailing on the 12th inst. We shall have to put in some timber to bring the freight up to their requirements, as orders for rough goods are scarce.

9. Par.24. The "Corcovado" arrived on the 30th ult.

10. 395-2. The goods outwards are insured f.p.a.,so we have no claim on the Underwriters for the broken grindstone. Probably it was roughly handled,and the weather had nothing to do with the breakage; but in the face of the protest we can do nothing.

11. Par.3. The owners of the "Wavertree" have accepted the draft without protesting against the charge for towage,and I shall not open the question unless they write.

12. Par.4. In your Bills of Lading you are again making the mistake of charging the freight at per ton instead of per lb.,and there is a serious error in our own,inasmuch as you have only stated the freight on weight,without giving the alternative on measurement in the event of the weight not coming up to the required standard. To make this clear I am having two stamps prepared both for our own Bills of Lading and for outsiders,and you will only have to fill in the rates.

13. A man named Albert Beaven has written claiming to have been one of the crew of the "Samson" in salving the "Inverness-shire",and I have replied that he is not on the list sent home.

I notice that this gentleman's name appears on the drunkards' black list,published in the Official Gazette of 1st March.

14. Mr.Homer has asked if Mr.Packe will employ him on the installation of his telephone lines,but I have informed him that I have no aurhority to engage him,and he will write to Mr.Packe himself.

15. You have discontinued sending a list of passengers homeward by the steamers,which is inconvenient when questions about home-coming friends are put to us.

16. In a private letter you tell me that the cable announcing the expected arrival of the meat filler gave the date as 21st April. I find that the wrong date was actually given,but not the one you mention; "Addoceor",the 8th was sent,and should have been "Addocendos",the 5th,which ought to have been understood. The word for the 17th April is "Addolcire".

17. The "Inverness-shire" case is down for hearing on the 4th inst.before Sir Samuel Evans.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Originals

1 Copy of Cablegram received.

2 Copy of Cablegram sent.

3 Particulars of homeward freight per "Flamenco"

4 Final Invoice goods per "Oravia"

5 Gowans& Gray's invoice for books supplied.

6 Copy of letter from H.Langridge & Co.of 21st April re ships' bottoms.

7 Copy of letter from the P.S.N.Co.of 26th April re Sheep per "Junin"

8 Copy of letter from A.Beaven of 24th March.

9 Copy of letter from Chr.Salvesen & Co.dated 28th April and our reply of 1st May.re "Columbus"

10 Report & contract AP 4 bales Sheepskins ex "Flamenco"

11 Brokers' copies sundry A/sales &c.Produce ex "Flamenco"

12 Account Current and Vouchers.

13 Specimen copy of B/L showing rate of freights.

Letters for W.C.Girling,A.L.Allan.

London 3rd May,1911

Enclosures via Liverpool

Duplicates

Despatch No.1088 dated 5th April.

Remarks on Accounts.

Remarks on Stores.

Remarks on Stores Replies to.

List of Gemeral Cargo per "Oravia"

Sight draft and B/L for J.Kirwan's shipment per "Oravia"

List of Enclosures.

List of Clients Cargo per "Oravia"

List of Dutaible Goods per "Oravia"

List of Parcels.

General Invoice goods per "Oravia"

Particulars of Homeward Freights

Clients' A/sales &c.

Z	4	casks Tallow ex "Flamenco"	
♣	55	,,	,,
L	20	,,	,,
H G C	33	bales Wool	,,
S	89	,,	,,
S & S	57	,,	,,
H	40	,,	,,
R	1	,,	,,
AP	1	,,	,,
♣	1	,,	,,
H	2	bales Sheepskins	,,
T R	2	,,	,,
F	2	,,	,,
S & S	8	,,	,,
B	11	,,	,,
W P	5	,,	,,
S	31	,,	,,
L	29	,,	,,

H & B	66 bales Sheepskins ex "Flamenco"		
Z	58 ,,	,,	
M C C	14 ,,	,,	
♡	7 ,,	,,	
F B	19 ,,	,,	
R R	5 ,,	,,	
♡	5 bales Wool ex "Flamenco	)	reports only.
Z	66 ,,	,,)	
L	37 Salted Hides	,,)	reports & Contracts only.
B	15 ,,	,,)	

Clients' Invoices goods per "OROPESA" & "ORAVIA"

Stickney Brothers, Holmested & Blake, Ltd.,

Mrs Allardyce, Vere Packe.

))

Enclosures via ~~Liverpool~~ La Pallice Rochelle

Duplicates.

Despatch no.1089 dated 3rd May.

List of Enclosures

Remarks on Stores.

Remarks on Accounts

List of Dutiable goods per "Orcoma"

List of Parcels

General Invoice goods per "Orcoma"

List of General Cargo per "Orcoma"

List of Clients' Cargo per "Orcoma"

Sight Draft on J.Kirwan with B/L attached for collection

Invoice for goods shipped per "Orcoma" for Bertrand & Fenton

Clients A/sales:-

Z 37 Salted Hides ex "Flamenco"

L 27 ,, ,,

B 15 ,, ,,

Z 64 bales Wool ex Flamenco"

♡ 5 ,, ,,

Clents' reports & contracts:-

AP 4 bales Sheepskins ex "Flamenco"

J B 49 ,, ,,

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~~ORIGINALS~~. Originals

B/L cargo per Kenuta (2)

Suppliers' Invoice goods per "Kenuta"
General Invoices goods per "Kenuta"
List of Dutiable Goods per "Kenuta"
List of General Cargo per "Kenuta"
Remarks on Cargo per "Kenuta"
Letter for W.C.Girling.
~~Invoice for Vere Hacke~~.
Plans & Specification &c.for Building shipped by Browne & Lilly.

London,13th May,1911

Rec'd

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C.

Per Orissa.

No. 1090.

31st May, 1911.

Sir,

I have to acknowledge the receipt of your despatches 396 and 397, which arrived on the 15th inst., the letter of 1st ult. per "Ronald" having arrived previously on the 6th inst. The "Corcovado" delivered the wool in ample time for the late sales.

2. 396-2. I wbote both to the P.S.N.Co. and the G.P.O. about the missing Supplementary mail, but have had no reply from either yet. The mail from the Islands per "Orissa" was carried on to Liverpool and delivered two days late, but we got the Supplementary despatch via Lisbon as usual. This I also complained about, and the explanation given was that "the bags from Stanley were not marked to be disembarked at Lisbon as usual, and therefore had to be brought on to Liverpool". I do not see that this follows at all, and have suggested that the mails, whether specially marked or not, ought to be landed at Lisbon with the rest of the correspondence from South America. This points to the desirability of your enclosing the Directors' copies of the despatch in the Lisbon envelope, which please do in future.

3. Par. 5. Lists of freights have already been sent, and if you are in doubt about any of them I hope you will ask for information. At present, owing to the delay of the "Columbus", the returns made to the schooners have been unusually favourable.

4. Par. 6. The "Columbus" seems to have begun well, and I hope will soon clear up the wool remaining for shipment. I enclose copy of a letter from Messrs. Salvesen which requires attention; there may be some drawbacks and misunderstandings at first, but I hope they will be righted. I hope to be able to tell you before

W.C. Girling, Esq.,

Acting Manager,

Stanley.

closing this what view Messrs.Salvesen take of the special calls, which were contracted for while the Whalers were running the mails,but now,as Mr.Harding says,may hamper the steamer's movements very considerably.

5. Par.8. I assume that the Assembly Rooms Company will recover the whole of their insurance,and that they must wind up. I do not recollect about the land,but believe that it was granted by the Government for the purpose of building the room.

6. Par.9. If there had been any possibility of erecting a slip at Stanley except at huge expense,we should have done it. We went into the question most exhaustively,and took the opinion of Dock managers and experts here,all of whom told us that the slight rise and fall of tide was an absolute bar. To lay down and fix a slipway under water to a depth sufficient to take up a vessel even of 10 ft.draught only would be a most costly proceeding.

7. Par.13. It is not quite correct to say that Mr.Salm had decided not to take the casings this year,that is to say so far as his correspondence with us goes. What he did was to ask us to accept a lower price,and on this being declined he did not write again; it comes to the same thing in the end.

8. Par.14. The letter applying for the purchase of the Berkeley Sound freeholds has been signed by Mrs.Smith and her son before a Notary,and is returned herewith. I wrote some time ago to Mr.Sharp's Solicitors suggesting a final settlement by the payment to Mrs.Smith of a small sum; but at the time of writing I have not received their reply.

9. Par.15. We have written to Mr.Christensen on the subject of the "Nor" Whaling Company's account without getting a reply up to the present.

10. 397-3. The message from Mr.Allan about Harris confirms my original opinion and suggestion that a certificated Engineer would be needed at Goose Green. We shall have time to arrange details for next season when we hear what has been done this year.

11. Par.5. I am sorry about the flanges for the Plym's pump; the omission to send them was due to an oversight on the part of Messrs.Jacobs & Barringer,who had the order in hand and overlooked them.

12. Mr.Mathews writes that he wishes the JLW Wool got in without any delay,as they do not wish to risk missing the September sales. His first instructions were to collect it a little later.

13. The P.S.N.Co.asked me to urge you to give the "Kenuta" quick despatch,and I put a word about it in the cable advising the shipment. I assume that she would discharge the steam coal on one side,and take lighters on the other.

14. We are in treaty through Lowdens for the "Fleetwing"of Portmadoc,to be sent to Darwin as a hulk. We have never before obtained a hulk except by chance,that is to say when a vessel has been condemned,and then she has always had some vital defect naturally. In this case,if we buy her,we shall have a hulk,which though built in 1874 has always been well kept up,and,unless I am much mistaken,just about the right size,as she will carry 400 tons dead weight,which I think will be enough; her draught also is fairly light. We shall probably caulk her all over,so as to ensure her lasting for many years. If bought,she will go out with a cargo of house coal. When her equipment has been sold or allowed for,she ought to be fairly cheap; it will be an interesting experiment.

15. I reported by the Supplementary mail that we had been successful in our action in the Admiralty Court,and had had judgment in our favour for £3000. A report of the case was in the "Times" of the 5th inst.,and there is rather a fuller account in the Shipping Gazette of the 6th. We are going to send the Weekly Summary from the office in future,as it often contains interesting shipping news. We cannot get the £1500 paid into Court until the authority signed by the crew returns from Stanley,the rest may be settled any day.

16. We have sold our wool ex "Corcovado" at slightly better prices than in March,and also better than in May last year. So far this year's prices are approximately 0.67d.lower than those of 1910,the quantity sold up to the present being 1765 bales against 2154. As far as the wool goes,therefore,we are likely to be from £6000 to £7000 to the bad as compared with last year,but there will be compensations in other directions.

17. Messrs.Salvesen's reply to a letter I wrote them on various points came in this morning,and I enclose a copy of it for your guidance. I hope that the arrangements will work amoothly; but if there does not seem to be sufficient time between the arrival of the mail and the appointed day of sailing to get cargo on board,the Governor will have to be asked to extend it. If they work as the log of the first voyage seems to show,it does not seem reasonable to expect the crew to do boating work in Stanley, or,in fact,anything but to receive the cargo on board. If you can manage to get her into Stanley some days before the arrival of the outward mail,and use the time in loading her with orders which the Storekeeper must have packed in proper time,I think that there ought to be no difficulty. To try to get these goods on board after the arrival of the mail is only courting trouble,for all your hands will be on the lighters. Whether it will be possible to get away any goods that may have arrived in the mail for outports is doubtful,and you will understand that I can only give advice and suggestions,as the practical management of the boat must be carried out by you according to circumstances.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Originals

1 Copy of Cablegram received.

2 " " sent.

3 Wool Reports

4 Invoice of Goods shipped per "Kenuta" for Vere Packe.

5 Copy of Letter from Chr Salvesen and Co of the 20th and our reply on the 22nd May.

6 Elstow school account for Mrs Oswald.

7 Certificate re quality of timber per "Kenuta"

8 Broker's press copies sundry reports &c.

Clients reports and contracts.

9	S	16	Salted Hides per "Corcovado"	
10	McG	50	" " "	"
11	S	8	Casks of Tallow	"
12	JB	164	Bales of Wool	"
13	S&S	97	Bales "	"
14	S	74	" "	"
15	AFC	43	" "	"
16	TR	151	" "	"
17	S	133	" "	"
18	F	166	" "	"
19	H&B	154	" "	"
20	HGC	79	" "	"

21 Copy of letter received from Chr Salvesen and Co Dated 30 and our reply of the 31st May.

Letters for the following

A L Allan (2)

W C Girling

Vere Packe

LONDON 31st MAY. 1911.

Enclosures via Lisbon.

Originals

1 Account Current & Vouchers.

2 Sealed Documents relating to the Berkley Sound Farm

3 Remarks on Accounts.

4 Remarks on Stores

5 Replies to Remarks on Stores

6 List of General Cargo per "Orissa"

7 General Invoice goods per "Orissa"

8 Sight draft on J.Kirwan for £ 14 . 13 . 1 for collection

9 Chilprufe,Dobbie Forbes & Salt Union's invoices

Clients' Invoices goods per "Orissa"

10 Vere Packe,Bertrand & Felton,Baillon & Stickney

H.& G.Cobb,Speedwell Isld.& G.Bonner & Co.

11 Letter for W.C.Girling.

London 2nd June,1911

Despatch no.1090 per "Orissa",31st May,1911.

Precis of Contents.

1. Acknowledges despatches and letter. Announces arrival of "Corcovado".
2. On irregularities in delivery of mails.
3. Refers to local freights.
4. Remarks on "Columbus".
5. Affairs of Assembly Rooms Company.
6. On impracticability of laying down a slip.
7. Refers to Salm and Casings.
8. Affairs of Berkeley Sound Farm.
9. Reply from Christensen of "Nor" Whaling Co.not received.
10. On Engineer needed for Goose Green.
11. Explains omission to send flanges for pump.
12. Port Howard wool to be collected at once.
13. Reports desire of P.S.N.Co.for quick despatch of "Kemuna".
14. Remarks on vessel to be sent out as a hulk with house boat.
15. Remarks on Inverness-shire decision.
16. Sale of Wool ex "Corcovado".
17. Enclosing copy of letter from Chr.Salvesen & Co.with contents.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)
REGISTERED 1902.

61, Gracechurch Street,
London, E.C.

Per Oropesa.
No. 1091.

28th June, 1911.

Sir,

I have to acknowledge the receipt of despatches nos.398,399, and 400,which arrived on the 12th inst.,and of your letter of 17th ult.per "Esmeraldas",which came to hand on the 16th. Your cable advising us that Mr.Packe is not coming home at present is also to hand.

2. 398-1. The agents for the "Kosmos" Co.have paid the Sabara's account.

3. Par.3. The Governor's proposal to exact Estate duty on the property of deceased shareholders in Companies doing business in the Colony is a matter of great importance,and we have asked our Solicitors to look into it. In the case of deceased owners of property in the Islands it is a simple matter,for on proof that the duty has been paid in the Islands a refund of the amount paid here is made. I have asked a friend who knows the Colonial Secretary of Trinidad to find out,if he can,how the Ordinance passed there works; from Mr.Harding's remarks I judge that nothing has been done of late,and there may be a hitch. It would,undoubtedly, be a good thing for the Colony if it could secure Estate duties in the way proposed; but it occurs to me to ask whether the Chancellor of the Exchequer views it in the same light. On some holdings in this Company the death duties would amount to several thousand pounds; will Mr.Lloyd George willingly surrender this? Has any consideration been given to the shareholders in Norwegian and other Whaling Companies doing business in the Southern seas and in South Georgia,some of these shareholders being resident in the Islands,and others here? How do the Norwegian laws affect the

W.C.Girling,Esq.,
Acting Manager,
Stanley.

shareholders in Companies registered in Norway? These are all matters that will have to be considered, and many difficulties may arise. It is too early to write about the subject at any length, but I expect to be able to give you a legal opinion by next mail. We should object to be called upon to supply the Government with our Report and Balance Sheet, or to disclose our accounts; but in our case the value of the shares could be given as here, that is to say the last price at which transfers have gone through, which is always accepted at Somerset House.

4. 399-2. I have a letter from Mr. Harding written at San Julian, in which he says that he does not expect to catch the "Orita", and may come by the Royal Mail boat following her; but he has since given no indication of his whereabouts by cable.

5. Par. 3. I passed your remarks on to Messrs. Salvesens, and send you a copy of their reply. Things will shake down I expect, in fact it would be strange if there were not some hitches at first. One thing you must remember: it is not the custom to call upon crews to act as lightermen; in Stanley we have done it because both the crews and the labourers are in our pay, that I suppose is the reason for the practice; but the general rule is that the men in a ship have nothing to do with bringing cargo alongside. As to Reef Channel, I am the culprit, if the prohibition is wrong. More than 25 years ago the "Malvinas" went ashore on one of the reefs there, although it was daylight and the Captain knew the place well. She knocked a hole in her double bottom, and went to Montevideo for repairs at a cost of £2000. Not long after that, Capt. Winther, than whom no one had a better knowledge of the Islands, put the "Ranee" ashore in North West Pass; result another voyage to Montevideo at a somewhat similar cost. Only last year we lost the "Malvina" in Reef Channel, although Capt. Maats was well acquainted with the spot. I know how much longer it takes to go round Saunders Island, and what a temptation it is to take the short cut; but with the warnings given by these three casualties, and considering the vital need of keeping the "Columbus" off the rocks, I told Messrs. Salvesen months ago that I would not risk the channel. If their skipper can persuade them that there is no dan-

ger,let him do so,and I shall not be responsible. I gave no other warnings,and do not understand Capt.Saanum's objection to the Chartres. You will find,I feel sure,in the correspondence sent out,that the Manager and Capt.Saanum are to decide together as to the amount of freight that would warrant the steamer going to any particular port. The proposal the Owners make as to the collection of passage money seems fair. You omitted to send an account of cash received on account of the "Columbus",and I sent them a cheque for £250 on account,a statement that they sent up showing that something like that amount had been received. In future this should come every mail,just as you advise payments to be made to the P.S.N.Co. The cable advising an accident to the "shaft",which we understand is the crank-shaft,is disturbing; but it is to be hoped that temporary repairs have been carried out, and a new shaft was to go by this mail,although I have not heard that it has actually been shipped.

6. Par.4. We have had no settlement yet of the "Inverness-shire" business,although Messrs.Ince reported lately that they expected to get all the money in shortly. I notice that two of the men had been left out of the first return of hands engaged, but Mr.Beaven's name is still omitted,although he is still putting his claim forward.

7. Par.8. There has been no considerable addition to Office furniture for some time,but it ought to be capitalized like the rest of the property. However,it is a small matter,and no notice need be taken of past ~~entries~~ entries.

8. Par.9. When we give the order we can get all the bagging we want in less than a month. At present the market is uncertain, and we are still holding on for lower prices.

9. Par.11. The draft was endorsed by Mr.Anson in time; but could not Mrs.Dean have done it?

10. Par.12. Dr.Turner has again asked us direct to make some payments for him,which have been refused,and I am writing to tell him that we cannot act as his agents here,without any knowledge of the state of his account.

11. Par.14. The Board are willing to take Messrs.Packe and Bonner as your sureties.

12. Par.15. We have received payment of Messrs.Salvesens' account.

13. Par.18. The sample cases of tongues and casings have not yet been delivered,and it looks as if they had been carried on to Liverpool. I hope that they may turn up before the mail leaves.

14. Par.19. It is most important that there should be Government inspection of the Meat Works while canning is going on, and you should impress this on the Governor. Knowing the necessity I told Mr.Harding months ago that it should be applied for. You should mention that at the time of the "Jungle" revelations,the Government certificates were of the utmost service in preserving the reputation of Australian canned meats,and you can show him the enclosed label taken from a can,and the certificate that accompanies every shipment; the latter is sufficient to disprove his misgiving as to its not being accepted outside the Colony. Is it possible that he wished to bring pressure to bear upon us by Ordinance,and that we have anticipated him by asking for inspection? Whatever may be his idea,surely he will not wish to do anything to injure a new industry,especially one that he has in his public lectures so strongly advocated.

15. Par.20. There is no reason for discontinuing the extra charge on Keppel produce,unless the shipping facilities should be improved. In fact,it would be rather a relief if Mr.Dean were to continue to bring in his own wool,as Pebble is an impossible place for loading in bad weather.

16. Par.21. The Board would not wish to stand in the way of any regulation that Mr.Townson thought necessary for the purpose of keeping out disease among horses.

17. Par.24. Mr.Packe has written about telephone wire,and I lost no time in putting his views before Mr.Mantle; but the latter asked me to defer an interview on the subject until after the Coronation,and it is now rather late to go into the subject fully. Mr.Packe asked me to engage an Electrician,and as Homer offered to go out at £3 per week with an outward passage only I have taken him on. I thought that as he had had all the experience of putting up the Darwin line,he would be better than any novice.

18. Par.25. Unfortunately you have no chance of getting cables repeated when in doubt as we have,and I do not see that anything can be done. I suppose that they would not allow you to cable to Montevideo or Punta Arenas for a repetition without paying for it.

19. In one of my letters to Messrs.Salvesen I mentioned that we were sending out some forms,and these are not yet ready. I propose to get one out showing the cargo brought in by each voyage of the "Columbus",so that we may see clearly when a cargo boat arrives what we have to account for in the way of freight,and these will have to be sent in duplicate,so that a copy can go to Leith.

20. A copy of the Annual Report is enclosed as usual for the office. You will see that after putting £5,000 to reserve we have paid 35% for the year,free of Income Tax,carrying forward a larger sum than was brought in.

21. At the General Meeting a vote of thanks was passed to the Managers and the staff generally for the successful administration of their several departments.

22. Some correspondence has been sent to me anonymously on the subject of the Church and school building at Darwin,in addition to a letter received by Mr.Allan from James Smith,the original of which I also have. I have taken some pains to look up the subject from the beginning,and will now go thoroughly into it,as you will have to represent the Company if Smith carries out his threat to take legal proceedings.

In 1872 the Rev.A.Yeoman came out as Minister of the Free Church of Scotland,the Company giving him a house and a guarantee of,I think,£100 a year as a minimum,in the event of the subscriptions not reaching that sum. On his arrival,and for some time afterwards,he held services in the Cookhouse,and it was not until the Directors sent out Mc.Pherson,a schoolmaster for Darwin,that a project was set on foot for building at public expense a room to be used both for services and for teaching the children. The Company at that time was poorly off,and the Board held the view that if they subsidized the Minister and provided the Schoolmaster,those who benefited should subscribe for a building to be

used by both,agreeing at the same time to give the freight out. A subscription was raised,and I suppose that at the present time the only contributors alive are myself,and probably Smith,but I have no copy of the list,and cannot verify this. Later on a division was also put up and the building re-roofed,also by subscription,the Company giving the iron at cost price. We had advanced money in anticipation of the subscriptions,and some time afterwards,as there seemed no hope of getting the money in,the Company wrote the balance,£79.4/.,off as a bad debt. To go back some years,in despatch 452-9 of 7th June,1873,the Board wrote that Mr. Yeoman had asked for a grant of a quarter of an acre of land at Darwin on which to erect the Church; but that they were not willing to alienate any of their land,although they were prepared to give an undertaking that so long as the Church was used in a proper manner and kept in repair by the Presbyterians in their service,the same should be held to be public property not liable to be removed,or rent charged for the land. In the course of time,for want of support,the Free Church of Scotland abandoned Darwin,and since then,in the absence of any representive of that Church,other arrangements have,as you know,been made for holding religious services,not only at Darwin but in the Camp generally,by payments to the Chaplains or Clergy of the Church of England,and,I believe, other denominations. There is no copy here of the undertaking I gave under the Board's instructions in 1873,and it is quite likely that it is this that Smith has up his sleeve. Now,what is the position of the building? It is not vested in any Trustees,the Presbyterians have gone,the subscribers are nearly all dead or away from the Colony,- not that the fact of their having paid subscriptions would give them any right to it - and since the departure of the Rev.W.H.Philip I think that there is no doubt that all expenses of upkeep have been borne by us. When the rest of the settlement has been painted,the building has had its share,and if there has been any subscription,I have not heard of it. What the condition of the building today would be,35 to 40 years old as it is,if it had not been for our care,it would not be difficult to judge. It has not been kept in repair by the Presbyterians in our service,and the condition on which the use of the land was granted

has not been adhered to. I have said that a subscription gives no rights to the donor; but should the contrary opinion be held, it is incontestable that the Company are by far the largest subscribers, reckoning freight, the unpaid balance written off, and upkeep for so many years, it cannot be put under £200. In the circumstances the Directors hold that they have a right to constitute themselves Trustees for the public; they do not claim ownership, but desire that the building may be used as heretofore as a school, and also, in preference to the Cookhouse, as a place for holding religious services by any Clergyman or Minister of any denomination who may be visiting Darwin. In most settlements the Cookhouse would most likely be used for the purpose, but this building is far more appropriate. The Directors think that this is the common sense view to take of the matter, and intend to hold to it. Should Mr. Smith or anyone else be ill-advised enough to make any trouble, the Board would have to consider the propriety of having the building removed altogether, and erect a new one, as to the control of which there could be no doubt. We are in a different position now to what we were in 1873, when the smallest expenditure had to be carefully considered, and the Company cannot allow the existence of any building on their property over which they have not control. I have thought it best to write thus fully to you, as you will have to take the matter up on behalf of Mr. Harding should any steps be taken by Smith, and you will please communicate the Board's views to Mr. Allan. For your information I send you a list of the despatches in which the building is mentioned.

23. I have been lately to Portmadoc to see the "Fleetwing", and have bought her for conversion into a hulk. She is in excellent order, with the exception of her copper, and she is being thorougly caulked and lightly metalled, so that she ought to remain tight for years. Her register tonnage is 221, but she has carried 420 tons coal to Brazil, and she will be loaded with house coal when ready. She is just the right size for Darwin, but I think that Mr. Allan wants a hulk to be grounded or scuttled off the jetty at Goose Green, and this should be done rather with a hulk that has seen her best days, and not one with a sound bottom. I am therefore

going to suggest to Mr.Harding that he might find it convenient to send to Goose Green one of the older hulks,and keep the "Fleetwing in Stanley,where she would be most useful in receiving portions of cargo that may have to be discharged and kept dry.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1090 dated 31st May,1911

Remarks on Accounts.

Remarks on Stores.

Replies to Remarks on Stores.

List of General Cargo per "Orissa"

List of Dutiable goods per "Orissa"

List of Parcels.

List of Clients' Cargo per "Orissa"

General Invoice goods per "Orissa"

Second of exchange for £14 13 . 1 on J.Kirwan.

B/L .cargo per"ORISSA"

List of Enclosures.

Clients' Invoices goods per "Orissa"

Clients' A/sales & reports &c.

AP	4 bales	Sheepskins ex "	Flamenco
S	8 casks	Tallow	,,
McG	50	salted Hides ex "Corcovado"	
S	16	,,	,,
H & B	154	bales Wool ex "Corcovado"	
S & S	97	,,	,,
A F C	43	,,	,,
T R	151	,,	,,
H G C	79	,,	,,
S	133	,,	,,
S	74	,,	,,
J B	164	,,	,,
F	166	,,	,,

General Invoice goods per Kenuta
List of Cargo per "Kenuta"
List of Dutiable goods per Kenuta
Remarks on Stores
Invoice goods shipped for Vere Packe
} per Kenuta direct.

Enclosures via Liverpool

Originals.

1 ✓ Copy of Cablegram sent.

2 ✓ Mr Hughes's certificate re quality of Timber shipped per "Orissa"

3 ✓ Copy of letters from Chr.Salvesen & Co.of the 15th & 19th & 27th and our reply of the 16th June.

Clients' reports & contracts.:-

4	H G C	2	bales Sheepskins	ex "Corcovado"
5	S & S	2	,,	,,
6	A F C	4	,,	,,
7	T R	1	,,	,,
8	McG	10	,,	,,
9	F	2	,,	,,

10 Brokers's press copies of above reports also Co's.Sheepskins ex "Corcovado"

11 ✓ Co's Annual Report & Balance Sheet.

12 ✓ Final Invoice goods per "Orissa"

13 ✓ Particulars of Despatches relating to Darwin Church.

14 ✓ Copy of Letter to Dr.Stanley Turner dated 28th June.

London 28th June,1911

Enclosure per Supplementary Mail via Lisbon

Originals

1 Account Current & vouchers.

2 Remarks on Accounts.

3 Remarks on Stores

4 Replies to Remarks on Stores.

5 List of General Cargo per "Oropesa"

6 General Invoice goods per "Oropesa"

7 Spratts & Young & Marten's invoices goods supplied.

8 Report & contract Hides per "Esmeraldas" a/c Baillon & Stickney.

Clients' Invoices goods per "Oropesa"

9	Dean & Anson	£ 21	12	9
10	Stickney Bros.	27	2	7
11	Holmested & Blake, Ltd.	5	7	7
12	G. Bonner & Co., Ltd.	56	9	10

13 Sight Draft on J. Kirwan for £ 19 . 14 . 1 for collection & B/L attached.

14 Letters for the following:-

W.C. Girling, Vere Packe, A.L. Allan, (2)

15 Detailed Balance Sheet & P.& L. for 1910

16 Money order returned for collection, see remarks.

London 1st July, 1911

Despatch no.1091 per "Oropesa",28th June,1911.

Précis of Contents.

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1. Acknowledges despatches,letter,and cable.
2. Reports payment on account of "Sabara".
3. Discusses proposed Estate Duty Ordinance.
4. Advises receipt of letter from Mr.Harding at San Julian.
5. Refers to "Columbus" and her management.
6. Settlement of "Inverness-shire" claim expected.
7. On capitalizing Office Furniture.
8. Reports holding order for bagging for lower prices.
9. Refers to unendorsed draft in favour of Dean & Anson.
10. Remarks on Dr.Turner's account.
11. Messrs.Packe and Bonner accepted as sureties for Mr.Girling.
12. Payment of Messrs.Salvesens' account reported.
13. Advises non-delivery of tongues and casings sent as samples.
14. Inspection of Canning Works by Government Inspector necessary.
15. Refers to the collection of Keppel Island produce.
16. Board will support Inspector in the matter of horse diseases.
17. On Mr.Packe's telephone; reports engagement of Homer.
18. On repetition of mutilated cables.
19. Refers to forms being prepared for stating feeight per "Columbus."
20. Encloses Annual Report and states Dividend.
21. Records thanks at General Meeting to Staff.
22. Fully explains position of Darwin Church building.
23. Reports purchase of "Fleetwing".

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 26th July, 1911.

Per Oravia.

No. 1092.

Sir,

I have to acknowledge the receipt of your despatch no.401 and letter of the 13th June, both of which arrived on the 10th inst.

2. Par.5. Note is taken of Beaven's position, and it is clear that he has no claim for salvage; but at the same time our Solicitors say that if he gets nothing he will probably put some low East-end lawyer on to us, and that it will be better to give him a small sum to sign clear.

3. Par.6. An apportionment of the salvage has been made, and the original document is sent with this. Mr. Ince has discussed it with Mr. Harding and myself, and says that the various amounts awarded to the different ratings are in accordance with the law.

4. Par.7. The Board will not object to making an advance of £300 to Wesell, if that will be sufficient to clear him. From his account in the Stanley ledger it would seem that his expenses are small, and we assume that he would not be playing any tricks with his produce, such as sending it over to Punta Arenas.

5. Par.8. In the circumstances it seems that it was inevitable that a schooner would have to take up the work of the "Columbus" for the time during which she was laid up, mainly because produce would be delayed; but it would have been better to let the Government ask you to carry the mails to the West in place of offering to do it as Salvesens' agents. It would have been putting them under an obligation for one thing, and there is the further consideration that under the Contract it is provided that in case of accident the service is to be taken up by another of their Wha-

W.C.Girling, Esq.,

Acting Manager,

Stanley.

ling steamships or other suitable vessel. We did not give them a chance of doing this, but this is not of much consequence; the main point to consider is that although we are Salvesens' agents for the management of the "Columbus" we cannot accept the liability of putting in one of our own vessels as one of the duties of the agency, unless it suits our purpose, and this is just what the prompt offer of the schooner looks like. In matters of this sort care must always be taken to avoid the creation of precedents. If the Government had asked you to send the schooner, and you had replied that you would do it with pleasure to oblige them, even at some inconvenience, we should have avoided giving them any apparent claim on us on another occasion.

6. Par. 9. It was quite right to send the schooners for produce when you heard of the accident to the "Columbus", but I hope that you laid them up again as soon as the steamer was able to go to sea, even at ¾ speed. It would not be carrying out our engagement with Salvesens to do any wool carrying ourselves unless the "Columbus" is actually hors de combat, and I should be very sorry to have any question of our good faith raised on this side.

7. Par. 12. Gordon must have arrived long since, but he has not written anything about his passage.

8. Par. 13. I gave you at some length in my last despatch the Board's views on the subject of the Church and School building at Darwin. We cannot admit that although the Company have said that they hold it in trust for those who benefit by its use it is liable to Government overlooking, but the Board do not wish to raise an argument on the subject. In future, while the building lasts, Mr. Allan is to be instructed to do the necessary lighting and cleaning at the expense of the Company, and not to have any offertories; consequently there will be no accounts to be forwarded to Stanley. From information lately received it would appear that the building is now in a crazy state, although all the repairs done for years have been at our expense, the so-called belfry had to be taken down because the roof underneath was leaking badly, and the complaints about this and the bell are childish. The latter came I hear from the "Rotomahana", wrecked on the Elephant Cays in 1884.

No subscription had been paid towards the building for years before that,and who gave the bell I do not know. For the future not one penny is to be expended by the Company on the building,and the Board have decided forthwith to put up at the Company's expense a new schoolroom of construction and design to be approved. This building will be at the service of any Clergyman,Priest,or Minister who may wish to hold services at Darwin when visiting the Camp. As to the old building,it will have to be removed,and it is hoped that common sense on the subject will prevent any unseemly squabble taking place. It should be borne in mind,that it is not a consecrated building,that it is old and rotten,and unsuitable to be used as a school,that it is vested in no body,that it has only been through timely repairs by us that it has not fallen down already,and that the conditions on which the land,or rather the use of the land was granted have not been complied with by the "Presbyterians in our service". Furthermore,if the Free Church of Scotland,whose Ministers at one time resided at Darwin, could have been held at any time to possess any control,that has lapsed through their departure.

9. The Board approve of your having fallen into line with the Government and others with regard to the pay of daily labourers,as mentioned in par.17.

10. Mr.Harding and I went to Portmadoc to see the "Fleetwing" on the completion of her repairs and coppering. The former cost a mere trifle,as the ship was in excellent order; we saw her high and dry,and the general feeling was that she was too good to be turned into a hulk. The half-time survey has been passed,and she is still on the first letter. She was towed round to Liverpool, loaded a cargo of house coal,and sailed on the 19th inst. Capt. Parsell sailed for Lowdens for some years,and Mr.Connell pronounces him to be a most careful man. We could have got a Welshman at Portmadoc at £12 per month,but I was not satisfied that he was free from suspicion on the drink question; the man chosen is high class and gets £17 per month,with a premium for a passage under

90 days of 10/.per day; he had asked £20 per month,but agreed to the terms mentioned at my suggestion. The mate is said to be a good seaman,but has been drunk all the time in Liverpool. We have taken ourselves the insurance of ship and freight,but have done the cargo through Lowdens as well as the collision risk,and covered our liability under the Employers' Liability Act at Lloyd's. She carries 355 tons of House Coal,and would have loaded more if the kind selected had not turned out to be very light,measuring 55 ft.to the ton,the result of which was that she went down by the head,and could not fill up forward. The same would probably have happened with a closer coal,but the tonnage would have been more. We shipped a few fire bricks at Mr.Harding's request.

11. The "Fleetwing" will remain at Stanley as a hulk for receiving perishable cargoes from ships in distress,and will have to be dismantled. Mr.Harding would like her to go to Darwin with the year's supply for the settlement,but on giving the matter careful consideration I cannot see my way to sanctioning it. From a calculation I have made I estimate that the cost of sending her round,and consequently losing at least a month in getting the crew away,will cost in wages,provisions,in surance,ballasting at Darwin,pilotage,&c.,&c.,at least £100. The cargo to be carried will be not more than 150 tons at the outside,I cannot just now find out what the annual consumption is,but I think it is not more than 120 tons. Even if 150 tons,the freight will come to 13/4 per ton,and for a less quantity proportionately higher. But I do not think that at present you will be able to do in Stanley with 2oo tons only,and you will be unable to spare 150. This,however, is not the only objection; once arrived safely in Stanley I do not like to risk a brig in ballast trim on the coast. She may get round all right,and again she may not,and being our own insurers I do not relish the idea of losing her. The cost of sending the "Samson" to take her would bring the expenses up to a still higher point. The freight per "Columbus" would only be 10/.per ton; but it is one of those cases in which we are at liberty to use a schooner,that is to say a trip with a cargo that would take too

long to discharge to be worth the steamer's while,and the solution of the question appears to be to send one of our own vessels at a convenient time with a scratch crew. The crew must be returned by the first steamer to Liverpool,the Captain and I suppose the Mate second class. Let him bring with him the Chronometer and charts; we have had to supply the latter again for want of a set that ought to have been returned when the last schooner went out. Possibly some of the men make get Camp work; if so,let it be quite clear that they are allowed to sign off without any liability on our part to return them to England at a future time. If she arrives some time before a mail leaves,use your discretion as to the employment of the crew; discharge if you think it advisable,but I would suggest that as sailors they might be more usefully employed in stripping her. For what comes out of her,whether provisions or gear,credit will have to be allowed,so that we can get at her net cost. If taken into the Store quite moderate prices should be set down; you may possibly think that some would be worth putting up at auction. An inventory of what she had when taken over is enclosed,and I believe that Capt.Parsell has a copy. There are three boats that we bought at Portmadoc,one new one at £13.10/. and two second hand at £3.15/.each,oneof which is reported as being defective in the stem. Mr.Harding,however,is satisfied that we can make money out of them. You will have to surrender the Certificate of Registry to the Board of Trade's representative,and declare that she is no longer a vessel; it is important that this should be done at once,for if it is not home by the 31st December we shall be having all sorts of demands made upon us for light dues, information,&c.

12. Enclosed is a copy of a letter from our Solicitors to the Colonial Office on the subject of the Ordinance to amend the Probate &c.Ordinance of 1901. I do not suppose that it will be necessary to say anything about this for the present,as the Governor will hardly get permission to go on with it until the C.O. have come to a decision.

13. Mr.Harding has been going into the question of the Stanley telephones with Mr.Mantle,and has also seen the Crown Agents on the subject. We find from the General Electric Co.that the switchboard sent out by them was for an earth circuit,and therefore useless. I enclose a letter from Mr.Mantle,and you will see that if the board is returned the G.E.C.will exchange it for one for a metallic circuit,and that it should be sent at once. Mr.Hubert tells me that the new one can be adapted to work the Darwin and Mr.Packe's lines,unlike the earth board which cannot work the metallic circuit.

14. I enclose copies of some letters from Dr.Turner,and you will please reply for me that correspondence on the subject of his account should not be sent to the London office,and that we cannot receive instructions from clients of ours in Stanley except through the usual channel. The tone of his letter is impertinent,and he makes a garbled extract from a letter of mine in which I said that he had no account here and was not in a position to instruct us to make payments bear the meaning that his reputation had suffered. The whole letter is so silly that I will not waste time in pointing out its absurdities; but I may as well explain that several times he has written to Mr.Goddard,with whom he was formerly acquainted,asking him to do small commissions for him,and that the latter has told him on each occasion that he should put his requests through Stanley. Latterly he has written to me with regard to the disposal of his balance,and when I have looked at the Stanley ledger,months old of course,I have found that it was a debit one. There is only one way of acting that meets our requirements,that is he must tell you to advise payments in the usual way,and they will be made. Advice of sums to his credit here to be disposed of according to his instructions sent direct from Fox Bay will not do; we do not keep clients' accounts in this office,and will not in any circumstances. I have never encouraged direct correspondence from the Islands,and am not going to begin.

I am,Sir,

your obedient servant,

Laurence Lobb

Managing Director

Enclosures via Liverpool

Duplicates

Despatch No.1091 dated 28th June.

Remarks on Accounts.

Remarks on Stores.

Replies to Remarks on Stores

General Invoice goods per "Oropesa"

List of General Cargo per "Oropesa"

List of Enclosures.

List of Parcels.

List of Dutiable goods per "Oropesa"

List of Cargo per "Oropesa" (Clients)

Second of Exchange £ 19 . 14 . 1 and B/L attached.

Bills of Lading cargo per "Oropesa"

Clients reports & contracts:-

B & S	9	Salted Hides ex "Esmeraldas"	
F	2	bales Sheepskins ex "Corcovado"	
S & S	2	,,	,,
A F C	4	,,	,,
McG	10	,,	,,
T R	1	,,	,,
H G C	2	,,	,,

Clients' Invoices goods per "Oropesa"

Messrs Dean & Anson, Stickney Brothers,

Holmested & Blake, Ltd., G.Bonner & Co., Ltd.

Particulars of Despatches relating to the Darwin Church.

Enclosures via Liverpool.

Originals.

Wool Market reports.

Particulars of homeward freight per "Corcovado"

Apportionment of Salvage "Inverness-shire" (Original)

Copies of Cablegrams sent.

Thomas Albert Homer's agreement for Vere Packe.

Copy of letter from Mr.Mantle dated 6th July.& 20th July.

Copy of letter to Sewell & Crowther of 11th July & copies of Dr.Turner's letters of 1st.5th & 6th June.

Clients' Reports & Contracts:-

♡	249	bales Wool	"Esmeraldas"
M V	16	,,	,,
W P	50	,,	,,
◇ H	33	,,	,,
H & B	188	,,	,,
△ P H	69	,,	,,
♣	164	,,	,,
J B	65	,,	,,
△ F B	95	,,	,,
L	219	,,	,,
W E D	155	,,	,,

Copy of Brokers' reports on Company's Wool ex "Esmeraldas"

Copy of letter from Bischoff & Co.dated 21st July to the Crown Agents for the Colonies.

Inventory of Brig."Fleetwing.

Letters for the following:-

A.L.Allan (2) W.C.Girling,& H.W.Townson.

London 26th July,1911

Enclosures per Supplementary Mail

Originals.

1 List of General Cargo per "Oravia"

2 General Invoice goods per "Oravia"

3 Wool Market reports.

4 Remarks on Accounts.

5 Remarks on Stores

6 Replies to Remarks on Stores.

7 Sight Draft on J.Kirwan for £ 53 . 14 . - with B/L attached for collection.

8 Certificate of Coal shipped per "Fleetwing.

9 General Invoice goods per "Fleetwing".

Clients' Invoices goods per "Oravia"

10 Vere Packe, Bertrand & Felton, Holmested & Blake J.J.Felton's Estate, & H.& G.Cobb.

Clients' Reports & contracts:-

11	L	3 bales	Sheepskins	ex "Esmeraldas"
12	♡	8	,,	,,
13	W E D	14	,,	,,
14	♣	1	,,	,,
15	F B	1	,,	,,
16	M V	4	,,	,,
17	H	1	,,	,,
18	M V	2 casks	Tallow	,, } & contracts
19	♡	2	,,	,, } & contracts

Letters for the following:-

W.C.Girling (2) Dr Turner.

London 29th July, 1911

Despatch no.1092 per "Oravia",26th July,1911.

Precis of Contents.

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1. Acknowledges despatch and letter.
2. Note taken of Beaven's position in re "Inverness-shire".
3. Advises enclosure of apportionment of salvage on "Inverness-shire".
4. Agrees to advance asked for by Wesell.
5. Discusses offer of a schooner to carry West mail.
6. On laying up schooners when "Columbus" was repaired.
7. Reports that Gordon,ex-schoolmaster,has not written to us.
8. Gives instructions as to dealing with the Darwin Church.
9. Approves action in the matter of labourers on Coronation day.
10. Reports sailing of "Fleetwing",with remarks on cargo.
11. Gives instructions as to "Fleetwing" on arrival.
12. Refers to letter from our Solicitors on proposed Ordinance.
13. Reports action in matter of Stanley telephone.
14. Refers to Dr.Turner,and states that we will not keep clients' accounts in London.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 23rd August 1911.

Per ORCOMA

No. 1093

Sir,

I have to acknowledge the receipt, on the 8th inst., of your despatch No.402 and letter of the 11th July.

2. Par.4. Your remarks on the working of the "Columbus" have been read with interest, and the Directors are glad to note that you approve of Captain Saanum, with whom it is desirable that we should co-operate as fully as possible. Mr Cobb and Mr Harding are at present in Edinburgh, where they will have an opportunity of fully discussing with Messrs Salvesen, the little difficulties which have arisen from time to time, and there is little doubt but that a better understanding all round will result.

3. Par.5. Mr Harding is taking up the matter of the Assembly Rooms fire, with the Royal Insurance Co., and you will be advised of the result later. Meanwhile I may say, for your information, that the course proposed by the Royal in this case, is strictly in accordance with the practice of all Fire Insurance Companies here. There can be no question about this, and if the impression exists, that in the case of a total loss by fire, the full sum insured is paid, it should be dispelled. If you refer to a Royal policy you will see the clause "the Company will pay or make good to the insured the value of the property so destroyed". It follows, that, in the case of a loss or total destruction, they are at liberty to, and invariably

W. C. Girling, Esq.

Acting Manager,

Stanley.

do, hold a survey and determine the value of the property destroyed, and pay accordingly.

4. Par.8. Your difficulties arising from the insufficiency of lighter and hulk capacity, when two steamers like the "Kenuta" and "Orissa" arrive together, are appreciated and the matter has been fully discussed with Mr Harding. He agrees that the "Garland" should be brought back to Stanley and the "J. P. Smith" sent to Goose Green to be scuttled at the end of the jetty.

5. Par.10. The remarks in par.5 of last despatch anticipate your question as to the employment of our schooners under clause 15 of the Mail Contract.

6. Par.11. I much regret to hear of the accident at Goose Green to the boy Cartmell, and shall be glad to know in what capacity, if any, he was employed; also has anything been done in the factory, in the way of erecting guards, where possible, to protect the workers from moving machinery.

7. Par.12. Your remarks as to repairing the "Gwendolin" are noted, but until we have had an opportunity of discussing the matter with the underwriters, we are unable to decide what is best to be done.

8. Par.13. The copy of the letter from Mr F. H. Weiss, applying for the post of Preserver at Goose Green, is to hand, and he certainly does not err on the side of modesty. Please make every enquiry about him and his abilities, and also the pay he asks, and advise us of the factories at which he has worked in Australia and Patagonia. Mr Harding has another man in view, and one may yet offer from Australia. It is great assumption on Mr Weiss's part to say that he is aware that our plant is not so modern as his, for if that at Goose Green is

(1093, per ORCOMA, 23.7.11)

not so fully up to date as any Patagonia factory, then the heavy outlay incurred in the employment of Mr Allan, who is known to be about the best man in Australia at this work, has been thrown away.

With regard to the condition that he must have full charge of the factory; when replying it will be necessary for you to lay it down that he must not be over the Engineer, but that the whole place must be under our Camp Manager, Mr Allan, and no other.

9. Par.14. I think that in charging 20/- for sheep supplied to the "Kenuta" you went beyond the mark, and fear it may induce the P.S.N.Co. to take their supplies of mutton elsewhere. I cannot see that skins in July are ever worth 8/- each net.

March or April

10. Par.17. We gather from your remarks that proceeds of produce will place Mr Felton's account in credit, and we have therefore passed his indents on to the various suppliers. Our total commission will not exceed £2 to £3 on his order.

11. Par.18. The question of carpenters will be discussed by the Board with Mr Harding before he leaves.

12. Par.19. The matter of lighters has the Managing Director's earnest attention, and he proposes making enquiries in this connection when in Liverpool this week, and will no doubt be able to write you further by next mail.

13. Par.20. It is annoying to hear that the copper flanges for the "Plym" were not the correct size, and the blame for this rests entirely with Messrs Jacobs & Barringer.

14. Par.21. Your remarks as to running the "Lafonia" for produce are noted, and the only valid excuse we can give for so employing her again, is, that we have undertaken

to get in the wool, and the "Columbus" has failed. There is great risk of a misunderstanding with Salvesens resulting, but the matter will be fully discussed at the interview with them in Edinburgh to-day.

15. I enclose copy of letter from H. Bevan, whose brother was aboard the "Samson" when she salved the "Inverness-shire". Please send me written statements by Thomas and others in reply to the statements he makes.

16. In accordance with Capt. Thomas's wish a passage has been booked in the "Orissa", sailing 21st September, for his daughter.

17. Your cable of the 13th inst. is to hand, advising that the "Rénée Rickmers" had put in damaged, and asking for a credit to be established by the Owners for £1500. This has since been arranged.

The further matters referred to in your cable, in connection with Mrs Foley and Mr Packe , have received attention.

18. I was also glad to receive your cable of the 21st inst., advising the shipment per s/s "Junin" of 1150 bales Clients' wool, 60 bales of skins, and 380 casks tallow, and Mr Carpenter has been advised that of this shipment 282 bales are from Dean & Co.

19. You will learn from the newspapersreaching you by this mail, that labour troubles, ~~in~~ especial in connection with Shipping and Railways, have practically dislocated the whole trade of the country for some days past, and though the worst phase in connection with the Railways, seems to have passed, no agreement has yet been arrived at in Liverpool, where the whole of the Dockers are locked out. In consequence of this the "Orcoma", so far as our advices at the time of writing go, will carry no cargo whatever,

(1093, per ORCOMA, 23.7.11)

and her sailing date has been delayed until Friday the 25th inst. The goods you have indented for will therefore be shipped by the following mail.

20. The "Ragnhild" has been chartered for a lump sum of £862-10-0 to carry a full cargo of timber from Gottenberg to Stanley, and there is every probability of your sailing ship order of November last, for direct shipment, being sent in full. A copy of the charter is enclosed.

I am,

Sir,

Your obedient servant,

Frank E. Cobb

Managing Director.

per: E. B. Goodall

DESPATCH No.1093 per "Orcoma",23rd August,1911

PRECIS OF CONTENTS.

1. Acknowledges receipt of Despatch No.402 & letter 7th July.
2 Working of Columbus . Mr Cobb & Mr Harding interviewing Salvesen & Co.
3 Assembly Rooms Fire Insurance claim.
4 Lighter & Hulk difficulties.
5 Employment of Schooners for Mail Service under Clause 15
6 Accident to boy Cartmell at Goose Green.
7 Question of repairing "Gwendolin"
8 Mr Weiss's application for post of Preserver.
9 Charge to P.S.N.Co.for sheep too high.
10 Mr A.E.Felton's Store Indent.
11 Question of Carpenters.
12 Lighters. Managing Director making enquiries.
13 Copper Flanges for "Plym".
14 Running the Lafonia may lead to misunderstanding with Salvesen.
15 Enclosing copy of letter from Beaven re Inverness-shire salvage.
16 Passage booked for Capt.Thomas's daughter.
17 Acknowledges cable re Renée Rickmers.
18 Acknowledges cable advising shipment per "Junin"
19 Labour disturbances have delayed "Orcoma" and prevented shipment of Stores.
20 Ragnhild chartered for direct shipment of timber from Gottenburg.

Enclosures via Liverpool

Duplicates

Despatch No.1092 dated 26th July.

Remarks on Stores

Replies to Remarks on Stores

General Invoice goods per "Oravia"

List of General Cargo per "Oravia"

List of Dutiable goods per "Oravia"

List of Parcles.

List of Clients' Cargo per "Oravia"

List of Enclosures

Sight Draft on J.Kirwan for collection B/L attached.

Bills of Lading general cargo per "Oravia"

General Invoice goods per "Fleetwing

Clients A/sales :-

H & B	188	bales Wool	ex"Esmeraldas"
L	219	,,	,,
F B	95	,,	,,
P H	89	,,	,,
W P	50	,,	,,
W E D	154	,,	,,
H	33	,,	,,
J B	65	,,	,,
M V	16	,,	,,
☘	164	,,	,,
S & S	2	bales Sheepskins	ex, "Corcovado"
H G C	2	,,	,,
T R	1	,,	,,
F	2	,,	,,
A F C	4	,,	,,
McG	10	,,	,,

♡	2 casks Tallow ex "Esmeraldas"	
S & S	9 Salted Hides	,,
M V	2 casks Tallow	,,

Clients' mInvoices goods er "Oravia"

Vere Packe, Bertrand & Felton, H.& G.Cobb & J.J.Felton.

Clients' Reports:-

♡	249 bales Wool ex "Esmeraldas"		
M V	4 bales Sheepskins ex Esmeraldas"		
♡	8	,,	,,
W E D	14	,,	,,
♣	1	,,	,,
H	1	,,	,,
F B	2	,,	,,

ENCLOSURES VIA LIVERPOOL.

ORIGINALS.

Copies of Cablegrams received.

Copies ,, sent.

Charter Party ship "Ragnhild".

Copy of letter from Henry Beaven dated 8th August.

Copy of general Instructions with regard to construction of Mr. Packe's & Stanley Telephones

Account Current and Vouchers.

Remarks on Accounts.

Replies to Remarks on Stores.

Letters for the following:-

W.C.Girling,A.L.Allan.

Remarks on Stores.

London 25th August,1911

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 20th September, 1901.

Per Orissa.

No. 1094.

Sir,

I have to acknowledge the receipt of your despatch no.403 and letter of 9th ult.both of which arrived on the 4th inst.followed by your letter of the 15th inst.on the 11th. Cablegrams were also received on the 28th ult.and the 9th inst.

2. Par.3. I do not think that Mr.Theodore Salvesen is a man who will submit to instructions from his Captain in the matter of Reef Channel. Mr.Harding and I went to the office at Leith last month,the former twice,and the discussions lasted some hours,resulting,I think,in so complete an understanding on both sides as to make any future misunderstanding most unlikely. Mr.Salvesen proposed a contribution of 1/.per ton towards the Stanley expenses, and the balance will have to be borne partly by the Store,and partly by the consignees of through goods. It results practically in our delivering goods sold from the Store f.o.b., which seeing that we make a profit on them is not unreasonable. I will get this arrangement put in writing as soon as Mr.Salvesen returns from a holiday.

3. Par.7. After prolonged search the case of samples of tongue was discovered and sent here.

4. Par.8. When Mr.Harding and I were at the C.O.last week we spoke of the inspection of the Canning Works as being of vital importance to us,and pointed out that other Governments had made suitable arrangements for the protection of shippers.

5. Par.13. In sending out the forms it was intended that they should be filled up and forwarded by each mail,so as to provide a record of the work done monthly by the "Columbus". It would not

W.C.Girling,Esq.,

Acting Manager,

Stanley.

necessarily coincide with the Manifest or specification of the next shipment,but would give us a good idea of the work being done and of the capabilities of the steamer.

6. Par.17. Mr.Salvesen did not see that,in the circumstances, anything else could have been done but to provide some means of getting the mails away; but when you say that on the break-down of the steamer the Lafonia was "at once" constituted the mail-boat, it looks as if we were to be called upon in such a case as a matter of course,and that is just what we will not have. While we do not object to obliging the Government and the people,we cannot and will not admit that anyone has a call on our services as a right, for it might be extremely inconvenient. When Mr.Salvesen returns I will see what we can arrange about the two voyages the "Lafonia" has made. I think that we may have to instruct you not to carry the mails in the event of the steamer being disabled without a guarantee of payment by the Government,and then they must approach us in the first instance.

7. Par.19. The "Renee Rickmers" belongs to good people,and payment of their acceptance is guaranteed by Samuel Montagu & Co. A cablegram instructing you to take the Captain's draft on owners was sent from here on the 2nd inst.to catch the mail boat at Punta Arenas on the 4th; but this same boat brought your advice that the ship would be detained pending further instructions,which indicates that our cable was not delivered,and the owners are much disturbed. From your dates we do not think that the repairs will have been completed by the time the "Orcoma" arrives,and in that case there will have been no detention.Unfortunately the same cable advised you that the mail boat carried no cargo,which it was desirable for you to know.

8. Par.23. I will speak to Mr.Harding about Hudson when I see him; the classer sent last year was not successful,and will not be engaged again.

9. The owners of the Kinross-shire will accept the Master's drafts for disbursements,and this was cabled last week. Mr.Bull has been informed that R.C.Packe's visit has been abandoned,but has not replied.

10. In your letter of the 8th ult.you ask about the land to the west of the Church,and I had better reply officially,so that the facts may remain on record. W.Biggs's statement is incorrect, the land is a portion of lot no.10,granted originally to a man named Hearnden,330' by 66'. Of this a piece 165' by 33' was sold to James Biggs,and another of the same dimensions to John Herkis; these are on the front road,and account for half the section. Of these two portions,which we bought from the Deans,that belonging to Biggs was mortgaged to Mr.Dean on the 14th October,1855,as security for an advance of £84.8/. and interest,and we have a statutory declaration by the latter dated 26th September,1889,to the effect that over 30 years before then he had entered into possession,and that none of the debt had been repaid. William Herkis was a gaucho in our service in my time,and I remember his selling the eastern piece to the Deans,I think on the death of his mother. We hold Biggs's mortgage and Herkis's conveyance,as well as a conveyance from the Deans,dated 17th May,1889,and the latter will be found to have been registered. This accounts for the whole of the land we hold on section 10,and you will see that there is no room for a "no-man's-land". The remainder,or southern half of the section is of no interest to us; but I find the facts explained in an enclosure to my despatch 480,replying to some queries by our Solicitors . The piece in the south-eastern corner, 66' by 33',belonged to Mrs.Yates,but the other two pieces,99' by 33' on the east,and 165' by 33' on the west,still stood in the registry in the names of Phillips and Mackintosh respectively,and were at the time understood to be in dispute. These may be the "no-man's-land",to which Biggs refers. You can give him all these facts,but as our title is so clear,you need not trouble to search the register,or go to any expense. Some of the conveyances in past years appear not to have been registered,and this laxity on the part of land owners may cause trouble in the future.

11. Mr.Harding is going out in the "Ortega" a fortnight before our next outward mail,and intends to make a trip to Buenos Ayres. I intend to ask him when he is here next to see a man who

- I am very sorry, but I see that I am repeating the information I gave you about Hudson, the wool sorter, in paragraph 8. His testimonials seem to be good.

12. We hear from Liverpool that owing to the congested state of the Docks and Warehouses in consequence of the strikes, large accumulations of goods for shipment still remaining undealt with, it is doubtful if all our cargo will go this time; but the P.S.N. Co. have promised Messrs. Lowden to do all they can for us.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via LIVERPOOL

Originals

1 Copy of Cablegram sent 16th September.

2 ,, received 9th September.

3 Precis of contents of Despatch No.1091

4 ,, ,, 1092

Clients' contracts:-

5	M V	4 bales	Sheepskins	ex "Esmeraldas"
6	H	1	,,	,,
7	W E D	14	,,	,,
8		8	,,	,,
9	F B	2	,,	,,
10		2	,,	,,
11	L	3	,,	,,

12 B/L Potatoes from La Pallice per "Orcoma"

Letters for the following:-

13 W.C.Girling.

14 A.L.Allan (2)

15 A.H.Harris.

London 20th September, 1911

Enclosures per Supplementary Mail

Originals

1 Remarks on Stores

2 Replies to Remarks on Stores

3 Remarks on Accounts

4 Account Current and vouchers

5 List of Cargo per "Orissa"

6 List of Dutiable Goods per "Orissa"

7 List of Clients' Cargo per "Orissa"

8 General Invoice goods per "Orissa"

9 Suppliers detailed invoices goods shipped per "Orissa"

Letters for the following:-

A.L.Allan.

W.C.Girling.

10 Sight Draft on J.Kirwan £40 . 19 . 1 for collection,B/L attached.

London 23rd September,1911

No 3

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

64, Gracechurch Street,

London, E.C. 18th October, 1911.

Per Oropesa.

No. 1095.

Sir,

I have to acknowledge the receipt of your despatch no.404 and of your letter of the 5th September, both of which arrived on the 2nd inst.

2. 404-4. The Board cannot find fault with Mr.Girling's explanation in the matter of the "Columbus" and the mail service, and the facts have been placed before Messrs.Salvesen with the view of eliciting their wishes for the future, in the event of another breakdown. Copies of some letters are enclosed, and I am sorry not to be able to send their replies, but in the absence of Mr.Theodore Salvesen on the Continent we have not received them. You are aware that the only act of Mr.Girling's to which exception was taken was that of the offer of the schooner, when we think that it would have been better to wait to be asked for her; but the Board fully recognize that he acted, as he thought at the time, with the best intentions, and they do not blame him. Until we have definitely arranged with Messrs.Salvesen as to the course to be taken in future, you must not run the mails without an arrangement for payment by the Government to us; for referring us to them will not do, and might lead to complications.

3. Par.7. We had hoped to hear before now of the arrival of the "Fleetwing", but it has not been mentioned in any cable.

4. Par.9. I am sorry to say that the Governor made a mistake, if it is permissible to say so, in letting the cat out of the bag to the Crown Agents about the telephone and the return of the switch-board. We had everything nicely in train, Mr Mantle had

W.A.Harding, Esq.,

Manager,

Stanley.

prepared a specification so stringent,and so little to the liking of the General Electric Co. as to fill their minds with horror, and on the top of this he would personally have inspected it on completion. As the Crown Agents had been made aware of the return of the first switch-board and of our having taken some steps with regard to the new one,I thought it better to see Mr.Grindle,and tell him all the circumstances. He seemed to think that practically the best thing had been done,and said that we should probab- be asked by the Crown Agents to carry the transaction through. But the latter have lately been in communication evidently with the G.E.Co.,and have written to us for a copy of the specification, which has been sent to them. Meanwhile,the G.E.Co.decline to quote a price to Mr.Hubert for the specification,on the ground that they do not know at present with whom they have to deal,and there it stands at present. Now if the Governor had sent the switch-board home through us,we should have got the new one,and the few items in addition that were necessary,and the whole work would have been inspected by Mr.Mantle. Of course you know that the latter is acting through Hubert,as his name cannot come out,but he would be actually the authority on whom we should rely.

5. Par.12 and letter of 5th ult. It is most unfortunate about the delay of the "Renee Rickmers",but Mr.Girling could not help himself in the circumstances,and did the right thing. The fact is that the credit ought to have been cabled to catch the outward boat at Montevideo,but as this was not done it was a bit of bad luck that the cable despatched on the 2nd ult.to catch the "Oropesa" on her day at Sandy Point,the 4th,did not arrive in time,as she left earlier. In future all cables will be sent from here on the Friday. It would be well to enquire when the message did arrive,for although the Owners cannot come upon us for detention,as we did not undertake to cable at all,I should like to show that we did all we could,and if through carelessness it was not forwarded,we should be completely exonerated.

Just Phoned Oct 4

6. Par.14. The repairs and general renovation of the "Flym" do great credit to both Mac Nicoll and Baseley. We are fortunate in having such resourceful people in our service.

7. Par.18. The owners of the Kinross-shire will accept the Master's drafts,and this has already been advised by cable.

8 . Mr.Cumming of Liverpool recommended a man named Gibson for the vacancy at Goose Green,and he applied for it,but has since withdrawn,on the ground that there is not much prospect of promotion. £200 a year would have suited him,but I think that he was possibly rather too good a man for the place,as besides being a Board of Trade certificated man,he has an office of his own in Liverpool,where he has been trying to get up a business as Consulting Engineer and Surveyor. It is most necessary to get a man quickly,and I am going to Liverpool to see Mr.Cumming after this boat has sailed,or rather to see her off,and then try to engage an Engineer on the spot. I shall want to know as early as possible what accommodation there will be for him at Goose Green, for if you engage Weiss,and he gets Harris's house,I assume that the Engineer will have to take the one sent out last year.

9. As intimated to you already,it is of great importance that you should come to terms with Weiss when you see him in Montevideo,for he is not only the best man we have heard of,but the season is so close at hand,that it will be dangerous to delay longer. We have lately heard that a Preserver is being looked for for San Carlos,which suggests that the result of the season there was not entirely a success. It has also been stated that one of the Canning Works at a place on the Coast will be shut down this season because a Preserver cannot be found,and we learn from Brisbane that there is no possibility of getting one from there; all this points to the necessity of securing one before it is too late.

10. An abstract has been made of last year's correspondence with Chr.Salvesen & Co.,and from this the terms of our agreement for the working of the "Columbus" have been collected on to one sheet,a copy of which is enclosed for your use.

11. Mr.Girling's Fidelity Bond has been signed by Mr.Bonner, and is now forwarded for completion and return.

12. Correspondence with T.Dannewig & Co.who are connected with the "Laboremus" Co.is enclosed,and I should like to know more about these people,as they do not seem straight. They took no no-

tice of our application for payment of an account you sent for collection, and have now delayed the matter pending a reference to your office about some charges that they say had been made twice over on another account. It looks to me like an excuse or a shuffle, and I have warned them that we may give you instructions as to their credit that may cause them some inconvenience. Dealing with people in the Baltic, it will not do to send accounts home to be paid on presentation; there should be a bill signed in every case, and even then we shall be taking some risk.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool.

Duplicates.

Despatch No.1094 dated 20th September.

Remarks on Accounts.

Remarks on Stores

Replies to Remarks on Stores.

General Invoice goods per "Orissa"

List of General Cargo per "Orissa"

List of Clients' Cargo per "Orissa"

List of Dutiable Goods per "Orissa"

Second of Exchange for £ 40 . 19 . 1 on J.Kirwan B/L attached.

List of Parcels.

List of Enclosures.

Bills of Lading cargo per "Orissa"

Clients' contracts:-

F B	2	bales Sheepskins	ex "Esmeraldas"
H	1	,,	,,
W E D	14	,,	,,
L	3	,,	,,
M V	4	,,	,,

Enclosures per "Oropesa"

via Liverpool

"Originals"

Copy of Telegram sent.

Copy of ,, received.

Wool Market reports.

B/L 1 case Wallpaper shipped per "Orissa"

Copy of letter to Chr.Salvesen & Co.of 26th & 29th Sept. & 10th October & theirs of 27th Sept.
W.C.Girling's Fidility Bond for completion.

Copy of letter from T.Dannevig & Co.of 9th & our reply of 13th October.
Harry Rowsell's agreement & doctor's certificate.

William Scott's ,, ,,

Clients' reports:-

H W	40	bales Wool	ex "Junin"
F	131	,,	,,
AP	184	,,	,,
HP	126	,,	,,
J B L	3	,,	,,
J R	31	,,	,,
B B	22	,,	,,
M & G	39	,,	,,
C C W	17	,,	,,
S	33	,,	,,
T R	6	,,	,,
Z	151	,,	,,
D H	106	,,	,,
W E D	18	,,	,,
S I	115	,,	,,
J B	129	,,	,,

Sundry Brokers' press copies of reports & contracts.

Clients' reports & contracts:-

J B	50	casks Tallow	ex "Junin"
F	40	,,	,,
S	14	,,	,,
S I	16	,,	,,
H W	14	,,	,,
H P	1	,,	,,

Letters for the following:-
M.Robson, W.C.Girling & Exors.J.J.Felton.
& A.L.Allan.

London 18th October,1911

Enclosures via Lisbon.

Originals

1 Account Current 1095 dated 18th October & vouchers.

2 Remarks on Accounts.

3 Remarks on Stores

4 Replies to Remarks on Stores.

5 List of Dutiable Goods per "Oropesa"

6 List of Clients' Cargo per "Oropesa"

7 List of General Cargo per "Oropesa"

8 General Invoice goods per "Oropesa"

9 Suppliers detailed Invoices goods per "Oropesa"

10 Matters agreed with Chr.Salvesen & Co.for the joint working extracted from correspondence to date "Columbus"

11 Specification for a Metallic Circuit 25 line Telephone Switch Board.

12 Copy of letter from Chr.Salvesen & Co.dated 19th October

Clients' reports:-

13	D H	53	Salted Hides	ex "Junin"
14	J S	31	,,	,,
15	J D M	15	,,	,,
16	S	6	,,	,,
17	McG	42	,,	,,
18	J B	21	,,	,,
19	W E D	4	,,	,,

20 Brokers' press copies reports & contracts of above.

21 Sight Draft on J.Kirwan £113 . 10 . 7 & B/L attached for collection.

London 21st October,1911

Filed

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 15th November, 1911.

Per Oravia.

No. 1096.

Sir,

I have to acknowledge the receipt of your despatch no.405 and letter of 4th October per "Oravia",which arrived on the 29th ult., and of no.406 per "Corcovado",to hand on the 8th inst.via Rio. The following cables have also arrived:- from Punta Arenas on the 21st ult.and from Montevideo on the 29th ult.and 3rd and 10th inst.

2. Par.2 of desp.405. I wrote to Messrs.Salvesen about the ports supposed to be dangerous,but have not as yet had a reply. I think that you may assume that Reef Channel is the only one to be absolutely barred,on account of its bad antecedents. It was reported that Capt.Saanum had said that he must be allowed to go through the channel,so that the new idea that he may declare other places to be unfit to enter that are certainly safer,is not quite intelligible.

3. Par.3. You will arrange with Mr.Allan about the hulk to be sent to Goose Green. I fear that the "J.P.Smith" is too large and too sharp in the bottom,and I am still of opinion that if the "Vicar of Bray" can be safely moved,she is the one of all others best fitted for the place.

4. Par.4. It is very sad about the mutilation of young Cartmell,and you must let us know what we can do in the way of helping him; no doubt a surgical instrument maker could supply a false hand or arm if correct measurements could be sent.

5. Par.6. You have only to look at the account-sales to see

W.A.Harding,Esq.,

Manager,

Stanley.

that the value of sheepskins taken off in July cannot be 6/.or 7/.; the best do not average more than 6/.,and they are the very long wooled ones. It must be remembered that the sale of live sheep is nearly all profit,whereas mutton has to bear the cost of killing,and the skins that of drying,baling,and interest. The net average value of the Stanley skins here is about 3/6d each all the year round. I do not wish to suggest that we should not take £1 each for live sheep if we can get it; but if this price frightens the P.S.N.Co.,so that they are driven to get their sheep at Punta Arenas,I say that rather than let that come about we should do very well in selling wethers in quantities at 15/.

6. Par.9. Produce from Port Stephens is no more clients' than that from Port Howard,and the inference that the 282 bales mentioned had been included in the 1150 was incorrect.

7. Par.10. The excess over the credit arranged for the "Renee Rickmers" ought to have been cabled,so that we could have got an extension,and it is more by good luck than anything else that we have got both the bills accepted. You know,of course,that an English shipmaster can pledge his owner's credit for necessaries, but that the reverse is the case with the Germans. If an English owner is doubtful as regards means,we ask for a Bank credit,or something equally sound,and should that be procured the amount is always stated and must not be exceeded. However large the means of a German owner we are bound to ask for and get a credit,and this again must not be exceeded without notice. I may as well add that when the account runs into four figures it is only fair to draw at not less than 60 d/s,because it gives him an opportunity in most cases of settling with his Underwriters,and the best of firms do not care to be a long time out of pocket pending that settlement. In the case of the "Albyn" 60 d/s has been arranged, and for the "Claverdon" 90 d/s.

8. Par.12. I wrote to you to Montevideo that we had not lost any time over the credit for the "Albyn",and that if not advised by Punta Arenas it would be because we had not got it. Communication between this country and Finland takes some time,and we had

only had a conversation with the London agents of the owners, Messrs.Andorsen Becker & Co.,up to the 30th October,when we received a credit for £2000 in favour of the Captain from Messrs. C.J.Hambro & Son,who,I need hardly tell you,are a house of great eminence in the City. A copy of this credit is enclosed.

9. Par.13. I am doing my best to push on with the electric lighting project,and expect to ship the whole by next month's boat. To get it ready in a fortnight so as to go by the "Oravia" would have been impossible.

10. Par.14. Perhaps on your return to Stanley you may be able to give some information about the lease of Great Island; I have an idea that something has been said,but cannot find details.

11. Par.15. Has Husband a return passage,and if so,it is dependent on good conduct? If he has been frequently drunk on duty, there might be sufficient reason for not giving it. When is his time up,and do you suggest another being sent out to replace him?

12. Letter of 4th October. We have enquired of the Eastern Telegraph Co.about the message handed in here at 11.35 a.m.on the second of September,(actually not long after 7 a.m.at Punta Arenas) and not delivered there until the morning of the 4th,and they say that there was no interruption that would in any way have affected the due transfer of the message to the Argentine Government Telegraph Department in Buenos Ayres,but that on receipt here of the returns from the Buenos Ayres cable station further enquiry will be made.

13. With reference to Dr.Turner's letter to you of 20th September,he seems to have a muddled sort of brain,for he complains that a payment of £100 on his account had not been made here,and asks that it may be remitted by cable to Sewell & Crowther. The fact is that the payment was made as soon as advised, but to a man named Smith,not to Sewell & Crowther at all,although the latter firm,from what they have written us,seem to have expected it. I have explained the circumstances to them.

14. The first cablegram reporting the "Corcovado" shipment correctly gave no Company's wool,but the second,in which the mes-

sage was repeated for some reason that is not clear yet,gave 10 bales. The steamer arrived on the 13th,and the Bills of Lading show,as expected,that there is none of our wool on board,and the second syllable of the code word,'DA',is probably a mutilation of 'BA'.

15. Your cable about Weiss arrived on the 30th ult.,and the reply accepting the terms with one exception was despatched the same day. If furniture had been granted it would have opened the door to numerous possible claims,the extent of which it would be impossible to foresee. For instance,if the Preserver,a new arrival in the employ,had a partially furnished house given to him, would it not be reasonable on the part of the Doctor and perhaps the schoolmaster at Darwin to complain if they were not granted the same advantage? I am glad to see from your last cable that Weiss has agreed to go,as it removes a doubt that has long been hanging over us; but the intimation that he will not be at Goose Green until March is disappointing,and although you,no doubt,urged his going earlier,I am writing to him in hopes of persuading him to anticipate it by a month. Mr.Allan will want to begin as soon as the shearing is over,and there will be many things to do after Weiss's arrival before he can get going.

16. The cable announcing that the "Fleetwing" had not arrived is rather disturbing,but she was a long time getting away from the English coast,and I still hope that she may have made a safe though a long passage. The Owners of the "Claverdon" are said to be a substantial firm,and we have cabled you to take fraft on them. The matter of Mr.Packe's wire is having attention.

17. After treating with several unsuitable or unwilling candidates for the post of Engineer at the Works,I have come across a man named Philip Mills,who seems in every way suitable. From his testimonials,one of which I send in the original,he is unusually promising,and an interview with him here gave me an excellent impression. He served his time with the Lancashire & Yorkshire Railway,and the Chief Superinbendent Engineer speaks of him as a young man of more than average ability,a good time keeper,and his character all that could be desired. He has been 3rd Engineer in

one of their boats,but has already got a Chief's Certificate,and he has been qualifying himself with the International Correspondence schools in various branches of Engineering. He has just got married,and I hoped to the last to be able to get him away by this boat; but unfortunately she is crammed with passengers both first and second class,and all the berths were filled up long before he was engaged,so he will have to wait for the "Orcoma". I told him candidly when we came to terms that I could not say precisely what house he would get at Goose Green,for I assume that Weiss will have Harris's,and he quite understood that he might have to rough it for a time. However,his position may be entirely altered by the retirement of Baseley from our service,reported by Mr.Girling in a letter per "Corcovado". It is too early to speak about his transfer to Government,because the facts are not clearly known yet: if he knew of the appointment to be created,and applied for it,possibly the Governor is not so much to be blamed; but if he was enticed away,the Governor has been playing it pretty low down. I have told Mills that he will have an opportunity now of stepping into Baseley's shoes,and the question is what is best to be done about Goose Green. Mills will,of course,have to go there to work this season if required,and I think that the Governor,who has kindly(!) offered to place Baseley's services at our disposal until the arrival of his successor,might stretch this into leaving him with us until Goose Green has finished. But I have a further idea that I wish to discuss with you. Is it necessary after all to have a qualified Engineer at Goose Green? If Harris,who was not trained as an Engineer,was considered fit,is there any reason why a man who has been in the trade since he was a boy,although he has not actually served his time as an apprentice,should not be equally qualified? I have in my mind John Kelway,who was little more than a child when he first went into the shop with Martin,and has for many years driven launches,fired boilers,and worked constantly as a fitter under one or other of our Engineers. If you and Mr.Allan think that he is up to the work,it would still be understood that Mills might have to super-

intend to some extent,certainly to make a visit of inspection when thought desirable,without allowing Kelway to take up the attitude that Harris assumed when you sent Atherton to report on Goose Green. I am making this suggestion because Kelway is an old servant who has earned promotion if he is fit for it,and because with Weiss at Goose Green the employment of a permanent Engineer there seems expensive and superfluous; but you and Mr.Allan must understand that I am merely throwing it out as a suggestion, and if from your better knowledge of Kelway as he is now you think him unfitted for the post,put it aside at once. In that case you will have to come to terms with the man recommended by Weiss,for Mills has the definite promise of Baseley's post if he likes to take it.

18. I am making enquiries about an old schooner called the "Kate",at present laid up near Wexford,83 tons,built in 1863,and offered for £175. She carries 170 tons d.w.,and in size is suitable for conversion into a lighter. She would have to be coppered, and sundry repairs are needed before making a voyage; but even if the cost price is doubled it compares favourably with the sum you were quoted for building a lighter in Sandy Point,£700,and the difficulty of getting the latter over would be insuperable. I am now awaiting an estimate of the cost of re-instating the "Kate",and if it seems reasonable I shall advise the Board to buy her. I think that we can get work done fairly reasonably at Bideford,or some small Welsh port,and the cost of towing her over would be trifling.

19. No time has been lost in getting an estimate of the cost of Electric lighting at Goose Green,and the plant has been ordered on the understanding that it is to be shipped without fail by the "Orcoma". I shall arrange for Mills to go to Nottingham to see the engine and dynamo when ready,and he will get hints and instructions about the installation from the makers themselves.

Already explained in his 9.

20. Captain Thomas has written to suggest an increase in his salary,which I have mentioned to the Board; but the Directors do not see their way to granting it,in view of the extras which he

receives from time to time,notably his share of all salvages, gained by virtue of his position in our service. We hardly think that he can have put forward the request seriously,or if he did, it was on the principle that there is no harm in asking for a thing,even if you don't expect to get it. An open letter in reply is enclosed.

21. I am sorry to have to complain of inaccuracies in the rates of freight stated on the Bills of Lading and Specifications in several instances per "Junin". Details of these are given elsewhere,and I need only say here that the errors most unfortunately have taken place with regard to produce for outsiders,and in one case the net freight payable to the P.S.N.Co.has been revealed,a thing I gave an earnest warning about some time ago. I beg that you will take measures to avoid these irregularities,which have already caused us some trouble with one of the shippers. All rates have been clearly stated,and if there is a chance of making a mistake in the hurry of despatching a steamer,surely the rate for each particular parcel for shipment can be set down before her arrival?

22. The "Ragnhild" is said to have sailed on the 19th ult., and we have heard nothing of her since. We could not get the boats as specified,so have taken our chance with some at £5 each,at which price we cannot come to much harm.

I am,Sir,

your obedient servant,

Managing Director.

Despatch no.1096 per "Oravia",15th November,1911.

Precis of Contents.

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1. Acknowledges receipt of despatches,letter,and cables.
2. On ports alleged to be dangerous.
3. Remarks on hulk for Goose Green.
4. Enquires about Cartmell junior.
5. Discusses sale of live sheep to steamers.
6. States that Port Stephens produce does not rank as clients'.
7. Remarks on credits obtained for ships' disbursements.
8. Credit arranged for "Albyn".
9. Electric Light installation for Goose Green ordered.
10. Enquires about lease of Great Island.
11. On replacing the second Blacksmith.
12. On delay of cable of 2nd September.
13. Refers to a remittance on account of Dr.Turner.
14. Points out discrepancy between two cables.
15. Expresses satisfaction at Weiss's engagement together with regret for his late arrival.
16. Replies to cable of 3rd November relating to "Claverdon", "Fleetwing",and Mr.Packe's wire.
17. Reports engagement of P.Mills as Engineer,and discusses future arrangements at Goose Green.
18. Schooner "Kate",probably purchase of as a lighter.
19. Advises intended shipment of Electric lighting plant.
20. Refers to Captain Thomas's application for increased pay.
21. Complains of errors in freight per "Junin".
22. Reports sailing of "Ragnhild".

Enclosures via Liverpool

Originals

Copy of Cablegrams received.

Copy of Cablegrams sent.

Copy of letter from Lamb Brothers dated 8th November re Teak.

Precis of contents of Despatch No.1995

Copy of letter to Salvesen & Co.dated 24th & their reply of 31st October. + 14.11.00.

Frank Hodges's agreement & Doctor's certificate.

Phillip Mills's ,,

John Venner's ,,

Copy of letter from T.Dannevig & Co.dated 23rd October.

Particulars of Homeward freight per "Junin"

Copy of letter from C.S.Hambro & Son dated 30th October.

Clients' reports :-

H P	5	bales Sheepskins	ex "Junin"
S I	5	,,	,,
A P	3	,,	,,
D H	5	,,	,,
J B L	1	,,	,, & contract
C C W	1	,,	,,
H W	8	,,	,,
S	4	,,	,,
T R	2	,,	,,
B B	2	,,	,,
M & G	4	,,	,,
J B	5	,,	,,
McG	10	,,	,,
J S	1	,,	,,

Brokers' press copies above reports .

B/L Timber per Ragnhild"

Bills of Lading General Cargo per "Oropesa" (3)

Particulars of Schooner "Kate.

General Average Statement "Malvina"

Letters for the following

Capt.H.Thomas,Vere Packe & A.L.Allan.

London 15th November,1911

Enclosures via Liverpool

Duplicates .. ..

.. ..

Despatch No11095 dated 18th October.

List of Parcels. -:

General Invoice goods per "Oropesa"

List of General Cargo per "Oropesa"

List of Clients' Cargo per "Oropesa"

List of Dutiable goods per "Oropesa"

Remarks on Accounts. ..

Remarks on Stores

Replies to Remarks on Stores.

Second of Exchange for £113 . 10 . 7 B/L attached.

Bills of Lading cargo per "Oropesa"

List of Enclosures ..

Clients' Invoices goods per "Orissa"

Clients' A/sales & reports:-

C C W	17	bales Wool	ex "Junin"
H W	40	,,	,,
T R	6	,,	,,
J R	31	,,	,,
W E D	18	,,	,,
H P	126	,,	,,
S	33	,,	,,
M & G	39	,,	,,
F	131	,,	,,
A P	183	,,	,,
J B	129	,,	,,
J B L	3	,,	,,
Z	131	,,	,,
J B	5	casks Tallow	ex "Junin"
F B	2	bales Sheepskins	ex "Esmeraldas"
	8	,,	,,
L	5	,,	,,

W E D	14	bales Sheepskins ex "Esmeraldas"
W P	1	,, ,,
Club	2	,, ,,
H.	1	,,

Clients' Reports & contracts:-

S	15	casks Tallow ex "Junin"
H W	14	,,
H P	10	,,
S I	160	,,
F	40	,,
J B	21	Szlted Hides ex "Junin"
D H	53	,,
McG	42	,,
W E D	4	,,
S	6	,,
J D M	15	,,
J S	31	,,

Enclosures via Lisbon

ORIGINALS

1 Account Current & Vouchers.

2 Remarks on Accounts

3 Remarks on Stores.

4 Replies to Remarks on Stores.

5 List of Cargo per "Oravia"

6 Corrected list of Dutiable Goods per "Oravia"

7 Corrected list of Clients' Cargo per "Oravia"

8 General Invoice goods per "Oravia"

9 Statement of Coasting & Ocean Freight per "Junin".

10 Clients' Invoices goods per "Inca" & "Oravia"

11 Sight Draft on J.Kirwan for £ 21 . 2. 6 & B/L attached.

12 Weston & Westall's invoices goods per "Oravia"

13 Lowden's invoice for Coal & Coke per "Inca"

14 Buller's invoices goods per "Inca" &"Oravia "

Letters for the following:-

W.A.Harding (4) W.C.Girling,Vere Packe.

15 Sample of Corsar's 2 Blue stripe Canvas

London 18th November,1911

Acknd

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C.

Per Orcoma.

No. 1097.

13th December, 1911.

Sir,

I have to acknowledge the receipt of your despatch no.407 and letter of the 31st October, both of which arrived on the 25th ult., also of cable via Punta Arenas on the 18th id.

2. 407-2. The strike of labourers has arisen through a cause I had not anticipated, though you will remember that we discussed the possibility while you were here, and agreed that it would be good policy to anticipate any demand for a rise by giving the jetty men one voluntarily. The men do not see, and Mr. Girling appears not to have pointed out that the case of the "Columbus" differs from that of the PSNC boats in an important particular, that is that while the work done on the latter is wholly for account of the owners and paid for by them, the cost of loading and discharging the "Columbus" is for our account, and therefore, if they are entitled to 1/. per hour on board the coaster, there is no logical reason why they should not ask us for the same. Since we treat them very well in finding so many constant work between the mails, I expect that you will have been able to come to terms with them. Considering the numerous strikes here of late, and the general rise in wages, it would have been more than we could expect if there had not been a corresponding movement in the Islands. Many of the Stanley men have families depending on them, and if they admit, which I expect they will, that they are fairly and considerately treated by us, you ought not to be put to serious trouble.

W.A. Harding, Esq.,

Manager,

Stanley.

3. Par.4. William Biggs has caused us the waste of some hours and the trouble of disinterring the Dean papers from the Bank. I explained the whole case to you personally, but I may as well explain it still more fully, as the ownership of land must not admit of doubt. The plot in which Biggs was interested many years ago is no.10, originally, like all the front blocks in Stanley, 330 ft. by 66 ft., and containing 2420 square yards, or half an acre. It is absolutely incorrect to say that the land measures 99 ft., and this can only be accounted for by assuming that both Mr. Girling and Biggs have ignored Town Allotment no.9 containing ½ acre, and measuring 33 ft. only on the front. This no.9 was originally 66 ft. broad, but the Government took 33 ft. out of it for Dean Street, and for the remainder we hold the Crown Grant to J.M.Dean, dated 23rd November, 1849, and his conveyance to us dated 17th May, 1889. This probably disposes of the rubbish about "no man's land" and land to the Westward unaccounted for, and we have to deal with no.10 only, a plan of which, copied from one I sent home in 1889 in desp. 480, including also no.9, is enclosed. Now we have the conveyance of a portion of this from Hearnden to James Biggs, and a mortgage of the same from Wm. Biggs and others to J.M.Dean, the boundaries being precisely the same in both instances. Extracts from these deeds are enclosed herewith, and a copy of a Statutory Declaration made by Mr. Dean on the subject. From the mortgage I gather that Biggs's father died owing £88 odd to Mr. Dean, and that in consideration of the latter not taking proceedings against the Estate a mortgage was given by the parties interested. No money having been repaid, Mr. Dean foreclosed and took possession; the remainder will be found in the Statutory Declaration. I think that if the despatches at the time of the Dean purchase had been looked up, all this information could have been gleaned without referring to this office.

4. Par.5. Mr. Girling was right in opposing the large sum to be spent on the Town Hall; no doubt an institution of the kind would be useful, and after the destruction of the Assembly Room indispensable; but care should be taken that the expenditure on it is not on too lavish a scale. It will be interesting to hear what reply will be made to the objection that the appointment of Colon-

ial Engineer having was made without the consent of the Council.

5. Par.6. Possibly Mr.Allan has been wise in his own interest in compromising the action threatened by Harris,and disturbance of work has been avoided; at the same time,if there had been miscarriage of justice as on a former occasion,we should not have allowed it to pass without taking action that would in all probability have caused a permanent improvement in the administration of justice in the Islands.

6. Par.11. Since the "Samson" was about to be beached and have her tail shaft examined,it occurs to me to ask whether,if this is possible,the new crank-shaft could not at last be put in? Much has to be done to the tug,and as the slip at New Island is not to be set up,are you proposing to wait until we have something of the kind of our own,or to make the best terms you can at Sandy Point? I understood some time ago that she was in such a desperate state that there was some risk in running her.

7. Par.12. The cable received on the 18th ult.reported the "Lafonia" ashore at Port Harriet,no doubt on the trip with Mr. Packe's telephones. As the message stated that hopes were entertained that she would get off next tide,we naturally hoped to hear further news,but the "Orissa" brought no cable. This may be explained when the mail arrives; but at present it seems that if the casualty was worth reporting the safety of the schooner ought to have been made known,or that if the stranding was of a trifling nature,it was a mistake to cause us anxiety by such an alarming message.

8. Par.13. We are all much relieved to hear of the safe arrival of the "Fleetwing" after a long passage. It seems that she must have been the vessel in sight the day the "Orcoma" left,and I wonder that she did not get the latter to report her. We might, if we liked,raise a question about the departure of the mail boat a day early,on the ground that it caused us to spend a full month's wages extra before the men could be shipped home. But I hope that the time was well spent in discharging and stripping the vessel, and that there was an opportunity of getting rid of some of the men in the Camp.

9. Letter of 31st October. Please note that it is a waste of words to cable that a credit has not been received for a ship, we know it ourselves, and it means that we have not got it. When we are asked for one we write for it at once, and advise it when we are in possession of it. Owing to the long course of post with Finland, the Albyn's credit was delayed, and I told you in writing to Montevideo that it would be so. There was a regrettable delay over the credit for the "Renee Rickmers" while I was in Scotland, but you know how that was, and it will not be repeated.

10. The cable about the "Nuuanu" made it appear that condemnation would be inevitable, as you asked for £2000, and the value of the ship when repaired could not be much over £1750, as she is 29 years old, and not worth £2 per ton. I had written to Boston, and in the meantime cabled you to act with caution, and not to repair; however, we were agreeably surprised to hear from J. Hartley Cooper & Co., a firm of high standing, that cash was deposited in London with Brown Shipley & Co., and that they could draw up to £2000 on production of accounts signed by the Captain and certified by Lloyd's Agent. This credit they could not transfer to us, but as the money would be available at once agreed to the draft being at three days' sight. This will have surprised you until you have this explanation. We hear that the cargo is valuable, which to a great extent accounts for the course taken.

11. We shall be interested to hear how the "Columbus" has had a look in for salvage on this vessel, but may assume either that the "Samson" was beached and unable to go out, or that she picked up the vessel when returning to Stanley. Messrs. Salvesen have asked for bail, and it is a satisfaction to think that whatever she gets half will belong to us.

12. I enclose some correspondence with Messrs. Salvesen & Co. on the subject of the strike of labourers, in which I have advanced the theory that what led to it was the fact that the crew of the "Columbus" were kept from working in harbour at cargo. This is in accordance with British practice, but contrary to the custom of the Colony, and Messrs. Salvesen are very stiff on the point. There

is a good deal in their contention that while the ship is in Stanley they want their four deck hands to attend to the ship's gear, as it is the only time they have for attending to current repairs, and it is true that the less they work the more there is for shore hands to do, and consequently more wages paid, but it may be difficult to make the labourers see this. You will have to re-adjust all the accounts sent forward up to the present, and you will see in doing so whether there is any large discrepancy between what the stevidoring costs us, and the 6d per ton which they propose to pay, for if there is, you will see that they are quite prepared to meet us. In the last account no charge was made whatever. If our men go on board the "Columbus" to discharge wool, I think that the 6d is payable to us on that as well. I shall be interested to hear if my theory of the strike is right or wrong. Is it really a fact, as advanced, that the "Columbus" has put a number of men out of work, or is this a polite fiction?

13. Mr.B.Sbickney has sent us a certificate signed by Capt. Saanum to the effect that 79 fencing standards were lost overboard at Fox Bay on the 9th of May, and he wants us to recover the insurance! This is a good specimen of the way things should not be done; it has been kept for six months and more, and then sent here direct, instead of through your office, with no explanation whatever. I sent it to Leith, and was told in reply that the incident had not been mentioned. I question very much whether there is any claim on the Underwriters, especially if Capt. Saanum did not note a protest, and I also doubt if 79 standards would not be too heavy for one sling. If the accident did not occur through stress of weather, which fact it is incumbent on the ship to prove, it looks like careless handling, for which the owners are responsible.

14. The "Ragnhild" was off Prawle Point on the 22nd ult., one month and three days after leaving Gothenburg, so she is unlikely to make a good passage.

15. As both the Stanley and Goose Green Engineers are being changed, I hope that a complete inventory of tools and gear has been taken at both places. Such an inventory ought to be kept up

fully to date,and it occurs to me that we have never had a copy. The in-going Engineer ought to be responsible for all the property put in his charge,and notes should be made of any items that wear out and want replacing.

16. Mills the new Engineer goes this time,and although many of our swans have turned out to be geese,I do not think that you will be disappointed in him. He is a better educated man than we have had yet,and if it is possible to judge from his appearance and manner I feel confident that he will turn out a good acquisition. I have made use of the time he has been forced to spend in Manchester by sending him on a few expeditions. He has been to Nottingham to see the engine and dynamo for Goose Green at work, he has visited the Wpks of Edwin Mills & Son,the hydraulic people we have come across,and he has been to see several of their presses at work in Manchester. He says candidly that he has not inspected any other make of press,but he has taken note of these, and will have an opportunity of comparing them with those in use in the Camp. I lent him a drawing of one of our own boxes,and gave him particulars of the presses,which the firm are prepared to supply for £130 complete with one box. As Tyler's price is about £280,this is worth looking into. I cannot say anything more about Goose Green,as I am waiting to hear your opinion about the suggestion I made last month,but it is clear from what you have written from the Plate that it would not do to send another Engineer from here,as even if you decide with Mr.Allan that a permanent man is required at Goose Green,Weiss will be able to get one from Sandy Point. Mills's agreement was for Goose Green,and I have left it to you to alter it or make a fresh one on the lines of Baseley's. There is,however,an important alteration to be made, consequent on the Governor's recent action,and that is that the clause requiring him to pay his passage money in full to provide a successor,should he wish to leave before the end of five years, must be maintained,or he may be stolen from us at the end of two. I omitted to mention that Mills met Mr.Hubert in Manchester,when

the latter went down to inspect the cable for the electric lighting, and had a general talk with him about the installation. As he also took notes at Nottingham, and had various matters explained to him, he will be more useful to Homer than if he was an entire novice. You will understand that Homer is the man I assume you will make responsible for the work, and that nothing done in the way of instructing Mills has been by way of supplanting him. I thought that the opportunity of bringing him into communication with the manufacturers and experts was too good to be lost.

17. When you were here we discussed the advisability of fencing in allotment no.9 and our portion of no.10, and as you now have the exact boundaries I suggest that you should do so. It will only be carrying out the Ordinance or regulation made by Governor Goldsworthy, details of which I have not time to look up, and it will serve the useful purpose of finding out whether by chance any right of way has been established through the land having been used by the public for so many years. I think it would be so here, but doubt if it would apply to a Colonial Township where much land not built on has always been left open. The site is a good one, and sooner or later we ought to put up a good house on it.

18. When I was Lloyd's Agent I think that my instructions were to report by cable the arrival of vessels bound to the port, and especially if overdue; is this the case still? If so, the "Fleetwing" ought to have been cabled to them as well as to us; she got on the overdue list, and was quoted at 36 guineas, causing Lloyd's to make anxious enquiries of us. As you know, we did the whole of the hull ourselves, and her long passage prevented our taking a sporting risk on the "Ragnhild", the rate on which was very heavy. I did not care to risk two fairly heavy insurances at the same time, but if I had known of the arrival of the "Fleetwing" I should have had a look in.

19. Your letters to me from Buenos Ayres and Montevideo have been read by the Directors, who are pleased and relieved to hear

that you have secured a Preserver, especially as he is so promising as Weiss seems to be. There must be no concession in the matter of furniture, as you know yourself; the only thing that occurred to me was that if we had to part with him after one season we might take it over to the extent you named, £70 or £80, at cost price, and sell it to his successor. Whatever extra compensation he may get, furniture must be ruled out absolutely. The pay is high, and we cannot employ him all the year round profitably, unless he can adapt himself to some kind of work in the Camp. After searching for many months, our friends in Queensland have found a man, whom they consider suitable, willing to go at £4.10/. a week, or £5 if he looks after the tallow. This is about half what Weiss will get, and he only asks for half pay while travelling; but after all, it is hardly now a question of money, and this man I judge to be of lower standing. In the matter of casings alone, if they are properly treated we should save a large portion of the salary we are giving; for two years in succession we cleared from £400 to £500 on what we sold Salm, and now, through the scandalously bad way in which they have been treated, I will not say cleaned, we find that we cannot sell them, and shall have to submit to a knock-out price. I am sending to Mr. Allan copies of letters which all tell the same tale. What Weiss says about making a profit on sheep at Puerto Bouis at 8/9d each seems too good to be true, considering the comparatively light weight of the wethers over there. The work this season will be most interesting, and I think that everything possible has been done by all concerned to bring about success. In the course of time we shall find out if we can get the Works run on cheaper lines, but to set them going on a proper footing we have practically to pay what Weiss asks.

20. I mentioned last mail that I had a Carpenter in view, and he goes by this boat. Mr. Lilly speaks well of him, and I hope that you will find him a useful addition to the Stanley staff. I have put his wages at £10 per month with a house, which makes his position somewhat better than that of an independent journeyman car-

penter at once,and you will no doubt make him a suitable allowance when on ship work. He goes out intermediate,and repays his passage money: I do not know whether he willenquire why Mills is in this respect on better terms than himself,but the answer is obvious; a carpenter is a man who need never fear being out of work in the Islands,while an Engineer leaving our service,unless the Government happened to be poaching at the time,would have very little chance of it. If Bradfield turns out a success no doubt he could recommend others to follow him from Reading. I would not definitely engage him until he had been to see Jesse Phillips at Reading to have a talk about the place,but when I found after that that he was keen to go,I got him to sign his agreement. The advance,including the passage for his wife and children,is rather high,but he quite understands that if he can pay more than the amount stipulated per month he is to do so.

21. Reverting once more to the subject of casings,it seems clear that the most profitable and sure way of turning them to account is to sell them to a man who will receive them direct from the sheep,and perhaps you would do well to write to Weiss by this boat to ask if he can make a contract with someone on the Coast, guaranteeing a certain quantity. I believe that it is the practice there to sell them in this way.

22. The Board have approved of the purchase of the "Kate", and after some rather long negotiations we have come to an agreement with the owner. He asked £175 at Bannow in Ireland,but we found that to bring her across to Cardiff,where she will be fitted out,would cost from £42 to £50,and we are now about to buy her delivered at Cardiff for £225. Although her cost is much lower than the price asked for any other old vessel of suitable size, she will run into £600 or more delivered in Stanley,the cost of getting her out being high,even after allowing freight on a cargo of coals.

I am,Sir,

your obedient servant,

Edd. E. Lobb

Managing Director.

DESPATCH no.1097 per "Orcoma",13th December,1911.

Precis of Contents.

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1. Acknowledges despatch,letter,and cable.
2. Discusses strike of labourers.
3. Explains fully the ownership of Stanley Town lots 9 and 10.
4. Comments on Estimate for Town Hall.
5. Alludes to the Harris - Allan action.
6. Enquires as to possibility of shipping Samson's crank-shaft.
7. Comments on accident to Lafonia.
8. About arrival of "Fleetwing".
9. Applications for ships' credits not to be repeated.
10. Advises and explains credit on account of "Nuuanu".
11. Remarks on claim for salvage by "Columbus".
12. Discusses theory of strike,and refers to correspondence with Salvesen & Co.
13. Refers to claim for fencing lost overboard by "Columbus".
14. Reports "Ragnhild" in Channel.
15. Asks for inventory of Engineers' tools.
16. Reports departure of Mills,and discusses his agreement and other matters in connection therewith.
17. Suggests fencing in allotments nos.9 and 10.
18. Asks about Lloyd's instructions re cabling arrivals.
19. Approves of Weiss's engagement,and remarks on coming season.
20. Reports engagement of Bradfield as carpenter.
21. Suggests selling casings delivered on the spot.
22. Reports intended purchase of "Kate".

Enclosures via Liverpool

Duplicates

Despatch No.1096 dated 15th November.

Remarks on Accounts.

Remarks on Stores.

Replies to Remarks on Stores

General Invoice goods per "Inca"

List of Dutiable Goods per "Inca"

List of Clients' Cargo per "Inca"

List of General Cargo per "Inca"

List of Enclosures.

General Invoice goods per "Ragnhild"

General Invoice goods per "Oravia"

List of Parcels.

B/L cargo per "Ragnhild"

Second of Exchange for £21 . 2 . 6 & B/L attached.

B/L cargo per "Oravia" (2)

Clients' Invoices goods per "Oropesa"

General Cargo per "Oravia"

List of Clients' Cargo per "Oravia"

List of Dutiable goods per "Oravia"

Clients' reports on Sheepskins per "Junin"

Clients' A/sales Produce per "Junin"

Bonner's account for Rams shipped per "Inca"

Enclosures via Liverpool

Originals

1. Wool Market Report.
2. Copies of Cablegrams sent.
3. Copy of Cablegram received.
4. Extract from Mortgage Deed, William Biggs & Others to J.M.Dean, copy of declaration by J.M.Dean and Sketch of Lots 9 & 10.
5. Copy of letter from Anglo Egyptian Cigarette Co., dated 24th November.
6. Copies of letters from Salvesen & Co., dated 1st & 5th Dec and ours of 29th Nov. and 4th Dec.
7. H.C.Bradfield'S Agreement.

. Clients Reports and Contracts:-

8.	H & B	26	casks	Tallow	ex	"Corcovado"
9.	L	21	,,	,,	,,	,,
10.	Z	3	,,	,,	,,	,,
11.	△	29	,,	,,	,,	,,
12.	H	25	,,	,,	,,	,,
13.	A F C	6	,,	,,	,,	,,
14.	H O C	38	,,	,,	,,	,,
15.	W.P.	48	,,	,,	,,	,,
16.	R B C	12	,,	,,	,,	,,
17.	D S G I	4	,,	,,	,,	,,
18.	Z	100	bales	Wool	,,	,,
19.	D S G I	66	,,	,,	,,	,,
20.	R B C	29	,,	,,	,,	,,
21.	B	88	,,	,,	,,	,,
22.	H	1	,,	,,	,,	,,

23. Brokers (Press copies) sundry Reports and Contracts.
24. Copy of letter from Rickmers Reismuhlen &c., of the 11th and our reply of the 13th instant.

25. Hobbs' account for Fodder supplied for Rams per "Inca"– omitted from last mail.

Letters for :–
A.J. Allan
W.A. Harding

London 13th December, 1911

Enclosures via Lisbon

Originals

1 Account Current & Vouchers.

2 Remarks on Accounts.

3 Remarks on Stores

4 List of General Cargo per "Orcoma"

5 Copy of letter from Charles Brewer & Co.,dated 5th Dec.

6 W.B.Fordham's invoice for goods sent per post.

7 Copy of letter from Chr.Salvesen & Co.of the 15th & our reply of the 14th December.

8 Clients' Invoices goods per "Orcoma"

9 General Invoice goods per "Orcoma"

10 Copy of letter from P.J.Mantle of the 15th December & copy of letter from the Crown Agents letter of 14th December and amended quotation .

11 Certificates of strength of Whiskies shipped.

Clients' reports & contracts:-

12

H & B	5	bales Sheepskins	ex "Corcovado"	
D S	6	,,	,,	
Z	11	,,	,,	
△	14	,,	,,	
R B C	7	,,	,,	
A F C	8	,,	,,	
H	6	,,	,,	
S & S	4	,,	,,	
F	31	,,	,,	
J B	5	,,	"Junin"	
H W	8	,,	,,	
D H	5	,,	,,	
S I	5	,,	,,	
B B	2	,,	,,	
McG	10	,,	,,	contracts only
S	4	,,	,,	
AP	3	,,	,	
C C W	1	,,	,,	
J S	1	,,	,,	
M & G	4	,,	,,	
HP	5	,,	,,	
J R	2	,,	,,	

Letters for the following:-

A.L.Allan & W.A.Harding.

London 16th December,1911

1912-01

Indexed

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 12th January, 1912.

Per Supplementary Mail.

No. 1099.

Sir,

Since closing the mail via Liverpool two letters have arrived from Messrs.Chr.Salvesen & Co.,copies of which are enclosed,together with one of my reply of this date. In the first they mention that they have put the salvage claim in the hands of Messrs.Thos.Cooper & Co.,and suggest that we should do so also on account of the "Plym". I have replied that in all shipping cases we have been in the habit of consulting Messrs.Ince Colt & Ince, and that I have put the interest of the "Plym" in their charge, specially desiring them to act in co-operation with Messrs.Cooper,and pointing out that as we have intimate business relations with the Owners of the "Columbus" there must be no friction whatever on the subject,but that they must work in conjunction with the other firm in support of our common interests. The other letter refers to the working of the "Columbus",and deprecates the employment of an outside steamer like the "Araucania",but as what they say is based on inaccurate information they have received I thought it well to write at once telling them that they were in error,showing that the charter could not have been avoided,and adding some general remarks for their consideration as to the occasional employment of an auxiliary vessel,when the work laid out for the "Columbus" is more than she can do without a prejudicial waste of time.

2. The South American Missionary Society have written to ask where their wool is,as they have received no word of it. I replied that I understood that all the 1911 produce had been col-

W.A.Harding,Esq.,

Manager,

Stanley.

Published for Jan 22

lected, and that perhaps Mr. Dean had lifted it. I have since seen the latter, and find that my surmise was incorrect, so hope to hear of its shipment shortly.

3. Mr. Dean is in a fix about working his Islands, and does not know whether he ought to send out a vessel to replace the "Richard Willams" or not. He asked me if I thought that you could do it with one of the schooners, and I said it was most unlikely that you could spare one with a crew in the working season. The crew, however, would not be a difficulty, as he would find the men himself, and if we were only to supply a Master in whom confidence could be placed, and if the Columbus work runs smoothly, which I admit is a big "if", we might earn something appreciable by letting the "Gwendolin" at so much a month, if we could agree a price with Mr. Dean.

4. At the Board meeting before you left you were authorized to arrange an extension of Dr. Foley's agreement for two years, on the condition that he was to be under the Camp Manager. You have not reported any steps taken in this, and as we hear of serious trouble between Mr. Allan and himself, which has led to breaking off all relations between them, we think that it is undesirable that the Doctor should remain in our service after his term has expired, and I am enclosing an open letter to him to this effect.

I am, Sir,

your obedient servant,

Walter Lord

Managing Director.

Enclosures per Supplementary Mail

Originals

1 Account Current and vouchers.

2 Remarks on Stores & Replies.

3 Remarks on Accounts.

4 List of General Cargo per "Orissa"

5 General Invoice goods per "Orissa"

6 Copies of letters from Chr.Salvesen & Co.of 10th & 11th and our reply of 12th January.

7 Lawler Ayres & Co's invoice for goods shipped

8 Corrected General Invoice goods per "Orcoma"

Clients' Invoices goods per "Orissa"

9 Messrs G.Bonner & Co.Ltd. & Dean & Anson

Letters for the following:-

10 C.N.Foley,W.A.Harding,A.L.Allan

11 Canning Account - details of Amounts capitalised.

London 13th January,1912

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

64, Gracechurch Street,

London, E.C. 10th January, 1912.

Per Orissa.

No. 1098.

Sir,

I have to acknowledge the receipt of your despatch no.408 together with two letters of the 28th November, all of which arrived during the Christmas holidays. Your two cables via Punta Arenas and Montevideo arrived in London on the 24th and 30th ult. respectively.

2. 408-2. The Directors have considered your remarks on the "Columbus", and we can only hope for the best during the coming season. Even if it should cost more than £50 to put a schooner in commission for a short period, you are apparently forgetting that the £50 for carrying the mails is a subsidy only, and clear profit, so that what with cargo and passengers in and out it would be strange if the trip resulted in loss. Should the "Columbus" be incapacitated for a time, it must be clearly understood that we are at liberty to set aside for the time our undertaking not to carry produce, and therefore a schooner forced to go out with a mail would have to return with a full load. I have written to Leith on the various points you mention, but at the time of beginning this their answer has not arrived, and therefore this paragraph is incomplete. With regard to the comparison with the "Araucania", I have not heard the Straits steamers mentioned as regards work; but the two services are so different that you can hardly compare them. Probably a boat like the "Araucania" has plenty of work all the year round, while that of the "Columbus" is limited to carrying a certain quantity of produce annually, which

W.A.Harding, Esq.,

Manager,

Stanley.

cannot be increased however fast she may do her work,and even if what is practically a double crew could be afforded,many of the farmers,unless they have changed their ways,would not be ready for her. Whether steam on the coast is going to pay or not is still a question,and Messrs.Salvesen & Co.are wise in keeping down expenses; at the same time I think that they would do right to put on a few more deck hands,and I have suggested it to them.

3. Par.3. Capt.Parsell earned great praise for the way in which he got the "Fleetwing" out,both as regards the tender handling of her gear,which was not too trustworthy,and avoiding putting into the Plate for water,which nine out of ten men would. We have given him a gratuity of £21,and he is well satisfied. I gather that the long voyage was due not so much to the slowness of the vessel,as to the contrary winds,heavy gales,and the necessity of nursing her to save the masts.

4. Par.4. The Governor and Mr.Packe cannot be more vexed than we are about the delay over the telephone materials,but you fortunately were on the spot to explain that the strikes in Liverpool and elsewhere were the sole cause so far as the general gear was concerned,and that the P.S.N.Co.,after offering us one cargo boat,replaced her with the "Potosi",which again had to give way to the "Inca",on account of her long passage home. They will not take creosoted wood in the mail boats in any circumstances. After the "Orcoma" left I wrote to the Crown Agents divulging Mr. Mantle's identity as our adviser,and matters have since progressed as smoothly as could be wished. They wrote that they would be "grateful" if we would ask him to inspect the board when completed,and this he has lately done,so that it is to be shipped by this boat. I had to bring some pressure to bear on him,as he has condemned some of their work offered to us,and did not like the job,having the meanest opinion of their telephone work; however, he found that instead of doing it at their works,they had put on a special man who used to be in the N.T.Co.'s service,and he had done it himself at their place in London,so Mantle was able to pass it as quite up to the mark. Not having seen the board that

came home,your question about it cannot be answered,but if there was anything wrong with it,it would not be surprising,considering its origin.

5. Par.7. What you say about the engagement of Weiss you had already reported from the Plate,and there is nothing more to be said except that we all hope that he will make the Works a success. With regard to the filling machine,we have after much consideration decided not to send another. We have reports from several quarters in Australia that if properly used the Heine filler is up to double the work required per day,and beyond this we have the statement of Wildridge & Sinclair that the best machine made in London is Waller's,but that it is almost identical with Heine's,and if the latter is unsatisfactory the other would be so also. Now Waller's is the one you recommended,and if Weiss is accustomed to its use,the Heine will give him no trouble. All our correspondents are absolutely confident that the trouble has arisen through want of experience,and this will now be remedied. As to how Mr.Allen came to order or to suggest a filler costing £310,this is a puzzle that we have been trying to find out ourselves,and the only solution I can think of is that as it was the only part of the machinery that he did not design himself here,his principals in Sydney must have made a mistake over it,and sent a machine large enough for works five times the size of ours. I cannot understand how it is that no one has seen Mr.Allen,for he came over from New Zealand in the "Rotorua",and was going to do some work in the Argentine,possibly visiting the Islands. Weiss has not written,so I suppose that after seeing Smith he was satisfied.

6. Par.11. I found at our last meeting that each Director had had a private smile over the Samson-Lafonia salvage agreement,before joining in the general amusement it afforded the Board. But it won't do: as the two vessels belong to the same owners,there can be no question of salvage,except possibly on the cargo,(see Keay #704) and anything we may have to recover for expenses on that we shall not put forward in the

1013. June 6th 1906

11. Par.9. It is most fortunate that the Lafonia was got off undamaged, or you would have been completely paralysed in the collection of wool. The steps taken to get her off were quite correct, and the statements made by Captain Thomas and yourself were clear and sufficient; but it is unfortunate that no claim was made at the time, as it may make it difficult for us to get as much as we ought for the service rendered. I am rather surprised that Captain Thomas, whose statements on occasions like this are invariably admirable, did not remember that, as Master of the tug assisting a vessel in distress, notwithstanding that that vessel belonged to the same owners, was entitled to consider that any claim he chose to make would be, not on his owners, but on the underwriters of the other vessel. If he had made a claim that could be considered reasonable in the circumstances, and it had been accepted by Osborne acting as agent for all concerned in the Lafonia, including the underwriters, it would have been hard to ~~xxxxx~~ upset here; as it is the underwriters, who at first offered £50, have not at present got beyond £250, and I have mentioned £500 as the minimum we can accept, without prejudice, the alternative being a claim in the Vice-Admiralty Court at Stanley. Very likely we may take the former sum if we cannot get more, but on such an occasion it does not do to be too modest to begin with. Then as to the Protest, it is not clear why you thought the matter could wait until you heard from us; a note of protest is made when a Master does not know whether there will be a claim or not in certain cases to protect himself, and if there is none he goes no farther; but in this case, when a claim is undoubted, the note should be followed by an extension as soon as the latter can be drawn up. In this case the underwriters seem willing to accept the statements made without insisting on a formal protest, and when insurers and insured are well known to one another it seems to be waived; but as it is clearly and strictly the right thing to do, it is always safer to extend it. On this point I can refer you to the Instructions to Lloyd's Agents under the heading "Documents":- "The necessary documents in cases of "claims against the underwriters on the ship are:- 1. The Protest,

form of a claim. Such an agreement between the two Masters, practically in the presence of the Owners' representative, is too thin altogether, and cannot be upheld; it would do us infinite harm with our Underwriters, and lose us our reputation for fair dealing. It has a smack of Yankee smartness, but is probably of Cymric origin. If any skilled work was done in getting the "Lafonia" off the beach, you will doubtless report it, and in such cases the Underwriters always deal liberally; but we must not hear anything more about salvage.

7. Par.12. We shall be glad to know the details of the advantageous deal with the "Araucania", and also of the cargo of wood for Darwin Harbour, of which, I think, we have had no advice as yet. Is the wood from the Straits much cheaper than what we have in stock, is it as durable, and for what purpose is it to be used?

8. Par.13. Probably the work of putting in the new crankshaft for the "Samson" could not be done in a tide, whatever preparations it might have been possible to make beforehand, and the question of the slip which is in your hands must not be allowed to drop.

9. Par.14. I am unable to report anything as yet about the salvage claim by the "Columbus", as Messrs. Salvesen have not yet written a letter about it, although they promised one some weeks ago. I am sorry that it was necessary to cable you not to repair without instructions, but it was the only thing to be done on the facts as understood from the cable. We did all we could to get the steel plates for this boat, but they were not in stock, Christmas holidays were on, and they could not be rolled in time. This means delay in getting the work finished, and the blame for this rests mainly with the Captain, for according to his Owners' letter, sent you last mail, he asked them neither for instructions nor credit. How could he expect any prudent person to advance £2000 on property worth only £1750 at the outside?

10. Par.15. I hoped that some of the crew of the "Fleetwing"

might take work in the Islands,and save us the expense of bringing them home,more especially as they arrived just at the time when labour is most in demand.

11. Par.16. It is to be hoped that Weiss will reduce his labour account when he sees the plans. The discrepancy between the Australian and South American estimates is large.

12. Par.18. Progress with ships is noted. The Owners of the "Claverdon" asked us to include an enquiry about her in one of our late cables,and paid us for the number of words used.

13. I notice that you had some produce in by the "Araucania",and as the quantity was small I do not suppose that anything will be said about it,but you must be careful not to infringe the agreement with Salvesens,and in such a case it would be well to say something to Capt.Saanum about it,lest he should send a damaging report to his Owners.

14. The cable reporting the floating of "Lafonia" was welcome; how it arrived on the 24th December is not clear,even allowing for the delay of the "Oravia",and it must have been hung up somewhere.

15. In your cable via Montevideo you ask for an Engineer,as you cannot get one,presumably at Punta Arenas. After considering the question most carefully,we have decided not to send one until we are convinced that it is a necessity to have one permanently at Goose Green. I wrote fully on this subject per "Oravia", and you have barely had time to consider the question in all its bearings or discuss it with Mr.Allan. Until canning came to the front we had a so-called Engineer at Goose Green,who was head of the place,managed the machinery,tallow boiling,and the work of the place generally,and yet had,except just in the season what is called a "soft job". As things are and will be in the future,it seems inevitable that Weiss will take charge of the Works and surroundings generally,occupy Harris's house,and superintend all operations with the sole exception of the supply of steam. For years after Goose Green started there was no resident Engineer, and it was run by a foreman,our Stanley Engineer,Martin,going out for the season only. If the suggestion I made per "Oravia" is

not considered feasible,you will have to send Mills out temporarily,following up your own suggestion in your letter of 10th November from Montevideo with regard to Baseley. Consider what it would cost,and what disturbance it might raise if we established a full-blown Engineer at Goose Green permanently. To begin with, his house will have been taken away,and the Preserver's must be enlarged and improved before he will be satisfied. Then after the season,there will be two heads instead of one,probably jealous of one another,and if Weiss will have a slack time,what can be said of the other,who will have nine months in which to do nothing but keep the machinery oiled? And this man we cannot expect to get under £180 to £200 per annum; it is an expense that we are not warranted in incurring unless driven to it by sheer necessity. I feel sure that if the Governor acts up to his promise you will be able if cornered to get Baseley's temporary assistance,even if he is mot allowed to stay with us until Goose Green has finished. After the season is over we shall have many months in which to make up our minds as to the best course to take in future seasons. We have yet to prove that Canning will pay with our limited supply of sheep,and the utmost economy will have to be exercised. There is another point; Engineers are not to be picked up by the road-side,it took a long time to find Mills,and several other candidates had to have their claims examined,and their characters and abilities enquired into,before we got a likely man. If it should be proved that a qualified Engineer is really wanted,I think that for this work it might be well to have a single man,perhaps of a lower standing than Mills's; it would save us some expense,and such a man might be put under the Preserver with less fear of friction. As to Weiss,no suggestion has been made as to his employment in the off season,but a man at £500 per annum will be a great expense if we cannot get anything else out of him,and I have been wondering ifhe could take some kind of work in Darwin or Stanley as a clerk,as Preservers

do in the off-season in Australia.

16. Messrs.Spearing & Waldron are sending out a boiler for Port Howard in a sailing ship,and have asked if we can take it on board the "Great Britain" while she is discharging in Stanley. I said,naturally,that it must be left in your hands entirely,as I would do nothing to hamper your movements,and as far as the "Great Britain" was concerned I told them that in the wool season it might be considered out of the question. I said,however, that you would do what you could,and if it came between mails it might be possible to spare them a lighter. Or you may let them have a hulk,just whatever you find the most convenient. They may want gear for lifting it,and I said that we had heavy blocks and falls,which had been used for our own boilers,and these they could have for a consideration. The total weight is under 10 tons. This reminds me to ask if you are now using the forms of agreement for hulks prepared by Mr.Ince.

17. I can say nothing further about the "Kate",as she is still on the mud in Bannow Harbour. We have had boisterous weather for many weeks now,and we are told that there are vessels in Bannow that have been trying to get out since October.

18. J.L.Waldron,Ltd.have shipped some no.10 Ryland's wire to Port Howard,and they have asked us to make us an offer for it,as Mr.Mathews insists on having no.8. I have declined to negotiate, on the ground that we only ship fencing as and when required,but if any should be actually wanted you may make a good bargain.

19. Although Mr.Girling by the last mail but one reported a serious strike in Stanley on the subject of the "Columbus",you have omitted any reference to it,and we should like to know how it has been settled.

20. We are forwarding some samples of a new kind of roofing called Poilite,together with a descriptive pamphlet,and it is worth looking into,as it is very light,and would save the use of heavy rafters.

21. We have heard nothing of late about wireless telegraphy, but hope that it will soon be in operation. We shall have to ar-

range for the use generally of the word saving code,as with a constant service our messages are likely,even with the greatest economy,to cost us more than at present with a fortnightly chance only.

22. As there has been trouble lately over shipments of flour by steamer from Liverpool,it occurs to me to ask you if you cannot get your supplies altogether from Argentina or Chili? Up to 20 years ago all our flour came from Chili,and it was only on the failure of a wheat crop in that country that we found that we could,temporarily as we thought,ship from here at a lower cost. But it does seem absurd that with a large wheat growing country like the Argentime,practically next door,we should still have to buy in Liverpool,and even more so that you should import flour that has paid freight from Australia to England,and again from Liverpool to Stanley. One great disadvantage of sending it in a general cargo as we do is that,being a sensitive article,it acquires flavours that are foreign to it,in the event of its being stowed near anything pungent,such as creosote or sheep dip,and the result to us is disastrous,for your customers return it on your hands. From what you report elsewhere about the wholesale repudiation of one of the last shipments,it looks as if importing flour will soon be a luxury we cannot afford to indulge in. You will have to look into this question carefully,and devise a remedy,which I think will have to take the form of a resumption of Chilian importations,or an arrangement by which you can get the supply from Buenos Ayres. The objection raised by some that the flour makes heavy bread that will not rise may or may not be a valid one; you have now at Darwin an undoubtedly good,experienced baker,and I should send rejected samples to him; if he can make good bread of it,you cannot be responsible for want of skill in an amateur.

23. I have to close without any letter from Messrs.Salvesen & Co.

I am,Sir,

your obedient servant,

Managing Director.

DESPATCH no.1098 per "Orissa",10th January,1912.

Precis of Contents.

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1. Acknowledges despatch,letters,and cables.
2. Remarks on working of "Columbus",and comparision with "Araucania".
3. Comments on good management of "Fleetwing" by Capt.Parsell.
4. Refers to telephonic matters.
5. Filling machine not sent; comments on same.
6. Repudiates salvage claim on Lafonia.
7. Asks for information about Araucania's trip and her cargo.
8. Refers to question of slip.
9. Delay over Nuuanu's repairs attributable to Captain's advices to his owners.
10. Hoped that some of the Fleetwing's crew would have remained.
11. On Weiss's estimate of labour.
12. Refers to progress on ships and cable about "Claverdon".
13. On carrying produce per "Araucania".
14. Remarks on cable apparently delayed.
15. Discusses proposed engagement of permanent Engineer.
16. Advises shipment of boiler to be temporarily discharged at Stanley.
17. Reports "Kate" delayed by bad weather.
18. About wire offered by J.L.Waldron,Ltd.
19. Enquires about strike of labourers.
20. Calls attention to samples of "Poilite".
21. Enquires about wireless telegraphy.
22. Discusses flour question,and suggests importing from South America.
23. No letter from Chr.Salvesen & Co.up to time of closing.

Enclosures via Liverpool

Duplicates

Despatch No.1097 dated 13th December.

Remarks on Accounts.

Remarks on Stores.

List of General Cargo per Orcoma"

list of Dutiable goods per "Orcoma"

List of Enclosures

List of Parcels.

List of Clients(cargo per "Orcoma"

Clients' A/sales :-

D S	66	bales Wool ex	"Corcovado"
B	88	,,	,,
R B C	29	,,	,,
H	1	,,	,,
Z	100	,,	,,
H G C	38	casks Tallow	,,
△	4	,,	,,
L	2	,,	,,
R B C	4	,,	,,
Z	3	,,	,,
A F C	6	,,	,,
W P	5	,,	,,
H	4	,,	,,

Sundry Clients' reports & contracts Sheepskins ex "Junin" & Corcovado"

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Enclosures via Liverpool

Originals

Annual Wool Market Report for 1911

Copy of Cablegram sent 22nd December.

Copies to Cablegrams received on 24th & 30th December.

Copy of letter to Chr.Salvesen & Co.of 1st January.

Correspondence with the Corwn Agents re Telephone Switchboard.

Letters for :-

W.C.Girling & A.L.Allan.

London 10th January,1912

Received

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 7th February, 1912.

Per Oropesa.

No. 1100.

Sir,

I have to acknowledge the receipt of your despatch no.409 and of your letter of the 26th Dec.,both of which arrived on the 22nd ult.,also of cables on the 14th and 27th ult.and 1st inst.

2. 409-2. I understand that Capt.Saanum has absolute discretion as to the ports and passes to be barred. Pebble is an unprofitable place to serve,as loading is difficult at the settlement if there is any wind,and Tamar and North West passes are undeniably nasty: I have been through both many times. With regard to the Lighthouse materials,I enclose correspondence with Messrs.Salvesen,who do not much relish the job of landing them, but are prepared to do it if there is no other vessel available. They think it will mainly benefit the PSNCo.,and that it may interfere with the collection of wool. Probably they are writing you direct on the subject.

3. Par.3. I thought that the fear of pitting had been disposed of in re the "Garland" by the investigations we made when you were home. Iron does not pit like steel,and the "Garland" was built of $\frac{5}{8}$" iron,twice the thickness of the Samson's plates. I enclose copy of letter from Mr.Connell,which you saw here. We believe that the hulk is good for years,she is of a useful tonnage for receiving cargoes,and has far and away the best deck of the lot. The quantity of ballast you mention is exaggerated, the "Garland"would have sailed with 400 tons or less,and being stripped to her lower masts could not want anything like that quantity. The other vessels are just ripe for grounding,which she

W.A.Harding,Esq.,

Manager,

Stanley.

is not, and, as regards your remark that the "Vicar of Bray" would not stand a roof over her or any weight on her deck, the meaning is obscure, especially when we think of the "Actæon" and the "Egeria". I do not think that the "J.P.Smith" is suitable, but should have preferred the "Capricorn" or the "Proecis", if it was impossible to move the "Vicar". If the Norwegians were able to take the "Sabino" to New Island, after over 18 years' absolute neglect, the task of taking one of the older hulks to Darwin should not be insuperable; perhaps one of Salvesens' Captains will tell Captain Thomas how to do it. I have mentioned the subject to the Board, and the Directors agree that if one of the older and riper hulks cannot be transferred to Goose Green, the "Garland" will have to remain there; at the same time they agree with me that to scuttle her means the destruction of valuable property, for which no sufficient reason has been given.

4. Par.5. If you can get 15/. each for full woolled wethers you should sell them, and take less after shearing. It is not right to lose trade by asking prohibitive prices.

5. Par.13. The "Kate" is still weather-bound, but as soon as the weather moderates is expected at Cardiff, as the Owner has a crew engaged all this time.

6. Par.16. I thought that it had been explained that the "Inca" was taking the place of the "Potosi", and since on the 24th November we cabled her sailing, it must have been evident that she got away before the ~~1st~~ 8th of December.

7. Par.18. Our Solicitors say that you would have to be provided with a special power of attorney to sign a lease, and suggest that it had better be executed by the Board, which will be done next month.

8. Par.20. Note has been taken of the periods during which our vessels have been laid up.

9. Par.22. Notwithstanding the information you have given about the "Claverdon", the Owners insisted on our cabling last week to ask when she actually sailed.

10. Par.(same) The plates for the "Nuuanu" go by this boat, the order having arrived too late for shipment after Christmas.

The salvage awarded to the "Columbus" will go into the general account; I felt sure that it was Salvesens' intention that it should without question. Mr.Ince is working in cooperation with Messrs.Thos.Cooper & Co.

11. The "spindles" or insulator bolts were not sent in consequence of an error on the part of Bullers,who have apologised for the oversight,and paid the cost of your cable.

12. The advice of shipments by "Junin" and "Kenuta" are satisfactory,and show that so far the "Columbus" is getting well through her work. Wool has been strong at the late sales,and we are hoping for good prices next month.

13. According to the new Ordinance I see that a person intending to import stock has to give notice of what he expects, with other details,including probable date of arrival,in default of which he may incur a fine. Is this practicable in all cases? Suppose he has given a provisional order,and does not know if it has been executed; suppose a friend in England has sent him a live present; suppose,again,he is a new arrival,and has brought a dog with him,not knowing the regulations,what is to happen? G.O.K

14. The Board have decided to grant Mr.Oswald a gratuity of £50,in consideration of recent extra work in the office.

15. Mrs.Smith has asked for a list of her drawings while in England,and this will be sent under cover to you. On another occasion,should she again honour this country by her presence,we shall ask her to open a banking account and draw her own cheques, as her demands were often put forward at inconvenient times to the office.

16. The large order given to Herbert Dickinson of Huddersfield is not in accordance with the rule that this office is the one from which all orders must emanate,and it was irregular to sign the copy given to Mr.Dickinson's traveller. It has come at an unsuitable time,just two months before we know what the stock on hand is,the amount,roughly calculated by Mr.Dickinson at £1200,is about twice as much as we have paid to any other firm for similar goods,and although we sent out a similar but smaller

shipment from him early last year,not a word of comment on it, good or bad,has reached us. You were,of course,away from Stanley,but it ought to have been remembered that when goods go from a new supplier,we always want a report on them. There are several points on which we must have information,before we send out this large and miscellaneous assortment. Looking through the items,one cannot but be struck by the fact that to show them and sell them to advantage we have not nearly enough accommodation, nor have we,to the best of my belief,a person in the Drapery Store capable of handling them. When we spoke about that Store last year,I understood you to say that a change was imminent; but the September Wages list shows no alteration,and we want to know what you propose doing. It has been a vexed question for a long time whether it pays us to keep this Store going or not, in the face of the large importations by parcel post,and the competition of the smaller Stores,and we should like to have the truth proved one way or another. We know that you were up to your eyes in work,owing to the late arrival of the "Oravia" and other causes,and attribute to that your having passed the order without comment or explanation. For the same reason you were probably unaware of its unusual size and comprehensiveness. It has been difficult to decide what to do best in the Company's interest; but we have been pretty carefully into the matter,and have had a number of samples up from Huddersfield,which have been compared with goods of the same class supplied by I.& R.Morley,Cook, &c.,and with a few exceptions we find them of good value. We have had a good report of Mr.Dickinson's standing,and the result of some correspondence was that he sent up his Manager to see us; from him we found that his traveller had spent some weeks in Stanley,and that he had undertaken not to supply any other firms with the goods ordered for us,with other information which we should have preferred getting direct. The order has been confirmed,but only half is to be shipped before we get your reply to this. In his correspondence Mr.Dickinson shows himself to be a straightforward man,and you will understand that we recognize the

advantage of your sending orders on samples seen on the spot; but it would be better simply to make notes,and not to give a copy of an order to any traveller,far less to sign it.

17. I have delayed replying to your par.12 in the regular order,as I wanted to get some information. I accept what you say about John Kelway,and drop my suggestion with regard to him; but I take up what you say about the necessity for having a really competent man on the spot with a Babcock & Wilcox boiler,and while agreeing with you so far,we probably entirely disagree as to the amount of competence required. For while you are thinking of a man with every imaginable kind of certificate,I am able to tell you that a fairly intelligent fireman is all that is needed, and on the authority of Babcock & Wilcox themselves. Their London representative came to see me at my request,and in answer to my enquiry told me that most of their boilers on the Coast of Africa were being fired by niggers,and that many in this country were in charge of labourers; that they are much safer than the Lancashire and other boilers,because where the latter would burst,the Babcock would only consume a tube,and that it is because of this safety that there is such a demand for them in places where skilled labour is scarce. It may be necessary for an Engineer to go out before the season,to tune up the various pieces of machinery, but as they will all be run by others,not the Engineer,it is difficult to see where he will come in,except to fire the boiler, which is a job for a man of much lower grade. If I led you to think that Mills had the option of Stanley or Goose Green,I made a mistake,the fact is that I never thought for a moment that he could have a doubt about it,for the Stanley berth and house at £20 per month ought to be jumped at. I did write that you would have to re-arrange his agreement,or something like it,and in my last letter to Mills,of which I send you an extract,I told him that he would occupy the position about to be vacated in Stanley. That an Engineer is permanently wanted at Goose Green I do not believe; but if there is no trustworthy man to be got this season,or Mills has no time to instruct him,no doubt either the lat-

ter will have to go temporarily,or you must get Weiss to bring someone from Punta Arenas. We should not grudge any expense which is shown to be necessary for the safety of our men or the advantage of the working; but when it is clear that a permanent Engineer is a needless extravagance,we are bound to remember that without economy in every direction the prospect of success is not a bright one. At the time Mills was engaged I believed that a successor to Harris was needed,although I did not lose sight of the fact that there would not be sufficient work for him all the year round. Since learning more about the canning than I knew at the time my opinion has changed,and the transfer of Baseley to the Government,notwithstanding the want of consideration with which it was carried out,may prove a blessing in disguise.

18. We have just had a cable from Weiss asking for a Waller filling machine,and in the circumstances cannot help sending it, although it will almost certainly prove not to be needed. It is perfectly clear that the Heine filler,properly used,is capable of dealing with twice the number of tins wanted per day,this we have got from people in Australia of whose competence to give an opinion there can be no question,and on the top of that we have Wildridge & Sinclair's statement that although the Waller filler is the best one made in this country,it is so nearly identical with the Heine,that any objection to the latter would equally apply to it. Still,as the Preserver asks for it,notwithstanding that the other did not have a fair trial last year in the hands of an ignoramus,we have arranged that it is to be shipped without fail next month,as we cannot run the risk of failure for the sake of £50 or £60; at the same time we believe that every penny spent on it will have been wasted.

19. 19. I enclose some copies of correspondence with Mr.Mantle about the working of the Stanley telephone,including suggested rules,lists,&c.to be printed,some of which I have altered slightly,and am sending the same to the Governor. You will notice that the operator has the power of tapping the line,and that here

such a proceeding is punishable by law. I have struck out the reference to this, as the Act may not be applicable in the Colony and it may be necessary to pass an Ordinance. We are let a little behind the scenes now, and a point is cleared up that has always been a doubtful one to telephone users, that is whether there is absolute secrecy or not.

20. Correspondence with Messrs. Vorwerk Gebr. & Co. is enclosed on the subject of an advance they wish made to Reddemann on produce, which you will find sufficiently clear.

I am, Sir,

your obedient servant,

Managing Director.

Despatch no.1100 per "Oravia",7th February,1912.

Precis of Contents.

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1. Acknowledges despatch,letter,and cables.
2. Refers to correspondence with Chr.Salvesen & Co.and barred ports.
3. Discusses question of hulk for Goose Green.
4. About price of sheep sold alive.
5. Reports "Kate" weather-bound.
6. On substitution of "Inca" for "Potosi".
7. Lease of site on Sea Lions to be executed in London.
8. Acknowledges list of vessels laid up.
9. Reports cable sent about "Claverdon" on account of Owners.
10. Refers to plates for "Nuuanu",and to salvage by "Columbus".
11. Comments on shipments per "Junin" and "Kenuta".
12. Explains delay in sending insulator bolts for telephone.
13. Enquires about new Stock regulation in re imports.
14. Advises gratuity to Mr.Oswald.
15. Alludes to list of cash drawn asked for by Mrs.G.P.Smith.
16. Discusses order given to H.Dickinson of Huddersfield.
17. On engagement of Engineer for Goose Green,deprecating a permanent one.
18. Reports having ordered a "Waller" filling machine.
19. Refers to printed matter for Stanley telephone.
20. Advises request by Vorwerk Gebr.& Co.re advance to Reddemann.

Enclosures via Liverpool

Duplicates.

Despatches Nos.1096 & 1907

List of General Cargo per "Orissa"

Bills of Lading goods per "Orissa"

List of Parcels

List of Clients' Cargo per "Orissa"

List of Enclosures

General Invoice goods per "Orissa"

List of Dutiable goods per "Orissa"

Remarks on Stores.

Remarks on Accounts

Clients' A/sales:-

Sundry marks	Hides ex	"Corcovado
,,	Sheepskins	,,
,,	,,	"Junin"
,,	Tallow	"Corcovado"

2

Enclosures via Liverpool

"Originals"

1 Copies of Cablegrams sent.

2 Copies of Cablegrams received

3 Wool Market reports

4 Report & contract ◇H◇ 1 cask Sealskins ex "Corcovado"

5 Copy of letter from Herbert Dickinson dated 1st February.

6 Copies of letters from Chr.Salvesen & Co.of 13th 24th & 30th Jany.& our reply of 26th Jany.

7 Copy of letter from Hayward-Tyler & Co.,Ltd.dated 1st February re broken Valve of Mr Packe's pump.

8 Receipts for Roy Felton & Mrs Clement.

9 Copy of letter from P.J.Mantle dated 22nd January.

10 Copy of letter from Bullers,Ltd.dated 19th January.

11 Copies of letters from Vorwerk Gebr.& Co.of 30th Jany.& 3rd Febry.& our reply of 1st Febry.

12 Copy of letter from R.L.Connell dated 27th July,1911.

13 Copy of letter from W.Lowden & Co.dated 3rd Febry.re missing "Weddell" case of Copper Nails &c.

14 Copy of Brokers' reports on Company's Wool & Skins ex "Corcovado"

15 Copy of letter from P.J.Mantle dated 6th February.

16 Extract from letter to Mr.Philip Mills dated 12th Dec.11

17 Letter for A.L.Allan.

London 7th February,1912

Supplementary Mail via Lisbon

Originals

1 Remarks on Accounts.

2 Remarks on Stores

3 Replies to Remarks on Stores

4 List of General Cargo per "Oropesa"

5 General Invoice goods per "Oropesa"

6 Account Current

7 Clients' Invoices goods shipped per "Oropesa"

8 Suppliers' Invoices for goods shipped per "Oropesa"

9 Letters for the following:-

W.A.Harding.(2)

A.L.Allan

Mrs L.V.Oswald.

London 10th February,1912

Interesting

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per Oravia.

No 1101.

London, E.C. 6th March, 1912.

Sir,

I have to acknowledge the receipt of your despatch 410, which arrived on the 20th ult., also of letters per "Junin" and "Kenuta", and cables on the 12th and 26th ult. Both the cargo boats arrived in the Thames on the 1st inst.

2. 410-2. I got from the Surgical Aid Society the names of some Surgical Instrument makers in London, and have ordered the hand for Cartmell from W.R.Grossmith of the Strand, being the first on their list. I thought it better to get it from someone with whom we could be in touch in the event of anything going wrong, than from a firm, however eminent, in New York. Grossmith says that Marks is well known, and a good maker; in price it is rather less here.

3. Par.3. The question of the Great Island lease had been overlooked here; the Board have now decided to let David Smith remain in possession during his life at a rental of £60 per annum, but will give no undertaking as to a prolongation after his death. You did not point out that the sum of £40 was made up by £25 for Great Island, and £15 for the Swans, but this seems to be the case, though we have no copy of the lease of the latter.

4. Par.4. It is unfortunate that you have failed to grasp what I wrote about the labourers' pay, for when you say that so far as they are concerned the "Columbus" and the PSN boats are the same you are absolutely wrong, and I thought that I had made the difference so clear. In loading and discharging the "Columbus" we are the stevedores, and we employ the men, not the "Colum-

W.A.Harding, Esq.,

Manager,

Stanley.

bus", just as the stevedores in the Docks employ and pay their men, who work for them and not for the ships. In the case of the PSN boats, the extra labour goes on board, and receives pay from the ship herself; I think you must see the difference. It is a pity that you did not apparently think it worth while to report the arrangement, in continuance of the information Mr. Girling gave before your return, and I suppose that it must have slipped your memory, as you cannot think that the question of wages is a detail in which the Board take no interest. Considering the state of unrest in the labour world, and the calamitous coal strike in this country now in progress, we can hardly expect to be fortunate enough to escape the movement altogether, and I think that you and I agreed that it would be wise to anticipate possible trouble. Generally speaking, the men in the Islands are well paid, and are able to save money; but I fear that an exception to this exists in the case of the Stanley labourer, whose pay of 8d. an hour has not varied for thirty years or more, notwithstanding the rise in the cost of living, and a married man with a family is not too well off. If the pay of this class were raised to 9d. per hour all round, including working on the "Columbus", which must be admitted to be on our account, what would be the addition to the annual wages bill, and would carpenters, who are well enough off, considering what they make on ships, expect to have a rise too?

Charging Salvesens 6d a ton for stevedoring does not meet expenses, and if we can show that, they are willing to reconsider the rate. But while we are actually losing on this, it is clear that we ought not to be paying more per hour for the labour, and a frank explanation of the situation might cause the men to see it. Considering the scarcity of men you mention I wonder that none of the crew of the "Fleetwing" could be induced to stop in Stanley. I wonder of the arrival of the "Columbus" actually put a single man out of work.

5. Par. 7 There is nothing more to be said about the crankshaft for the present; I did not know that when the "Samson" was put ashore the boss of the propeller might not have been possibly out of water. As regards the slip, I think that the next move was

to be with you,that is you were to find out from Mr.Robins if it was practicable to put down the cradle he suggested in a place where the rise and fall amounted to only 6 feet.

6. Par.8. I do not anticipate trouble with the Underwriters over the hire of the "Samson",especially as we cannot put in our claim on the salvage basis. You are aware by this time that the contract was illegal,and have probably sent fresh accounts,for we cannot proceed without them. You will understand that if the cost of refloating the schooner comes to more than was agreed on for salvage it will be paid without question,and that the irregularity consists in the salvage agreement having been made between two ships belonging to the same owners,and that cannot be got over.

7. Par.9. It is a pity that it was impossible to get the plates from here by the return steamer after receiving the order, but it has been explained that it was [redacted] out of the question. I do not anticipate trouble over an increased credit,if you cable for it.

8. Par.10. We have sent the accounts in to Leith,and have charged 6d per ton on the wool discharged,to which no objection has been stated up to the present.

9. Par.11. A letter from Salvesens herewith leaves the settlement of the small claim for 79/.for lost standards to yourself and Captain Saanum,and apparently goes on to suggest that you should tell him how to deal with such cases in future. I had written to suggest that the ship should pay.

10. Par.13. As I said last month,I had not conceived the possibility of Mills having an option,or of choosing Goose Green,as I looked on the Stanley berth,with the higher pay,better house, and possible salvage pickings,as a distinct promotion. In connection with the question of managing the boiler,I enclose a copy of a letter from Babcock & Wilcox. I feel diffident about making any further suggestions about the man to run the boiler and attend to the machinery,but it occurs to me that one who can be trusted to take charge of the engine room of the "Samson" ought to be capable to deal with all the plant at Goose Green,and that a man

of the calibre of F.Atherton ought to be good enough.

11. Par.15. When I was in the Islands I had to be very economical,and I sometimes gave the expression "seriously overdue" a liberal interpretation,cabling the arrivals of our own vessels. I do not know if it is actually laid down that ordinary arrivals are to be communicated by mail; they are reported from Australia, and Underwriters are always glad to hear of them. This reminds me that the "Ragnhild" has been reported at Lloyd's.

12. Par.16. I have a letter this week from Weiss,who says that he may be able to contract for the Casings. The price he mentions,£10 per 1000,is not high,but it would be all clear profit,and we should not have to deal with the ring here. I had just arranged to send the present lot to Hamburg,when a man from Manchester turned up asking for samples; Lowdens say that he seems keen on getting them,but we have been disappointed too often.

13. Par.17. I am sorry that I did not cable that a married carpenter was coming,but it did not occur to me that you would expect a single man to be sent.

14. Par.18. The "Kate" is almost becoming a joke; she has not left Bannow yet,and the latest news is that owing to high tides they have not been able to get at the keel for caulking. However,she is to be delivered at Cardiff,and the loss is the owner's.

15. Par.19. I have heard nothing from the PSNC about the "Oravia" salvage contributions. They probably want the money to settle with the salvors,and may say that you should have remitted it,whether you had collected it or not. In such cases it is usually collected from the Underwriters after the claim has been settled, not before,and it is no answer to say that all the goods have been insured. However,if the PSNC are satisfied,it is all the better for us.

16. Par.20. The Directors have discussed the subject of Dr. Foley,and have the views you have expressed in a private letter. In a case of this sort they would always be unwilling to move ex-

cept upon representations made by their Manager. But when it is stated that not only Mr.Allan and the Doctor are not on speaking terms,but that the latter has fallen out with the Overseer and Mr.Moir,a situation has arisen that in the Board's opinion is an impossible one,and ~~that~~ if it cannot be amended it must be ended. We all recognize Dr.Foley's abilities,and are very sorry that things should have come to this pass,for we may never get so good a man professionally. You have the character of being a peacemaker,and if you can restore harmony at Darwin,it will be greatly to your credit,and no change will be needed. But it must be clearly understood that the Doctor is in future to look to the Camp Manager as his immediate superior officer,and I must say that I thought until now that this requirement would have decided Dr. Foley's action,when you communicated it to him.

17. Par.23. I wrote to the PSNC about the rebate being mentioned on the Purser's copy of the Bill of Lading per "Orcoma", and they say that it was on their office copy only,but that it will not occur again.

18. Par.24. It would be well to get a certificate from Mr. Townson on the preparation of the meat,but the point turns out not to be as importamb as at first appeared.

19. Owing to the coal strike,the Wool sales,which should have been commenced this week,have been indefinitely postponed.

20. I hoped that you would cable the amount of the year's profit,as has been done for the last two years; I hope that this does not mean that there is a very great falling off.

21. In writing on the subject of the Doctor I should have said that although you sent a copy of your letter to him you did not forward the reply,which we should have liked to see.

22. In writing to Leith you should remember that the name of the firm is Christian Salvesen & Co.,(though abbreviated) not Salvesen & Co.

23. Among the "Lafonia" papers I find no Survey Report,and though this may not be absolutely necessary,you should have at least given a certificate that on her return from Port Harriet

the bottom was not sighted,and if there was damage of any other kind there should certainly have been a survey. The stranding practically gives us an opportunity of having the bottom caulked and metalled,and if there had been a dock or slip,this would have been done. In settling with the Underwriters we must hold over their heads the possibility of a further claim for this purpose. I enclose copy of a letter from Mr.Stark on this subject.

24. I am getting rather fed up with Harris,who is not content with having written a ggod deal before he left the Islands,but has sent me another letter from Santa Cruz,enclosing copy of one to you in defence of Dr.Foley. I am not going to answer it,but should you be writing to him,(and not else) I should be glad if you would say that the Directors have not been influenced in any way by gossip of the nature contained in his letter to you. He refers to my not having returned him some correspondence,but every original paper that he sent me went back to him.

25. A letter that arrived on the morning of the Supplementary Mail last month (wire I should have written) gave 50 to 100 tons as the weight of ballast required to shift the "Garland"; this was on the authority of the former Owners' overlooker,who knew the vessel well.

26. Mr.Packe has written about an advance,and I have read your remarks on the subject to the Board. It has been decided to inform him that they are willing to give him an overdraft for £4000,and having every confidence in his integrity they do not wish to put him to the expense and trouble of executing a mortgage. All that they will ask him to do is to engage not to give anyone else a prior claim on his property,and to continue to do his business through the Company as heretofore. I hope that Mr. Packe will be satisfied with this arrangement.

27. I have to draw your attention to a letter from Salvesens in which they enquire about the cost of putting a patch on the boiler of the "Columbus",the total being £48,for work that would have been done at home for £11. You said that Mc.Nicol had worked early

and late for over a fortnight, and consequently the labour account must have been high, much higher in fact than the total cost that would have been incurred here, and it is quite possible that the charge may be reasonable. To anticipate any objection the account ought to have been signed by Capt. Saanum, and I thought that it was understood that all papers should be certified by him. If there is any item that could be reduced, that is if the charges are according to the scale for ships in general, you should on this occasion, and on all others when work has been done for the "Columbus", give her the most liberal treatment you can, just as if she were one of our own vessels. You will see from the enclosed correspondence that all accounts to the 31st March will be wanted as soon as you can forward them. All freight earned up to that date will be accounted for here, but it seems likely that the "Kenuta" is the last shipment that will have to be dealt with.

28. The lease of the Lighthouse site has been executed, and has been sent herewith. You will notice that in following the draft from Stanley it has been antedated a year, and if required this can be corrected, though as it is a purely formal one for a nominal consideration it may not be thought necessary to alter it.

I am, Sir,

your obedient servant,

Managing Director.

DESPATCH no.1101 per "Oravia",6th March,1912.

Precis of Contents.

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1. Acknowledges despatch,letters,and cables.
2. Order for artificial hand given.
3. Decision as to Great Island lease.
4. Deals with the question of labourers' pay.
5. Remarks on suggested cradle or slip.
6. On claim for stranding of "Lafonia",papers wanted.
7. Regrets that steel plates had to be delayed.
8. Reports having sent "Columbus" accounts to Leith.
9. Settlement of claim for lost fencing to be arranged.
10. Question of arrangements for engineering department at Goose Green.
11. Refers to cabling home arrivals.
12. On disposal of Casings this season.
13. Regrets misunderstanding about married carpenter.
14. Reports further delay of "Kate".
15. On "Oravia" salvage contributions.
16. Remarks on question of Doctor at Darwin.
17. On entry of rebate on Bill of Lading per "Orcoma".
18. Approves getting a certificate from Mr.Townson about meat.
19. Reports postponement of Wool sales.
20. On cabling amount of year's profits.
21. On letter from Dr.Foley not included in correspondence.
22. Points out error in style of Salvesen's firm.
23. Remarks on certificate required with reference to claim for possible damage to Lafonia's bottom.
24. Refers to correspondence with Harris.
25. On ballast required to shift "Garland".
26. States offer to give Mr.Packe an overdraft.
27. Remarks on cost of patching boiler of "Columbus".
28. Advises enclosure of Sea Lion Island lease.

Enclosures via Liverpool

Duplicates.

Despatch No.1100 dated 7th February.

Remarks on Accounts.

Remarks & Replies to remarks on Stores.

List of General & Clients' Cargo per "Oropesa"

List of Enclosures.

General Invoice goods per "Oropesa".

B/L general cargo per "Oropesa".

List of Dutiable Goods per "Oropesa"

List of Parcels .

Report on Mrs Hansen's Sealskins ex "Corcovado"

Enclosures via Liverpool.

Originals.

1 Copy of Cablegram sent 16th February.

2 Copy of Cablegrams received 12th & 26th February.

3 Particulars of Wool Sales for 1912.

4 Copy of letter from Babcock & Wilcox,Ltd.of 14th February with instructions & illustrations attached.

5 Copy of letter from Chr.Salvesen & Co.of 22nd & 24th Feby. & 1st March.

6 Copy of letter from H.Langridge & Co.of 23rd February.

7 Copy of letter from Pacific Steam Navgtn.Co.of 22nd Febry.

8 Correspondence with Lamb Brothers re Teak .

9 Lease of Site for Lighthouse for completion by Government.

10 Copy of letter from John Stewart & Son,Ltd.of 4th March re Teak sample .

11 Letter for A.L.Allan. + W. A. Harding.

London 6th March,1912.

Enclosures per Supplementary Mail

Originals

1 Account Current and vouchers

2 Remarks on Accounts.and replies to Remarks

3 Remarks on Stores and replies to remarks

4 General Invoice goods per "Oravia"

5 List of General Cargo per "Oravia"

6 Lamb,Babcock & Scott's invoices.

7 Clients' Invoices goods per "Oravia"

Letters for the following:-

W.A.Harding. (2)

A.L.Allan

W.C.Girling.

8 Sight Draft on J.Kirwan for £56 11 . 2 for collection B/L attached.

9 Copy of letter from Anglo Egyptian Cigarette Co. 29/2/12.

London 9th March,1912

Received

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C.

Per Orcoma.

No. 1102.

3rd April, 1912.

Sir,

I have to acknowledge the receipt of your despatches nos. 411 and 412 and letter of the 21st of February, all of which arrived on the 19th ult. Cables about the "Nuanu" and shipment per "Potosi" were received on the 14th and 27th ult., the latter five days after the arrival of the steamer in Montevideo, and two days after the sailing of the "Orissa" from that port.

2. Despatch 411. The accounts for 1911 are very satisfactory, and the fear that you had not cabled the profit because it was a poor one proved to be unfounded. Whatever it is, we should like to have it cabled in future. Our records put the sales for 1909 in the Store at £26313, but they may be incorrect. The stock of Stores, nearly £40,000 looks much too high, notwithstanding the fact that there had been so many recent arrivals. As the "Ragnhild" had not arrived on the 31st December, the cargo might have been treated as "goods in transit", and they will be shown so in our Balance sheet. It will take some months to work down the value to a normal one, and there may be an excess in some articles.

Company's Shipping. We shall write off the repairs to the "Plym" at once.

Schooners. If any accident should happen to the "Columbus" there may be work for the schooners later on, besides which you may have occasion to use one or both for exceptional work. We shall therefore be content this time with the writing off of the Plym's repairs.

Consumption and General Charges. I think I have said before

W.A.Harding, Esq.,

Manager,

Stanley.

that it is a pity that an account has not been opened for Stanley Office furniture,as such things as a type-writer would be better charged that way than to General Charges.

Canning. We have talked to Mr.Sawyer,our Auditor,and have decided to capitalize the Canning Works this time,dividing the account under the heads of Plant and Buildings,but keeping it separate from the Farm. As to the working in the past year,the number of sheep canned having been so small,we shall leave it in Farm Account,which will get credit for all the produce from Goose Green,tallow,sheepskins,meat,tongues,and casings,so that when the wages and expenses on establishing the Works are taken out it will not injure the Farm materially. Certainly the cost of coal will have to go to Canning,and it is not clear why you did not make an entry crediting the Store for the coal sent up in the "Thorndale". Your suggestion that Farm should in future sell sheep to the Works at a price to be decided is practical and excellent,and ought to be carried out.

Other remarks on details in the accounts will be found under another heading.

3. 412-4. It looks as if the scare about the filler will turn out as we thought,for Weiss knows the Heine machine,and approves of it.

4. Par.5. The answer you give about the "Samson"-"Lafonia" salvage is quite complete,and exonerates Mr.Girling from any blame. Six years have passed since I wrote the despatch quoted, and during that time I have got to learn more about salvage than I did then. The instructions which I gave,in perfect good faith, were I am sorry to say incorrect. Kay on Shipmasters and seamen states that the master and crew of the salving ship are entitled to salvage remuneration in all cases,even when the ships belong to the same owners, if the services performed are not within the contract into which they originally entered with the owners. I must have read into this that the salving ship was entitled to salvage,or rather the owners of it,and that this is incorrect is shown by sec.4 a little farther on. In the late case the men were

engaged specially for the purpose of floating the "Lafonia",probably at high wages,and therefore are entitled to nothing extra. I enclose a copy of my letter to our Insurance Brokers of the 27th June,1906,in which I put forward the view I have just mentioned, and this was in reply to an Underwriter who had stated that the claim we made was barred. The correspondence shows that you were in London at the time,and you may perhaps recollect what occurred. We settled finally for a lump sum of £200. In the case of the "Malvina" no salvage agreement was made,and we recovered all our expenses. You have not told us what men were engaged at Port Harriet or what they cost,which is unfortunate,as we could have made up a statement of expenses,including the hire of the "Samson",particulars of which we have in the extracts from the log book. It looks as if our bill ought to be more than £300,and we shall have to negotiate with the Underwriters for a settlement. Meanwhile, let us have all the particulars you can give us. If you have no ship work in hand,it would be a good opportunity of heaving the "Lafonia" down and remetalling her,for then we could make up a complete claim.

5. Par.6. You have only now mentioned the purchase of wood from Sandy Point,and a reference to the accounts shows that it was a large one,amounting to £1399. If materials or Stores are actually needed,and can be used to advantage,the Board would not object to their being bought at places in South America,but you will admit,I think,that to order in such a wholesale way without even notifying them of what you are doing,is scarcely correct, and at this time it seems particularly unsuitable just as you are getting a large cargo of all kinds of wood from Sweden in the "Ragnhild". The Board do not wish to stand in the way of any useful business,but they expect you to advise them fully as to what you are doing. The stock of timber must now be enormous.

£1165.11.6
£675 [illegible]

6. Par.7. We can decide the question of having an Engineer at Goose Green much better after Weiss has been through a season, and I need say nothing about it except to remind you that the

water tube boiler is not the terror you imagine,- rather the contrary. Mills seems to have misunderstood what his position is, and I hope that when he settles down he will prove to be a useful servant; your letter giving him a gentle snub was excellent.

7. Par.9. We have since heard that Waldrons have arranged about the wire they wished to dispose of.

8. Par.11. You are quite right in assuming that the Directors would like you to give all the assistance you can in the way of appliances or otherwise to help the construction of the wireless installation.

9. Par.12. Just now is an unsuitable time for approaching the PSNC on the subject of freights. They passed us by when they raised the Conference rates by 10%; but last week they sent a circular announcing a further increase of 10% on account of the coal strike,calling it a surcharge towards meeting the extra cost of coal,and in this we are included. It is impossible to object to this,as we hear that as much as 48/.per ton has been paid here for bunkering coal. As soon as a suitable time arrives,I will bring the subject of freight on flour before them.

10. Par.14. I rather hoped to hear that you had let the "Lafonia" (assuming that she could be sent to sea) to Mr.Dean,he finding stores and crew,and putting her under the charge of Osborne. In doing so you would of course have to consider the cost per day of insurance,and Mr.J.H.Dean seemed ready to pay anything in reason for the accommodation,in fact I think he would be prepared to take her on terms for some months annually,in preference to buying a new boat. As regards the wood,we have had an unpleasant controversy with Lamb Bros.about the "Yang",and I showed Mr.Connell when here lately what you had written about the price of oak. He saw them about it,and they rpoduced the invoice showing the purchase at Llangollen at 7/.per foot on the spot,so that in proportion the price does not seem unreasonable. It seems,however,that English oak can be bought cheaper in London, a fact that we shall have to remember.

11. Par.15. As you were able to settle with Dr.Foley,it was judicious and tactful not to give him my letter. I was rather puzzled over this,because he wrote acknowledging the receipt of one from me,but I think I must have sent that privately from home.

12. Par.17. The deck cargo on the "Ragnhild" was insured,and we shall want a certificate of the loss to make a claim on. These cargoes are,of course,always wet; we had one or two as you know from New Bruswick. Do not fail to send a full and particular account of the cargo,as it is our first venture from Sweden.

13. Par.18. I can only say that as soon as we can ship coal we will do it,but at present it is impossible. You will see accounts in the papers of the great strike,which is only just at an end as we hope. I have already told Langridges that we shall want a ship,and they suggested last week a possible shipment from Rotterdam.

14. Par.19. I have written to Messrs.Maclean & Stapledon offering them our agency at Montevideo,and have asked them,if they accept,to send us copies of all invoices as F.L.Humphreys & Co. used to do,a practice that has fallen into disuse of late years. I propose that they should do the business as Morton did,and draw upon us for their advances.

15. Par.20. The further credit for the "Nuuanu" has been cabled out. It is not surprising that the Salvage Association are disturbed over the amount of the disbursements; everyone I have spoken to thinks that she was a constructive total loss,a view I took when I cautioned you not to repair until we had a credit.

16. Par.21. We have paid the amount due on our own goods per "Oravia",and one or two shipments for clients. I think that if a similar case should present itself in future,you should endeavour to collect the contribution at Stanley from all parties,and remit it to the PSNC. It would be more in conformity with the established practice in such cases,and save a good deal of trouble. A commission would naturally be due to us for the service.

17. Par.23. The Yost Co.say that the riveting you mention was wrongly done,and they have sent a new carriage with apologies.

18. Since writing the foregoing,your despatch per H.M.S. "Glasgow" has arrived.

19. Par.2. I shall have to ask for the Board's authority to send you the original deeds you ask for. It occurred to me to look at the old Registration Ordinance,no.12 of 1853,and I have discovered that it did not come into force until the 1st January, 1854: as the Mortgage from Biggs to Dean was dated 14th October, 1853,it was not at that time incumbent on the Mortgagee to register the deed,and I think that if you point this out it will be admitted that we need not petition the Court as suggested. I do not pretend to know the law on the subject,but I should expect to find that undisputed possession for over 30 years would give the holder some right to the land,and the Conveyance from Dean to ourselves is in order;I think,therefore,that we had better wait until we hear from you further as to the position.

20. Par.4. The Census return is interesting; it is hardly likely that the population of the Islands,a pastoral country fully stocked,will ever increase materially,unless some new industry should spring up.

21. Par.5. It is a good thing that you have had the Samson's bottom examined and cleaned,and there is no doubt that we must in future have her out of water periodically,or we may suffer for neglecting her. You will not drop the enquiry about a slip or cradle,I hope,and if it can possibly be managed we must have one.

22. Par.6. We have not received the accounts of the "Glasgow".

23. Par.8. The stop valve for the "Samson" will be ordered at once.

24. Par.9. Your remarks about the wood per "Ragnhild" are very satisfactory,and I must say that I am surprised to hear that the actual quality of the cargo is so good,as you will remember that it was only "thirds",and that some people predicted that we should be sorry we had embarked in the venture. What you

say about Protest,papers,&c.shows that you are anticipating the request for them in this despatch.

25. I enclose copy of some correspondence with Salvesens,and you will see that it is a fact that the Government are going to get out a water boat,presumably to compete with us in delivering water to ships,all of which,we may assume,are consigned to us. We shall have to consider the propriety of endeavouring through the Colonial Office to curb the Governor's mercantile propensities, for it has always been understood that competition with merchants is no part of the duty of a Government.

26. The PSNC are writing to you with reference to the short delivery of some produce by the "Junin".

27. The Wool sales are to begin on the 11th inst.,and you will notice that there has been a revision of the dates of the remaining series in 1912. The sale of Sheepskins has also been deferred,pending the settlement of the coal strike.

I am,Sir,

your obedient servant,

Managing Director.

Governor
Wireless Park
Aberdeen

Despatch no.1102 per "Orcoma",3rd April,1912.

Precis of Contents.

1. Acknowledges despatches,letter,and cables.
2. Deals with accounts for 1911.
3. On Meat Filler.
4. Explains instructions about salvage and previous error.
5. Remarks on purchase of wood from Sandy Point.
6. On Engineer for Goose Green.
7. Advises arrangement about Waldron's wire having been made.
8. Assistance to be given re Wireless installation.
9. On rise of outward freights by PSN steamers.
10. Remarks on proposed hiring of "Lafonia" and on wood from Lamb.
11. On termination of Dr.Foley's services.
12. Asks for certificate of loss of deck cargo ex "Ragnhild".
13. Coal shipment prevented by strike.
14. Advises offer of Montevideo agency to Maclean & Stapledon.
15. Remarks of "Nuuanu".
16. Suggests collecting average contributions in Stanley in future.
17. About Yost type-writer.
18. Acknowledges despatch per H.M.S."Glasgow".
19. Discusses question of titles to land.
20. Refers to Census return.
21. On necessity for examining "Samson"s bottom periodically.
22. H.M.S.Glasgow's accounts not received.
23. Will order a stop valve for the "Samson".
24. Refers to wood per "Ragnhild".
25. Correspondence with Salvesens; remarks on water boat.
26. On cargo per "Junin" short delivered.
27. Reports alteration in dates of Wool sales.

Enclosures via Liverpool

Duplicates.

Despatch No.1101 dated 4th March,1912.

Remarks on Accounts.& replies to remarks.

Remarks on Stores and replies to remarks

List of Parcels.

List of Clients' Cargo per "Oravia"

General Invoice goods per "Oravia"

List of General Cargo per "Oravia"

List of Enclosures.

List of Dutiable goods per "Oravia"

A/sale for H 2 casks Sealskins ex Corcovado

Second of Exchange for £ 56 . 11 . 2 on J.Kirwan.

B/L general Cargo per "Oravia"

))))))))))))))))))))))))))))))))))

Enclosures via Liverpool

Originals

1	Copies of Cablegrams received 13th & 26th March.			
2	Copies of Cablegrams sent 15th, 27th, 28th & 29th March.			
	Clients Reports:-			
3	Z	37	bales Wool	ex "Junin"
4	♡	4	,,	,,
5	H & B	324	,,	"Kenuta"
6	J B	101	,,	,,
7	S I	1	,,	"Junin"
8	K	33	,,	,,
9	L	34	,,	,,
10	AP	145	,,	"Kenuta"
11	C C W	9	,,	"Junin"
12	S	179	,,	"Kenuta"
13	W E D	16	casks Tallow	"Junin"
14	♡	2	,,	,,
15	♣	52	,,	,,
16	H & B	30	Salted Hides	,,
17	B & S	12	,,	,,
18	K	10	,,	,,
19	Copy of letter from T & S.Plum dated 9th March with prices for New Season's Butter.			
20	Copy of letter from R.L.Connell of 25th March.			
21	DuCroz Doxat & Co's notice re dated commencement of 3rd series of Wool Sales.			
22	Copy of letter from the Pacific Steam Navigation Co. dated 27th March.			
23	Copy of letter to Glanvill Enthoven & Co.dated 27th Jany., 1906			
24	Copies of letter to Chr.Salvesen & Co.of 19th 26th March & 1st April & theirs of 29th March.			
25	Copies of Brokers' Reports on Sundry Produce per Junin & Kenuta			

26 Copy of Letter from Chr.Salvesen & Co.of 2nd & our reply of the 3rd April.

Letters for the following;-

A.L.Allan (2)

W.A.Harding

Dr Foley.

London 3rd April,1912

Enclosures via Liverpool

Originals

1. Account Current & Vouchers.
2 Remarks on Accounts.
3 Remarks on Stores.
4 General Invoice goods per "Oronma"
5 List of General Cargo per "Orcoma"
6 Sight Draft on J.Kirwan for collection & B/L attached.

London 4th April,1912

Filed

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per Supplementary Mail.

No 1104. London, E.C. 3rd May, 1912.

Sir,

Since writing via Liverpool I have received your unofficial letter of the 3rd ult.,conveying gratifying news about the start at Goose Green,which has been communicated to the Directors. Weiss seems to have acted most judiciously in beginning very slowly in order to get the men acquainted with the work,and so far he seems to be bearing out the favourable opinion we have formed of him, both from your reports and from his own letters. The works were designed by Mr.Allen for an output of 1000 sheep per day,but we cannot expect that he will get up to that number this season. I find that if meat gets here in June it is likely to meet a good market,so that if there is a favourable opportunity you should make a shipment,at all events you should send us a few samples of meat,as well as of tongues and extract.

2. The Auditors call attention to the fact that our Solicitors,who hold the mortgage deed executed by Mrs.Smith and family say that they have none of the leases or Crown Grants,which ought to be with them. I think,however,that if you can say that you are keeping them in the safe in Stanley the Auditors will be satisfied. Mrs.Smith spoke vaguely about paying off a first instalment, but gave no definite instructions,and as I see that their balance in December was under £900 it could not have been done. She must give us notice when the time comes in the usual way.

3.The Marconi Company say that the action of the Uruguayan Government is not to keep messages from passing through Montevideo,but to constitute a Government monopoly. The Marconi Company have supplied or will supply the apparatus,and those using it will

W.A.Harding,Esq.,

Manager,

Stanley.

have to pay a fee,probably represented by so much a word. It would seem,therefore,that you will not have to depend on Sandy Point as a receiver,though since the cable charge is the same as to Montevideo,now reduced to 2/9d per word,there would be no object in usuing the latter unless Sandy Point happened to be out of order.

4. On talking over the Lafonia salvage with our Broker,we have come to the conclusion that even if the Underwriters agree to pay us a lump sum,we have no figures whatever as regards expenses that we can put before them. I have therefore decided to cable for these next week,and they must include all wages and stores if any,such as rope,supplied for the purpose of heaving off. If the men lived ashore you had no doubt also an account for provisions. I hoped that when you knew that the salvage claim could not be put in you would have sent these particulars by the first mail.

5. A singular mistake has occurred over some Skins shipped by Stickney Bros.,which we are going to get remedied as best we can,but it will be an intricate and difficult affair. It seems that by the same steamer there were some 16 bales from Punta Arenas also with a Club mark,and these went to John Hoare & Co.,who sold them,and have accounted for the proceeds to the consignee. The two lots got mixed up,and Stickneys are some 5oo skins short. I have seen Mr.Ansdell today with Mr.Rhodes Cobb,and we shall try next week to sift the matter. As the Explotadora Co.ship under the Club mark I am suggesting to Mr.William Stickney that he had better adopt another.

6. Looking at the large increase in the stock of Stores in Stanley,nearly £40,000,it occurs to me to ask if you cannot manage to reduce it by watching your indents most carefully,and only sending for what is actually wanted. I know that some large shipments had arrived at the end of the year,but still you had all the stock in hand shortly after the beginning of January,and it would take a long time to bring it down materially. Adding to it the stocks of various kinds of Stores in the Camp,there was a total of £49,574 in unconsumed stores at the end of the year,and this

is getting into large figures. A stock of £30,000 was the usual thing ten years or so ago, and an endeavour should be made to keep down to this. We have to pay for all supplies here, and what with our own shipments and the goods obtained from the Plate and elsewhere we are not always too full of money in London, in fact a bad wool year with a heavy reduction in the proceeds handled would be embarrassing. Although we have borrowed since the beginning of the year more than I hoped we should have to do, we are all right now, and I am only looking to the future.

I am, Sir,

your obedient servant,

Edwd. Lowe.

Managing Director.

Enclosures via Lisbon.

Originals

1 Account Current & vouchers.

2 Remarks on Accounts.& Replies.

3 Remarks on Stores & Replies.

4 General Invoice goods per "Orissa"

5 List of General Cargo per "Orissa"

6 Corrected list of Dutiable Gobds per "Orissa"

7 Parcel Receipt for package of Oxley's Knives

8 Sight Draft for £ 52 . 7 . 9 on J.Kirwan for collection

9 Eden Fisher & Co.& C.H.Hobbs & Co's invoices

Clients' Invoices goods per "Orissa"

10 Vere Packe,Bertrand & Felton & Mrs Hansen

11 Copy of freight Accounts "Orissa" "Junin" & "Kenuta"

12 Letters for A.L.Allan & F.H.Weiss.& W.A.Harding.

~~12~~ Clients' Reports:-

13 J.B. 221 bales Wool ex "Potosi"

14 T R 146 ,, ,,

15 S & S 145 ,, ,,

16 A F C 40 ,, ,,

17 Co's press copies of N A 358 bales & W C 118 bales Wool ex "Potosi"

London 4th May,1912

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 1st May, 1912.

Per Orissa.

No. 1103.

Sir,

I have to acknowledge the receipt of your despatches 414 and 415 per "Orissa" on the 17th ult.,and of no.416 per "Solstreiff" on the 20th id. Your letter of 7th March per H.M.S."Glasgow" arrived on the 9th ult.

2. 414-2. Mr.Dean thinks that his work will be carried on this season with the Port Stephens cutter,but would like to charter a schooner next year if possible,or possibly buy a vessel. I told him that the difficulty with us would be that if we let him have either of our vessels,we might have to send for it in the middle of the season in the event of any accident happening to the "Columbus". I think that he would be prepared to take this risk,and it would undoubtedly be of advantage to us to get the hire for several months free of all expense to ourselves.

3. Par.3. With regard to the "J.P.Smith",my idea is that her bottom is much sharper than that of the "Vicar",which I have seen in dry dock,and therefore that there would be more likelihood of her canting over when grounded; but if you think she would be better than the other,use your own judgment. The "Snowsquall" affords an illustration of grounding a sharp bottomed vessel; when brought ashore she was intended to lie upright I was always told.

4. Par.6. From what Mr.Dickinson's Manager said when here I judge that his traveller will go to the Islands annually with samples,and we shall probably benefit by the opportunity thus afforded. He has asked leave to send a few extras this time,being some new goods that he thinks will take. It is satisfactory to hear

W.A.Harding,Esq.,

Manager,

Stanley.

that you are arranging a change in the management of the Drapery Store, and we shall look for your reports on this, as well as further information on the subject generally, as the figures you give are neither clear nor convincing. You say that the sales amounted to £1650, and that as the all-round profit is 33% the gross profit is £550. But if you mean that the profit is 33% on cost into store, you will see, if you look again, that the cost of the goods would be £1240, and the profit at 33% (which we assume means one-third or 33 1/3%) £413 only, for if your cost was £1100 and the gross proceeds £1550, the profit would be 50% not 33. You deduct from the gross profit £84 for wages, which does not seem to include cartage or labour in getting the goods into Store, £35 for rent and coal, an amount which seems extremely small, and interest on Capital £125, which we assume to be 5% on £2500; deducting these from the gross profit we get a net profit of £169 per annum, subject to a loss on unsaleable stock which you put at £50, though considering the class of goods this seems an almost impossibly favourable estimate. If these figures are correct, it seems that we are carrying on this Store at a loss; but I hope that you have unintentionally done it an injustice, and that the result is really better than you make it. It wants looking into closely, and you should send an account of the cost of all goods that go to the Store, separately from the general invoice. We know that in December there is a stock of some £2500 or more, and that the figures have increased the last two years; but you should let us have the values just mentioned, say for 1911, to complete the information required. If this Store really pays, or can be made to pay, well and good, but I have a strong impression that under recent management it has been a drag on the Store generally, and that we should do better to drop it, unless Mrs. Conroy can show better results.

5. Par. 10. The sale of flour at 2d. per lb. does not seem to yield much of a profit, when freight and charges are considered, what do you make it? I do not see, without explanation, how this answers the remark that Argentine flour ought to cost less when sent direct to Stanley than when it has paid freight to Liverpool

and back to the Plate. This seems self evident,and the explanation why it costs as much or more has yet to be found.

6. Par.11. I thought it hardly necessary to notify the PSNC about the entry of discount on the Bill of Lading per "Oropesa", as they have said so recently that it will not occur again. If it does,please report it.

7. The "Ragnhild" papers seem to be in order,and the claim for loss of wood is being put forward.

8. Par.13. It is evident that you cannot be more precise than you have been in asking for space in the cargo boats,and if their despatch from the West Coast is irregular you cannot be blamed for giving them incorrect advices.

9. Par.14. It looks as if the engagement of Weiss is wholly satisfactory,and as men have been brought from Punta Arenas the Works should run this year very differently from last. I got a letter from Weiss written before he left,and am pleased to see that he evidently has an eye to economy in working.

10. Par.15. We had not heard anything about the wireless Companies having been turned out of Uruguay; this is surely an international matter,and it is to be hoped that strong pressure will be brought to bear on the authorities there,for it is only by the co-operation of all countries that wireless telegraphy can be made completely efficient. If as it seems messages from Stanley cannot pass through Montevideo or Maldonado,the Chilian authorities have only to adopt the same attitude at Punta Arenas, and the costly installation will be of no practical use. In these circumstances,is not the ~~exp~~ extension of the system to South Georgia rather a wild-cat scheme that ought to be opposed?

11. 415-2. I forwarded the New Island account to Leith,although it seemed somewhat incomplete. No reply has come as yet.

12. Par.3 and 416-2. The news about the boiler of the "Columbus is serious,and much to be regretted,as she was getting along so well with the collection of wool. I enclose a letter from Salvesens,reporting that they have a cable about the boiler,and detailing what they intend to do. No doubt you have got the "Laf-

onia" at work again,and it is a thousand pities that the "Gwendolin" cannot also be put in commission. This break-down only shows that the fears expressed over and over again in the matter of trusting to one steamer for the whole of the coast work have been justified; it must always be risky,for even if the boilers and everything in the steamer were in the best order,there is always the possibility of striking a rock,which would be as bad or worse. I have heard nothing from Salvesens lately,but must now write,and will tell them what you say about the way the patch was put on. The "Columbus" has earned a good deal of money,and if it had not been for the loss of time and work when the crank shaft gave way the estimates made of her earnings seem likely to have been justified.

13. Par.3. The despatch of the Samson to Darwin with the passengers from Punta Arenas was justified,but any proposal to use her for the West mail service would not meet with the approval of the Board. In fact,until she has had her overhaul,which we assume will have to be at Sandy Point,her use should be confined to what is strictly necessary. From Salvesens' letter I judge that the mail service will be performed by whalers.

14. Letter of 7th March. It is becoming more and more clear that it was a mistake to repair the "Nuuanu".

15. I have written to our Solicitors for a definite statement regarding the law on the subject of titles to land the possession of which has not been disputed for a period,and shall have the answer in time for the mail. I am told that after 12 years the claimant has to prove his title,and that 40 years' possession entitles to holder to ownership. I have also been told that the mortgage is of no consequence,and need not be brought in at all,as it is the undisputed possession that counts,it would therefore be wrong to apply to have the mortgage registered now, after 59 years! I enclose copy of an extract from some replies I made to our Solicitors' enquiries in 1889,which you no doubt have, but it might take some time to find them. You will see that I got a copy of the mortgage,no doubt from W.Biggs,and that he knew at

that time that Mr.Dean had taken possession. There is no doubt that our title to the land is beyond question,and no doubt Messrs. Bischoff's letter will clear the whole matter up.

16. It is unfortunate that the PSNC have had to complain of your disregard of their instructions about the deposit to be obtained on cargo per "Oravia",and on another occasion you will have to carry them out ~~their~~ ~~[illegible]~~,for I fear that there is no doubt that we,as agents,are responsible for the money. I have explained already that it is to the consignees of the cargo,and not to the Underwriters,that the shipowners look for the money, and it is incorrect to apply to the shippers,who in many cases would have no funds in hand to advance in anticipation of the settlement to be made later on by the Underwriters. We have paid our own assessment,and I hoped that you would have sent an account of the rest,which could have been paid here in advance of the collection you are bound to make. If not remitted from Stanley it will be a loss to the mail agency,for I assume that you would be entitled to charge 5% on the amount,just as you do on passages and freights.

17. I have mentioned to the Board what you wrote me privately about selling land,and they have no objection to parting with lots that cannot be of any use to us. When I built houses for the carter and gardener,I intended to do so also on the piece between, but that might go if you think it desirable; there are also other lots you mention on the hill,but inside the town fence,and possibly some behind the Marmont Row buildings. You should ask a price considerably over the upset,and the front road lots should not be parted with for any consideration. If you meet with any buyers the conveyances will have to executed here under seal,and the sales must be made subject to the approval of the Board.

18. The wool has sold at very good prices,better than we had looked for,and as the "Potosi" arrived on the 26th we are hurrying the wool into the sale of the 4th. I shall ask the Brokers to post you the prices,as it will be on a Saturday afternoon.

19. With the approval of the Board I have written to the C. O. suggesting a repeal of the Ordinance providing for the taxation of the principal exports of the Colony, on the ground that it was a temporary measure passed for the purpose of restoring the Colonial finances, which no longer need bolstering up, and also that the system of taxing exports at all is a vicious one. We are informed that no self governing Colony imposes such a tax on the industry of the inhabitants. It cannot be pretended that more money is wanted to carry on the Government, and the tax now can only be maintained on the principle that the Colonists are to be punished for being successful. This may help our friends in Leith who are protesting against the tax on Whale oil, lately imposed, but up to the present not approved as far as we know.

20. I now enclose Messrs. Bischoff & Co.'s reply to questions about the title to the land in Stanley, and it is quite satisfactory. You have neither to produce nor register the Mortgage, and all you have to do is to sit tight and plead the Statute of Limitations. Mr. Dean's Statutory declaration, I may mention, was given for our satisfaction, and is of no interest to any outsider. The period of undisturbed possession turns out to have been 20 years at that time, but is now 12. I think that in par. 15 my remark about the period of 12 years was not precisely correct, but it does not matter, as the whole thing is cleared up by Messrs. Bischoff's letter. There can be no harm now in asserting our title by fencing the whole or a portion of the land.

I am, Sir,

your obedient servant,

Managing Director.

Despatch no.1103 per "Orissa",1st May,1912.

Precis of Subjects.

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1. Acknowledges despatches and letter.
2. On vessel for Pebble Island.
3. As to hulk for Goose Green.
4. On Drapery Store.
5. Remarks on the importation of flour.
6. Subject of discount on freight not mentioned to PSNC.
7. "Ragnhild" claim in order.
8. No blame due to Stanley re wool shipments.
9. Remarks on labour for Goose Green and satisfactory letter from Weiss.
10. On exclusion of wireless messages from Uruguay.
11. New Island accounts sent to Leith.
12. On failure of Columbus's boiler.
13. Approves despatch of Samson to Darwin,but expresses objection to her use for other purposes.
14. Repair of "Nuuanu" not justified.
15. Discusses subject of land near Church.
16. On contributions to be collected re "Oravia's average.
17. Gives permission to negotiate for sale of land in Stanley.
18. Reports sale of Wool ex "Junin" and "Kenuta".
19. Tax on Exports,some remarks on.
20. Further on land question on receipt of Solicitors' letter.

Enclosures via Liverpool.

Duplicates.

Despatch No.1102 dated 3rd April,1912

List of General Cargo per "OOrcoma"

General Invoice goods per "Orcoma"

Remarks on Accounts.

Second of Exchange for £ 51 . 7 .2

List of Enclosures.

Remarks on Stores.

List of Clients' Cargo per "Orcoma"

List of Dutiable Goods per "Orcoma"

List of Parcels.

Clients' Wool reports:-

Z	37	bales Wool	ex "Junin"
♡	4	,,	,,
S I	1	,,	,,
C C W	9	,,	,,
L	34	,,	,,
S	179	,,	"Kenuta"
AP	145	,,	,,
J B	101	,,	,,

Enclosures via Liverpool.

Originals

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1 Wool Market Reports.

2 Copies of Cablegrams sent.

3 Copies of Cablegrams received.

4 Copy of letter from J.W.Harker & Co.dated 13th April re Pile Driver.

5 Shepherds' Agreements in favour of A.MacAulay, M.Mackenzie & R.Montgomery.

6 Copy of letter from Chr.Salvesen & Co.dated 15th April.

7 Original letter & report from the International Correspondence Schools re P.Mills.

8 Copy of letter from C.H.Hobbs & Co.dated 19th April re Hay.

9 Copy of letter from Anning & Cobb dated 26th April re Sheepskins ex "Junin"

Clients' Sheepskins contracts:-

10	S.	20 bales	Sheepskins	ex "Junin"
11	McG	18	,,	,,
12	F	3	,,	,,
13	WP	14	,,	,,
14	☘	18	,,	,,
15	SI	12	,,	,,
16	Z	11	,,	,,
17	L	31	,,	,,
18	F B	4	,,	,,
19	W E D	6	,,	,,
20	H & B	26	,,	,,

21 Copy of letter from Bischoff & Co.dated 30th April.

22 Copy of letter from Herbert Dickinson dated 30th April and Proforma Invoice attached.

23 Copy of letter to the Colonial Office dated 24th April

24 Extract from Enclosure in Despatch No.480.

Letters for the following:-

A L.Allan & Mrs Allan (2)

W.C.Girling.

W.A.Harding.

London 1st May,1912

Indexed

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The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per Oropesa.

No. 1105.

London, E.C. 29th May, 1912.

Sir,

I have to acknowledge the receipt of your despatch no.417 and letter of the 15th ult.,which arrived on the 13th inst.

2. 417-2. The arrangement with David Smith to which the Board assented was that he was to occupy the Islands formerly leased to him,at £60 for the remainder of his life,Swan Island being included. They do not wish to grant another lease,and are free to deal with the property after his death. I think that the same arrangement was made with Fell,both he and Smith having been heads of their departments for a long time before they left our service,in fact I believe that David Smith was at that time the oldest servant we had. I doubt if there was ever a lease of Swan Island; we used it ourselves for some time as a fattening ground, but it was not always convenient to attend to the sheep at the proper time,and we gave up the use of it; Smith asked for it,and was allowed to occupy it at short notice.

3. Par.3. I think that if you had carefully re-perused the remarks you made on labour,you would have seen that they came to us as an expression of your own opinion,and you would have been inclined to revise your opening sentence,and to say that you had inadvertently done an injustice to your intelligence. With regard to the arrangement not having been reported by you,Mr.Girling informed us on the 30th October that the men had reiterated their demand for a 50% advance of wages when working afloat,and,if the dispute was settled on your return,you will,I feel sure,see on reflection that you should have let us know by the following mail,

W.A.Harding,Esq.,

Manager,

Stanley.

instead of waiting until the 22nd of January, when the information was given in reply to a question from this side. The settlement could not have been influenced by the Board's opinion, and the news could have been conveyed in a line or two. To turn to the subject of the wages question itself, the Board consider that the best way of preventing the spread of labour unrest from this country is to anticipate demands by granting an advance before it is asked for, in such cases as may appear deserving of it. The cost of living in Stanley has risen, and wages have been stationary for over 30 years; a Stanley labourer with a family is about the worst paid man in the Colony, and the Directors approve of your raising his pay to 9d. per hour, notwithstanding that it will carry with it a proportionate increase in overtime pay. You must, however, make it understood that it is an all-round rise, as you put it, and that we contract to load the "Columbus" at a rate that barely repays expenses, so that the wages paid fall upon us and are on our account, just as much as those earned on landing goods from the mailboats, for the delivery of which we contract. The Directors agree with your views on carpenters' wages, and do not suggest a rise in any case but the labourers', as men in other branches are well enough paid. In connection with this question I have to announce that in consideration of our prosperity it has been decided again to give a 10% bonus all round on last year's salaries and wages; this will be calculated in the usual way, but if you have any suggestion to make tending to an extension to the more permanent among our day labourers, the Board would be willing to give it full consideration.

4. Par. 4. We are much interested in the slip question, and from what you say it looks as if the time had come when we ought to have one of our own, provided that the difficulty of laying the ways below low water mark turns out to be a bogey. Mr. Salvesen has been in London lately, and since his return to Leith we have been in correspondence on this subject. The position is this:- they have landed the materials for one at New Island, but for some unexplained reason do not wish to go on with it, and would rather

we took it off their hands and put it up in Stanley. I think it likely that they may be thinking of concentrating on South Georgia and the Shetlands,and abandoning New Island in the course of time,but this is pure conjecture. The slip is capable of taking up the "Columbus",and therefore unnecessarily large for the "Samson" and the Whalers,though this is a good fault. We hear from Mr.Salvesen that the Governor wants to put up the slip you have mentioned perhaps more than once,and we think that if we do not take it over the Government may do so. With the number of Whalers that seem to visit Stanley just now,most of which would use the slip if there were one,it ought to pay well,even at lower rates than those charged at Sandy Point. But if there were two competing with one another,the probability is that both would show a loss. That the venture is under consideration we know from what Mr.Harcourt,the Secretary of State,said,when Mr.Blake,Mr.Salvesen,and I saw him a fortnight ago. The Directors are willing to build a slip in Stanley,if we can satisfy ourselves that the scheme is a practicable one,and there are certain questions to be considered,most of which are referred to in a letter to Salvesens dated the 21st inst.,a copy of which is enclosed. Owing to Whitsuntide,this portion of the despatch is written in advance,and I may have more to report before the mail closes.

5. Par.5. The account of expenses on the "Lafonia" is exactly what was wanted,and the papers have gone in for adjustment. I said that I was going to cable for them,but I found that I had written about them already,and that they were likely to arrive this mail,so did not do so.

6. Par.9. We paid the PSNC our contribution on the "Oravia" some time ago,and I understand that the Crown Agents would do the same. As to the small consignees,their amounts should be collected and remitted without delay.

7. Par.10. The meat,we are assured,will sell on its merits, and the value will not be enhanced by a certificate.

8. Par.11. The reason for not cabling the profits is not very convincing,for the question of depreciation is one for this

office, and the amount from Stanley is a rough guide as to the results of the year which we are glad to have a few weeks in advance of the mail. At all events, let us have it in future, whatever it may be.

9. Par.14. I have given Messrs. Salvesen your explanation about the boiler repairs, and they are apparently satisfied, as they have accepted it without demur. I am enclosing a copy of the survey report and recommendations, from which it would seem that when the patches have been put on there will be life in the boiler yet.

10. Par.16. Coal is a difficult question, and we shall have to pay heavily. Langridges are on the look out for a ship, but without success at present, however I judge that you are not in a hurry, as you do not ask for a shipment by steam. When in Liverpool I asked Mr. Lamb what he would deliver 600 tons for, and his reply was that the "Magellan" was just leaving Cardiff with a cargo of their own, and that he would do it for 32/6, c.i.f. The coals now cost about 21/., and he wants about 20/. freight. I nearly closed with him, but he wanted to make stipulations about rate of delivery, and I told him that that was your affair, and that I could not guarantee more than that you would put a hulk or hulks alongside, into which they could discharge as fast as they could. He wanted to be sure of delivering 200 tons a day, and at that we dropped the matter. In such a case, what would it be safe to say? As to house coals, Salvesens know of a sailer going out that would take coal from Blyth, and mention 30/. freight. I replied with a counter suggestion of 25/., and have heard no more at present.

11. Par.18. Please explain why you did not cable the arrival of the "Wiscombe Park" for repairs, especially as she belongs to a single ship Company. We have lately got the amount of her disbursements by cable, and I shall write to the Managing Owners, but it is too late to ask for a credit.

12. Par.19. It is most satisfactory to hear that the "Vicar has reached Darwin in safety, and Captain Thomas is to be congratulated on accomplishing the transfer with his accustomed skill.

13. Par.21. It is difficult to know where to begin in reply-

ing to your remarks about the "Samson",which appear to have been written in much haste,and perhaps under pressure of disturbing influences. I will say first that when she was sent out,she was intended to be used mainly as a tug for bringing vessels into harbour and for transporting lighters,but also,should the occasion arise,for performing salvage services. The idea of using her as a passenger or despatch vessel was not contemplated,and if it had been suggested the proposal would not have found favour,for absence from Stanley might mean the loss of a valuable tow. Her use in the mail service a few years ago was not liked,and you know that I submitted personally to a good deal of discomfort in my passages by schooners in 1910,when I declined the use of the tug to carry me to the Camp stations,solely for the purpose of showing that I did not consider that she was intended for that sort of work. The explanation you now give of the trip to Darwin before Christmas is quite satisfactory; what the Directors do not like is hearing of these trips from others rather than yourself; they have been mentioned at times casually,in no case in reply to enquiries,and among them we have heard of a picnic to Kidney Island,which may be capable of explanation,but in the absence of it strikes us as most undesirable,especially considering what we understand to be the boat's present shaky condition. What line should be taken in future is quite clear: the Company's work must not be allowed to suffer,and should there be urgent need in the Camp of any materials or stores that she could carry,or should there be passengers to be conveyed to or from a mail boat,you would be fully warranted in using her for those purposes,reporting the fact at the time. As regards clients,in the present circumstances we are under no obligation to them,as we are not responsible for the breakdown of the "Columbus"; but we should do what we can to help them,and,as you say that the working expenses of the "Samson" are £12 per day,it would not be too much to ask £15 per day from them to cover wear and tear and incidental expenses. Should others,not clients,want to use her,she should not go for less than £20 per day. We should like to have details of

the charges that make up the £12 per day,and the amount of the standing expenses,for the total debits in the year are high,in fact had it not been for the "Inverness-shire" she would have lost last year from £700 to £800. It is interesting to see that the balance of profits without depreciation,as shown in the Stanley books from 1900 to 1911,is £4987.19.5,but that as £4800 has been written off since we bought her the total profits for 11½ years amount to £187.19.5 only,and she now stands in our books at the value of £1200,which is about right. She was purchased less with a prospect of an immediate return in hard cash,(see Times article this mail) than with a view to general utility and convenience; she has been most useful,in fact indispensable,as one of the working units in our business; at the same time,while we do not regard her as a profitable investment,we like to think that she is run without actual loss.

You call attention to my use of the word "probably": writing hurriedly for a mail it is not always easy precisely to measure phrases,and in that case my intended meaning would have been better expressed by eliminating the word altogether. You refer also to Messrs.Salvesens' objections to the charter of the "Araucania" and the use of the schooners,in a way that fails to do them justice; they had a perfect right to enquire,and the explanation in both cases was accepted without further question. Since my defence of your action in the former case was stated in the clearest terms,it is impossible to understand your remark that it was condoned but not approved. Whwn you complain that you are not allowed to use any and every opportunity at hand to cope with the work left undone by the "Columbus",you are stating the case with a want of precision; the Samson carries four tons I think,and cannot seriously be regarded as a freight earner,but the schooners,if fit for work and if crews are obtainable,should be used without hesitation. You will say at once that men are the difficulty; but the "Lafonia" might go to sea with Capt.Thomas and a scratch crew,as you have yourself suggested,and she would do something. Unfortunately the error in not repairing the "Gwendolin"

is now proving serious, and we rather wonder that when hampered by ship work you did not try to get the repairs done overtime by contract. Would it be quite impossible to borrow Osborne for a month or two?

Finally, we know that you must be harassed and worried to distraction, and the Directors fully sympathize with you in your difficulties. At the same time you should console yourself with the fact that they do not blame you for the trouble you are in, and that others have no right to do so. It is clear that the situation has not been created by us, but by all those who in season and out of season have clamoured for a steamer, and it is on record that I, and you yourself I think, have always feared the policy of putting all our eggs in one basket, and have said so. This should be your sufficient answer to those, if there are any, who blame you and the Company, and, although it is annoying to us to see the carriage of goods and produce delayed, we must in the circumstances put the best face on it we can. The Directors, as I have said, do not blame you, and pass without remark over some hurried expressions, to which, in other circumstances, they might have taken exception.

14. Par. 23. Messrs. Salvesen report that on the 22nd inst. they received a cable announcing the arrival of the "Columbus" at Montevideo. If she has not had the same trouble that the "Samson" had over getting into the dock, - connected with tides I think - she ought to be back in the Islands by the time this reaches you.

15. Since writing par. 4, we have heard that the builders of the slip offered us have given their opinion that owing to the gradual slope of the beach at Stanley the length would have to be increased by 100 ft., and that an engine would be required to pull vessels down. This being the case, I fear that the additional expense would make it beyond us, and that the only practicable solution lies in a slip at New Island after all. We shall not entirely give up enquiring, but the prospect is not a hopeful one for us, nor indeed for the Government, and it would be well to let the Governor know that in Stanley, for the reason given, the enterprise

has no chance of becoming a paying proposition,much as we should have liked to take it up.

16. Mr.J.H.Dean is concerned to find that his goods intended for Pebble Island are detained in Stanley,and he has expressed a hope that you will reduce the charge for warehousing them. I told him that we were in no way responsible for the delay,and that I could see no grounds for meeting his wishes,but that I would mention them to you. If we make allowances of this kind,it may look as if we acknowledge a responsibility which is in no way ours.

17. Having failed to get an old schooner to convert into a lighter we have been pursuing our enquiries about the cost of steel ones,and roughly the result is that a 100 ton barge would cost about £500 f.o.b.Liverpool in pieces. What it would cost to set up we cannot judge here,but an estimate is enclosed which I think is the mininum,and probably understates the labour. Would a steel lighter of this size do in Stanley,bearing in mind that it would have to be hauled up at intervals for cleaning and painting,and that a hole knocked into it would almost inevitably send it to the bottom? You may by this time have got an estimate from Sandy Point.

18. Through an introduction obtained by Mr.Blake he and I had an interview with the Right Hon.the Secretary of State lately,and stated our views on the subject of the Export tax,to which we objected on principle. We were joined at the last moment by Mr.Theodore Salvesen,who was allowed to accompany us,and he put forward the case of the Whalers,his firm alone being hit to the extent of £1000 per annum. Mr.Harcourt received us very nicely, and we were with him for over an hour,during which he put a good many questions to us. He told us,to my surprise,that the financial equilibrium of which we heard so much 10 years ago,had not been restored,and quoted figures which we could not rebut at the time, but which the Government returns and the Governor's late speech prove to have been incorrect. I felt that as far as we were concerned our grievance was a sentimental one,as we are prosperous

enough to disregard the small amount of the tax, but this is a matter of principle, and it was pointed out at the time it was imposed that the tax was the thin end of the wedge, capable of indefinite extension, being also economically unsound, according to the views of authorities; it falls wholly on the producer, and to the extent it goes is a restraint on trade, though it may be a very small one. There may be a mistaken notion that we object to being taxed at all; on the contrary we feel that we are not overburdened, and if good cause is shown for raising money we should be the last to complain; but we do feel that ~~xx~~ schemes that necessitate taxation should be subject to the approval of the Unofficial Members of Council more than they are. Someone has said that all taxation is evil, but in many cases a necessary evil; just now we cannot get away from the suspicion that it is to be imposed as a sort of fine on the prosperity of the Whalers, not because the money is wanted. To lay on a tax, and then look for ways of spending the money is beginning at the wrong end; the Governor seems to be consulting the Whalers on the subject, and some of his suggestions are more or less of the wild-cat order. Mr. Harcourt asked me what I would suggest as an alternative tax if exports were freed; I replied that I would first of all make sure that with economy, and the avoidance of such schemes, the Colonial revenue was insufficient to carry on the Government properly, and I pointed out the large increase that had taken place in the estimates of late years, and talked of brick-making carried out against the expressed opinion of those who knew that it would be a disastrous and costly failure. He made a good many notes, and the interview may have done some good, although I am not too hopeful about it.

19. As Mr. Allan will have left before this gets out, I am not writing to him, and have only to remark that his letter giving the excellent report on Goose Green has given the greatest satisfaction to the Board. The question of unnecessary plant we will go into when he gets home, and then ask for Mr. Allen's reasons for including it. I am inclined to think that he would not have spec-

ified anything that was not necessary,as he was well up to his job,and it may turn out that the apparently superfluous machinery will prove to be useful later on,when the numbers dealt with are increased. The opinion formed here that the filling machine only needed intelligence to work it proves to have been true,but in view of the urgent appeals for the Waller one they could not be resisted. As to tongues,we find that the best price we are likely to get here is 9/.per dozen,and if Smith's factory got 1/4½d per tin in Valparaiso you should ship our output there. But the question is whether Smith is in Chilian territory or not,for if it is, our tongues would almost certainly be subject to an import duty, and you must first find out whether the price is in bond or not, and if not,what the duty is.

I am,Sir,

your obedient servant,

Thos. E. Lobb.

Managing Director.

20. I am sending an advance copy of the General Report.

Alexander Wilkinson
President Del Sugar
J. G. Kalman
Columbus

DESPATCH no.1105 per "Oropesa",29th May,1912.

Precis of Contents.

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1. Acknowledges despatch and letter.
2. Gives details of arrangement with David Smith.
3. On labour in Stanley,and advising bonus.
4. Slip for Stanley,Board are willing to take it up on conditions.
5. Acknowledges details of expenses on "Lafonia".
6. Refers to General Average contribution re "Oravia".
7. Unnecessary to have meat certified.
8. On desirability of cabling profits.
9. Remarks on boiler of "Columbus".
10. Discusses coal shipments and despatch at Stanley.
11. Enquires why "Wiscombe Park" was not advised by cable.
12. Expresses satisfaction at "Vicar of Bray"'s arrival at Darwin.
13. As to use of "Samson",and general instructions thereon.
14. Refers to "Columbus" in Montevideo.
15. Gives later news on question of slip.
16. On Mr.Dean's goods lying in Stanley.
17. Refers to possibility of shipping iron lighters.
18. Reports interview with Secretary of State.
19. Acknowledges Mr.Allan's letter by "Oropesa".
20. Annual Report enclosed.

Enclosures via Liverpool

Duplicates

Despatches Nos . 1103 & 1104

Remarks on Accounts.

Remarks on Stores

Bills of Lading cargo per "ORISSA"

List of General Cargo per "ORISSA"

General Invoice goods per "ORISSA"

Sight draft on J.Kirwan for £52 . 7 . 9

List of Parcels.

List of Dutiable Goods per "ORISSA"

List of Clients' Cargo per "ORISSA"

List of Enclosures.

Clients' A/sales:-

C C W	9	bales	Wool	ex KENUTA
J B	98	,,		,,
H & B	324	,,		,,
S	179	,,		,,
AP	145	,,		,,
L	34	,,		,,

Clients' Reports & contracts :-

A F C	40	bales	Wool	ex Potosi	
T R	140	,,		,,	
J B	221	,,		,,	reports only
S & S	145	,,		,,	
Z	11	bales	Skins	ex Junin	
L	31	,,		,,	
S	20	,,		,,	
	5	,,		,,	
F B	4	,,		,,	contracts only
W E D	6	,,		,,	
W P	14	,,		,,	
F	3	,,		,,	
McG	18	,,		,,	

~~Clients' Invoices~~

Enclosures via Liverpool

Originals

1 Copies of Cablegrams sent10th & 24th May.

2 Copy of Cablegram received 21st May.

3 Copy of letter from W.Lowden & Co.of 20th May.

4 Copy of letter from Chr.Salvesen & Co.of the 16th 18th & 22nd and our letter to them of 21st May.

5 Wool reports.(market)

6 Detailed Balance Sheet & Profit Loss Statement for 1911.

7 Printed Balance Sheet for 1911.for Office .

8 Plan of Slip .

9 Report on McG 62 Salted Hides ex "Potosi"

Letters for the following:-

Vere Packe

W A.Harding.

A.L.Allan.

London 29th May,1912

Enclosures via Lisbon.

Originals

1 Account Current and vouchers

2 Remarks on Accounts.

3 Remarks on Stores & replies.

4 List of General Cargo per "Oropesa"

5 Corrected list of Dutiable Goods per "Oropesa"

6 General Invnice goods per "Oropesa"

7 Suppliers' detailed accounts

8 Sight Draft for £57 . 11 . 4 with B/L attached

9 Estimated cost of 100 ton Steel Barge & plan

10 Letter for W.A.Harding.

11 Clients' Invoices goods per "Oropesa"

Vere Packe,Bertrand & Felton,Speedwell Island,

H.& G.Cobb & Holmested & Blake,Ltd.

12 Rubber Stamp for office.

13 Copy of letter from Chr.Salvesen & Co.dated 22nd May,

London 1st June,1912

Received

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 28th June, 1912.

Per Supplementary Mail.

No. 1107.

Sir,

I was at Edinburgh at the beginning of the week, and had a long talk with Mr. Theodore Salvesen. He had no definite information as to the probable duration of the work on the "Columbus" at Montevideo, but was confident that when the boilers have been properly repaired they will last for a long time yet. He wanted to know why Capt. Saanum had gone there instead of to Buenos Ayres, where he understood the work would have been done with better despatch and at less expense. The scows for the steamer are being built at Leith, where they will be cheaper than at Punta Arenas. I had had a day or two previously an offer of the "Columbus" for £3,500, but on mentioning this he explained that a firm of touting Shipbrokers had asked if the boat was for sale, and were told that she was, provided a more suitable one could be found. I do not think, from what he said, that they have any desire to terminate the service in the Islands. I spoke of the disadvantage of the deep draught of the steamer, and told him that there were some ports which she could not enter, and was consequently debarred from carrying a certain amount of wool. He said that the deeper the draught the steadier a vessel became, and that this must be an advantage in the heavy seas sometimes met with; but of course from a freight point of view this would be more than counterbalanced. Can you give me the usual working draught of some of the Punta Arenas steamers? The depth of hold recorded in Lloyd's Register does not seem a sufficient guide. I spoke of the possibility of our having to ship sheep from the West to the Canning Works, to which he replied that the "Columbus" could carry a good number on deck. I said that this would not do; whatever vessel we have must take sheep both on deck and below, and the complication of having

W.A. Harding, Esq.,
Stanley.

to be in Stanley at certain periods for the mails might upset all our arrangements,and leave the Works standing idle. The "Columbus" I said could not carry sheep below,because before taking passengers she would have to be thoroughly cleaned and deodorized. I then said that the only workable plan I could think of was to try to make an arrangement with a Punta Arenas steamer to do the work as expeditiously as possible at so much a head,and that this could be combined with a cargo of wood from that place,as such a cargo usually went across once a year. I told him that we should protect the interests of his firm by stipulating that the steamer was not to carry produce coastwise,and he saw no objection to the proposal. He told me that the interview at the C.O.had already borne fruit,as there had been some alteration made in the Whaling regulations,removing some absurdities,which for want of knowledge had been introduced into them. Mr.Salvesen seemed confident that there will be no more trouble with the "Columbus",and that she will get through her work all right.

2. Mr.John H.Dean has bought the "Carina Kirsten",62 tons regr.,to replace the "Richard Williams",and has asked us to carry out some financial arrangements which will be found detailed in another place.

3. The slip question has entered a new phase,and I must explain the present position thoroughly to show that it is not a matter of vacillation,but that we have to act according to circumstances beyond our control,which are continually changing. The idea of late has been that Messrs.Salvesen would put up at New Island the slip that they have sent out there for the purpose,and that we should make use of it for a consideration. They had previously offered it to us for £1,750 as it lies at New Island,and we considered that the price was too high. They have now determined that in no case will they put it up there,and have again offered it to us. I had a talk with Mr.Salvesen on this subject,but we could not come to terms,and now he writes that they must make other arrangements for the disposal of the materials. We know what this means. At the interview with Mr.Harcourt last month he referred in a conversation with Mr.Salvesen to the project the Gov-

ernor had laid before him for the establishment of a Government slip at Stanley,which was in abeyance pending Messrs.Salvesens' decision as to New Island,and there is no doubt whatever that the materials will be offered to the Government,in which it is impossible to blame them,for they have the materials on their hands, and being likely to abandon whaling at New Island are bound to turn them to the best account. This does not remove our dislike for Government interference in trade,which the Governor is pushing in various directions,and we are therefore bound once more to see what we can do ourselves. We have got two estimates through a London agent; the first from Hawthorns & Co.for a slip sufficient for the "Samson" or whalers for £530 with £155 extra for hand haulage by means of a capstan,the second,the more likely one,from Day Summers & Co.of Southampton,capable of taking up the "Columbus" or a vessel 150 ft.long,for £1400 with steam haulage,the latter costing £700; this,for the moderate amount of work we could expect,would be an extravagance,and we could substitute hand gear which would be unlikely to cost over £220,making the total outlay on this side £920. The advantage of this would be that all the materials below water would be of steel,and we should be saved any trouble from worms. The price compares very favourably with what Salvesens ask,and is within our reach. I shall put all this before the Board at our next meeting,and I want you to let the Governor know that we have the matter under discussion,while I shall give formal notice to the C.O. I have been looking up the correspondence that took place when we bought the foreshore,and have found a letter that should be valuable. On the 3rd of August, 1885,I wrote to the Government detailing the concessions that we were to get for our £1,000,and I fortunately put in a paragraph referring to the possibility of our putting up a patent slip at some future time,and said that I presumed that the rails could be laid down,in that event,to a sufficient depth below low water mark not exceeding what was to be allowed for the jetty. In his reply,the Governor said that as nothing had been said previously about the possible construction of a patent slip he had not taken

it into consideration; but he expressed the pious opinion that in the interests of the shipping frequenting the port every facility should be afforded by the Government for its erection. I asked Mr. Salvesen if they had a slip at South Georgia,and found that they had lately erected one; he agreed that the Whalers there would not be likely to come to Stanley,but said that those in the South Shetlands would. It seems clear that if we have a slip of our own we shall not only be able to keep the bottoms of our own vessels in good order,but shall get some outside work,including,of course, the "Columbus" herself.

4. We have heard from Messrs.J.Hartley Cooper & Co.that the Owners of the "Nuuanu" will pay the bill for the remainder of her account,and they hope to be able to hand us a cheque any day,so that it is possible that you may be advised of the settlement before this leaves. This is a relief,for it gets us out of an awkward situation; Messrs.Brewer & Co.of Boston must be a straightforward firm,for if they had been like some of their compatriots we might have been in a bad mess.

I am,Sir,

your obedient servant,

Managing Director.

P.S. I should add,with reference to the Binnie proposal,that I find it was mentioned in your letter of the 17th ult.,a fact that had escaped my notice when I wrote the despatch via Liverpool; the application was therefore put forward in a regular manner.

Enclosures per Supplementary Mail.

Originals

1. Despatch No.1107 dated 26th June.
2 Remarks on Accounts & replies.
3 List of General Cargo per "Oravia"
4 General Invoices Goods per "Oravia"
5 Lamb Brothers & Sabre's Invoices Goods per "Oravia"
6 Remarks on Stores & replies.
7 Clients' Invoices goods per "Oravia"
Bertram & Belton, Vere Packe, Speedwell Island, H. & G. Cobb & Dean & Anson.
8 John Gosnell & Co's letter dated 28th instant and price list attached.
9 Sight Draft on J. Kirman for £ 61 . 15 . 8 for collection B/L attached.
10 Copy of Samson & Buildings Account for 1911.
11 Letters for W.A.Harding. (2)

London 29th June, 1912

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 21st June, 1912.

Per Oravia.

No. 1106.

Sir,

I have to acknowledge the receipt of your letter of the 17th ult.,and of your despatch no.418,which arrived on the 12th inst.

2. 418-2. You make a good suggestion about keeping the Furniture Account,and should adopt it in future. There are times when we write off the year's additions altogether,especially when they are small; but the advantage of having the items home,which you will appreciate,is that all deliveries are recorded in our books here,whereas if you charge them to Consumption or General Charges they are practically lost sight of.

3. Par.3. The adjustment of the "Lafonia" claim is going through at Lloyd's,but the omission to charge the cost of the anchor and chain may cause some trouble,although the loss having been mentioned in the log and,I believe,the Protest ought to bring it out all right. It is not clear why you made such a small charge as £18 for the use of the "Samson" per day; £20 was the rate established in the case of the "Malvina",and the Underwriters did not even query it..... This,I find on reference,is not correctly stated,but we claimed and got £60 for towing the "Malvina" from Choiseul Sound to Stanley,and the work was done in less than three steaming days.

4. Par.2. For the sake of accuracy in our records I should like to find out the discrepancy of more than £2000 between your statement of the sales for 1909 and ours,which was taken from your Journal entries as per detailed account herewith.

5. Par.4. I notice that the amount of purchases from Braun & Blanchard was stated in excess of the actual figures by the addi-

W.A.Harding,Esq.,

Manager,

Stanley

tion of Mr.Packe's invoice,but it does not affect our wish to have such purchases specially reported. What you say about the posts is interesting and new to me. As long as I was in the Islands the wood from the Straits was inferior and entirely unfit for building purposes,while the posts were almost without exception rotten at the heart. For this reason we imported fencing posts from England,first trying oak,and subsequently taking larch,as being more durable under ground. I suppose that they have discovered fresh and more durable woods near Punta Arenas,or know how to deal with them better; anyhow,if the posts are as sound as the larch ones,we ought to give up shipping the latter from here altogether.

6. Par.4a. It is satisfactory to hear that such progress is being made with the Wireless apparatus. What we have heard at present about the impossibility of communicating with Montevideo is not intelligible for want,probably,of some missing details. It would seem to us that,although the Uruguayan Government have turned the Marconi Company out of Montevideo,they may be prepared to receive and transmit messages themselves,claiming the same monopoly that the British Government have established in all our possessions throughout the world. Is it not a fact that all steamers entering the port are obliged to have a wireless apparatus,and if so,is this for communications with the Government alone?

7. Par.7. We shall point out to the timber people that some of the boards per "Ragnhild" have been carelessly cut,and take precautions against this in future specifications.

8. Par.9. Your account of the settlement with the "Nuuanu", as presented in this paragraph,does not meet with the approval of the Board,and a fuller explanation is required. When you reported the ship,you asked for a credit for £2,000,and we cabled you on 8th December to draw for that amount on J.Hartley Cooper & Co.,Ltd. agents for the Boston Owners,the draft to be at three days' sight. In my despatch 1097-10 I explained that as the money was already deposited in London with Brown Shipley & Co. Messrs.Hartley Cooper, while unable to transfer the credit to us,had agreed to the draft

being as stated. On the 14th March we received your cable,"Nuuanu credit opened is insufficient increase it to £2750",this we communicated to Hartley Cooper & Co.,and on getting their confirmation,after reference to Boston,cabled "Nuuanu" credit is all in order." The account now received amounts to £3275.14/.,or £525.14/ in excess of the credit,and you have sent the Captain's drafts for £2000 at 3 d/s and £1275.14/.at 30 d/s. The consequence of this procedure might have been foreseen; Hartley Cooper as agents could not deal with the latter,and although they say that they would willingly have paid bills up to £2750 at 3 d/s,they cannot at present do more than accept the larger bill,and as a matter of fact have sent us a cheque for £2000,leaving the remainder to be dealt with when the Owners in Boston get the accounts. When a credit has been exceeded on previous occasions you have not failed to notify the fact by cable,and why you have not done so this time is incomprehensible. The proper course to have taken was to draw for £2750 at 3d/s,and to cable the position,which would probably have been regulated by the time the mail got home, the excess being drawn for in a separate bill for £525.14/. The Directors wish you to give a full explanation of this affair,for on the face of it it looks as if as many mistakes had been made as it was possible to compress into a small compass.

9. Par.10. I think that there can be no question that we are entitled as agents to commission on the collection of General Average assessments in the case of the "Oravia",quite as much as on passage tickets,in fact more so,as we have a certain amount of liability to incur. Details of the amounts paid by us here will be found enclosed,and these payments having been made here for your office,in reduction of the liability you are under to collect them, should be added to those you have actually collected,and 5% charged on the whole amount. It can do no harm to try it on,and if they object we can fight it out here. You will naturally not deal with sums paid by the Crown Agents and others.

10. Par.12. I shall ask Messrs.Salvesen to do as you suggest about the water boat.

11. Par.13. I shall be seeing Messrs.Salvesen soon,and will tell them what you say about scows for the "Columbus".

12. Par.14. We can do nothing on this side about the shortage of cargo ex "Junin",beyond saying that the missing bales have not come into our possession.

12. Par.15. The draft on account of the "Wiscombe Park" has been accepted,but it was a risky thing not to cable,as she does not belong to the firm on whom the Captain drew,being a one-ship Company managed by them,always the most dangerous class to handle. However,it seems that it slipped your memory,and all's well that ends well.

13. Par.16. Your translation of the mutilated cablegrams was nearly correct,and you will have seen the correct version by this time. How "well" got turned into "leg" is not very clear. Our cables are always typed,so this office cannot be blamed for these mistakes.

14. Par.17. You have done well to get so much cargo out by the "Columbus" before she went to Montevideo. I hear from Leith that she is expected to leave that port before the end of the month for Stanley.

15. Par.18. Note has been taken of the two claims for damage to wool in shipment,and when this comes forward I hope that you will have taken the precaution to indicate the bales concerned, and to forward the cost of re-conditioning.

16. Par.19. We do not know at present whether the chain ordered by this mail is the one to replace the piece lost by the "Lafonia",and you do not seem to have asked for an anchor. If we could ear-mark any supplies of this kind that have gone out lately as being replacements,it would be easy to state the value,plus freight and charges,to be recovered.

17. We should have been glad of some information about the probable next shipment of wool,and whether,for want of a large quantity,the mail boats would be bringing any. Some people think that the longer it is delayed the better the prices will be,but we do not go too much on this,besides which we are getting no re-

mittances. We should also have liked to hear something about the long delayed repairs of the "Gwendolin",on which subject we and the Underwriters are equally concerned.

18. As Mr.Allan is assumed to be on his way home,I will allude to some remarks in his last letter which call for attention.We shall go into the question of extra supplies not needed when he arrives, but I expect that as far as Mr.Allen is concerned his recommendations will,for the most part,prove to be justified. It is quite possible that most of them are so much up to date that even Weiss has not come across them. It is quite a mistake to suppose that Mr.Allen was an architect; he is the right hand man of Wildridge & Sinclair,the Engineers,and it was for his qualifications as an Engineer,as well as his thorough knowledge of what a Canning establishment ought to be that he was selected,and brought all the way from Queensland. He was sent by his firm to Singapore to set some refrigerating place going,and the most convincing fact of all,in the way of proving what he is,is that Swifts,about the biggest meat people in the world,had him over to Argentina and Patagonia to inspect their property there,before employing him to set up Canning works on the Brisbane river for them. In designating him,therefore,as merely an Architect,Mr.Allan has fallen into a mistake. The report of progress at Goose Green is very satisfactory,and it is likely to be even better next year. Other questions, such as the supply of materials for next season and the difference of opinion between Hubert and Homer on the subject of electric lighting we will go into with Mr.Allan. As regards a local demand for the mutton,you might keep a small quantity back,and see if it exists. Tongues and Extract might go off to a limited extent, but I should doubt if there would be any enquiry for mutton,although ships or whalers might take some off our hands. If this year's shipment establishes a good name for the product,we shall get out labels for our mutton tins before next season. What Mr. Allan says about the men from Punta Arenas is very encouraging, especially as it seems that they are so much more expert with the knife than the Falkland Islanders. Mc.Call is to call here shortly,and I shall have to correct his record of service,which does

not do him justice, being understated in at least two instances.

19. In your Remarks on accounts dated the 17th May you put forward an application for a loan to Mr.W.Binnie, which would have been better addressed to the Board in your despatch. You report that Mr.Binnie has bought a house from Mrs.J.K.Thomas, and is short of the purchase money, £850, by £250, which he would like to borrow. Mr.Romer called last week, and seemed to think from his instructions from Spearing & Waldron that he had only to ask for the money, as everything had been arranged. I told him that we had had no advice of the payment of £600 in Stanley, and that nothing could be done at present. Mr. Binnie is a tailor, who as far as we know is not a customer of ours, or one to whom it is necessary to show any favour, and the Board think that he had better borrow the money from the vendor, who is willing to advance it on mortgage, rather than from us. You say that legal expenses will be heavy, but that you can obtain in the Colony a form of mortgage for 1/6. If this is so, we assume that it is equally open to the Vendor to get that form as it is to us. You refer the matter to the Board for their consideration, but it is noticed that you do not say a word in the way of recommending the loan, which would be our only reason for considering it. You should say, therefore, that it is not our custom to make advances of this sort, and for your own information I may point out that while we have been willing to make advances to our own clients in the way of business, it is of no advantage to us to make little loans of this kind when they lead to no business of any sort. If we had known that this house was for sale, we might have been inclined to buy, for it has a light over our property next door which I am afraid is now an ancient one, and would prevent our building up to the road.

20. With reference to the bonus of which you were advised last mail, I have now to inform you that the subject of the day labourers in Stanley has been discussed by the Board, with a view to allowing those, who although paid by the hour are practically in our service the whole year round, to participate in the gratuity, as well as those paid by the month or the year. The Board have

decided to extend the bonus on the following terms. Premising that no one can be regarded as a regular servant who has not worked for us for more than half the year, the minimum number of days' work entitling men to participation in the bonus has been fixed at 180, and those who have worked that number and over will receive 10% on the amount earned by them during the year in wages on the Company's work. Overtime and ship work are excluded, and this applies to wages paid for the PSNC steamers, and the "Dolumbus" on the system lately in force. The Board do not think it desirable to differentiate between the several classes of workers, and the bonus is given to all, whether Carpenters, Store men, or labourers. Should carpenters or others have worked the greater part of the year on ships, and so have disqualified themselves for participation in the bonus, they will have been compensated by the higher pay they will have earned over that work. In the case of men on the permanent staff, the bonus will be payable, as before, on the amount earned in regular wages, exclusive of extras on ship work, but these payments will not be subject to the 180 days' rule. The present bonus applies to wages earned in 1911, and it is hoped that, while we can in a good year give our men some share in our prosperity, the measure will have the effect of meeting in anticipation any symptoms of labour unrest, which otherwise would be sure to manifest ~~itself~~ themselves to some extent as a sequence to the disturbed state of the labour market in this country. I may add that, while 180 days has been fixed as a fair figure, should you have a decided opinion on the subject, it would be at your discretion to extend the period to 200 days, though this should not be done for the purpose of cutting anyone out.

21. From the copy of Mr. Harcourt's reply you will see that the Export tax is to be maintained; but the last paragraph shows that he paid some attention to what we urged about the work proposed to be done which we considered extravagant and unnecessary.

22. We have chartered the "Frigga", (ex "Freidig") 496 tons regr. for coals from Blyth, with a stipulation that 150 tons are to be delivered at Darwin. I do not know if there is room for that

quantity in the shed there, but assume that the "Vicar" will be available in case of need. The Owners stuck out for a long time for 30/., and we could not get them below 28/9d, which is a high freight for coals by sailer. Unfortunately the supply of vessels of a suitable size gets smaller each year, and freights consequently go up. As to steam coals, our Brokers are on the look out, and the Owners of the "Harboe" are still nibbling through Salvesens, but they stipulate for towage and other conditions to which I cannot listen. Reverting to the "Frigga", we have a clause enabling us to ship Smithy coal if required, and I hardly know what to do. There is no order yet, though you must have consumed a lot of late. If I send any I shall find that you have an overstock, and if I do not, the next mail will bring an urgent order for 100 tons. A periodical statement of coals on hand should be sent; it would be useful and save trouble.

23. Owing to circumstances which I am unable to control, I have to be away on the mail day next week, and have written this in anticipation. Should there be anything of interest to report, I shall write per Supplementary mail.

I am, Sir,

your obedient servant,

Thos. E. Love.

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1105 dated 29th May,1912

Remarks On Stores.

Remarks on Accounts.

List of Parcels.

General Invoice goods per "Oropesa"

List of Enclosures

Bills of Lading goods per "Oropesa"

List of General Cargo per "Oropesa"

List of Dutiable goods per "Oropesa"

List of Clients' Cargo per "Oropesa"

Sight Draft on J.Kirwan for £57 . 11 . 4

Clients' A/sales.

T R	146	bales Wool	ex "Potosi"
S & S	145	,,	,,
J B	3	bales Wool	"Kenuta"
J B	221	,,	"Potosi"
McG	18	Bales Sheepskins	ex"Junin"
F	3	,,	,,
S	20	,,	,,
W P	14	,,	,,
F B	4	,,	..
W E D	6	,,	,,
S	20	,,	,,
W P	14	,,	,,
Z	11	,,	,,

Enclosures via Liverpool

Duplicates

1 Copy of Cablegram sent 7th June.

2 Copy of Cablegram received 16th June.

3 Copy of Journal Entries "Store Debtors" for 1909

4 Copy of letter from Mrs Reeves of 13th & our reply of 14th June.

5 Copy of letter from Griffiths Beddoes & Bray,Ltd.of 15th June,re slip.

6 Copy of letter from Joseph Wright & Co.re chains on order

7 Copy of letter from R.Guerry of 15th June re Potatoes.

8 Charter Party ship Frigga.

9 Copy of letter from the Colonial Office dated 1st June.

10 Copy of freight account Produce per "Potosi"

11 Braun & Blanchard's Accounts for Stores shipped direct (returned as requested).

12 Mrs Hansen's A/sales for Wool per "Kenuta" & "Corcovado"

13 Account Current & vouchers.

London 26th June,1912

Despatch no.1106 per "Oravia",21st June,1912.

Precis of Contents.

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1. Acknowledges despatch and letter.
2. On keeping the Furniture account.
3. On "Lafonia" claim and charge for "Samson".
4. Enquires about discrepancy in sales for 1909.
5. Refers to purchase of timber from the Straits.
6. On Wireless telegraphy.
7. Careless cutting of wood will be reported.
8. Discusses "Nuuanu" settlement and asks for particulars.
9. Refers to collection of General contribution per "Oravia".
10. Will follow suggestion about the water boat.
11. Will report to Salvesens about scows.
12. Refers to shortage of cargo ex "Junin".
13. On mutilated cablegrams.
14. "On "Columbus" at Montevideo.
15. About claims for damaged wool.
16. Refers to chain lost by "Lafonia".
17. Enquiring about probability of homeward shipments and repairs of "Gwendolin".
18. Replies to a portion of Mr.Allan's letter of 9th May.
19. Declines loan to W.Binnie.
20. Gives instructions for payment of bonus to Stanley men.
21. Remarks on Colonial Secretary's reply to letter on Export tax.
22. Reports charter of "Frigga" and enquires about Smithy coal.
23. Explains early date of despatch.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902

61, Gracechurch Street,

London, E.C. 24th July, 1912.

Per Orcoma.

No. 1108.

Sir,

I have to acknowledge the receipt of your despatch no.419 and letter of the 13th June, which arrived on the 8th inst., and of despatch no.420, to hand on the 22nd inst.

2. 419-2. The question of selling one of the schooners to Mr. Dean does not arise, as he is sending out the "Karina Kirsten". For the present it would not be wise to sell either of ours, as we do not know how soon we may want them for our own use. I shall be glad to know what you think of my suggestion that you should have a man like Osborne always in Stanley, ready to take out a schooner in case of emergency. You did quite right in chartering the "Araucania" in the circumstances, and in view of the continued delay of the "Columbus" in Montevideo, lately reported by Messrs. Salvesen, I wrote to them that they could hardly blame you if you seized any opportunity of getting forward the belated produce, and that we certainly should not. You could only give them legitimate cause for complaint if you made use of any other vessel for carrying produce when the "Columbus" was ready to do her work.

3. Par.4. You will have to watch flour prices, and buy where it is cheapest. It is right to keep the price as low as possible.

4. Par.8. In the circumstances it was clearly right to send the "Samson" to bring in the Goose Green labourers and the Casings. With regard to the latter, your 420-6 advises payment for these, and although the amount is comparatively small, it is better to have got them turned into cash than to wait for the money here for an indefinite time. Payments for those of last season are slowly dribbling in, accompanied by complaints of quality and short delivery according to specification.

W.A.Harding, Esq.,

Stanley.

5. Par.11. You are right about the value of land, and should not part with any of the central lots.

6. Par.12. The Board would not object to any expenditure of public money that would benefit the Colony as a whole, and it cannot be denied that we are lightly taxed. Some of your suggestions, however, could hardly be said to be of advantage to more than a few individuals; for instance, you say that telephones, which would cost £4000, would bring about a saving in horseflesh and men's time. Whose horseflesh and whose men's time? Just a few farmers would reap all the benefit, and they should pay for the improvement, just as we and Mr. Packe have done. We were practically forced to take the Government into partnership to the extent of £600 in £2959, or about a fifth, but we should have been ready at any time to become the sole owners. As to main roads, that I fear, considering the small population, could never be carried out except at a totally disproportionate cost to their utility when completed, although something could be done in the way of providing bridges over passes and tracks through stoneruns; but there again, the farmers would mainly benefit. A more general benefit would be the provision of a water supply for Stanley, and even in that the farmer, especially the West Falklander, would want to know why his money was to be spent in that way. Your allusion to politics was not appreciated by some of the Directors, who say with W.S. Gilbert

'Politics we bar,

'They are not our bent'.....

in fact the only ones to which it is safe to allude are those of the Colony, in which we are all interested. From time to time we have tried to get some say in the matter of expenditure, but hitherto without success, although it must be admitted that more deference is paid to the views of the Unofficial Members of Council than used to be the case. We ought not to be satisfied until we get, as you say, a controlling voice, and that may not be for some time yet. I had an opportunity of talking bricks to Mr. Harcourt at our interview, and I think that he made a note on the subject.

7. Par.14. I think that what you say about the Berkeley

Sound leases ought to satisfy our Solicitors.

8. Par.15. Messrs.Stickney Bros.do not seem inclined to change their brand,as they say that it was registered in the Islands many years before the Explotadora Co.was thought of. They will have to take their chance,as that Company are not likely to make a change themselves.

9. Par.16. Your remarks about Stores are noted,what I wrote about was the Stanley stock,which in the second line I stated at nearly £40,000. I alluded also incidentally to the large amount of unconsumed Stores in the Camp,but not for the purpose of comparing these figures with previous returns.

10. Par.17. You assume that the "Duendes" will not catch the present sales,but it depends on the strike,and if this is over by the time the ship gets in there is a chance of getting the wool up in time. Prices are better,and we are told that if we do miss the sales we are more than likely to congratulate ourselves afterwards. I am afraid that there are scarcely sufficient grounds for complaining that some cargo was left behind; I should have been glad of the opportunity,as it would have been a set-off against a shortage earlier in the year,for which we were really not responsible.

11. Par.18. I have not had an opportunity of discussing Morris's letter with Mr.Allan at any length; but we agreed that if he wishes to leave he can do so on repaying four-fifths of his passage money,having served us for one year out of five. He has most likely some more lucrative employment in view,and if we let people go so soon,after being at the expense of sending them out the precedent would be a bad one. In future agreements I will revive the condition that used to be inserted,providing for leaving on payment of the passage money of a successor.

12. Par.19. It would certainly be better to let Mr.Jason Hansen ship his seal oil by one of Salvesen's steamers. I do not know if Glasgow is a better market for this than London.

13. Par.20. The Board have discussed the subject of Williams's business,and are not inclined to touch it. If Braun & Blanchard

were to take it up,they would be the most formidable competitors we could meet,far more formidable than the Deans; but it is hardly credible that they would concern themselves over so comparatively small an affair considering their interests on the Coast. If they came in they would have to fight us,and we should not give in without a struggle which would be injurious to both. They would combine with it a steam service round the Islands,and we know well enough that success in this would be impossible unless all the produce of the Colony could be secured.

14. Par.21. The Board would have no objection to the auditing of the Cash Book being done by the Colonial Secretary or Treasurer,if you can arrange it.

15.Par.22. The Board wish you in future to give full particulars of drafts,and would like to know how the sum of £4345 is made up. They would certainly disapprove of your financing speculations in Whaling shares,and hope that you received cash in advance; clients with credit balances are naturally entitled to do what they like with their money. The draft should have been at 90 d/s. I asked Messrs Salvesen what they thought of the prospects of whaling,and they replied that while they knew nothing of the Thule Co.they would not advise anyone to go in for shares at present. With the best Whaling grounds taken up,oil at £6 per ton less than last year and all working expenses immensely dearer, they are of opinion that the cream is off,and if anything be left it will only be the whey,at the best an inadequate return for such an intensely risky business. Nous verrons.

16. Par.25. The suggestion that Messrs.Maclean & Stapledon should draw at sight is not suitable,but I shall tell them that 3d/s will be more convenient. A sight draft might be presented at a time when no Director's signature could be got.

17. 420-2. The new arrangement with Mills is satisfactory, and your Power of Attorney was sufficient authority for signing the Agreement on the Company's behalf. You have mentioned,as well as Mr.Allan,that Mills distinguished himself during the season at Goose Green by his readiness to do all in his power to help

the work forward,going outside his trade when it seemed desirable; he worked all sorts of hours without overtime pay,and gave complete satisfaction to both Mr.Allan and Weiss. It would have a good effect if this were recognized by a suitable gratuity,and an expression of your approval,though it must not be taken as a precedent. As Mills has been at some expense in settling in,this will be useful to him,and no doubt will be appreciated.

18. Par.3. We will bear in mind that drain pipes are wanted when we get a ship with steam coals. Whether it will be practicable to ship tonite cartridges and fuses with coal is another matter,and I must talk to Mr.Allan about this,as it is somewhat hazardous to work with dynamite,of which this is,I believe,a form.

19. The memorandum on Canning will be discussed with Mr.Allan. I must confess that I am disappointed to find that the capital expenditure is not at an end yet,and we shall have to judge carefully the necessity for each item asked for. There may be things that it would be convenient to have,but which at the same time can be dispensed with. To give an instance; Mr.Allan would like to have a new steam engine and boiler at [redacted] North Arm,and also a new hydraulic press and pumps,driven by the engine. On enquiring into the defective working of the press at that place during the last season,it appears that the steam pressure in the boiler was reduced,and consequently it took from 15 to 20 minutes to put up a bale instead of 5 to 7. There is nothing the matter with the press;cylinder,ram,bedplate,and pumps show no sign of cracking,and the makers scout the idea that it can have become weak through age. The engine is all right,and Mc.Call says that it is separate from the boiler; consequently,instead of spending hundreds of pounds on a bran new outfit,all we have to do is to supply a new boiler at a cost of something like £40. It is good news to hear that Weiss has an eye to economy,for the idea that prevailed in the Islands,and I may say our own establishment in my time,was that when any expenditure was under consideration it was sufficient to say that the Company had plenty of money,and could afford it. I had to be perpetually on my guard against this false notion. Whatever our prosperity may be,economy

should be continually observed and preached.

20. Par.5. Assuming that the wood for piles for the Goose Green jetty obtainable at Sandy Point is as strong and lasting as any we could ship from here,it is clear that there is a great advantage in price. Mr.Allan says that it is not the same as that supplied for posts,which comes from some other place outside the Straits,and is practically indestructible. What is wanted is the smallest scantling consistent with safety,bearing in mind that the jetty will have the hulk at the end,and on this point expert opinion should be taken. I should think that 10" x 10" ought to do,and I think that Mr.Allan agrees. The old style of Straits wood that came over years ago was rotten at the heart,and would be quite unsuitable for the purpose. There is also the question of worms; Mr.Allan says that he has never observed any at Darwin, which seems strange,seeing that in Stanley Harbour they do a lot of mischief with unprotected wood. It seems that as the jetty has to be built,you will have to get the material over as cheaply as you can; but if there is not nearly sufficient to fill a schooner,and you may have to buy a lot of timber that you could do without,would it not be cheaper to arrange to have what you actually want across on the deck of the first cargo boat that comes for wool?

21. Par.7. We do not expect to get more than 8/6 to 9/.per dozen tins of tongues,and if you can ascertain that after payment of duty or by selling in bond you can do better in Valparaiso,by all means send over a small trial shipment.

22. We have been making enquiries about extra insurance,if any,on cinematograph shows,as it appears that the Rev.Mr.Migone is getting out a lantern and some films. The Royal have promised to let us have some correspondence they have had with their head office in Liverpool,and they say that you have not mentioned the matter. Seeing that Stanley is largely built of wood,it seems a pity that this dangerous form of amusement should have been introduced. At all events it is to be hoped that the most stringent precautions will be taken against fire,and I see that an Ordinance on the subject has been passed.

23. At the present time we do not know what arrangements are being made by the Port of London Authority for getting the Wool per "Duendes" to the London Docks, we are urging the Brokers to get them to do all that is possible, and as the ship is to discharge in the river at Greenwich there is just a chance. At Tilbury there is wool that has been hung up for the last two months. The market is said to be a little off, and it may be to our advantage if we cannot catch the sales. As regards outward cargo, there has been a short strike at Liverpool, and the Railway Companies have been refusing to carry cargo for export, so that we may find after the steamer has left that a quantity has failed to reach her. About this we cannot get information in time to advise you via Liverpool.

I am, Sir,

your obedient servant,

Managing Director.

Despatch no.1108 per "Orcoma",24th July,1912.

Precis of Contents.

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1. Acknowledges despatches and letter.
2. On schooners and collection of produce.
3. Flour to be bought where cheapest.
4. Remarks on selling Casings.
5. Approves views about sale of land.
6. Discusses possible public improvements and Colonial politics.
7. Information about Berkeley Sound Farm sufficient.
8. On Stickney Bros.'brand.
9. Explains remarks about Stores.
10. About cargo expected per "Duendes"; likely to be hung up.
11. Gives instructions as to Morris the schoolmaster.
12. Approves shipment of Hansen's seal oil by Salvesens' steamer.
13. Reports Board's decision about Williams's business,with remarks on possible competitors.
14. On audit of Cash Book.
15. Enquires about draft for Whaling shares,with Salvesens' views.
16. Maclean & Stapledon's drafts to be at 3/d/s.
17. Approves agreement with Mills and recommends gratuity.
18. Drain pipes to be shipped; doubts about tonite.
19. Remarks on further requisitions for Canning Works,deprecates extravagance.
20. On proposal to get wood for jetty from Sandy Point; approves.
21. Suggests trying the Valparaiso market with tongues.
22. On Cinematograph apparatus and fire insurance.
23. Expresses doubts about "Duendes" and shipment of cargo out in consequence of strikes.

Enclosures per Supplementary Mail via Lisbon

Originals

1 Account Current and vouchers.

2 Remarks on Accounts.

3 Remarks on Stores & replies.

4 List of General Cargo per "Orcoma"

5 General Invoice goods per "Orcoma"

6 List of Clients' Cargo per "Orcoma"

7 Davy,Fordham & Morton's invoices goods per "Orcoma"

8 Sight Draft on J.Kirwan for £10 . 19 . 2 for collection
B/L attached.

9 Clients' Invoices goods per "Orcoma"
Bertrand & Felton,Benney & Stickney Brothers.

London 27th July,1912

Enclosures per "ORCADIA" via Liverpool

DUPLICATES

Despatches Nos.1107 & 1108

List of Parcels.

List of Clients' Cargo per "Oravia"

List of Dutiable Goods per "Oravia"

List of General Cargo per "ORAVIA"

Remarks on Accounts.

General Invoice goods per "Oravia"

Charter Party ship "Frigga"

B/L general cargo per "Oravia"

Second of Exchange for £ 61 . 15 . 3

Remarks on Stores.

A/sale for McG 62 Salted Hides per "Potosi"

List of Enclosures.

Enclosures via Liverpool

Originals

1 Despatch No.1108 dated 24th July.

2 Copy of Cablegram received 1st July.

3 Copy of Cablegram send 19th July.

4 Copy of letter from the Royal Insurance Co.of the 8th July and printed Statutory Rules & orders relating to Cinematographs.

5 Baseley & Mills's Agreements returned as requested.

London 24th July,1912

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per Orissa.

No. 1109. London, E.C. 21st August, 1912.

Sir,

I have to acknowledge the receipt of your despatch no 421 and letter of 9th ult.,both of which arrived on the 6th inst.

2. 421-3. Your remarks on the subject of labour will be read with pleasure by the Directors.

3. Bonus. I have carefully read your remarks on this,and looked through the lists you have sent,and am of opinion that the whole question is fairly well covered by the instructions which you would have received by the following mail after you wrote. Although I have had your circular letter printed as drafted,so that no one will have reason to complain if he finds himself left out, you are at liberty to modify it as you please in the case of those who have left the service. The bonus having been given for work done in 1911,we might be charged with adopting the immoral principle that gratitude is a lively sense of favours to come,if we excluded those who served us faithfully during the year,and as a general rule you might adopt "those who have remained in the Colony" for"those who have remained in the service." For instance, it would not be fair to exclude Baseley and others like him,who did good work during the whole of the year,and on this side I have already given the bonus to Mc.Call. There is no reason why men who have gone to Patagonia or Australia to better themselves should have the bonus thrust upon them,and you should exclude any who may have left just as the season was beginning,if there were any,and any Camp men who did not work more than half a year,or were dismissed for misconduct or incompetence. You may say that you are having some responsibility thrust upon you in this mat-

W.A.Harding,Esq.,

Manager,

Stanley.

ter,but it is impossible on this side,without a knowledge of the circumstances connected with each man,to say precisely what should be done,and after all responsibility is one of the burdens you have to bear. You are not bound to give your reason for what you may decide,and as the gift is a purely voluntary one no one has an actual claim to it. As regards the Stanley labourers,the rough and ready calculation of £6 a month would hardly be the thing, even if it were confined to the labourers to the exclusion of other workers,and although it will entail more labour,everything you want will be found in the weekly wages sheets.

4. Par.6. I am sorry that I have no further news to give you about steam coals; the cargo from Blyth will be shipped when the "Frigga" gets there,but we have no word of her yet. If I have not mentioned it already I may mention that I have ordered a small quantity of Brancepeth coal to be shipped with the Wallsend.

5. Par.7. The "Wiscombe Park" draft has been paid. You will see her in the overdue list at Lloyd's,and there was a short reference to her in the "Times".

6. Par.8. The explanations you give with regard to the "Samson" are satisfactory. I cannot remember where I got the estimate of £12 per day for running the "Samson",and I may have been mistaken; but I see that it is a little misleading to call the cost £9.10/.a day,as it only takes in 9 hours,and I assume that when at sea the men get overtime pay besides. I have always had a fixed impression that the hold of the "Samson" had a capacity of four tons only,and was little better than a cupboard: I am glad to learn that I was mistaken.

7. Par.10. I think that you are right about the disadvantages of a steel lighter,more especially as we have no slip,and are now not likely to possess one. So that is ruled out,and also the possibility of getting an old schooner here to be sailed out and dismantled,except at huge cost. There remain two ways of getting a lighter; one to buy an old schooner at Sandy Point if there is such a thing to be had,and the last to get the "Malvina" in. You mention the "Hornet also,but would she be worth the ex-

pense? She is only 55 tons register,and she has been for a long time on the beach at Salvador,doing no good to herself all the time. If the "Malvina" can be got in and hove down,very likely you may find that you can make her tight,and she has the advantage of the "Hornet" in age by over 50 years. I was told lately by someone who had been in the West [redacted],I forget who,that she sometimes stands upright in Reef Channel; have you heard anything of this? I think that your idea of sending Thomas with the "Samson" is a good one,and he is a man of resource,likely to get her off if it can be done. There is always the fact that Reef Channel is a dangerous place,and it would never do to lose the tug in making the attempt. If Thomas thinks that he can try without too much risk,by all means let him.

8. Par.11. I was right in my surmise that Mr.L.Harcourt did not make a lot of notes for nothing at our interview,and he is evidently bent on curbing unnecessary expenditure.

9. Par.14. We came to the conclusion nearly 20 years ago that when men who had been with us most of their lives failed physically to such an extent that they could not do half a day's work,it would answer better to pension them with half pay,and this led to the institution of our pension scheme. It would be inhuman to cast adrift a man who had done his best for us over a long term of years,but to go on paying him full wages would be wasteful. If you think that Kelway has arrived at this stage,he had better be pensioned. It comes rather as a surprise to me to hear that he is failing so much,for I remember taking him on as quite a small boy to help Martin,our first engineer,in the shop,, and his work has never been of a kind likely to break him down prematurely. He has really worked for us from about 1875 I should say,and stricly speaking,the wages he has earned during the whole of that time should form a basis for calculating the pension,not only the comparatively high pay on which he entered as a monthly man. Suppose we say that,if it is really necessary,he should be pensioned as from the 1st of January next,and we shall then have time further to consider the question after hearing again from

you.

10. Par.15. On getting the spray maker of the Priestman engine I asked Mr.J.Priestman to call,and gave him a copy of the notes you enclosed. He called a few days ago to say that all the sundries you want would be supplied,but that as the spray maker was incomplete,wanting I think the spraying nozzle,there might be a difficulty in adjusting it. However,he promised to send full instructions,and thinks that there will be no trouble in getting the engine to run again. The firm have discontinued making oil engines,as competition has knocked all the profit out of the business,and they are devoting themselves to the manufature of dredgers,with which they are doing very well.

11. Par.16. You were right about the cargo proposed to be shipped per "Columbus". We have lately been made aware of the melancholy fact that she only left Montevideo on the 11th inst.

12. The sheepskins that have been so long on hand have been sold at extreme prices,quite 1d to 1¼d better than at the previous sales. Wool has gone very well also,but we did not get the lot per "Duendes" in. When she arrived it was uncertain whether it could be got to the warehouse in time,it was the last week of the sales,and the Brokers said that we ought to have five clear days to give time for notifying the usual buyers that it was to be offered. The market was a little below the highest point,and on the whole we came to the conclusion that it would be better not to rush it,especially as the Brokers were against it. We are told that we are not likely to have cause to regret the postponement.

13. There are two points to be noted about passage tickets lately issued. We had to get a return of Mr.Bonner's fare back, as he decided not to return,and we were told by the P.S.N.Co.that 5% stated on the ticket should have been erased,and 10% substituted. The other relates to Mc.Call's passages,and has not been brought to our notice from Liverpool,though you may hear of it; you took off a discount of 15% instead of 10%,the former applying only to first class passages.

14. You enquired lately about the price of a windlass suitable for the "Samson", and I enclose two quotations, £55 and £67 respectively. I assume that the present one is incapable of repair, and should like to know if it is a steam windlass, or worked by a messenger chain from the winch. I tried to get this information from Earles, the builders, but they say they have no record of it. Drawings of both windlasses are enclosed, and unless there is any great advantage in the more expensive one, we shall go to Coubro & Scrutton.

15. The various remarks and enclosures you have sent on canning are very interesting, and I shall have a good deal to say in reply.

DIGESTERS. I assume that the two digesters now condemned have been in use since 1891, when I left the Colony, as I can find no record of the purchase of any since, except the two that we got from Harker in 1904, which were made by Nicholson of Newark....On further reference I find that I am wrong; Nicholson made one digester then, and the other we got from Ellis, invoice dated 5th March, 1895, these two, I assume, are nos.1 and 2. Perhaps the pressure they were constructed for does not matter, but the last made one can hardly suffer from age yet. Two estimates have been sent in, by Fawcett Preston & Co. and Griffiths Beddoes & Bray, the prices being £107.10/. and £92.10/. respectively. Mr. Bray, (lately of J.E.Lawler & Co., a very useful man in the matter of machinery) tells me that he is quoting for the type of digester used by the Liebig Co., and in ordinary circumstances that would be good enough for us; but I am bearing in mind that Weiss knows and recommends Fawcett's, and have therefore given them the order, notwithstanding the higher cost. (It is worth noting that we paid Ellis £165). Drawing is enclosed, which will enable Weiss to get on with the wooden supports, and as they are, I understand, identical with those he has used at Puerto Bories, we shall recoup ourselves for the extra cost in facility of working. The makers promise them for the October steamer.

CLARIFYING PANS. It is otherwise with these, and I do not like to supersede those provided by Mr. Allen until we have heard

from him in reply to some remarks sent out for his consideration. I am assuming that in canning matters Australia is number one; all the Patagonian experts, as far as I know, came from there or New Zealand, and it is reasonable to suppose that they have made improvements in their methods of working, some of which may not have reached South America yet. Seeing, then, that Mr. Allen specified for a particular kind of refiner, it is on the cards that its use may not be properly understood, and a steam coil may in Australia have taken the place of the jacket pan. I admit at once that I may be wrong; but I have in mind the urgent request for a filler last year to replace one that was said to be useless, and after all, as I expected and said, it only wanted using properly. If it turns out that the jacket pans would work better in Mr. Allen's opinion, we shall not hesitate to send them; but it is desirable to bring the capital expenditure on these Works to an end for the present, as we have laid out more already than we expected we should have to do.

SOLDER. We have got quotations for this separately and for lead and tin, and find that the solder is cheaper. You mention that lead would have to be absolutely pure and free from zinc, and I think that you will admit that as we are not experts in metal, and Weiss is satisfied with the solder that has been sent, it will be safer to repeat the order for it.

JACKET PANS FOR TONGUES. From the explanation given it seems reasonable that these should be sent; but a difficulty has arisen as to what they should be made of. We are quoted £48 each for copper lined pans, with £1.5/. extra if coated with tin. Mr. Bray has suggested that steel pans, if cleanliness is observed, would serve the purpose, and these would cost only £22.10/. each. Is it not possible that, if made of copper, verdigris might affect the tongues, and again, if coated with tin, how long would this coat last? These are questions that we cannot decide here, and I want you to cable Weiss's opinion, on receipt of which the pans will be ordered. If steel is wanted the word should be "steel", if copper, "copper", and if tin coated, "coppertin". Regarding the tongues,

the outturn of the samples is not promising,for out of 48 tins only 9 were sound,3 rusty,and 37 blown; the rusty ones were repainted and added to the sound,but then they only come to 25% of the whole. It is different with the meat,which is considered very good,and of 12 tins 8 were sound,2 pierced,and 2 blown. No doubt this will be improved on,and Weiss may be able to say why there was such a large proportion of blown among the tongues. But there is another matter that wants watching evidently,for although we have not been told how many tongues were left in pickle for want of solder,it looks very much as if there would have been a great shortage if the whole had been canned,and it is not unnatural to suppose that such delicacies have an attraction for men who are accustomed to a mutton diet. With his experience Weiss will know if pilferage in meat Works has to be guarded against to any extent.

HYDRO-EXTRACTOR. We shall have Mr.Allen's report in the course of time,meanwhile I may hazard a guess that this is to extract water from the hash or refuse from the Digesters,so as to enable it to burn,and save the creation of a pile of stinking stuff on the beach. If there is no refuse,this falls to the ground,but it is difficult to understand that there will be none. If there is,and it can be burnt,there can be no doubt that spreading the ashes would have a good effect on the grass in the paddocks. I know that this is done at Hill Cove,greatly to the advantage of the pasture.

CAPPING MACHINE. I forget whether I told you that we were sending a new one from Waller; as it is said that it will save a good deal of labour,it seemed the right thing to do. It goes by this boat,and costs much about the same as the filling machine, for which there is now no use. It is easy to say that the latter may be useful as a stand-by,but the same remark might be applied to any of the other machinery,and would it not be better to try to sell it,if a buyer could be found on the main land,and so pay for the capping machine? Doing so would wipe out an egregious error.

BOILED BEEF. The proposal to kill cattle is approved of, and the plant required will be sent. The necessary arrangements for killing will have to be made, but these need not be very expensive. The outturn will naturally be small, and the outlay should be in proportion.

PROPOSED ADDITIONS TO BUILDINGS. The Preserving Room seems to be the most important, and should be proceeded with. Any other that would clearly save labour may also be considered authorized. In the absence of Mr. Allan, it would seem desirable that you should, if you can spare the time, pay a visit to Goose Green. It would not be regarded as in any way an interference with Camp work, and as you have a taste for machinery a conference with Weiss on the spot could do nothing but good, and your approval of his proposals would give him confidence. You and he both know that we want to see the expenditure at an end, and you will not lay out any work that is not clearly desirable.

DRAIN PIPES FOR WATER. These have been ordered, and will be shipped when convenient.

GENERAL. If there is any subject on which I have not touched, it will be attended to next mail. I have been away for a short holiday, and have not everything at my fingers' ends. I may say, shortly, that all the requisitions are receiving attention. I think that it would be desirable to let Weiss know that the Board are gratified to find that he has made such improvements already in every direction, and that they feel sure that he will do all in his power to make the place a success. You have made no allusion to the gratuity that he was to receive if things went well, and we shall be glad to hear from you on this subject.

16. I enclose some correspondence I have had with the PSNC. You will see that they proposed to raise freights all round at once, and even asked us to cable the rise out to you. I wrote that, while regarding the rise as inevitable, I considered that this sudden move would be productive of the worst consequences, and I pointed out that if the early shippers this year got their wool home at the old rates, while those who, through no fault of

their own, found themselves compelled to wait, [redacted] had to pay increased rates in the same season, an amount of resentment would be aroused that would be prejudicial to the interests of all concerned in the transport of produce, for it would possibly drive some of the farmers to club together to get vessels of their own, and upset the arrangements that had been made with so much difficulty in the autumn of 1910. I am glad to say that with the assistance of our valued friend Mr. Connell, who went to see Mr. Alcock and talked our case over with him, the latter has been persuaded to give way, and the rise is not to apply to the next two shipments, which I hope will rake in all the remaining wool. I had had this out with Mr. Lamb as long ago as last May, when I was in Liverpool, and had got him to say that the rise would date from the 1st of January next, although until I had explained the reasons for delay he was for putting it on at once. The present move is intelligible to those who know the PSN office; Mr. Lamb has just gone for a holiday, and Mr. Alcock, who knows less about freights than the former, has been trying to score off his own bat. The position is a serious one, and there are many things to be considered. The Steamship Companies are quite in the right; wherever you look there is a rise in expenses that tells against them, wages, coals, provisions, everything. Moreover, apart from this, there is a boom in shipping, such as has not been known for many years, and the various Companies, instead of cutting one another's throats, are joined in Conferences, and settle freights among themselves. All those running to the West Coast of South America, the PSN, Kosmos, and the rest are banded together, and Lamport & Holt are now practically the Royal Mail. It is clear then that if we are to continue shipping by steamers, we have to make the best terms we can; the only point in our favour at present is that, by general agreement, the Falklands are excluded from the conference, and the PSNC have a free hand. It is just possible that we might be able to get some New Zealand line to call at intervals for our shipments, and there are still a few free lances among steamship lines, I am told; but if the freights, which after all are

the mainstay of the PSN at the Islands, should be taken away, how long would the mail service by that line be continued? This, we have often said, we must not imperil. We have not merely to consider the action of the PSNC, for the through freight from outports is split into three parts, the other two going to Salvesens and ourselves, and you will see that on telling our friends at Leith what the Pacific were doing, they wrote at once that the rise must not come off the Columbus's share, rather that their rate should be increased in sympathy! We, equally, having got a moderately good return for the work we do in Stanley and for the use of our hulks, lighters, and appliances, without which the work could not be done, have no desire to be squeezed between the two shipowners, and how everyone, including the shippers, is to be pleased, is indeed a problem that has to be worked out. It will take some little time to work out statistics again, but we have the materials. I want to see exactly to what extent the PSN have profited by the new terms, that is whether their net freights in 1911 were highr than they had been before; to what extent we have been bettered by the proportion of freight and commission we get on the produce that passes through our hands; and again, the result of the Columbus's first year, which we hope to get shortly. Our present weight rate for wool being 9/16d, I want to see how far an advance to $\frac{5}{8}$d. would go, and until the figures are put together it is impossible to judge. There are some points in our favour: I am assured that the new rates proposed are the same as from Punta Arenas, as settled by the Conference, and this I have urged for some time, as it will remove a grievance under which some think they have suffered; sailing ships are now so scarce, and late shipments by them have been so much damaged, that farmers are hardly likely to wish to revert to them; and the rate, as you will observe, is only to be measurement if three times the weight, instead of $2\frac{1}{2}$ times under the present arrangement. I hope that this is really so, but I should like to know that Mr. Lamb acquiesces, for he has an awkward habit of altering terms that do not suit him. How all this is to be explained to the farmers, and

how they are to be got cheerfully to agree to the rise is a puzzle; there is one very strong point which ought to appeal to men of reason, that is that to the general rule that all prices have advanced of late years wool is no exception, and they cannot expect to get a better average for their own commodity without see- an advance in the cost of getting it to market, an advance which they can bear. I have gone fully into this question for your own information and consideration, but I suggest that until we have clearly made out what terms should be offered we should not make them public. We shall be hit as hard as anyone, and have to submit; but I do not think that we should give other shippers the opportunity of looking round for other means of shipping, and so breaking up the solidity of our arrangement, which some people here would certainly try to do. There are some who would have no regard for the mail service, if they could save a fraction of a penny in freight; we who know how the two are bound up together, and remember old times, do not take that view.

17. Mr. Salvesen has asked me whether it would be possible to get a house in Stanley for Capt. Saanum, who wishes to get his wife out. This is a question I cannot answer, but I have told him I would ask you, and, as you appreciate him so thoroughly, no doubt you could let him have one of ours unless they are all occupied.

18. I have been in consultation with Mr. Allan about a doctor for Darwin, and have arranged to take a cousin of Mrs. Allan's, a Dr. Wace, at present serving the West Australian Government. He can give short notice, and meet Mr. Allan in Montevideo in October. This will be a pleasant arrangement for the Allans, and tend to preserve harmony in a place where there has been too much friction. We saw a young Doctor recommended by Dr. Watson Cheyne, but he was very young and unmarried, so I did not think he would do. Another applied from Devonshire, and I would have gone into his credentials, but just at the time we heard of Dr. Wace's acceptance of the offer.

19. Referring once more to canning, I enclose copy of a letter from Babcock & Wilcox relating to the care of the boiler when

not in use. You will see that they do not recommend painting. With regard to tins for tongues, Weiss mentioned that a sample one would be sent of the size required, but it did not turn up in the case of sundries; we find that there are no fewer than six sizes in which ox tins are packed, and it is said that it is a disadvantage to have them either too large or too small, so that we are placed in a difficulty, and must wait until next mail to see if the sample arrives. If it does not, we must strike an average size I suppose, for considering the cost of dies and the comparatively small number of tongues likely to be canned, we cannot send dies for each size.

I am, Sir,

your obedient servant,

Managing Director.

DESPATCH no.1109 per "Orissa",21st August,1912.

Precis of Contents.

1. Acknowledges despatch and letter.
2. Refers to remarks on labour question.
3. Gives instructions on distribution of Bonus.
4. Coals out; Brancepeth ordered.
5. Advises payment of draft on account of "Wiscombe Park".
6. Acknowledges explanations about "Samson".
7. Discusses question of lighters.
8. Note on interview with Mr.Harcourt.
9. Refers to the question of pensioning J.Kelway.
10. On the Priestman engine.
11. Approves action with regard to shipping goods per "Columbus".
12. Advises sale of sheepskins and postponement of sale of wool.
13. Points out errors in homeward tickets.
14. Enquires about windlass required for "Samson".
15. General remarks on Canning Works.
16. Reports impending rise in homeward freights,and discusses the question.
17. On getting house for Captain Saanum.
18. Reports engagement of Doctor for Darwin.
19. Further reference to canning matters.

Enclosures via Liverpool

Duplicates.

Despatch No.1108 dated 24th July.

Remarks on Accounts.

Remarks on Stores & replies.

List of General Cargo per "Orcoma"

List of Clients' Cargo per "Orcoma"

List of Dutiable Goods per "Orcoma"

Bills of Lading goods per "Orcoma"

Second of Exchange for £10 . 19 . 2

List of Enclosures.

General Invoice goods per "Orcoma"

List of Parcels.

Enclosures per Supplementary Mail

Originals.

1 Remarks on Accounts.

2 Remarks on Stores,Canning & replies.

3 List of General Cargo per "Orissa"

4 Copy of letter from Fawcett Preston & Co.dated 23rd August and print No.7748 attached.

5 Clients' Invoices goods per "Orissa"

6 Copy of letter to W.Lowden & Co.dated 23rd August.

7 Copy of Cablegram received.

8 General Invoice goods per "Orissa"

9 Sight dradt on J.Kirwan for collection B/L attached.

10 Suppliers' Invoices Goods shipped per "Orissa"

11 Copy of letter from Arthur R.Brown dated 22nd August.

Letter for the following:-

W.A.Harding (2) W.C.Girling.

London 24th August,1912

Enclosures via Liverpool.

Originals.

1 Wool market Reports.

2 Copy of letter from Pacific Steam dated 6th August. re Mr Packe's freight per "Duendes".

3 Copy of lettersfrom Pacific Steam dated 9th & 16th & our reply of 12th August.re freight rates.

4 Copy of report & contract S 35 Salted Hides ex "Duendes"

5 Copy of letters from Chr.Salvesen & Co.of 13th & 16th and our reply of 19th August.

6 Copy of letter from the Pacific Steam dated 26th July. re Bonner's return passage.

7 Copy of Coubro & Griffiths's quotations for Windlass & illustrations attached.

8 Copies of Fawcett,Fraser & Griffiths's quotations for Jacketted pans.

9 Copy of Fawcett & Griffiths's quotations for Tallow Digesters dated 29th July & 14th Aug.respectively

10 Copy of letter from Babcock & Willcox dated 15th August re boiler at Goose Green.

11 Copy of letter from Priestman Brothers dated 19th Aug. and book of instructions re Oil Engines.

12 Account Current and vouchers.

13 Brokkers' Sheepskins Catalogue.

London 21st August,1912.

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The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 18th September, 1913.

Per Oropesa.

No. 1110.

Sir,

I have to acknowledge the receipt of your despatch 422 and letter of the 6th August, which arrived on the 2nd inst., also of despatch no. 423 per "Magellan" on the 16th inst., apparently posted at some port, as the steamer was only at Las Palmas on the 13th.

2. 422-2. It would be as well to have a detailed inventory of the office furniture to be placed on record, but any time before the end of the year will do.

3. Par. 5. The information about posts from the Straits is new and interesting; the piece you have sent as a sample is hard enough for anything.

4. Par. 6. The Crown Agents tell us that the operator went out by the "Orissa", and we may get the first message any time after today. You have not sent the tariff proposed to be charged, but I assume that the Government will frame one. We shall now have to go into the question of a new code, or arrange to work combinations of the old one, for the cost of cabling is likely to increase.

5. Par. 7. You appear to have misunderstood our cable about the "Nuuanu", and understood "credit is all inorder" to mean that the Owners enjoyed good credit. The business has gone through without any mishap, but there was a risk of repudiation.

6. Par. 10. You have exercised excellent judgment in working the "Lafonia".

7. Par. 14. Instructions already sent will, I think, make the distribution of the bonus clear.

8. Par. 16. I had already decided to send 50 tons of Smithy

W.A. Harding, Esq.,

Manager,

Stanley.

Coal from the Tyne. We have lately chartered the "Gaita" for steam coal from Port Talbot to Stanley and Darwin at 30/.,which as things go is said to be a good rate for us. This has been cabled to you,as you will be anxious to know what we are doing.

9. Par.17. Your remarks on steamers are noted,and it does not look as if we should get sheep from the West next season; but the matter should be kept in view,for if all carriage difficulties could be got over,it would be of advantage to us to put as many through as we could scrape together. I shall go further into the question of another steamer as soon as Mr.Theodore Salvesen returns from his holiday,and shall suggest that it it not necessary to duplicate correspondence. I see that he curiously misunderstood the reason I gave for not carrying sheep in a passenger vessel. I told him that I had made trips in the Islands with sheep,and that the smell was more pungent and less pleasant than lavender water,a smell that sticks to the ship until thoroughly cleaned out. Mr.Salvesen puts it down to the supposed injury which it might do to cargoes of wool,which of course is absurd.

10. Par 19 and 423-4. I had sent out prices quoted for a windlass,and did not understand that you had put the work in hand. No doubt it has been done for much less that a new windlass would have cost,and your report indicates that much credit is due to Mills and McNichol (McNicoll?) for their enterprise.

11. Par.20. The proposal for carrying on an account current with Braun & Blanchard is not stated clearly enough for the Directors to form a judgment,and more details are wanted. You say that they suggest reciprocal interest at 6% per annum,,but the Board want to know how it is proposed to deal with remittances on England,which evidently are made on both sides. For instance, if you draw on them for £1000 in all,and send them a bill on us, with the advice,for the same amount,do they credit you with it at once,or what? Is there any exchange for bills on England at Sandy Point? We notice that if we get a bill from there,if it is only for £10,it is at 90 d/s.,whereas your drafts on us are at 30 days. We must have some reciprocity in this matter.

12. Par.22. An account of the sufferings of the crew of the "Criccieth Castle" has appeared in most of the papers; they must have had a terrible time. The Owners have repaid the small advance.

13. Par.24. The list of cargo to come has been lent to Mr. Connell, who tells me that Mr.Lamb will make it right about the freight on the remainder of this season's produce. With regard to the new rates, I have got them confirmed by Mr.Lamb, and I must say that they are unexpectedly favourable. The through rate from outports to London must clearly be ⅝d, that is to say 1/16th more than under the old tariff, and you will see that as this brings in £5.16.8, the deduction of the PSN's new rate gives the "Columbus" and ourselves £2.16.8, in place of £2.12.6. This is for weight, and when it comes to measurement you will see that the 20/.rate is actually 2/.lower than what we have been paying. We have, in fact, got them at last to give us Sandy Point rates, and that removes a grievance under which the Colony has hitherto suffered. We are, therefore, in the pleasant position of being able to announce that while we are obliged to advance ⅛/16th on weight, owing to the rise in the ocean rate, we shall be able in future to carry by measurement at a reduction, i.e.at 40/.& 5%. You will observe that it will only pay the PSN to bring this in when the measurement is more than 3 times the weight, instead of 2½ times as before, and the difference to us and the "Columbus" will be one penny a ton. As to the remaining rates, the addition of 5/.per ton will leave us as we were. You will now have to announce this change, and you must make as much as you can of the rise in freights all over the world, a rise which is coincident with good business in most trades and increased prices for commodities; it may safely be left in your hands to make the announcement in a thoroughly persuasive and plausible way, that cannot fail to carry conviction. ~~Without~~

14. With regard to the schoolmaster Morris, who has thrown up his contract in a way that is quite unjustifiable, we think that, in the circumstances, there was nothing to be done but to let him go, the only objection to this is the possible effect it may have on others, but that has to be risked. You will have to deduct the

cost of his successor's passage,and have very likely done so already. I have asked Fleming and Haxton to get another man,and have told them that in future there must be a clause in the agreements about the passages. It is by no means certain that our agreements are strictly legal in the Colony,as they are not signed before a notary or other public official,and I believe that if any of our men on landing were to refuse to abide by them,it might be difficult to force them. Whether,having once got to work,and received the wages contracted for,they do not become parties to them,is a question for lawyers.

15. 423-2. It was fortunate that you were able by using the "Samson" to get the whole of the Goose Green produce for the "Magellan". We have sold to arrive 1500 cases mutton at 26/3d.,and expect to do very well with the extract,as the price has been advancing by leaps and bounds,up to 4/10d per lb.having been paid for the best,against 2/.only a few months ago. Par.3. The 35/.rate is correct; we got it down some time ago,and you will see that under the new tariff it is only 40/.

16. When at Dover lately Mr.Goddard saw some piles being constructed of re-inforced concrete; this is worth consideration for jetties,as the process cannot be a difficult one to manage.

17. We are sending out shortly from Browne & Lilly the framing and roofs of a new Cook-house for Goose Green and the school building at Darwin,to be followed later on by a new building for the accommodation of men at Darwin. The flooring,lining,and other wood you will supply ex "Ragnhild".

18. I had settled to call our Mutton cans the "Malvina" brand,and applied to register it,when I heard from the Registrar of Trade Marks that it already belonged to Messrs.W.J.Bush & Co., Ltd.,who adopted it eight years ago for all products in the class to which canned meat belongs. This was most awkward,as we had already had some specimen labels printed; but Messrs.Bush,who are wholesale chemists,have been most obliging,and have given us a permit,for a small consideration,to use the brand for boiled meat only,so the difficulty has been happily overcome. Their lists are

enclosed,and if there is anything in them that we are in the habit of shipping we ought to give them a turn. We explained to them that the word "Malvina" dated back to the Spanish occupation,and it was curious to learn that they adopted the name,not through any association with the Islands,but because on opening a Spanish dictionary in search of a smooth sounding word they happened to come across it!

19. The cost of getting Weiss over from Sandy Point seems somewhat high,but we are evidently benefiting by his services,and must put up with it. You have not reported the terms of his agreement,and we should like to know that he is definitely fixed for a period,as these expenses for only a year or two would be rather too much.

20. Your cable announcing the prohibition on importing stock duly arrived,and was only what was expected,as Mr.Townson had written to say that he had advised it. We are the people most interested,and quite agree with the step at the present time,as the introduction of foot and mouth disease in the Colony would be ruinous, and no precaution that could be taken against it should be neglected. At the same time,red tape should not be allowed to prevail when the time arrives for removing the stop. We are going to buy a few rams at Ashford,and intend to pay for their keep for an indefinite time; we should not have bought this year,but the opportunity of getting Mr.Allan to go to Elham,personally to select those he thought we should bid for,was not a thing to miss. We hope to ship in January or February,but can arrange to keep the rams for a year if necessary. Cases are few and far between,and are isolated,there has not been one in Kent,the rams when sent go direct to Liverpool,have a month at sea,and then another in quarantine; these circumstances should be considered when the question of cancelling the prohibition arrives. It seems hardly possible that rams,even if shipped now,which we should not advocate,could have the disease about them without developing it; with hay there might be danger,and it would be more to the purpose to keep any grown in this country out for a longer time than stock,as it might come

from an infected district. We shall ship Canadian for the present.

21. You have said nothing about the expiration of the Geese Ordinance, and the idea here seems to be that it is not to be renewed. There is no doubt that it has done a lot of good, and Mr. Allan agrees with me in saying that as the pests have been so well thinned out, it would be a thousand pities if they were allowed to increase again. I have not heard what the Governor's idea is on the subject, but it is one on which the wish of the majority should be allowed to prevail, and if necessary a memorial should be sent to the C.O. asking for a renewal of the Ordinance. I do not know what would be said in Australia if the Government encouraged the breeding of rabbits.

22. We have engaged by cable as Doctor for Darwin Dr.R.H. Wace, at present in Government service in Western Australia, or lately I should have said, as he is understood to be on his way to Montevideo to join the "Oropesa". The circumstance that has induced us to get a medical man from such a distance is the fact that he is a cousin of Mrs. Allan's, which we hope will tend to greater harmony in the Camp than has existed for some time. It cannot be disguised that we are running a certain risk in making this appointment, as everything has had to be done by cable, and no agreement has been signed; but we have seen Dr.Wace's brother here, and have explained everything to him. Mr.Allan appreciates the desire we have to make things comfortable for him and Mrs.Allan at Darwin, and will do all he can to smooth the way for the Doctor. In consideration of the passage from Australia being more costly than from here, and of the fact that Dr.Foley's salary of £300 was only given after three years' service, it has been arranged that Dr.Wace's pay from the Company is to be £250 for the first three years, and then £300, for the last two, with the same passage that Dr.Foley gets to England, but not back to Australia. You will have to sign an agreement with him on these terms, and for the rest following Dr.Foley's, except that, as arranged, he is to be subject to Mr.Allan's orders at Darwin. I have explained that as you are the holder of the Company's Power of Attorney you must be entered in the Agreement as repres-

enting the Directors.

23. I hear from Liverpool that the PSNC are relenting still further over the rise in freights, and that they will, in all probability, agree to carry at the old rate all the produce enumerated in your return of what is still on hand. I am going down early, and shall be able to report from there.

I am, Sir,

your obedient servant,

Ted. E. Cobb.

Managing Director.

DESPATCH no.1110 per "Oropesa",18th September,1912.

Precis of Contents.

1. Acknowledges despatches and letter.
2. Suggests making inventory of Office furniture.
3. About posts from the Straits.
4. On Wireless telegraphy.
5. Alludes to misunderstanding about "Nuuanu".
6. Commends judgment in working "Lafonia".
7. On distribution of Bonus.
8. Advises charter of "Gaita" with steam coal,and intended shipment of Smithy coal.
9. On carrying sheep between the Islands.
10. About work on Samson's windlass.
11. Further information desired on Braun & Blanchard's account.
12. Refers to "Criccieth Castle."
13. Remarks and instructions on new rates of freight.
14. About Camp schoolmasters.
15. On produce per "Magellan.
16. Refers to concrete piles as worthy of consideration.
17. Advises framing of new buildings for the Camp.
18. On registration of brand for Mutton.
19. Refers to Weiss's engagement.
20. On prohibition of importations of Stock.
21. Suggests renewal of Goose Ordinance.
22. Reports engagement of Doctor Wace for Darwin.
23. Further as to rise in homeward freights.

Enclosures via Liverpool

Duplicates.

Despatch No.1109 dated 21st August.

General Invoice goods per "Orissa"

List of Parcels.

List of Dutiable Goods per "Orissa"

List of Clients' Cargo per "Orissa"

Second of Echange for £ 31 . 6 . 8

List of General Cargo per "Orissa"

Remarks on Accounts.

Remarks on Stores & replies.

List of General Cargo per "Orissa"

Report & Contract on S 35 Salted Hides ex "Orissa"

Clients' A/sales:-

J.B.	46	bales Sheepskins	ex "Potosi"
J B	6	,,	,,
S & S	3	,,	,,
T R	6	,,	,,
W C M	5	,,	,,
A F C	3	,,	,,

List of Enclosures.

Enclosures via Liverpool

Originals

1 Copies of Cablegrams sent on 30th Aug.& 13th Sept.

2 Annual Colonial Report for 1911.

Clients' Reports:-

3	S	151	bales Wool	ex "Duendes"
4	HGC	102	,,	,,
5	F B	98	,,	,,
6	P H	78	,,	,,
7	F	296	,,	,,
8	AP	31	,,	,,
9	RBC	25	,,	,,
10	McG	47	,,	,,
11	W P	39	,,	,,
12	L	199	,,	,,

13 Copy of letter from Oil Lighting Co.of 21st August.

14 Brokers' press copies of reports on Company's wool ex "Duendes"

15 Corrected General Invoice goods per "Orissa"

16 Charter Party ship "Gaita"

17 Schedule of Amended freights for 1913.

18 Copy of letter from J.Buchanan & Co.of the 5th Sept.

19 Copy of letter from H.Hughes & Son of 11th September.

20 Copy of letters from Lawler Ayres & Co.,Ltd.of the 12th & 14th September.

21 Keys of Page's trunks.

22 Copy of letter from Griffiths Beddoes & Bray,Ltd.of 6th September re Tallow Digestors.

23 Copy of letter to the P.S.N.Co.of 4th Sept.& their reply of 6th Sept.re homeward freights for 1913

24 Instructions for Mrs Lawsen re dividend warrant from Birkbeck Bank.

Letters for the following:-

W.A.Harding (2) A.L.Allan & W C.Girling.

London 18th September,1912

Enclosures via Lisbon

"Originals.

1 Account Current and vouchers.

2 Remarks on Accounts

3 Remarks on Stores

4 List of General Cargo per "Oropesa"

5 Corrected list of Dutiable Goods per "Oropesa"

6 General Invoice goods per "Oropesa"

7 Sight Draft for £ 55 . 17 . 6 on J.Kirwan for collection and documents attached.

8 Suppliers' detailed account for goods shipped per "Oropes

9 Schedule of Fencing.

Clients' reoprts:-

10	H.G.C.	17	bales	Sheepskins ex "Duendes"
11	F B	4	,,	,,
12	S	3	,,	,,

Letters for the following:-

W.A.Harding (2)

London 21st September,1912

Filed

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 16th October, 1912.

Per Oravia.

No. 1111.

Sir,

I have to acknowledge the receipt of your despatches 423 and 424, which arrived on the 16th and 30th ult. respectively, also of your letter of the 3rd ult. on the latter date.

2. 423-2. It was fortunate that you were able to get the Goose Green produce in in time for the "Magellan". It has come to a good market, especially the Extract, which has been sold at 4/7d per lb., and has realized nearly £1500 in cash.

3. Par. 3. The correct freight on meat has been charged.

4. Par. 4. Mills certainly deserves credit for his work on the Samson's windlass, which must have been less costly than a new one, judging by the time occupied over it.

5. 424-4. It is gratifying to hear that the Manager of the PSNC on the West Coast has been so obliging; this seems to be a new departure, and we hope that it will continue.

6. Par. 6. You are quite right in what you say about a divided steam service in the Islands being unprofitable to all concerned; I laid stress on this in the 6th paragraph of my circular of the 16th November, 1910. I think, however, that you will modify the view expressed in the latter part of your remarks, when you know that shipments can no longer be made more cheaply from Punta Arenas than from Stanley, that is to say by any of the Conference lines at all events. I look upon this new arrangement as a most valuable one to the "Columbus" and ourselves.

7. Par. 8. There are signs that the Whaling boom is being overdone, and I hope that shareholders in the Islands have not burned their fingers.

W.A. Harding, Esq.,

Manager,

Stanley.

8. Par.10. If what you have written in this paragraph about North Arm had come before, we should probably have got a new engine as well as boiler. The report to which you refer is solely on the boiler, and the engine is not even mentioned. I spoke about the machinery to Mr.Allan, and judged from what he said that with a good supply of steam there would be no fear of a breakdown. The steam pressure in the new boiler can surely be adjusted to what the engine wants. I purposely sent Mills to Huddersfield to inspect the presses there, as I believe that when we want new ones we shall do better by going to those people. But the press and pumps at North Arm have not been reported as worn out, and the bales made are good enough still. You are right in your remark at the end of this paragraph; we have spent a large sum on the Canning Works without raising any additional capital, and we want rest for a time. Nothing that is actually needed is ever grudged, but if work can be got through with safety and despatch with the appliances we have, we don't want to launch out in expenditure on more modern plant, even although the latter may be undeniably better. If we were engaged in a keenly competitive manufacturing business this view would be a short-sighted one; but we are not.

9. Par.12. It is quite right that all concerned should be alive to the danger of Cinematograph shows, and it is unfortunate that Father Migone should have gone into the thing with so little consideration.

10. Par.15. I must say that I am amused at the freight incident, which may be regarded as the plot that failed. You will have read all the correspondence by now, but you will be as much puzzled as I was by Mr.Alcock's action in asking us to cable out the new rates, and doing it himself as well. I still remain of opinion that he tried to bring off a coup in Mr.Lamb's absence.

11. Par.16 The drawing by Mills of the soundings may be useful in the future, but, as you know, we shall not go into the matter of a slip for Stanley if the New Island one is constructed, and that it will be seems certain. Only a prohibitive tariff of charges there would warrant our constructing one for ourselves.

12. Par.17. The report on the Plym's boiler is not pleasant reading. It has not been in use nine years yet,and its condition rather suggests neglect on the part of somebody. Was it not arranged that she was to be run with fresh water,or is that not practicable? Having condensing engines,when once filled I believe that there would not be much waste of steam,and therefore that it would not be difficult or expensive to keep up the supply of fresh,but I have consulted no one on the subject,and confess that I know little about it. Then what about zinc plates? We have sent them out from time to time,but there have been no orders for a long time; are not they used both in the "Samson" and the "Plym"? Mills seems to be very properly overhauling everything, and it is to be hoped that he will be able to prevent the pitting of this boiler from extending.

13. With regard to prohibition of stock importations,I was at Ashford lately,and was introduced to Mr.Finn,who gave me a letter from the Veterinary Officer of the New Zealand Government in London,a copy of which I am forwarding to Mr.Allan. You will see that while doing all that is necessary to safeguard the interests of the Colony he proposes to remove the restriction as soon as a month has passed without a case,excluding a northern county where most of the outbreaks have occurred. As soon as New Zealand is open,I propose to ask the Colonial Office if the Falkland Islands Government will follow suit. The period of incubation does not exceed 10 days,and with a month's voyage and a month's quarantine at Stanley there can be no possible danger from stock,although hay might be considered suspect for some time longer.

14. We received a cable stating that wireless communication had been established with Montevideo,but we do not know the place of origin,and can get no information from the Eastern Telegraph Co. Moreover,I observe that you are still cabling through Monte Video by mail boat,and until we know for certain that we can get through we shall leave the Wireless alone.

15. Your cable about the "Marco Polo" and the Terpsichore"

arrived last week. Messrs.H.Clarkson & Co.will accept up to £1000 on account of the former at 90 d/s.,and the Owners of the "Terpsichore" have sent us £400 in cash,of which some,I assume,will have to be returned. This information has been cabled to catch the "Oropesa" at Montevideo.

16. The "Gaita" sailed on the 3rd inst.with 584 tons steam coal,and a quantity of drain pipes for Goose Green. We are paying an extra insurance on the cargo for Darwin,and I have entered the coals at 250 tons provisionally,to be increased if you decide to send more. With regard to the consumption of coals at the Works,which may perhaps be looked upon as belonging properly to Mr.Allan's department,I think that you may be able to give some useful information,as you have Mills at hand to consult with. At the outset,Mr.Allan's letters of the 14th April and 10th May last year spoke hopefully,and he said that there was no doubt that the boiler worked very economically; in that season the consumption seems to have been about 50 tons in all. But this year the remaining 200 tons ran out,and as far as Mr.Allan can judge,he puts the consumption down at 1 ton per 1000 sheep. This is a question on which Mills's opinion will be useful; can this consumption be reduced in any way? Was not the furnace constructed to burn scraps with coal,as formerly,and was it not consequently made much larger than necessary? And,assuming that scraps can no longer be burned,would reducing the size of the furnace tend to economical working? It is said that there are no scraps or refuse of any account,but can this be? No answer has come yet from Mr.Allen, but I expect to hear from him that the hydro extractor,as its name implies,is for the purpose of dessicating such scraps as there are,and that when dry they will burn with the coal. I do not think that we have got to the bottom of this question yet, and it is an important one.

17. Mr.Blake goes by this boat,and every facility must be given him for getting about,including the use of the "Samson" in going to Goose Green,or fetching him back if he goes in the "Columbus". He is unfortunately very lame,and therefore proper arrangements will have to be made for conveying him by boat between

Darwin and Goose Green. There are a lot of other passengers, and the arrangements for getting them to their destinations with only one vessel will be somewhat difficult to carry out I fear.

18. Nothing has been said of late about getting the "Garland" back to Stanley, but no doubt you are keeping it in view. You have the former Owners' statement as to the amount of ballast with which she used to sail, I think, and it was considerably less than the weight you mentioned.

19. The Wool sales went with great spirit from first to last, and the prices obtained are from 7½ to 10% higher than in September. This ought to be some consolation to those whose wool has been unavoidably delayed.

I am, Sir,

your obedient servant,

Managing Director.

DESPATCH no.111 per "Oravia",16th October,1912.

Precis of Contents.

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1. Acknowledges despatches and letter.
2. On produce per "Magellan".
3. Freight on Meat correctly charged.
4. Approbation of Mills's work on windlass.
5. Action of PSNC Manager on West Coast appreciated.
6. Divided steam service,remarks on.
7. Alludes to subscriptions for Whaling shares.
8. Discusses subject of machinery at North Arm.
9. On Cinematograph shows.
10. Alludes to rise in freights prematurely ordered.
11. Slip abandoned under present circumstances.
12. Enquires about Plym's boiler.
13. On prohibition placed on importations of Stock.
14. Cable about Wireless not confirmed.
15. Reports arrangements re "Terpsichore" and "Marco Polo".
16. Enquires about consumption of coal at the Canning Works.
17. Mr.Blake to be provided with facilities for getting about.
18. About the return of the "Garland" to Stanley.
19. Reports result of Wool sales.

Enclosures per Supplementary Mail via Lisbon

Originals

1 Account Current and vouchers.

2 Remarks on Stores & replies.

3 Remarks on Accounts .

4 List of General Cargo per "Oravia."

5 General Invoice goods per "Oravia"

6 Dates of London Colonial Wool Sales for 1913

7 Letter to Chr.Salvesen & Co.of 18th October.

8 Browne & Lilly's Erecting Instructions for Cookhouse & School together with blue plans.

9 Clients Reports & contracts:-

J F	20	Salted Hides	ex "Magellan"
W P	5	,,	,,
McG	37	,,	,,

10 Sight Draft on J.Kirwan for £ 78.7.- for collection B/L attached.

11 Copy of letter from the Pacific of 14th & our reply of 15th October re B.B.1 bale Wool ex"Junin"

Letters for W.A.Harding,Esq.

London 19th October,1912

Enclosures via Liverpool

Duplicates

Despatch No.1110 dated 18th September.

List of General Cargo per "Oropesa"

List Of Clients' Cargo per ,,

Remarks on Stores

General Invoice goods per "Oropesa"

List of Parcels.

List of Dutiable goods per "Orppesa"

Schedule of Amended freights.

ChartgrParty ship "Gaita"

Second of Excahnge for £ 55 . 17 . 6

General Invoice goods per "Orissa"

List of Enclosures

Remarks on Accounts

B/L general cargo per "oropesa"

Clients' Reports :-

AP	31	bales WOOl	"Duendes"
RBC	25	,,	,,
H & G	47	,,	,,
W P	39	,,	,,
L	199	,,	,,
H G C	17	bales Skins	,,
A F C	1	,,	,,
W P	2	,,	,,
R B C	3	,,	,,
F B	4	,,	,,
S	3	,,	,,
AP	4	,,	,,
M&G	3	,,	,,

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Enclosures per Oravia via Liverpool

"Originals"

1 Wool Market Reports.

2 Copies of Cablegrams received.

3 Copies of Cablegrams sent.

4 Sanderson's price list for Wallpapers for 1913.

5 Duplicate receipt for cash to R.J.Dettleff £90 .16 .-

6 Labourers' Agreements:-

L.Grant,W.C.Falconer,G.Brechin,G.Perry,J.W.Allen,

E.Rowsell,E.White,F.A.H.McTravis,J.Ford,& A.Runacres

Clients Reports:-

7 S.I.116 bales Wool ex "Magellan"

8 M V 18 ,, ,,

9 B 90 ,, ,,

10 B B 19 ,, ,,

11 J F 6 casks Tallow ,,

12 M V 1 ,, ,,

13 B 3 ,, ,,

14 K 2 ,, ,,

15 Brokers' press copies reports & contracts Produce per "Magellan"

16 Copy of letter from J.Rhodes & Sons of 26th September re dies.

17 General Invoice & B/l.Coals per "Gaita" & receipt for advance freight

18 John Aitken's letter of 24th September re payment of passage money advanced.

19 Duplicate receipt for £ 5 paid to A.Runacres.

20 Copies of letters from Chr.Salvesen & Co.of 7th & 10th & our reply of 11th October.

21 Copies of Correspondence with Western Telegraph Co.re Wireless Instillation.

Letters for :-

A.L.Allan & W.A.Harding.

London 16th October,1912

hd Secd

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per Orcoma.

No. 1112. London, E.C. 13th November, 1912.

Sir,

I have to acknowledge the receipt of your despatches nos. 425 and 426 and letter of the 2nd of October, all of which arrived on the 26th ult. Your cables of 20th ult. from Punta Arenas, and of 27th id. and 2nd inst. from Montevideo are also to hand.

2. 425-3. Although the "Frigga" was chartered months ago, she is only now on her way to Blyth from the Baltic, and I am concerned about the delay, as it may mean that you will run out of house coal. The cancelling date has expired long since, and our Brokers have been trying to substitute another ship, but vessels of the size of the "Frigga" are increasingly scarce, and they have been unable to find one. Should we hear that you are running short, a small lot will be sent by steam at once.

3. Par. 4. The question of trying to salve the "Hornet" must be left in your hands, but I should have thought that, considering her age, 58 years, her small tonnage, and the length of time that has elapsed since she was wrecked, trying to get her off to turn her into a lighter would be a risky experiment.

4. Par. 5. Please make out from the information within your reach the amount of John Kelway's average pay since 1875. If you get something approximate it will do. I really forget about the wages lists, but is it not possible that up to 1878 the weekly men signed a book? That they signed something there can be no doubt.

5. Par. 7. You are right about the discount off the PSN tickets, it is never queried. We have had several instances of this here lately.

W. A. Harding, Esq.,

Manager,

Stanley.

6. Par.8. Your remarks and calculations on the subject of homeward freights have been carefully considered, and your cable of 27th ult., "Most strongly advise you retain 42/. with 5% primage" noted; I am therefore able only provisionally to answer what you say, deferring positive instructions until your reasons in support of your cable have been considered. But up to the present, we think that the gross freights should follow those of the PSN as closely as possible, and your proposal to charge ⅝d weight, while retaining the measurement rate at 42/6 does not commend itself to us. At ⅝d per lb. the freight on a ton of 2240 lbs. is £5.16.8, and since the PSN measurement is 20/., or one-third the weight, the proportional through freight would be actually 38/11d. and we should be near enough in charging 37/6d & 5% = 39/4d. There are one or two reasons for adopting this: it is not a bad thing to be able to say to the farmers that although the rise in freights forces us to charge ⅝d weight, we have the pleasure of reducing the measurement rate to 37/6 & 5%, and it really does not matter, as with the new proportion between weight and measurement there will practically be no measurement freight at all. Another and more weighty consideration is that we have succeeded at last, after trying for some years, in getting our own freights put on the Sandy Point basis, and that, as a good deal of produce comes forward with the full freight charged, and the PSNC have to repay us the difference, if they see that they are refunding much more on measurement than weight, what would be more natural than the infliction of a rise in their rates which would once more establish a difference between us and Sandy Point? As regards your other remarks, I have been looking up statistics, and will give some of them here, as it will be useful to have them on record. I am going back to the figures of 1909, because I find them ready to some extent, and the yearly difference is not large.

The gross weight per bale was 6.1.5, and the measurement 28'8", our wool therefore was pressed up to 24.6 per c.ft. At 2½ times weight, the dividing line between weight and measurement was 22.4 lb. per cubic foot. Under the new arrangement we can

ship 2240 lbs.or 120 ft.for 60/. ,that is to say the pressure need not exceed 18 and 2-3rd lbs.per c.ft. While it may answer to reduce our pressure somewhat,it would be inexpedient to bring it down to anything like that,for two reasons: one that the PSN would very soon see what we were up to,and revise their rates, the other that the additional cost of baling and handling should be taken into account. At 20 lbs.per c.ft.the gross weight of 1909,665.17.0.21 tons,would measure 74,576 ft.,and at 28'8" per bale the number of bales would be 2601 instead of 2114,the actual figures,or 487 bales in excess. Now if you will reckon 14 ft.of bagging per bale,and about 50 ft.of hoop iron,(the latter is approximate) you will find that at the present high prices the extra cost of baling will be between £120 and £150. Consider also the additional labour in handling,and the fact that 487 bales would be more than a load for the "Columbus",and you will see that lighter pressing is not an unmixed benefit. I think that it amounts to this,that it may not be necessary to put the press up a second time to get a sufficiently heavy bale,but this can only be ascertained by experiment.

7. Par.9. If Salvesens are paying the rent of Capt.Saanum's cottage,they are not doing it out of their own pocket,but charging it to the working account,which means that we shall be paying half,and in such a case there is no room for a reduction. But if he has to pay it himself,and we reduce it to £1 per month,it will come to precisely the same thing.

8. Par.10. The failure of Dr.Wace to get to Montevideo is unfortunate,and the reasons for it are conflicting,one being that he missed a steamer that was never heard of after leaving, and the other that the New Zealand boat was late at Montevideo. It is to be hoped that no serious cases have occurred while the Camp was without a doctor.

9. Par.11. You have done very well to get so much produce in since the return of the "Columbus",and it is satisfactory to know that the Port Howard and San Carlos stuff has been lifted, though you say nothing about Port Stephens. I have not yet broach-

ed the subject of the rise in freight to these shippers,in fact it cannot be done until we have definitely settled what the rates are to be.

10. Par.13. It was clearly right to take the "Samson" to Darwin on the occasion you mention.

11. 426-1. The Board have read your report on Goose Green with much interest,and are greatly pleased with it,as it has told us more than we have ever known before from all sources. I think that generally I had better take up the details in my letter to Mr.Allan to avoid repetition,as he will have to deal with them, but there are some points to which I may allude.

Digesters. These are being shipped by this boat.

Jacket Pans. I do not understand your allusion to quotations in other makers' catalogues,as we got several,and the price given you was much the lowest. The word "Steel" did not come in the wireless message,but was tacked on to the next.

Filling Machine. From what you say it is evident that it will be better to keep this as a stand-by.

Rust on tins. From information we have got here,it seems certain that when once a speck of rust appears no amount of painting or greasing will arrest it; we have seen this in some of the meat tins that have been fairly riddled with rust holes. We do not know who was responsible for the care of the tin plates, but if it is a fact that a number were landed in a leaky scow, and were not thoroughly cleaned and dried afterwards,it was a gross neglect of duty. This subject reminds me that we have been advised to have home all tin cuttings and spoiled sheets,as they have a marketable value.

Pilferage. This is serious,and must be stopped somehow; however it is a subject for Mr.Allan to take up,as also the question of the use of sheepskins for bedding. We are in no way bound to allow the use of any; it is an abuse that has gradually crept in. I think I should mention here that I have heard from more than one how excellent the Extract is,said quite innocently,as if it were the most natural thing in the world for the Company to feed

Goose Green visitors on Extract at 4/7d per pound. From the short numbers compared with the total sheep killed we felt sure here that tongues were appreciated as a delicacy, and consumed accordingly, but did not know that we were losing Extract, although the yield of a trifle over 5 oz per sheep does not compare well with the 8 oz said to be got in Patagonia. If robbery can be brought home to any one, a prosecution should be instituted. As Weiss is alive to what has been going on, no doubt he will take all necessary steps to protect our property.

Weiss. What you say about him is all to the good, and we feel that we have in him a valuable asset. His gratuity has most certainly been earned.

12. Par.3. Although more than six weeks have elapsed since the Wireless installation has been in use, I have been unable to learn anything about its being thrown open to the public, although I have written to the Eastern Telegraph Co. and the Crown Agents, and last week to the C.O. I have represented to the latter that there are shipowners who are only too anxious to get through to their Captains, without waiting for a fortnightly chance. What you say about need for secrecy is important, and it will never do to have our messages subject to the inspection of the Governor or the Colonial Engineer. Perhaps the additional explanations lately sent will make the new method of coding clear to you; this would be secret enough. We are going to look at the Code you mention, but adopting this would have the disadvantage that if the Governor is bent on discovering what we say he would only have to keep in his library a few volumes, and he could amuse himself by deciphering messages at his leisure. On the subject of secrecy I may mention that Dr. Foley told me last week that the listening key in the Stanley Exchange was much in use, and that a message from Darwin was common property next morning. This may or may not be a fact, but I have given you my authority, and a well authenticated case of listening would be sufficient warrant for requiring the replacement of the Darwin wire in your office.

13. Par.4. I looked forward with interest to perusing the

correspondence with the Colonial Secretary as to the increase of wages for unskilled labour in Stanley,but it was not found enclosed,and as I have not seen Mr.Best yet I do not know what the views of the Government are.

14. Pars.5,7,and 8,and letter of 2nd October. Credits for the ships named have been obtained and cabled out. I hope that you have understood that the Owners of the "Terpsichore" have sent us cash to the amount of £400,so that we shall probably have something to return to them. As to the "Marco Polo",Mr.Ince considered that if we asked for bail to the amount of £800 it would be sufficient,as the claim was unlikely to come to more than a few hundreds. Since beginning this I have referred to our cable book,and find that the "Bay of Biscay" credit has been overlooked,an unfortunate oversight that should not have occurred. As she is a British ship and the Owners are good,it is really little more than a matter of form; at the same time the answer should have been cabled.

15. The cargo per "Esmeraldas" is a good one,and I hope that this clears up the 1912 wool.

16. The cable of 2nd inst.consisted of nine words,but fourteen were advised,and our attention was called to the discrepancy by the Eastern Telegraph Co. An explanation followed that a signature should have been inserted,"For Falkland Island Company Limited",making up the missing number of words. As you never sign your cables,naturally;who has been lunatic enough to waste money on this ridiculous signature? I send you the correction as received. I believe that it is your practice to send your messages direct to the Cable Company in Montevideo.

17. Referring to the engine at North Arm about which I wrote in 1111-8,I omitted to say that before buying a new one we should want to know the diameter of the fly wheel,and no mention was made of this.

18. We are sending a Camp teacher named James Lackie by this boat; he is young,but is very well recommended,and this fault will soon be cured.

19. Referring again to the "Marco Polo", I assume that there can be no doubt about the fire having originated at sea, or any suspicion that it was the work of an incendiary. Should there be any doubt, we should, of course, under our undertaking to Lloyd's and others, abandon our claim for salvage. Being Blyth coal it is more likely to have fired spontaneously than if it had been from South Wales.

20. I have marked a notice in the Times of the 6th inst. which shows the attitude of the New Zealand Government with regard to importations of stock. You should ask the Government if they intend to follow suit, and particularly if Liverpool is to be barred; if it is, whether they would receive sheep sent from Glasgow on board a steamer calling at Liverpool. The prohibition is directed, I think, against the chance of infected sheep having passed over the Liverpool landing stage, and if they are sent in trucks direct from Kent, there can be no possible risk. It might be useful to show the copy of Mr. Crabb's letter which was sent to you last mail.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates.

Despatch No.111 1 dated 16th October.

List of Clients' Cargo per "Oravia"

List of Dutiable Goods per "Oravia"

List of Parcels.

List of General Cargo per "Oravia"

Bills of Lading cargo per "Oravia"

General Invoice goods per "Oravia"

Second Exchange for £ 78 . 7 . 0 & B/L attached.

Remarks on Accounts.

Remarks on Stores &c.

List of Enclosures.

General Invoice for Coal per "Gaita" & B/L attached.

Clients' A/sales :-

B B	19	bales Wool ex Magellan"
M V	18	,, ,,
B	90	,, ,,
S	151	,, ,,
L	198	,, ,,
M & G	47	,, ,,
P H	78	,, ,,
F B	98	,, ,,
W P	39	,, ,,
AP	31	,, ,,
B B C	25	,, ,,
Z	37	,, ,,
S	35	Salted Hides ex "Duendes"
H G C	17	bales Sheepskins Ex "Duendes"
AP	4	,, ,,
F B	4	,, ,,
R B C	3	,, ,,
M & G	3	,, ,,
S	3	,, ,,
W P	2	,, ,,
A F C	1	,, ,,

Clients' Invoice goods shipped per "Oropesa"
Holmested & Blake, Dean & Anson, W.D. Benney's Estate
Stickney Brothers, H.Waldron, Vere Packe, G.Bonner & Co,
Canning Account.

Clients' Reports & Contracts:-

W.P.	5	Salted Hides ex "Magellan
J F	20	,, ,,
McG	37	,, ,,
J F	6	casks Tallow ,,
B	1	,, ,,
M V	1	,, ,,

Enclosures per "Orcoma" via Liverpool.

Originals

1 Copies of Cablegrams sent 25th October and 8th November.

2 do received 27th October & 2nd November.

3 Copies of letters to Chr.Salvesen & Co.,of 18th,28th,Oct., and 1st November.

4 Copies of letters from Chr.Salvesen & Co.,of 14th,22nd, and 31st October.

5 James Lackie's Agreement and testimonials.

6 Specimen of Company's Label for Boiled Mutton cans.

7 Report from International Correspondence Schools,of 21st October,re Mr.P.Mills.

8 Copies of letters from John Begg,Ltd.,of 29th and 31st October,and our reply of 30th October,re Whisky.

9 Copy of letter from W.Gibson & Sons of 29th October,re Paint Oil shipped per "Junin".

10 Copy of letter from W.Carpenter of 29th October.

11 Copy of letter from B.Stickney of 31st October.

12 Estimate of Result of Goose Green Season 1912.

13 Notice re correction to Cablegram sent through the Eastern Telegraph Co.,Ltd.dated 2nd November.

Letters for the following:-

G.J.Felton,W.G.Benney,A.L.Allan (2) & A.Bonner.

London 13th November,1912

DESPATCH no.1112 per "Orcoma",13th November,1912.

Precis of Subjects.

1. Acknowledges despatches,letter,and cables.
2. Reports delay of "Frigga".
3. On proposal to salve the "Hornet".
4. Enquires about John Kelway's services.
5. On discounts off fares.
6. Discusses homeward freights.
7. Refers to rent of Capt.Saanum's house.
8. On Dr.Wace's delay in arriving.
9. On produce collected by "Columbus" since her return.
10. Approves of trip to Darwin in "Samson".
11. Expresses satisfaction with report on Goose Green.
12. Enquires about Wireless Telegraphy,and refers to subject of secrecy.
13. Correspondence with Government on labour not received.
14. Reports credits obtained for ships.
15. On cargo per "Esmeraldas".
16. Enquires about signature to cable.
17. Diameter of fly wheel of North Arm engine wanted.
18. Reports despatch of Camp teacher.
19. Enquires as to possibility of incendiarism on "Marco Polo".
20. Calls attention to notice of withdrawal of New Zealand prohibition of Stock importati ons.

Enclosures via Lisbon.

Originals

1 Account Current and vouchers.

2 Remarks on Accounts

3 Remarks on Stores & replies

4 List of General Cargo per "Orcoma"

5 General Invoice goods per "Orcoma"

6 Copy of letter to Chr.Salvesen & Co.dated 15th November.

7 Sight Draft £ 67 . 10 . 5 on J.Kirwan with B/L attached.

8 Summary of Out-turn of Boiled Mutton to date.

Clients' Invoices goods per "Orcoma"

9 Canning Account,Mrs Williams,W.D.Benney's Estate,
Henry Waldron,Dean & Anson,Bertrand & Felton,
Teal Inlet Rifle Club,H.& G.Cobb.

Letter for the following:-
W.A.Harding (2) & A.L.Allan.

London 16th November,1912

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The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902

61, Gracechurch Street,

London, E.C. 11th December, 1912.

Per Orissa.

No. 1115.

Sir,

I have to acknowledge the receipt of your despatch no.427 and of your letters of the 24th and 29th October, which arrived on the 25th ult. There are also cablegrams out and home, copies of which, with translations, are enclosed.

2. 427-6. The "Frigga" is only now loading, the delay in getting her to Blyth having been excessive. Before long we shall be forced to ship coal by steam, as small sailing vessels are becoming more and more scarce.

3. Par.8. Your remarks on the desirability of keeping the old rate for wool by measurement have been duly considered, but the Board see no reason for concurring with you, and it has been decided, with the approval of Messrs. Salvesen to make it 37/6d and 5%. I am anxious that you should not only understand but agree with this decision, and will somewhat amplify what I wrote last mail. At the new rates 2240 lbs.@ 60/. and 120 ft.@ 20/. would cost £3, and the equivalent weight and measurement come out at 18 and 2-3rd lbs. per cubic foot. Thus a 30 ft. bale weighing 560 lbs. would pay the PSNC 15/. either way. The same at ⅝d would gross £1.9.2, and after deducting 15/. to the PSNC there would remain 14/2d for the Columbus and ourselves. But by measurement at 42/6 & 5% the gross would be £1.13.5½, and deducting 15/. as before, the return to us would be 18/5½d. At 37/6 & 5% the gross would be £1.9.6, and the return 14/6d, a difference of only 4d, about which the PSNC would not trouble themselves; but can you suppose that if they saw that there was a difference in our favour of about 5/. per ton, they would be long in raising their measure-

W.A. Harding, Esq.,

Manager,

Stanley.

ment rate 5/.per ton,upsetting once more the adoption of the Sandy Point rates,which it has taken us such a time to get? The principle should and must be that the through rates conform as nearly as possible with those laid down by the PSNC,that is to say three to one,and the rates decided on do it. Your difficulty about explaining to the shippers seems to us to be imaginary,for if you simply give them the truth,and say that while the ocean weight rate has been increased the measurement one has been reduced,it cannot fail to be convincing,and there can be no suspicion that we have been overcharging. We really do not want a little margin in hand,as you suggest,for if the ocean rates go up again,we shall have to revise ours; it is the most straightforward course to take,and with the excellent prices we are now getting for wool,no one but a confirmed and unreasonable grumbler can object. There has not been such a time for shipping in the memory of man,nor has trade for many years been so universally good. If,then,a Falkland Islander,while accepting splendid prices for his wool,chooses to grumble at a little addition to the cost of getting it to market,he is a man so utterly unintelligent and unreasonable,that argument would be wasted on him.

4. Par.10. You are right in assuming that 40/.on canned meat is either to London or Liverpool.

5. Par.11. At 15/6 per barrel of cement weighing 400 lbs. there can be no question that piles at 25/.would be much the cheaper. We have a large number of heavy iron spars,from the Glengowan and other vessels; have you considered the possibility of cutting these into suitable lengths,and using them for jetties? They have cost us very little,and may never find a market.

6. Par.12. What you say about Weiss is reasonable,and we had better leave his engagement as it stands.

7. I spoke to Mr.Lamb about getting the rams out byway of Sandy Point,and there will be no difficulty. Unfortunately there is not the smallest chance of getting the prohibition removed,and we should not wish it done,for there has lately been an outbreak of foot and mouth in Kent,within a few miles of the place where

our rams are being tended, and their shipment will now have to be indefinitely postponed. It is very unfortunate, as there had been no case since early in October in any part of England, and all restrictions here were on the point of being relaxed.

8. Par.14. Since the majority of the farmers are in favour of renewing the Goose Ordinance, and the effect of steady killing has reduced the numbers, it seems to us that active and energetic steps should be taken by way of petition or memorial to the Governor or Secretary of State in favour of renewal; for, if it is conceded that the geese eat and spoil a quantity of grass that would otherwise be available for sheep, it is little short of insanity to allow them to increase again, which they are certain to do. Why wait until the Governor leaves, an event that may still be far distant?

9. Par.15. The Board thought it desirable to have the agreement with Dr.Wace drafted by our Solicitors, and it is enclosed for signature. Mr.Bompas is of opinion that it would not be right to take the power to deal with the agreement out of your hands, as you are the holder of the Company's Power of Attorney, but he has given sufficient authority to the Camp Manager to act generally, with power of suspension, but not of dismissal, which is reserved to yourself. When it was proposed that Mr.Allan should have a relative at Darwin as Medical Officer, it seemed such an excellent arrangement that we discontinued negotiations that were on foot with two candidates here, and had no hesitation in doing so as we were assured that Dr.Wace would and could meet the "Oropeas" at Montevideo. The way things have turned out has been a profound disappointment, and had it been foreseen that such expense and delay would be the result, nothing would have induced us to agree to the proposal. To begin with, the cost of his transfer from Western Australia has been about double that of sending a Doctor from here, but that is not the worst; for some reason, at present unexplained, but connected with illness we believe, the sailing was postponed for a time: that was unfortunate, and no doubt unavoidable, at the same time it deprived our people of medical attendance in the Camp for at least another month, which has

since, we understand, been extended to two. We have pointed out from the first that the New Zealand Shipping Company was the line by which to travel from New Zealand to the Falklands, as their itinerary provides for arrival at Montevideo four days before the departure of the PSN boat out; they are rarely behind time, though we hear of one that has been late through a strike, but this is exceptional. Now, having failed to connect with the "Oropesa", the next boat from New Zealand was due at Montevideo on the 5th November, and would have connected with the "Oravia", while a still later one, due there on the 3rd of December would have caught the "Orcoma". You will understand our surprise at hearing that Dr. Wace had thrown over the N.Z.S.Co. arrangement, paid a forfeit to that Company, to which the passage money had already been paid, and had booked by the Shaw Savill Co.'s "Arawa", which, as far as we can see, entailed a stay of 18 days in Montevideo, and would only enable Dr. Wace to catch the "Orcoma" on the 7th. As the N.Z.S.Co.'s "Ruahine" arrived on the 4th, he would have had three days to spare, and have saved the 18 days' shore expenses, which we assume have been incurred. There may be an explanation of all this, but to us it seems that Dr. Wace can hardly look to the Company to meet charges and the fine that have been incurred through his own act, in departing from the arrangements made for him.

10. Par. 17. While it is unfortunate that 366 casks of Tallow were left behind by the "Esmeraldas", sound judgment was exercised in getting her away, as it was only by a narrow shave that she caught the sales. In fact, had it not happened that Mr. Lamb called just as she was approaching the French coast, the wool sold by John Hoare & Co. would have stood no chance, their last sale being the 3rd inst., and Du Croz' the 6th. As soon as I explained the situation to Mr. Lamb, and he became aware that the series was a short one, he agreed to instruct Capt. Splatt by Wireless to pass Havre, for which port he was bound, and come direct to London. This saved the situation, and both lots of wool sold at prices good enough to compensate all the shippers very fully

look at gen
with P&O Stephens
card in pocket

for whatever interest they may have lost through the delay in shipping their wool. With regard to the question whether the sheepskins and tallow next to be shipped are to come at the revised rates or not, I have not cabled the word you have given, because I hope to keep the old rates going until the last shipment in 1912. This was my original understanding with Mr. Lamb, and I shall try for it, having as an argument which will appeal to him the fact that the majority of sheepskins come by measurement under the old system, and as the rate is 22/. against 20/. it may work out in their favour. In that case the tallow will cost us 5/. per ton less. I hope to hear of this shipment shortly.

11. Par. 18. Although you say that the accounts of the "Terpsichore" would be made up when the ship left, the Owners profess to have received one amounting to £149.7.3, and have asked us to return the balance of the £400 which they paid us. We could not accept these figures without your confirmation, but have given them a cheque for £200, assuming that the cost of the passage home of the Captain and the Hospital expenses will leave very little to be adjusted either way.

12. Par. 21. We can do nothing further about the "Marco Polo" until you furnish us with all the details of salvage, in which you will, of course, follow the instructions laid down by Mr. Ince.

13. Par. 22. A Blacksmith to replace Husband will be engaged and sent out as soon as possible.

14. I will reply here to your letter about the "Columbus", assuming that no information about our arrangements is allowed to leak out of the office. Although Mr. Salvesen wished her affairs kept to the two offices here, I pointed out that this was impossible, and he has not renewed the suggestion. From correspondence that has been forwarded you will have seen that the view you take about the Company's share is precisely what I have been urging, even at the risk of a certain amount of unpleasantness. I put all the letters before Mr. Langridge, who has been for years one of the foremost arbitrators in shipping cases, and I was surprised to find that in his opinion any arbitration would probably

go against us. I was still more surprised to hear that Mr.Ince, with whom he had had an informal talk on the subject at his Club, was of the same opinion,the difficulty consisting in the definition of gross freight. Subsequently I moved Mr.Langridge somewhat,and got him to see my view,but he still thought that it would not be accepted. I will not go over all the arguments again,and it is unnecessary,as Mr.Salvesen called last week,and in the course of a very friendly discussion agreed to waive the point,still stoutly maintaining,as a matter of principle,that he was right. As regards the use of the "Lafonia" for carrying the mails,the position is that as Owners of the "Columbus" Salvesens have the mail contract with the Government,and they carried it out by employing our schooner,receiving the payment for the service direct from the Government. Had the contract for the carriage of those two mails been made between the Government and ourselves,and had we been paid for the service,they would have been outside it; but in the circumstances I believe that they are technically in the right. You have gone astray about the £3000,but will understand it at once when I explain that that sum is taken as the capital of the venture,and that their preferential dividend of 10% is taken on that,£3000 not being the profit at all,nor their dividend on the profit,but on the capital. As to the depreciation,it was agreed at the outset that it should be at the small rate of 4% on the estimated original cost of the "Columbus",that rate being far less than the usual depreciation written off shipping property.

15. Dr.Foley has made a complaint about the charge made for collecting the fees due from men,but I can only refer the question to you,and ask you to refresh my memory. I have an idea that the practice dates back to the time of Dr.Heuston,and that it was established,not only for the purpose of saving him from having to dun every patient personally,but to give him the advantage of being sure that sums due from men engaged for a short period of service actually came into his hands. What the charge was,whether a lump sum,or a percentage,I have no idea,but I think

Last par. of this letter - the rest are right out of my brief attached to Powers

that any general practitioner in this country would be only too glad to pay handsomely for assistance that guarantees him the full amount of his fees from every patient without exception. Dr.Heuston was not in our service,as all his successors have been,and he had no claim on us beyond the amount we paid him as a subsidy. Whether it rightfully lies with us to collect our own Doctor's fees or not I do not know,but I think not,as there is no mention of them in the agreement,and again,is there any reason why it should not be a part of the duty of the Darwin Storekeeper to debit the men's accounts with their subscriptions,without expecting extra pay from the Doctor for so doing,seeing that he keeps all the accounts? That is another question. I am satisfied that the practice arose through the desire of the Doctor himself, and there is now a precedent for it. Precedents are awkward things,and I have always set my face against establishing them. I want to know precisely what the payment is,and to have your views on the subject generally.

16. We have had before us lately the question of the tally of sheepskins,it having arisen through certain discrepancies between the specifications and the out-turn that were too glaring to be passed over. To take two instances,in the four bales from Speedwell Island per "Magellan" there were 80 skins short,but a far worse one was found in the a/sales of Bonner's skins from Goose Green,the number of which according to the specification coincided precisely with the number we killed for him [redacted], and yet according to the a/sales were 900 odd short. This will have to be rectified,and there can be no doubt that some huge mistake was made at the Warehouse,which will have to be explained. In order to investigate the matter Mr.Home went for an afternoon to the Warehouse,and saw opened and counted one bale of each mark that came per "Esmeraldas". The result is rather surprising,for of all those opened,and of which he had the numbers on the specifications,only one was found to be correct,a bale from Lively Island. One from Beaver Island,the contents of which were twice counted,was very short in number indeed. Many of the specifications come forward without the numbers being giv-

en,and I wish you would ask the shippers not to fail to enter them in future. On this side more careful attention will be given,and I hope that there may not be such discrepancies again as have been discovered.

17. We are looking forward most anxiously to getting details of the loss of the "Oravia". The information received up to the present has been scanty,and was a long time coming forward; if,as it appears,she was lost on the night of the 12th ult. it is difficult to understand how it was that nothing was heard until the following Saturday,and then only through a wireless message received through some foreign Admiral,stationed no one knows where. It seems almost certain that a number of early messages must have gone astray,and of this we hope to hear when the next mail arrives. What everyone wants to know is,why you did not advise Lloyd's,the PSNC,or ourselves,and I say that you must have done it or tried to do it. It was curious also that no one knew for a week whether the ship was lost going in or coming out, and on this there were opinions on both sides. Captain Hayes,Mr. Alcock,and I myself were on the going out theory,on the ground that it must have been impossible to get so far astray as the Seal Rocks after presumably making the land. On the other hand the PSN Superintendent and others believed that,as turned out to be the case,she was lost going in,but this was only finally settled when we got your message asking to have the cargo repeated. We had a most curiously mutilated wireless message from you reporting the safety of various passengers,but we thought that this was sent as a precaution to allay the anxiety of friends who might learn that the ship was wrecked,without knowing anything else. Then we do not know yet whether the mails were saved or not,as one message said that they were,and another that they were not. Altogether we have been completely mystified,and remain so still to some extent. No time was lost over repeating the cargo,and I believe that it is all going. It would have been better if you had asked for this the first thing,but you may have

assumed that we should do it on a message sent previously that we did not receive,or have had an equally good reason. Until the details arrive we can only form conjectures on very imperfect information. We believe now that the "Oravia" was wrecked on the Billy Rock,and knowing what an exposed place it is we are all thankful that no lives were lost,although we feel very much for all our friends on board,who must have had an exceptionally anxious and unpleasant time.

18. As the fate of the mails is uncertain,we are duplicating as far as we can such enclosures as did not follow in duplicate by the next mail; but there are a few that cannot be sent,such as the men's agreements,and we can only hope that these have reached you. Nothing can be done in the way of recovering insurance until we have the materials needed to place before the Underwriters.

19. The most serious shortage is in the wool baling,5000 yards of which went down in the wreck; but we managed to screw the sellers up to guaranteeing 3000 yards by this ship,the balance to follow next month. Jute is up,and prices have advanced again for bagging,a fact that we though it prudent to cable you. Mr.Bonner lost all his baling,and is most anxious to get some to go on with. We shipped it for him per "Oravia" at his request,and when we found that only 3000 yards were obtainable in the time, we naturally took care of ourselves first. With the increase of direct orders,either shipped by us on commission or obtained outside us altogether,we assume that you regulate your orders accordingly,and you will agree that those who do not look to our Store for their supply can hardly expect us to lend them bagging to go on with if they happen to get into a mess. Owing to the manoevres of the Indian ring the price of jute has advanced enormously,and bagging that we bought some years ago at about 4½d is now 8 11-16d. After consultation with Mr.Allan we decided to reduce the order for 20,000 yards to 15,000,of which when you get this you will have received 13,000,and as it takes just over 10,000 yards to make 2,200 of our bales,we are all right,especial-

ly as you must have some surplus from last season. It would seem, therefore, that you ought to have some for sale, and can supply Mr. Bonner, but in the unlikely event of your being unable to do so, he would like you to get him a supply to go on with from Sandy Point. His 1,500 yards will arrive by the "Oropesa". The whole of our bagging was lost in the "Neko" (?) in 1891, and it was then decided that it should in future be shipped by two or three succeeding steamers, and that we should keep a good supply in hand. If and when prices go down I propose to buy a two years' supply.

20. The arbitration in the matter of the "Nuuanu" salvage took place last week, and the award has just come out. It is unexpectedly favourable, as the "Columbus" gets £1500, and the "Plym" £150, both with costs. In your despatch 408-14 you said that a statement of the "Plym's services was enclosed; this was not so, and we had to found our claim on a copy of this paragraph, in which you had unfortunately suggested a sum of £70 to £100. This is dealt with in a letter from Messrs. Ince, of which a duplicate is enclosed, and you will see that they think that they might have got more if it had not been for this oversight. Still the result is decidedly good, and the sum got by the "Columbus" will go far towards balancing the cost of repairs on Montevideo. You may be surprised to see the value of the ship stated in the award as nil, but the fact is that the cost of repairs exceeded her value when repaired, and it confirms the opinion I expressed, when the case was first reported, that she was a constructive total loss.

21. At present the Wireless telegraph is not to be relied on, and we shall be glad to know what steps are being taken to make it effective. We can cable via Cape Virgins at our own risk, and have sent two messages, but getting no reply assume that they have not reached you. We must hear about M. Bossiere as soon as you get Mr. Allan's decision.

22. I regret very much to have to report the death of our old Storekeeper, Fred. King, of which I have heard this morning.

I am, Sir,
your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1112 dated 13th November.

List of Cargo per "Orcoma"

List of Dutiable goods oer "Orcoma"

List of Parcels

List of Clients' Cargo per "Orcoma"

General Invoice goods per Orcoma"

List of Enclosures.

Remarks on Accounts.

Remarks on Stores

Clients Invoices goods shipped per "Orcoma"

Clients' A/sales:-

L	1	bales Wool	ex"Duendes"
J F	6	casks Tallow	ex "Magellan"
M V	1	,,	,,
B	3	,,	,,
K	2	,,	,,
W P	5	Salted Hides	,,
McG	37	,,	,,
F	20	,,	,,

Bills of Lading.goods per "Orcoma"

Sight Draft for £ 67 . 10 . 5 on J.Kirwan

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Enclosures via Liverpool.

Originals

1 Copies of Cablegrams sent.

2 Copies of Cablegrams received.

3 Browne & Lilly's plans of Buildings for Darwin & Goose Green and instructions for erecting.

4 Clients' Reports:-

♡	145	bales Wool	ex "Esmeraldas"
Z	306	,,	,,
☘	162	,,	,,
P H	9	,,	,,
D H	98	,,	,,
H & B	53	,,	,,
H W	34	,,	,,
W E D	171	,,	,,
H	104	,,	,,
AP	1	,,	,,
R B C	6	,,	,,
J B	29	,,	,,
B	14	,,	,,
H P	127	,,	,,

5 Anning & Cobb's dates of sales for 1913

6 Wool market reports.

7 Corrected General Invoice goods per "Orcoma"

8 Copy of letter from Dr.Foley of 9th and our reply of 10th December.

9 Newspaper cuttings re wreck of "Oravia"

10 Copy of letter from Ince Colt & Ince dated 10th December and copy of Salvage Award.re "Nuuanu"

11 Clients' Reports:-

H G C	23	casks Tallow	ex "Esmeraldas"
H & B	39	,,	,,

12 Brokers' press copies Sundry Reports on Produce ex "Esmeralda

13 Dr R.H.Wace's agreement for signature.

14 Clock Springs from Carroll and Needles from Gramophone Co.

15 Copy of letters from Chr.Salvesen & Co.of 7th & 10th and our replies of 11th & 18th October.

16 List of dates fixed for the London Colonial Wool Sales for 1913

17 Copy of letter from the Pacific Steam Navigation Co.of 14th and our reply of 15th October re B.B.1 bale Wool ex "Junin"

18 Copy of letter from J.Rhodes & Sons,Ltd.of 26th September re dies.

19 Correspondence with Eastern Telegraph Co.re Wireless Instilation.

20 Additions to A.B.C.5th edition code.

21 Account Current dated 16th October.

22 Copy of letter to W.Carpenter dated 11th December.

23 Copy of letter to J.L.Waldron,Ltd.dated 11th December.

Letter to A.L.Allan.

London 11th December,1912.

DESPATCH no.1113 per "Orissa",11th December,1912.

Precis of Contents.

1. Acknowledges despatch and letters.
2. Reports further delay of "Frigga".
3. Deals with freight home for Wool.
4. Confirms rate for Canned Meat.
5. Concrete piles not practicable,enquires about iron spars.
6. Acknowledges remarks about Weiss's engagement.
7. Reports outbreak of foot and mouth disease in Kent.
9. Deals with Dr.Wace's agreement,with remarks on his voyage.
10. Reports "Esmeraldas",with instructions about next shipment.
11. Repayment of a portion of cash received for "Terpsichore.
12. Asks for details of salvage of "Marco Polo".
14. Discusses "Cloumbus" account,with explanations.
15. Reports complaint received from Dr.Foley.
16. On discrepancies in out-turn of sheepskins.
17. On wreck of "Oravia".
18. Refers to duplicates of enclosures per "Oravia".
19. Deals with the subject of Wool bagging.
20. Reports result of "Nuuanu" arbitration,and encloses letter from Messrs.Ince.
21. Enquires about the Wireless telegraph.
22. Reports death of F.I.King.

Enclosures per Supplementary Mail via Lisbon.

Originals.

1 Account Current and vouchers.

2 Remarks on Accounts

3 Remarks on Stores

4 List of General Cargo per "Orissa"

5 List of Dutiable Goods per "Orissa"

6 Sanderson's price list for 1913

7 Broker's press copy of Tallow contracts to date.

8 Copy of letter to J.L.Waldron,Ltd.dated 13th December.

9 Copy of letter from William Carpenter dated 12th December

10 Report and contract for H & B 27 casks Tallow ex Esmeraldas"

11 Copy of letter from J.L.Waldron dated 13th December.

12 Scotts & Crout's invoices of goods shipped per "Orissa"

13 General Invoice goods per "Orissa"

14 Sight Draft for £ 72 . 13 . 11 & B/L attached.

15 Copies of Cablegrams received.

Letters for the following:-

W.A.Harding. (2)

London 14th December,1912