

Answered

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)
REGISTERED 1902.

61, Gracechurch Street.

Per Oropesa.

N^o 1114.

London, E.C. 8th January, 1913.

Sir,

I have to acknowledge the receipt of your despatches nos. 428 and 429, which arrived on the 24th ult.

2. 428-3. A cinematograph apparatus may look very harmless, but you cannot get over the fact that serious accidents and loss of life have resulted from their use here, and that Insurance Companies do not like them.

5. 4. Do you mean to say that the Whalers have been fined for not observing Port Regulations which they have not had an opportunity of reading, or is the hoisting of the quarantine flag supposed to be an international rule which all ships ought to observe? I am quite sure that while I was in the Islands it was not customary to hoist the flag, and I cannot remember ever seeing it except when there was actual sickness on board a vessel. It is to be hoped that your protest through the Norwegian Minister will be successful.

4. Par. 7. We have had no notification from the C.O. that the Wireless is open to the public, and the Eastern Telegraph Co. will only receive messages through Cape Virgins at our risk. It is clear that a number of messages that you sent about the "Oravia" were not delivered, and we expect to hear that it has been the same with ours. If they do get through, they take several days, and are more or less mutilated; it seems therefore at present that we had better stick to the old plan of cabling to Montevideo or Sandy Point.

5. Par. 9. When a man has been taught to fire it would obvi-

W.A. Harding, Esq.,

Manager,

Stanley.

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ously to our advantage to try to keep him for the next season.

6. Par.10. As we have heard of Mr.Blake's arrival at San Julian it looks as if you had been able to carry out your proposed trip for the "Columbus". The voyage round to Hill Cove and beyond was done in excellent time.

7. Par.13. Up to the present we have no news of the cargo boat, and you may have advised her by a wireless message that has gone astray. She cannot have been delayed all this time.

8. Par.16. The Board have discussed the accident to Albert Lellman, which is much regretted. All they can say at present is that he must be treated liberally, and all expenses going to and in Buenos Ayres paid. Let us know how he gets on, and what you think we ought to do. This is the second accident through a splinter of steel, and it has been suggested that when there is risk of this it might be possible to wear eye guards, such as stone breakers use on the roads.

9. Par.19. All the news you give of the wreck of the "Obavia", both in the despatch and the separate statement has greatly interested the Directors, and they desire to commend highly the exertions displayed by yourself, Captain Thomas, and all the others who contributed to the saving of so many lives, together with the mails and baggage of the passengers. As regards salvage, I cannot at present give you any information, as I have not seen the Pacific people, and what we shall get from them will probably take the form of a voluntary payment, as we have little or no claim upon them as Owners. Strictly speaking, we were entitled to salvage on all the baggage and other property saved, but I have pointed out that it would have been impossible for you to make individual claims on all and sundry, without incurring much odium and a charge of inhumanity that would not have done us any good. On the baggage that was insured we can assert and maintain a claim, and upon the advice of Mr. Ince we have given formal notice to the Postmaster General that we shall claim on the mails and parcel post. He is likely to repudiate the claim, but may make us an allowance, according to a precedent established in a similar case.

Rams. You have given no particulars about these, which is unfortunate, as they have the values in Leadenhall Street, and we could have settled this out of hand. Twelve of them were for the Waldrons in Patagonia, and eleven for Port Howard; they were separately marked, and the ship's papers would explain these. It is possible that the marks had been washed off, but in that case you would have been likely to mention it. You have mentioned that the Receiver of Wrecks had been asked not to sell them: it is not clear that he would have had the right to do this, especially in the case of those for Port Howard, which were consigned to the Company. I believe that, notwithstanding what the law may say, it is only usual for the Receiver to deal with unclaimed wreck, but on this point I cannot speak from actual knowledge, and shall have to ask Mr. Ince. If the Receiver could over-ride the Captain and Lloyd's Agent in all cases of wreck, why has this never been done? Government have usually been ready to interfere whenever they could in all matters, and would not be backward in taking charge of wrecks if they thought that they could do it with impunity.

Lodging of passengers. It is understood that the PSNC have authorised you to pay for this, although a copy of their cable was not on the list sent.

Crew. As they were all in the service of the PSNC it seems only natural that the Company should take charge of them from the first. Perhaps you were at the time forgetting the fact that the Board of Trade do not ultimately lose the cost of attending to and returning wrecked seamen, as they recover from the Owners, and it would seem unnecessary to pay the latter for the passages, and then demand a return of the money.

Losses. We shall take account of these in the settlement we hope to make; but as regards the "Samson", it is clearly an insurance claim, and no doubt Captain Thomas noted a protest, and the account for repairs will follow in due time.

Wireless messages. My last despatch will have explained not what was clear to you; we heard nothing of the wreck until four days after it happened, and nine days elapsed before we knew whe-

Handwritten notes:
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 21/1/1907
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ther it occurred going in or coming out. To ascertain this we cabled on the 20th November enquiring whether Stanley cargo had been lost; this took five days to reach you, and crossed yours of the ¹⁹20th, which only reached us on the 21st. With regard to what you say in 429-2 about our message of the 20th, I do not follow your reasoning as to the absence of a signature, for you know that our cables are never signed, and just as you received a message from London so we receive numerous ones from Montevideo or Punta Arenas, which we know come from you. As to the address, I adopted "Company" after due consideration, first trying whether the Eastern would register Fleetwing, Falkland-Islands for us; this, however, they declined to do at present, in fact until the line is thrown open to the public. I then thought of sending it without registration, but did not do so, because you had told us that all messages went through the Government, and it seemed possible that if the Governor wanted to be nasty he could profess ignorance of the meaning of the word "Fleetwing". Finally, it seemed to me safe to cable "Company", because everyone in the Islands knows what the Company is, and there could be no excuse for non-delivery. I have since thought that "Harding" would have been better, and may use it next time, although it is hardly likely that we shall use the wireless again until the service is better. You know that our address is in Lloyd's Register and other Directories, so do not understand why you would have assumed that its use would have implied that the message came from us.

10. 429-3. The report on the "Samson" is not cheering, and it is evident that something will have to be done, and that quickly. We have been hoping to hear that the slip at New Island was ready for use, as it was intended to be in November; but if the opening is indefinitely postponed you ought to send her to Sandy Point to be put on the slip as originally proposed. It is not right to go on with the vessel in her present condition, and it is a question whether we ought to continue insuring her at Lloyd's any longer, for we cannot say that she is being maintained in a proper condition. I fear also that if she were lost, we should

incur a heavy responsibility. You are right in saying that on Mr. Kennedy's report we ought not to spend too much on her, and the question to be decided is how little we could do to make her safe. I can at the moment only suggest that if she goes to Sandy Point you might run over there by the next mailboat, and arrange for her repairs on the spot, for you would only be out of Stanley a fortnight. Opportunity should be taken of her being high and dry to put in the new crank-shaft that has been waiting so long. No doubt she will have to be replaced at no distant time, but this will require much consideration. When the Panama canal is open, will there be any sailing ships round the Horn at all, and if not, what shall we want in the way of a tug of her power? Then it is clear that no new steel vessel should be sent out until the slip question is settled, so that she can have her bottom cleaned and coated whenever it is necessary. You lay stress on some supposed injurious ingredient or chemical property in the F.I. sea water that is prejudicial to ~~steel~~^{steel} and iron; but is this actually a fact? We cannot get away from the fact that the "Samson" has been infamously ^etrated throughout - no fault of yours - but seeing that she went out in 1900 and has since then only been in dry dock once, it is impossible to deny this. Before we admit that the water is to blame, let us ask ourselves if a vessel in any part of the world left unpainted and uncoated for so many successive years would not have suffered equally. This may be difficult to decide, because it is doubtful if a vessel could be found that has been in similar circumstances. It would be a bad thing for the place to have it assumed without proof that the water is to blame, and do you not think it possible that the condition of the Whaler you mentioned has been brought about through her having been too long ~~in~~ in the water? I suggest that you should send us a jar of the sea water, and this reminds me that one containing water from Goose Green that was wanted for analysis was broken on the voyage, and should be followed by another. I will get an analyst to examine the sea water, especially

with a view to finding out if this corrosive ingredient exists or not. I shall make some enquiries about tugs, but prices of shipping of all kinds have advanced by leaps and bounds, and for whatever we get we shall have to pay dearly. We cannot do without a tug in the present day, whether it pays or not, as you cannot depend on moving lighters with the "Plym". At the end of 1912 the "Samson" will be written down to £900, and she must be worth that. Taking into account depreciation and interest, I think we made out last year that she had just paid her way since 1900, but that was all. Talking of the "Plym", I hope that for her at least you can arrange to sight her bottom as often as may be necessary, for it would be a pity to get her plates corroded again.

11. Messrs. Salvesen have sent in an amended account of the earnings of the "Columbus", including the salvage awarded in the "Nuuanu" case, with an additional cheque for £602.14/. as our share. I have been laid up for a week, and have not had time to go into it closely, but I see that they have amended some of the items. A copy is enclosed.

12. We received on the 14th ult., just after the mail had gone, the following message:—"Columbus must be replaced as soon as possible this is very urgent and demands immediate attention. Blake." This is utterly puzzling; my first idea was that she had been lost, but no news of her was posted at Lloyd's, and I then asked Salvesens if they had had any cable about her, but they replied in the negative. On the 27th ult. they wrote that they had heard from Capt. Saanum that since a new bolt or rivet had been put into the starboard boiler it had worked satisfactorily, and that it was the old bolt or rivet that had caused trouble, moreover the Engineer had made no complaint of either engines or boilers. This looks as if there had been some trouble of which we did not hear from you. All the news we have had since her return from Montevideo has been good; she has collected a lot of belated produce, and the last thing was that she had made a wonderfully good passage with Mr. Blake and party, getting back to Stanley in record time. We shall hear from Mr. Blake in due time,

and may then understand what led him to think that we could act upon his message.

13. We had engaged a Blacksmith, and cabled him as coming by this boat; but unfortunately Fleming & Haxton were asked to procure an advance, and this being contrary to the usual practice they referred to us, suggesting the name of another candidate with even better credentials. I was away at the time, and before I could be referred to time slipped away, and the second man was unable to leave until next month. To an advance in moderation there is no objection on principle; but you have often said that married men who have to furnish are always in debt for some years, and an advance in addition would make his case still worse. Whoever may be chosen you may depend on his coming by the "Oronsa".

14. M. Bossière has bought his ewes from Mr. Packe, subject to his ability to deliver them, as to which we have cabled you. Mr. Bonner has also been approached, and he tells me that he has written to you on the subject.

15. The "Frigga" has at last sailed, after a deplorable and unprecedented delay. To show how difficult it is now to get sailing vessels, I may tell you that our Brokers tried for months to find another, in which case the charter could have been cancelled, but there was not one to be got. Your cable asking for 50 tons of coal was received, and notice given to Liverpool at once; but the PSNC would only ship 10 tons, and that under strong pressure. The time is almost in sight when vessels will be unobtainable.

16. Since writing about the "Oravia" I have seen Mr. Connell, who came in today. He brought word from Liverpool that the PSNC thought that I had better defer seeing them until they had more information than came by the mail, and he suggested that we should get from you in figures the total cost to us of the services rendered by our steamers, which will enable us to check the amount that we should look for in compensation. This should include the value of the boats and any other property lost, the cost

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of repairing the "Samson", the coals expended, all wages paid, and anything else that you may think of. I suggested to Mr. Connell that, instead of sending in our claim, we should ask them to make us an offer of so much, and that we could then consider it. He agreed with me, and will put it forward tomorrow, so it may be possible to settle before the information asked for arrives. It is by no means an ordinary case of salvage, and our connection with the PSNC as their agents makes it all the more difficult, besides which the question of humanity in saving life comes in, and all this makes it all the more desirable that we should not press for too much. There is a good letter in the "Times" South American Supplement, presumably from Captain Speranza, although there is not a word about the administration of justice in the Colony: it gives credit impartially to all concerned, and speaks highly of Captain Thomas's services. I am sending you also a copy of the Morning Post with a shorter account, in which while the Governor and the Whalers are mentioned there is not a word about the "Samson" or ourselves, and consequently the inspiration of the report is not hard to guess.

I am, Sir,

your obedient servant,



Managing Director.

DESPATCH no.1114 per "Oropesa", 8th January, 1913.

Precis of contents.

1. Acknowledges despatches.
2. On the cinematograph.
3. Enquires about Port Regulations regarding quarantine flag.
4. Wireless telegraphy.
5. Remarks on advantage of keeping firemen.
6. On voyages of "Columbus".
7. Refers to cargo boat expected.
8. Asks for opinion on Lellman's accident.
9. Deals at length with wreck of "Oravia".
10. Advises dealing promptly with Samson's repairs, and discusses question of tug.
11. Reports settlement of "Nuuanu" salvage by Salvesens.
12. On cable received from Mr.Blake about "Columbus".
13. Advises delay of Blacksmith.
14. Reports sale of Mr.Packe's sheep to M.Bossière.
15. Reports sailing of "Frigga".
16. Further on "Oravia" wreck.

Enclosures vis Lisbon.

"Originals."

- 1 Account Current & vouchers.
- 2 List of General Cargo per "Oropesa"
- 3 ~~Morton's~~ Morton's invoices goods per "Oropesa"
- 4 General Invoice goods per "Oropesa"
- 5 Remarks on Stores & replies.
- 6 Remarks on Accounts.
- 7 Particulars of Out-turn Sheepskins per "Junin" "Potosi"
"Duendes" & "Magellan"
- 8 Clients' Invoice goods per "Oropesa" $\frac{1}{8}$
- 9 Copy of Cablegram received 9th January.

Letters for the following:-

W.A.Harding (3) A.L.Allan (2).

London 11th January, 1913

Enclosures via Liverpool

Duplicates

Despatch No. 1113 dated 11th December.

Remarks on Accounts.

Remarks on Stores

List of Dutiable cargo per "Orissa"

General Invoice goods per "Orissa"

List of Clients' Cargo per "Orissa"

List of Parcels

List of Cargo ordered in replacement of "Orissa's"
not shipped.

List of General Cargo per "Orissa"

Account Current

Bills of Lading goods per Orissa"

Clients' Reports:-

H	104	bales Wool ex "Esmeraldas"		
	162		,"	,"
Ap	1		,"	,"
DH	98		,"	,"
PH	9		,"	,"
H & B	53		,"	,"
R B C	6		,"	,"
J R	29		,"	,"
H P	127		,"	,"
B	14		,"	,"
H W	34		,"	,"
W E D	171		,"	,"
H&B	39	casks Tallow	,"	,"
H G C	23		,"	,"

Clients' A/sales:-

McG	10	bales Sheepskins ex "Magellan"		
M V	4		,"	,"
B B	2		,"	,"
B	2		,"	,"
S I	4		,"	,"

List of Enclosures.

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Enclosures via Liverpool

Originals

1. Copy of Cablegram received.
2. Copies of Cablegrams sent.
3. Wool Market reports (Annual.)
4. Marked Sheepskin & Hide Catalogues.
- 5 B/L Coals per "Frigga"
6. Copy of letter from Chr.Salvesen & Co.of 31st December with accounts attached.
- 7, Letters from the Chilprufe Co.of 24th & 27th December and original applications for price lists attached.
Letter for A.L.Allan.

London 8th January, 1913

Received

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

61, Gracechurch Street.

Per Oronsa.

N^o 1115.

London, E.C. 5th February, 1935.

Sir,

I have to acknowledge the receipt of your despatches nos 450 and 451, per "Victoria" and "Inca" respectively, which were delivered on the 24th and 25th ult., the latter having been posted in Rio. Your letter intended for the "Victoria", dated the 25th ult., came with the second despatch.

2. 450 - 2. I am very much concerned about the "Frigga", which, after an attempted start as reported, only left the fjord on the 25th ult., bad weather being the cause of her delay. We have done our best to induce the PSNC to take coal in bags, but they only agreed to carry 10 tons by the last steamer, and are unwillingly receiving 20 tons by this boat, so that I fear you may run short. By next month's boat they will take 40 tons, and after that it will be useless to send more, as the "Frigga" must surely be out by the beginning of May, if she is to reach the Islands at all. I may here answer a suggestion of yours that we should charter on the round for coals out and tallow and hides home. The idea is excellent, if it could be carried out, but we must look at facts. After looking for a vessel for weeks and months, the "Frigga" was at last found, and her charter party was dated the 14th of June last. In consequence of continued delay our Brokers tried to get another ship as soon as the cancelling date arrived, but only heard of one just as we knew the "Frigga" was close at hand, and if we had taken her there would have been trouble over the coal that had been bought for the "Frigga". It is clear that sailing vessels are getting more and more scarce,

W.A. Harding, Esq.,

Manager,

Stanley.

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and that their extinction is only a question of time; no more are being built, and as those now in existence drop off their places will not be taken. I may now ask our Brokers to look out for a ship on the round, but we must give them only to the 1st of April to find her. Say that she sails on the 1st of May with a cargo of house coal, and should be in Stanley about the middle of July; she may with good fortune be ready to leave Darwin on the return voyage by the middle of September, and get here at the beginning of December. You will see that on this time table we cannot afford to remain in doubt after the beginning of April, or the ship will be too late in her arrival in London. I assume that house coals should be sent, for you will hardly want any more steam so soon.

5. Par.4. You have already been informed of our decision in the matter of homeward freights. As regards the statement that the pumps at North Arm will not stand the work they used to do, I have thought it advisable to ask Messrs.H.Tyler's opinion, because it opens up a new idea altogether, that is that pumps, like boilers, lose power with age. I believe this to be a fallacy, and Messrs.Tyler's reply confirms my opinion. After running with heavy pressure for years, it would be strange now if they turned out to be unequal to the lighter work demanded by the alteration in freights, although that idea must not be carried to excess, or we shall find that the PSNC notice it, and revise their rates again. Mills did not report on the pumps or the engine in the first instance; he condemned the boiler, and a new one was sent with Mr.Allan's approval, and in the belief that the engine and boiler were separate. When we found that Mr.Allan's memory had led him astray, we regretted that we had not sent a boiler and engine combined. Anything actually needed will always be supplied without hesitation, but we want the necessity proved, before supplies asked for are sent. I shall be glad if you will get Mills's candid opinion on the condition and capacity of the engine as now fitted with the new boiler, and also on the condition of the pumps, specially with regard to Hayward Tyler's letter.

4. Par.6. You have not explained how it was that Dr. Wace changed from the N.Z.S.S.Co. to the Shaw Savill line, but you had not received my query; I thought that he might have mentioned it. It was only by a piece of luck that he was not delayed 18 days in Montevideo. We have still a question open with T. Cook & Son over the absence of the family abatement on the tickets first purchased, an abatement to which we are clearly entitled according to their published list of rates.

5. Par.7. On looking into the question of Kelway's pension, it would appear that a fair sum would be between £54 and £55 per annum. You can give him the larger sum if you like, but you will see that the smaller is a more even amount if drawn monthly.

6. Par.8. Wireless is evidently useless at present as far as communication to and from England is concerned. At Mr. Fredrickson's special request, after warning him that it would probably be of no avail, we sent ^{for} him a cable via Cape Virgins lately, repeating it via Sandy Point. Is there any chance of the Uruguayan Government allowing the Cerro station to be used?

7. Par.9. The letter to the Colonial Secretary on wages at Stanley was in the bundle of duplicates per "Orissa", and was unnoticed until you drew attention to it. Have you heard anything more of the Governor's opinion on the subject?

8. Par.11. I thought that I had convicted the Cable Company of error in the transmission of our name in full; but the Eastern Company were able to produce your original message with our name both above and below the line, and this was a complete answer to the complaint. An exact copy is enclosed.

9. Par.13. Messrs. Ince are attending to the "Marco Polo" case.

10. Par.14. The draft on account of the "Bay of Biscay" has been accepted.

11. Par.16. We have two ways of recovering the cost of the damage to the "Samson", on our policy, and from the PSNC. I cannot tell you yet what we are going to get from the latter for our services to the "Oravia", as I have an appointment to see them in

Liverpool next Thursday. This has been postponed at their request, as they wished to have all the information that could be got, and to see Capt. Poole, who has arrived in the "Victoria". The position appears to be that they really owe us very little, as there is no such thing as life salvage, unless property is saved that can be realized, and then life salvage takes precedence of everything. But although they are under very slight legal obligation, I understand from Mr. Connell that for their own credit they are willing to make a handsome allowance, and he suggests that we should put on paper a statement of our out of pocket expenses, which they will pay, and supplement it with a sum in cash. You did not send an account of the names of the men in the "Samson" and "Plym", nor of the wages paid to them, and this is a pity, as it would have been useful.

12. Par.18. The arrangement made for auditing the Cash Book is satisfactory.

13. Par.19. The late arrival of the "Victoria" has made it difficult to attend to all the matter she brought, and I am sorry to say that your question about the trip of the "Columbus" to Darwin has been overlooked; however, I will write at once.

14. Par.20. In forwarding Mr. Oswald's application for leave of absence, you allude to "the usual 4½ years of service", which I must point out to you is incorrect. Except in special circumstances, the usual period of service is five years, and the leave is taken as soon after the expiration of the period as is convenient. The Directors regret that they cannot consent to a departure from this rule, which would have to be regarded as a precedent for the future, and they remark that you have not explained why it would be more convenient to your office that the leave should be taken next year instead of in 1914.

15. Par.22. I shall be able to tell you by Supplementary mail how the PSNC propose to settle for the maintenance of passengers ex "Oravia".

16. Par.23. Mills must be complimented on the drawing of the Goose Green settlement, which is done in first rate style,

and will be very useful. Blue prints have been made, and are sent by book post.

17. 431 - 2. The cargo by the "Inca" is an excellent one, and the wool and skins will come to a good market. It is a good idea to boil down the Butchery fat, which will produce tallow of a different class from that made at Goose Green.

18. Par.4. It is at least a satisfaction to know that the tongues are better tinned at Goose Green than in the Straits, but the duties, of course, put shipments to Chile out of the question.

19. The Owners of the "Terpsichore" complain that they have not received the original account with vouchers, which they need for settlement with their Underwriters, and that their Captain, who has arrived home, cannot tell them where it is, the only statement available being a carbon copy. I have told them that I feel sure that you must have given the account to the Captain, but have promised to enquire. I hope that you make a practice of seeing that Captains post their accounts properly, for we might have trouble with Owners less straightforward and accommodating than the Rhederei-Actien-Gesellschaft von 1896, who have paid up in full.

20. Messrs. Spearing & Waldron are much concerned at the news that the rams salvaged from the "Oravia" and destined for Condor might have to be sold, and although I have told them, and they agree, that it is almost certainly useless to cable, they asked us last week to send a message for them via Montevideo, mainly for the purpose of satisfying their Underwriters. There has been an unfortunate misunderstanding about these rams; in the first place you cabled "Samson salvaged Waldrons sixteen rams Oravia shall I release", this arrived on the 2nd December, and should have been answered on the 6th, but it was overlooked; however, this fortunately did not matter, as our cable of 20th December, "You may release", arrived before any sale had taken place. In your letter of the 25th December you say that you understand the message to refer to the Port Howard rams only, and that as you have learned that the Condor people wished you to bid up to £22

each for the remainder, they would be put up to auction. It is impossible to understand without further explanation how you could have misunderstood the message authorising release; your cable did not differentiate between the two lots, and we got bail both from J.L.Waldron, Ltd. and from Spearing & Waldron as representing the Waldrons on the Coast. If a sale has taken place, the whole affair may be disastrous all round: the Underwriters will have to pay the difference between the insured and the realized values, besides salvage, and are sure to be much upset, if it ends at that, and we shall only get our salvage on the actual proceeds, which are hardly likely to come up to the cost. The only thing that can save the situation, if a sale has taken place, lies in the possibility of good competition, which may have run them up above the cost. But then there will be the possibility of the rightful owners on the Coast taking action against the persons responsible for the wrongful sale. I think that you will see that, as there was time to communicate with both owners of the rams, ~~that~~ it would have been the right thing to get bail from them, or their Managers; quite as good as the security obtained through us for all practical purposes, and obtainable in less time. Spearing & Waldron have sent us a copy of your letter to them of 19th December, before the arrival of the "Victoria" with our cable, in which you say that the Receiver of Wrecks had postponed at your request any steps as regarded salvage claims, but that unless something definite was received by mail, he would have no option but to sell by auction, in order to satisfy the claims of the salvors. Naturally they say that we are the salvors, and that it is impossible to assume that claims would be pressed without our sanction and approval; this may put us in an unpleasant position. As Captain Poole is now at home, I have asked the PSNC ^{through Mr. Connell} to ascertain ~~through Mr~~ from him what position the Receiver of Wrecks took with regard to the wreck of the "Oravia" and the disposal of all the property. I want to know whether you were compelled to ask him to see to the disposal of the rams in consequence of the attitude taken up by the Governor through him,

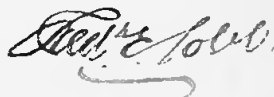
or whether you did this of your own accord, believing that he was the official authorised by law to control all the operations. In the latter event we shall have nothing to say; but should it be clear that the Government put forward pretensions which we are advised are untenable, then we shall have to take the matter up strongly. I said last mail that I believed that the Receiver could only deal with unclaimed wreck; but to make sure I put the question to Mr. Ince, whose reply is enclosed. He is most emphatic on the subject, and says that the Receiver has no more to do with the rams than the man in the moon. This letter is written on the supposition that the Merchant Shipping Act is in force in the Colony; at first I thought that it was, but I remembered afterwards the local Ordinance, which I sent to Mr. Ince, asking him if it modified his views. In a second letter he has replied that it does not. He thinks that the Act is not clearly drafted, and there are clauses in it which, to a non legal mind, would support the views evidently taken by the Governor. You have not access to legal advice, and cannot be blamed for any misinterpretation of the Act or Ordinance into which you may have been led through their want of clearness. I have sent copies of the letters to the PSNC, and have asked them to get the opinion of their own Solicitors, in confirmation or otherwise of Mr. Ince's reading of the law. It is a very important matter, for if the Receiver had no right to take the management of the wreck out of the hands of yourself and Captain Poole, as representing the Owners, more will be heard of it. I assume that previous to the passing of the Wreck and Salvage Ordinance the old M.S. Act was in force in the Colony; but that, I think, contained precisely the same clauses with regard to wrecks, and if so, why was I as Lloyd's Agent and in some cases as specially authorized agent for Underwriters allowed to deal as I chose with large wrecked cargoes at my own sweet will, of which I may mention from memory the cases of the "Vampyr", "Little Edith", "Luigia S," and "G.F. Haendel"? I shall add more about this by Supplementary Mail, after seeing the PSN people.

21. Mr. Bertrand, although in Australia, is an ever present trouble, for he cannot get out of his head the idea that we have balances in his favour both in London and Stanley, and by letter and cable is pestering us, the last demand being for \$1200. According to the Stanley Ledger his private account has a debit balance of about \$1200 up to the end of November, but we know that this will be liquidated soon after the 1st of January, when the division of his firm's profits will take place. I enclose copy of extracts from a letter from Mr. Packe, who gives us clearly the arrangement come to between Mr. Bertrand and his partner's Executors, and I now wish you to be good enough to hurry on the meeting between Mr. Bertrand's Manager and the local Executor, so that the balance of profit due to the former may be transferred to his private account, and we shall know what to pay him.

22. The "Inca" is reported this morning as having passed Gravesend yesterday, but the sheepskins are too late for this week's sales, and will have to wait until the 14th prox.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures via Lisbon.

"Originals"

- 1 Account Current and vouchers.
- 2 Remarks on Accounts
- 3 List of General Cargo per "Oronsa"
- 4 Remarks on Stores & replies.
- 5 List of Dutiable Goods per "Oronsa"
- 6 General Invoice goods per "Oronsa"
- 7 Copy of letter from R. Bossiere to Mr Vere Packé dated
5th February, 1913
- 8 Marked Sheepskin Catalogue.
- 9 Suppliers' Invoices goods shipped per "Oronsa"
- 10 Clients' Invoices goods per "Oronsa"
- 11 Sight Draft on J. Kirwan for £ 59 . 17 . 5 for collection
B/L attached.
- 12 Letters for the following:-
W.A. Harding.
W.G. Benney.

London 8th February, 1913

Enclosures via Liverpool

Duplicates

Despatch No.1114 dated 8th January.

Remarks on Accounts.

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.

Clients' Invoices goods per Orissa.

Clients do. per "Oropesa"

Clients do. per Frigga.

General Invoice Coals per "Frigga"

General do.goods per "Oropesa"

Bills of Lading Cargo per "Oropesa"

Account Current .

Clients' A/sales Wool per "Esmeraldas"

Clients' A/sales Sheepskins ,,

Clients' A/sales Hides ,,

Clients' A/sales Tallow . ,,



Enclosures via Liverpool

Originals

- 1 Copy of Cablegrams sent.
- 2 Copy of ,, received.
- 3 Copy of Messrs T. & S. Plum's letter & prices for new seasons butter.
- 4 Copy of letter from Bernard Stickney of 24th and our reply of 27th January.
- 5 Copy of letters from Rhederei Aktien Gesellschaft of 16th & 22nd & our replies of 20th 24th Jany.
- 6 Cablegram from Stanley via Montevideo dated 2nd Nov. as originally stamped.
- 7 Copy of letter to Spearing & Waldron of 27th January.
- 8 Copy of letter from Ince Colt Ince & Roscoe of 28th Jany.
- 9 Copy of letter from Ellis Leathley & Williams of 28th Jany. re late Mrs Williams.
- 10 Wool market reports.
- 11 Signed Agreement in favour of W. Balcarrie & testimonials
- 12 Copy of letter from H. Dickinson of 28th Jany & our reply of the 29th Jany.
- 13 Extract from Mr Packe's letter of 25rd Jany. re Bertrand & Felton's Account.
- 14 Copy of letter from the Keighley Gas & Oil Engine Co., of 20th January.
- 15 Copy of letter from Hayward Tyler & Co., Ltd. of 21st Jany.
- 16 Copy of letter from Ince Colt Ince & Roscoe of 4th Feby.
- 17 Copy of Letter from Chr. Salvesen & Co. of 4th February.
- 18 John Begg's Original Invoice dated 18th July returned as requested (certificate attached).
- 19 Wool catalogue of 13th January sale.

London 5th February, 1913

DESPATCH no.1115 per "Oronsa", 5th February, 1917.

Precis of Subjects.

1. Acknowledges despatches and letter.
2. Discusses question of chartering on the round.
3. Enquires about pressing machinery at North Arm.
4. Remarks on Dr.Wace's passage from Australia.
5. Kelway's pension.
6. On Wireless telegraphy.
7. Letter to Colonial Secretary on wages found.
8. Explains error in homeward message previously pointed out.
9. "Marco Polo" case in Solicitors' hands.
10. Advises acceptance of draft on a/c "Bay of Biscay".
11. Deals with payment to be made for services to "Oravia".
12. Approves arrangement for auditing cash book.
13. Question about trip of "Columbus" to Darwin overlooked.
14. States objection to Mr.Oswald's application for leave.
15. Maintenance charges for passengers per "Oravia" to be reported.
16. Expresses thanks for Mills's drawing.
17. On cargo per "Inca".
18. Remarks on shipment of tongues to Chili.
19. Asks that accounts for Owners may be properly posted.
20. Deals with question of Receiver of Wrecks and rams per "Oravia".
21. Asks for settlement promptly of Bertrand's account.
22. Reports arrival of "Inca".

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

64, Gracechurch Street.

Per Orcoma.

N^o 1116.

London, E.C. 5th March, 1913.

Sir,

I have to acknowledge the receipt of your despatch no. 432 and of your letter of the 22nd January, both of which arrived on the 17th ult.

2. 432-2. I wrote about shipping by sail last mail, and I have definitely commissioned our Brokers to look out for a ship. Of the three you mention the "Ragnhild" seems the only practicable one, and even she would be likely to be much later than we care for. Meanwhile Messrs. Langridge have before them the names of every vessel of suitable tonnage likely to be available, and have been enquiring about some of them; but the freights asked out and home run into thousands. We have been trying to make out the tonnage of the tallow likely to be available, but cannot get at any satisfactory average, as the quantities from all sources differ so much from year to year. The advantage of being able to ship all the Goose Green materials direct is obvious.

3. Par. 3. It was our intention at first to make the measurement rate on Wool 40/., but it was decided afterwards to make it conform to the ocean rate, and notice of this was sent you in time to prevent the mistake of entering all the "Orcoma" outside lots at 40/-. The consequence of this has been that we have had to instruct the PSNC to alter their freight notes. The clause in the Bills of Lading should read "at ship's option", not "if more than three times weight" as entered on late Bills of Lading.

4. Par. 5. You give us the first intimation we have had of

W.A. Harding, Esq.,

Manager,

Stanley.

the Governor's intended departure; is it only on leave, or permanent? I have seen nothing of the appointment of a successor to Mr. Best.

5. Par. 6. The question we want answered about Dr. Wace is, why he allowed forfeit to be paid on a passage ~~we~~ had taken for him by the N.Z.S.S.Co., and transferred himself and family to another line which does not in ordinary circumstances connect with the Pacific boats.

6. Par. 7. Your remarks on homeward cargo are noted, and it is clear that you have been put about by the contradictory advices received from Valparaiso, and have done the best you could in the circumstances. The "Corcovado" will miss the sales, unless she makes an unusually fast passage, and, through a blunder in Liverpool, Wool, which was advised as having been despatched by a certain boat, was left behind, and cannot be included in the sale of the lot per "Inca". I have pointed out to the PSNC that we have been inconvenienced through their arrangements, though we cannot complain of the way the Manager at Valparaiso has treated us of late, and admit that his ^{own} arrangements may have been upset by the loss of the "Oravia". They have undertaken to write out for an explanation. As regards the despatch of the "Samson" to Port Louis with a lighter, the Board cannot approve of it, for two reasons; it would be establishing a precedent that might be inconvenient, for if you do this for Mr. Packe, the Robsons and Smiths would consider that they had an equal right to the tug's services; but the most serious objection is that, in the event of accident, it might ^{have} ~~be~~ ^{en} extremely difficult to recover insurance, and there was a sum of £4200 at risk. The Nimrod is not a sea-going vessel, she has no masts or sails, and for safety was entirely dependent on the "Samson" and her tow rope. If any accident had happened to either, there might have been a total loss, and the probability is that we should have lost the money, as this risk is not covered by our policy. Although the risk is small, it exists, and must not be ignored, therefore this must ^{be} the first and last case of seagoing lightering of produce. There is a third

reason against it, to which you refer, and that is that we have done the "Columbus" out of £100 approximately in freight, in direct contravention of our agreement. We have to face the fact that it is impossible for you to rush in more wool than you have been in the habit of shipping for the early sales, however urgent the demands for the "Columbus" may be, and we can quite sympathize with the difficulties of your position; but you cannot do impossibilities. There is every chance of your being able to clear the Islands of the season's wool earlier than you have been in the habit of doing, and it all depends on the "Columbus" holding out, the probability of which, after her repairs, seems good, as you have not reported any defects since her return from Montevideo. Captain Saanum may not have reported the trip to Port Louis, at all events Messrs. Salvesen have said nothing about it; but if they complain, we shall have to meet them somehow, in order to keep faith with them. Fortunately wool has been continually on the rise, so that people whose shipments were delayed last year have had no chance of complaining. Prospects remain exceedingly good, especially on the report of a large deficit from Australia, and the continuance of good trade.

7. Par.8. The 10% taken by the Owners is a preferential dividend on the capital; the depreciation is on the original cost of the vessel when new, and Messrs. Salvesen stipulated for this at the outset. If they had put down 10% on the actual cost, the difference would not have been serious, and we could not have objected.

8. Par.9. I feel confident that there was never any £1 fee for the Doctor; the original arrangement was £1.1/- for single men, £2.2/- for the married, or 5/- a mile to non-subscribers. We did not know beforehand whether all would subscribe or not; but they did from the first, and the mileage rate never came into operation. To the best of my recollection, some of the season hands got away without paying, and this was the origin of the arrangement with the Storekeeper, as Dr. Heuston knew that the accounts were made up by him, and that would-be defaulters could

not escape. I quite agree with all you say, and think that it ought to be a part of the Storekeeper's duties to collect the fees without charge; but precedents are awkward things, as I am continually saying, and one of 30 years' standing is hard to upset. Of course the right thing would have been to stop the practice when Frazer left; as it is I suppose it will have to remain in force until Moir's return home.

9. Par.10. The correction of the sheepskin muddle has been advised out already; it has been adjusted as nearly as we can do it, but we still have a few skins in hand. No fault can be found with the returns from Goose Green; the whole mistake was made at the warehouse in London. We are now getting a detailed tally of the contents of each bale opened, and hope that there will be no more mistakes; if there are, it will be in the incorrect returns made by the various shippers. In the "Inca" lot we find several discrepancies between the out-turn and the specifications.

10. Par.12. It is a relief to hear that all the stations would have plenty of bagging, and we are glad to know that you still keep a year's supply in hand. The loss of the "Neko" with the year's supply in 1891 showed that this was a prudent course to take. There does not seem to be any prospect at present of a fall in the price of jute.

11. Par.13. With regard to the "Nuuanu", although you said that a statement of the Plym's services was enclosed, it was not as a matter of fact, and the omission was unnoticed because another statement about the salvage, chiefly relating to the Columbus, was supposed to contain it; the want of a separate statement was only pointed out by Mr. Ince after he had had the papers in hand some time, and it was then found necessary to put in an extract from your despatch to show what the Plym had done. As the other side had the right to call for the whole of your remarks, we had to give them, although they contained the damaging suggestion that we might be satisfied with £70 to £100. However, we got through the case very well, and, as you say, we hope the Samson will be the salving boat next time.

12. Par.14. It is evident that the Wireless system, unless it can be improved, is not going to be the boon to the Colony that was hoped, and we shall have to confine ourselves to the transmission of urgent messages on the chance of their getting through, which, in view of what you say and remarks made by Messrs. Maclean & Stapledon, will always be doubtful. It will, apparently, be hopeless to use any kind of code, and we shall have to put our messages into words. In the course of time and with the spread of wireless systems, the various countries or Companies owning them may see the need of employing linguists at their stations; until that time arrives we shall always be in difficulties.

13. Par.16. It may be as well to wait until Mr.Blake's return before deciding definitely about getting a lighter from Sandy Point, and we may hear whether you have had any success or not with the "Malvina", about which you have said nothing of late. If we could get a lighter of suitable size built over there at a cost, delivered in Stanley, of £700 or so, loaded with wood, it looks as if it is the best we are likely to do, unless you can hear of any old schooner for sale at a lower price.

14. Par.17. From my last despatch you will have seen already that the brief narrative you give of the ram transaction is by no means satisfying, and that important information on several points has been withheld. You will find enclosed a statement which embraces all the facts, as far as we can get at them from correspondence, and I will give here a short summary of it.

Your cable reporting salvage of Waldron's 16 rams, and asking if you might release, arrived on the 2nd December, and the reply was sent on the 20th, "You may release". Prior to the receipt of this message you wrote Spearing & Waldron that unless news of security arrived by mail the Receiver of Wrecks would have to sell to satisfy the claims of the salvors, we being the salvors. The message reached you on or before the 25th December, and you interpreted it as referring to 4 only out of the 16, adding in your letter to us of that date that the 12 rams for Con-dor would be put up to auction with a reserve of £25 to be bid

on account of the owners. Your despatch now under reply advises the sale at 10/.over the limit named, and gives the names of the buyers, who, with the exception of J.L.Waldron, Ltd., to whom a double share seems to have been conceded, took 2 each. Finally, a letter from Mr.Mathews discloses the fact that the Stock Inspector, a Government Official, bought the lot, and afterwards resold them at enhanced prices.

Your own account refers to the non-arrival of a cable on the 11th December, but is silent on the subject of that of the 25th; and if we had not known from your previous letter that the rams had not been sold before its arrival, we might have inferred that the decision to sell had been arrived at and carried out between the 11th and the 25th. Although your despatch suggests to us that we bought two rams at the auction, you did not tell us the price we paid, and we had to learn from another source that it was £35 each, not at auction, but paid to the Stock Inspector. You will admit, I think, that a fuller report on the whole affair was due to us, and, had you realized what was being done, you would hardly have concurred so lightly in a transaction which was wholly illegal.

I may say that I much regret that your cable was not answered by the first chance; the oversight was discovered just as it was too late, and if the sale had come off before the 25th of December this office would have had a full share of the blame. Since, however, the order for release arrived before the sale, we are only accountable for the failure to ship by the "Orcoma" on the 11th of December. You will learn from correspondence sent you this mail, as well as from my letter from Liverpool last month, that the proceedings of the Receiver of Wrecks over this business was wholly irregular, and a very concise and definite letter from the Salvage Association to the PSNC shows what ought to have been done. There seems to be a singular misconception in the Islands on the subject of wrecked property, which, put into words, suggests that it belongs to a body vaguely known as the "Underwriters", and that the Receiver of Wrecks is obliged to

sell it on the spot, regardless of the actual ownership. An instance of this comes out in another case, to which I shall refer presently. The proper course is, as you know, to get wrecked cargo forward to its destination, and Lloyd's Instructions to Agents lay stress on this. Dealing with these rams, they are insured at Lloyd's, and the course taken has resulted in disastrous loss to those concerned, which may cause enquiries to be made. Did Lloyd's Agent protest against the sale? Unfortunately you concurred in it, but I have not given you away by admitting that. Did it occur to you that our salvage cannot now be calculated on cost, freight, and insurance, but on the actual realized sale value, therefore much less? Did you consider that out of the difference between the proceeds of sale and the total loss the Underwriters will have to pay our salvage, whatever it may ultimately be, so that they will get practically nothing? On looking at facts and figures, the Man in the Street, who always takes an unfavourable view of motives he does not understand, sees that certain useful rams, personally selected by an old F.I. Manager, were in Stanley, and jumps to the conclusion that the farmers on the spot decided that they must have them by hook or by crook, so commissioned the Stock Inspector to buy them at the auction, at a price just over the reserve limit, abstaining from bidding themselves, and afterwards shared them out by couples at much higher prices. He thinks that this suggests a knock-out, wants to know where the plunder went, and asks whether no precaution was taken against a combination amongst the buyers. I am not saying that this view is in any way a correct one; but it cannot be denied that it would fit in with the facts, and the Directors decided that in our position we could not allow ourselves to be under suspicion; we therefore informed Messrs. Spearing & Waldron that we would, if required, give up our two, and Mr. Packe agreed to do the same. On this Messrs. Spearing & Waldron had a conference with their Underwriters, the result of which was that they decided, while appreciating our position, and thanking us for the offer, to let the matter go, and not ask to have the sale annulled, as they

*have
not
considered
the
actual
value*

*but
follows
this*

had a right to do; at the same time they will press for the payment of the actual values given for the rams, and, if necessary, write to the C.O. about it. You will understand that in your interest, and in that of the Stock Inspector, I have deprecated any reference to Lloyd's or the C.O., and have done my best in every way to throw the whole blame on the Government. But to avoid any appeal to the C.O. you should use your best endeavours to get the matter put right. There can hardly be a doubt that, if there had been fair competition at the auction, the higher prices subsequently given would have been forthcoming, and perhaps exceeded, and any subsequent expenses would have been at the cost of the purchasers. If the C.O. knew that the Inspector had been mixed up in the transaction, the result might be serious to him, and I assume that he is too good a man to lose.

15. Par.20. The loss of wool at Hill Cove is unfortunate, and Mr. Holmsted tells me that Mr. Miller considers that the raft was too heavily loaded to be safe in squally weather. Capt. Saanum is a pushing man from all accounts, and wanting to get a load quickly, his zeal may have outrun his discretion. Is it not usual for wool to float, at all events for a short time? The total loss is serious; would it be impossible to grapple for it?

16. Par.22. The accident to Dr. Wace is evidently a very bad one, and we can only be thankful that it was not fatal. The Directors will be glad to hear that he is on the way to recovery, and the absence of a cable is favourable. It would be difficult to provide a locum tenens.

17. Par.24. The PSNC will have to deal with the claim for salvage put in by the Harbour Master. As regards our own, I have already said that it is not likely to come to much, but nothing will be settled until we get your return of out of pocket expenses. Mr. Alcock suggested at our last interview, without prejudice, a cheque for £500 to cover the whole, and Mr. Ince thinks that, in the circumstances, this may be a fair offer, as we shall get the salvage on the rams as well. There is the somewhat important matter of the value of the Parcel Post which was saved by us, as it

Very small

appears that the PSNC and not the Post Office are responsible for it.

18. Signed copies of Messrs. Ince's letters about the functions of the Receiver of Wrecks are enclosed, together with other correspondence to which I have already alluded.

19. Although we were told at first that it would be better to defer the shipment of meat until the autumn, we now hear that if you could get any forward by May it would be appreciated, and if the "Columbus" should be at Darwin and have room you might send some by the "Oronsa", together with whatever Extract may be ready. It would be desirable to divide whatever you may send into two lots, and make one Bill of Lading out for London, the other for Liverpool, this applies to the meat only. There is a buyer in Liverpool who is so much pleased with the meat that he is asking for more.

20. The Wool per "Inca" is being sold this afternoon, and prices will be reported by the Supplementary mail. The next sale will be on this day week, which will allow plenty of time for the lot per "Orcoma".

21. Returning again to the "Oravia", since last mail the PSNC have cabled you to take charge of everything, protest against Receiver's action, and to assert your position. I am trying to get them to see that this may not have much effect, unless they approach the Colonial Office with a protest accompanying a statement of the proceedings taken. Mr. Alcock says that he has written the Governor a stinger, and thinks that he has done enough. Time will show whether he has or not; my belief is that a Governor has too much regard for his own dignity to admit himself to be in the wrong until he is obliged. I find that when the "Cassard" was wrecked I raised the question of the interference of the Receiver when a Master is on the spot, and you were going to write to Lloyd's to find out their opinion. Then you came home, and the question unfortunately dropped, or I can find no record of anything further. Lloyd's and the Salvage Association cannot have two opinions on this subject, and a pronouncement direct to you would have been valuable lately.

22. Your cable advising the year's profit shown in the Stanley books has arrived, and we make it to be £47,750, or about £6,200 less than in the previous year. We had the word "Ipnoe" repeated, but it came back the same, and must mean "Ispnoe", or £40,000. It is not of much use to speculate on the causes of this falling off, as we shall know the facts in less than a fortnight; but it comes rather as a surprise, as the produce realized here was £60,654 in value, or more than £5,000 in excess of 1911, in fact, with the exception of 1910, it was the highest on record. We expect to see that the "Samson" has made nothing, against £2281 in 1911, the "Gwendolin", which contributed £550 last year, has been idle, and the "Lafonia" has done less work; besides these there is the distribution of the bonus, and the Goose Green expenses may have been higher; but on the other hand the profit on the working of the "Columbus", over £1,000, should compensate for the lower earnings of the schooners.

23. The matter to which I alluded in par.14 is the sale of a case of photographic materials, one of a number consigned to R.Dettleff, which case seems to have been about the only package of cargo that was rescued. It contained plates and paper, and was of the value of about £14. It was addressed to Dettleff, and should have been delivered to him, subject to any charges such as salvage; but, according to the Underwriters, it was seized and sold by the Receiver of Wrecks, and they neither know the amount realized, nor what has become of the proceeds. Dettleff has made a claim for total loss, but the matter will not end here, for the proceeding was grossly illegal, and representations are, I understand, being made to Lloyd's and the Salvage Association, particulars of which I may be able to send you by Supplementary mail. There was no one authorised to accept abandonment of this case, and Dettleff was bound to receive it, though if damaged he had the right to ask you to have it surveyed, and for any loss he would ultimately have had a claim on his policy. On behalf of the Underwriters I enclose a number of questions, to which please fill in the replies, and return the paper. It has been hinted to

me, but I have nothing definite at present, that a claim will be made on the PSNC for wrongful delivery of the case, that is to say that they had no right to deliver it except to the consignee; their answer to this will be that it was taken from them by the Government, and a lot of trouble will follow.

24. Just as I am closing I have received from Spearing & Waldron a copy of the letter which ~~they~~ wrote to you yesterday, and you will see that what I have already advised to be done in the matter of the rams should be carried out to avert further trouble.

25. The Wool Sales began yesterday, with a rise of 5 to $7\frac{1}{2}\%$, and medium and coarse cross-breeds specially strong. Wool people now talk of a steady rise until December at least, and if this proves to be true, the later shippers will benefit.

I am, Sir,

your obedient servant,

W. J. G. G. G.

Managing Director.

*Kebleton from the 1st of
of the 1st of
£2500 to the agent*

Rams. Coal

Enclosures via Liverpool

Duplicates

Despatch No.1115 dated 5th February.

Remarks on Accounts.

Account Current

Remarks on Stores.

List of General Cargo per "Oronsa"

List of Clients' Cargo per "Oronsa"

List of Dutiable Goods per "Oronsa"

List of Parcels.

List of Enclosures.

A/sales H & B 37 bales Wool ex "Esmeraldas"


Sight Draft on J.Kirwan for £59 . 17 . 5

General Invoice goods per "Oronsa"

Bills of Lading goods per "Oronsa"

Enclosures via Liverpool

Originals

- 1 Copy of Cablegram sent on 14th February.
- 2 Copy of Cablegrams received on 22nd & 24th February.
- Clients' reports :-
- 3 H & B 12 bales Wool ex "Inca"
- 4 J B L 7 ,, ,,
- 5 S I 2 ,, ,,
- 6  10 casks Tallow ,,
- 7 Tallow priced catalogue.
- 8 Copy of letter from the G.P.O. of 10th February.
- 9 Copy of letter from Pacific Steam Navigation Co. of 21st February re payment of £587 . 5 . 3.
- 10 Chilprufe Manufacturing Co's letter of 17th February & Mrs Kiddle's application for catalogue.
- 11 Copy of letter to Pacific Steam Navigation Co. of 12th February.
- 12 Signed copy of Ince Colt Ince & Roscoe's letters of 28th January & 4th February.
- 13 Copy of letter from Barrie Chalot & Co. of 22nd Febry. re Mr Packe's sheep.
- 14 Copy of Duus Brown & Co's letter of 18th February.
- 15 Brokers' press copies Reports &c on Company's Wool & Tallow ex "Inca"
- 16 Copy of letter from the Pacific Steam Navigation Co. of 26th Febry. re casks Hides ex "Inca"
- 17 Copy of letter from Anning & Cobb of 29th February re cask Hides ex "Inca"
- 18 Copy of Correspondence with the Pacific & Ince re "Receiver of wrecks" at Stanley.
- 19 Statement of Extracts &c re Rams salved ex "Oravia"
- 20 List of Queries re Dettleff's case of Photographs Materials per "Oravia"

London 5th March, 1913.

~~Monday~~

Looking back on the wreck of the *Blair*

perhaps I may be allowed to say something on the personal aspect from the view of this office

On the night of the wreck W.O. and I went down at the undisturbed rest of our lives and sweet day long his son remained on board until the ship was abandoned, returning with the crew.

In some weeks air work was almost unwholly during this time owing to visits interspersed from passengers etc. there was a shortage of fuel in the case of which W.O. & I had had to take good care of our own stores. I can say that I have been ~~very~~ free of charges for 16 days.

On the life boat this we are abated by the side of the compass and over the whole we devoutly hope that if another of these steamers is to be wrecked it will be shorter than

Stanton

Enclosures vis Lisbon

ORIGINALS

- 1 Account Current & vouchers.
- 2. Remarks on Accounts.
- 3. Remarks on Stores.
- 4. List of General Cargo per Orcoma.
- 5 General Invoice goods per "Orcoma"
- 6 Sight Draft on J.Kirwan for £ 33 . 16 . 9 for collection
B/L.attached.
- 7 Wool market reports.
- 8 Suppliers detailed invoices goods per "Orcoma"
- 9 Precis of Subjects - Despatch No.1116.
- 10 Copy of letter from W.Lowden & Co.dated 5th March.re
re Mr Dettleff's insurance.

Letter for the following:-

- (2) W A.Harding.
- (3) A.L.Allan.
- (1) Rev.C.McDonald Hobley.
- 11 Clients' Invoices goods per "Orcoma"

London 8th March,1913

6

DESPATCH no. 1116 per "Orcoma", 5th March, 1913.

Precis of Subjects.

1. Acknowledges despatch and letter.
2. On shipping tallow by sailer.
3. Explains alteration of measurement rate on Wool.
4. Enquires about approaching departure of the Governor.
5. Alludes to the question about Dr.Wace's passage.
6. Remarks on collection of produce.
7. Explains dividend and depreciation on "Columbus".
8. Deals with collection of Doctor's fees.
9. About errors in sheepskin accounts.
10. Refers to supply of wool bagging.
11. Comments on "Nuuanu" salvage.
12. Wireless telegraphy.
13. About purchasing a lighter at Sandy Point.
14. Deals at length with sale of rams ex "Oravia".
15. On loss of Wool at Hill Cove.
16. Refers to Dr.Wace's accident.
17. Remarks on Salvage re "Oravia".
18. Reports enclosure of letters from Solicitors and others on the subject of the functions of Receivers of Wrecks.
19. Desires early shipment of a portion of the Meat and Extract.
20. Reports Wool up for sale.
21. Further on "Oravia" and Receiver's action.
22. Acknowledges cable advising year's profits with comments.
23. On Dettleff's case of photographic materials and its sale. Refers to
24. ~~Letter~~ copy of letter from Spearing & Waldron.

Ind. 1117

41

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

61, Gracechurch Street.

Per Orissa.

N^o 1117.

London, E.C. 2nd April, 1913.

Sir,

I have to acknowledge the receipt of your despatches 433/5, the first per "Corcovado", the last two per "Orissa" on the 17th ult., the "Corcovado" arriving on the 20th. Your letter of the 19th February came per "Orissa".

2. 433-5. Notice of the contract with the "Rio Gallegos" for the salvage of Wool at Hill Cove, and of the success reported in 435-13 has been conveyed to the British and Foreign. This is satisfactory so far, and when the wool arrives, accompanied by the documents, we shall be in a position to put the claim forward. I suppose that Mr. Miller will be alive to the fact that the new bales must be specially marked, so as to distinguish them from the rest. I suppose that it is too much to hope that the numbers of the bales recovered were distinguishable.

3. Par. 7. If there is any trouble over the renewal of the Geese Ordinance, we shall support the proposal at the Colonial Office.

4. Par. 9. The Board are glad to hear of Dr. Wace's progress towards convalescence.

5. Par. 10. You will see that the "Corcovado" came in after the sales were over, but the next series begins on the 22nd inst. on account of the early Whitsuntide. We have received an important notification from the Colonial Wool Merchants' Association to the effect that in future all South American wools are to be subject to the same Rules and Regulations as govern the admission of Colonial Wools to any given series. This means that any wool reported after 4 p.m. on the Monday week previous to the opening

W.A. Harding, Esq.,

Manager,

Stanley.

day (Tuesday) will be held over until the following series, and further, that if the Association have fixed a limit to the number of bales to be offered, and the number has been reached, the list may close even earlier. Hitherto, any of our wool arriving during the Sales has been admitted if there has been time to land and sample it, so the new rule means that the steamers must leave the Coast earlier than they have been in the habit of doing. I told the PSNC of this at once, and they are advising their West Coast Manager; but I think that you also should let him know that arrival eight days before the opening is imperative, and that failure to achieve this means two months' delay. The rule comes in force for the July sales.

6. Despatch 435 deals solely with the annual accounts, and has been carefully considered by the Board. We had hoped that the profits would be higher, although we knew that they would not be up to the level of 1911. Still, there does not seem to be much to complain of, although certain items require examination and discussion.

7. Farm. It would be difficult to draw the line between those remarks that should go to you and those which might be addressed to Mr. Allan, so that I had better include the whole in this reply to the Accounts despatch, (and you can pass on whatever you may think advisable. The comparison with 1911 is not really as bad as it looks, for, on going back, we see that at the end of 1910 you took credit for £2000 for Tallow unsold, which in the early months of 1911 realized £3839.6.3; from this it follows that the produce of 1911 was inflated by the sum of £1839.6.3, and 1910 suffered to that extent, which, as it was a good year, did not matter.) You mention that Wool realized £1500 less, but ignore the fact that produce generally realized £5000 or more, the increase being due to the value of canned meat and extract. It is on the expenditure side that we have to look for the falling off. Here we find cash, which we take mainly to represent wages, showing an increase of £2517.6/., and it is fair to say that of this the Bonus accounts for £387.19.1. The Company is

prosperous, and I am sure that there is no Director who grudges the men who work for them the share of that prosperity which the Bonus represents. Passage money is exceptionally high, as it includes the change of Doctors, Mr. Allan's visit to England, and the transfer of Weiss from Punta Arenas, as well as the conveyance of the labourers for Goose Green, none of which, with the exception of the last will appear in 1913. The purchase of sheep for canning and of rams in England shows an expenditure of over £800, and calls for no criticism; but it is different with a sum of £120 spent on wethers for the Butchery, which is so exceptional, and, considering our own stock, so unintelligible, that the Board would like to have an explanation. The purchase of bulls is no doubt desirable from time to time, but the item of horses the Board would like to see disappear. Stores for canning run into nearly £2500, and it is hoped that this, in future years, may be reduced. With regard to wages, the time has come for a re-organization of the Darwin books, so that it may be clearly shown what they amount to. We can get at them by adding up the columns of the Camp wages list and of the extra wages, (which should be done before they are despatched), but the fact remains that there is no entry in the books from which we can see at a glance what the year's expenditure on wages has been. This list gives payments to the men, which we know consist partly of cash and partly of Stores, but does not state the proportion of each, and this leads to another point, which is that although we sell many thousands of pounds' worth of goods, (speaking off hand, as I have no figures before me) we do not know what profit, if any is realized, or whether we are not making a loss. Further remarks on details will be sent separately in course of time, and I think that you will agree that the system of keeping the Farm accounts, though it dates ages back, is capable of improvement. As to Goose Green, wages are in the first instance all charged to Farm, and if Weiss keeps a daily pay sheet, and the establishment is debited with all labour, the calculation will not be a difficult one. We must know the cost of canning, as nearly as it can be reckoned, and

if a system can be devised it will remove the reproach that always attached to Goose Green that we never knew the actual results. We never knew, and we do not know now, how much we got out of our sheep per head by boiling down, after all expenses were paid, simply because the Farm generally has always been debited and credited with everything, without any examination of details. We are now getting into fairly large figures, and this reproach will have to be removed.

8. Store account. What you say about care over deliveries and the careful estimate of the stock is all to the good, although you should be certain that you are not doing the account an injustice by under valuation. You may have reckoned up the cost of hard wood, but I should have been inclined to say that, if you measured it up, the freight would come to more than 10%. In view of your remarks, the profit looks quite good, if it were not for a horrible discovery we seem to have made, which I hope may turn out to be a mare's nest, that you have omitted to charge or to credit Head Office with the cost of goods shipped per "Orcoma" last April. We must know about this as soon as we can, and a cable of enquiry has been sent to catch the "Orcoma". The amount is £1809.4.8, and if this shipment has been overlooked it brings down the Store profits to that extent.

9. Schooners and Interest and Commission. These may be taken together, as you have passed to the latter account the £1000 odd representing our share in the working of the "Columbus". Although this is a book entry, and does not affect the profits, the money should not have been credited in this way. Consider that we have laid up the schooners to make way for the "Columbus", and it will occur to you that they should be paid for refraining from an opposition that would neutralize all the steamer's profits. Why, then, should you not divide the £1000 between them? It would pay for interest on their ^{cost} ~~upkeep~~ and for their upkeep, and still give them more or less profit, which, if running, they would have made.

10. Buildings. The increase under this head was not unexpected; the only point that occurs to me is whether the amount charged to the account and credited to Farm for labour is sufficient. As to repairs, the Directors expect to see a material rise in cost in the immediate future.

11. General. The remaining items call for no special remark at the present time, but when we have had time to digest everything there may be more to say about the canning, in addition to what I have already written. Your remarks are much appreciated, as they show that you are fully alive to the necessity of getting at exact results.

12. 435-2. It will be interesting to learn if the Norwegian Foreign Minister is taking up the question of fining the Masters who failed to display the quarantine flag. If he approaches the Colonial Office through the Foreign Office, there will be no need for us to interfere, but if you want any enquiries made about the custom in other Colonial ports please say so.

13. Par.3. The Board discussed the question of Lellman at yesterday's meeting, and decided that he should be treated liberally. We really do not know what our legal liability would be under the Ordinance in force in the Islands, because we understand that the Employers' Liability Act is not. The probability is that he would not be entitled to full pay and all expenses, and the first thing to do is to ascertain our actual liability, and then do something better. The Board do not object to the passages to and from Buenos Ayres, but I cannot find out by what class they would have gone to cost £18 each, and thought that the Hospital was a free one. The sundry expenses ought to be defined, and I do not think that under any Ordinance a claim could be made for more than shore pay. If, on considering all the circumstances you can arrive at an amount to be paid by way of compensation that you think a fair one, the Directors will sanction it. You will have to be careful to take a receipt in full, so that no further claim can arise. I am sorry that, owing to the mail

having brought a good deal of work, coupled with the interruption caused by Easter, I have overlooked the matter of the eyeguards and have not seen about the Insurance you suggest, but both subjects shall be attended to as soon as possible.

14. Par.4. So far as the remuneration from the PSNC is concerned we stand as before, as I hardly like to close with them before I see that there is no chance of getting the value of the parcel post we saved. If this cannot be ascertained we shall have to come to terms soon. I have seen Mr.Ince, and he tells me that the men who went down to save the rams are entitled to a share of the salvage, as the work was out of their regular line of employment as a portion of the crew of the "Oravia". He thought it a pity that they were allowed to go. This brings in the Receiver of Wrecks again, and I have asked Mr.Ince to let me have a scheme of division that no Court could object to. At present this can hardly be done, as we do not know the number of men who were at work, nor their names, and it would be premature in any case, as the amount of the salvage has not been determined. I have come to an arrangement with Spearing & Waldron for 33 1/3% on the value, with certain conditions, as per correspondence enclosed. Their Underwriters had offered 25%, but I managed to get this increased a bit. When we hear from you what has been finally decided, the claim will be settled. Regarding the cargo telegram, surely no one but ourselves would send you a message without signing it?

15. Par. 5. You give good news about the slip, and what you say about the Samson's bottom makes it appear that I had taken too gloomy a view of its condition. There may have been more opportunities than I was aware of of sighting and cleaning it.

16. Messrs.Salvesen take their stand on the survey reports and the reclassing of the "Columbus" at Montevideo, and say that, although certain repairs that they had wished attended to had been overlooked, as far as they can learn the boilers are doing well, now that these defects have been righted. I am afraid that Capt. Saanum has been injudicious in the proposals that he has

laid before them. They say that he is advocating a powerful boat with luxurious passenger accommodation much larger than at present, superior and efficient loading and discharging arrangements, smoking room, and, in fact, all the luxuries appertaining to a vessel plying between populated districts in this part of the world. The suggested boat is to be a new one, and they say that in the present state of the market she would probably cost about £14/15,000. The coal bill would be nearly doubled, the insurance would be nearly four times as heavy, deck and engine stoves would be increased proportionately, and depreciation would be much heavier. We know that such a boat could not pay, and I think that if Capt. Saanum had suggested one not larger than the "Columbus", with quite plain and reasonably sufficient passenger accommodation, but with no luxuries, he would have had a better chance of being listened to. They say that they have kept their eye for some time upon two likely boats, but they have both been disposed of at more than their cost price three years ago. I have a feeling that if a better boat could be found at a price that would enable her to pay, Salvesens would be willing to consider her purchase favourably, and if the people in the Straits are able from time to time to find such vessels, there is no reason why our friends should not. I do not know what the passenger accommodation is on the steamers that run up the coast of Patagonia; but I should imagine that it is not up to the standard advocated by Capt. Saanum.

17. Par.7a. I can only say that Messrs. Langridge have before them all the vessels of likely tonnage that there is any chance of chartering, and that they have enquiries out at all ports, both here and on the Continent, but that at present they see nothing more suitable than the "Ragnhild", when she gets home, which, as I have explained, is likely to be later than would be convenient to us.

18. Par.8. I had hoped to see Mr. Salvesen, so that I could put to him personally questions about the stability of the Whaling Companies. It is a somewhat delicate matter to enquire about

the financial standing of his rivals, but I will try to find out something when I have an opportunity.

19. Par.10. We quite agree that a better arrangement should be made for the public wishing to use the telephone at Darwin, and have got Mr.Hubert to provide a switch-board. I spoke to him about it myself, and explained the situation exactly; when he heard that there was already a switch to Goose Green, he said that we must have a switch-board, and that as these were stocked for not less than five lines, we should do better in having one of them, rather than a specially made one for three, which would cost more. Two lines more can be put on to this, and as the telephone may be extended in time to Port Sussex, San Carlos, or elsewhere, we shall be ready for it when the time comes. Mr.Hubert doubted being able to get the apparatus away this time, but I see that he has sent the invoice in, so assume that the apparatus has gone to Liverpool.

20. Par.11. I note the correction of the clerical error in despatch 432; I thought at the time that there had been a slip of the fingers.

21. Par.14. You know already that the question of a sailing vessel is always before us, and I will cable as soon as we have chartered.

22. I was glad to get your letter of 19th February, in which you say that the Receiver of Wrecks has in the case of the "Oravia, as in other similar cases, taken his stand upon Ordinance no.3 of 1899, because this means that the whole thing will be brought to a head, and we shall know who is right and who is wrong. When I was in Liverpool in February, the PSNC were hot on the subject, and quite agreed with what Mr.Ince had written, having seen their own Solicitor about it. Since then, I judge from a letter I got from Mr.Connell last week, a copy of which I enclose, that Mr.Lamb has doubts about the correctness of Mr.Ince's opinion, and, incidentally, it must follow from this that he thinks that Mr. Lowrey may also be wrong. It all turns on the

construction to be put on the wording of clause 12 of the Ordinance, which to a non-legal mind suggests that the Receiver must not interfere in matters relating to the crew, while a lawyer says that it refers to matters relating to the ship. I have carefully compared and put into parallel columns extracts from the M.S. Act of 1894 and from the Ordinance which is built on it, so far as they relate to this question, and you will see that there has been a curious transposition, which may have been intentional or accidental, of the words "vessel" and "crew" in relation to "thereof", which in the Act makes the latter word refer to the vessel, and in the Ordinance possibly to the crew. But it can never have been intended to vary the law on such an important point, and, knowing as we do what is done here, and having the opinion of Mr. Lowrey, than whom no man in the world has the subject of wrecks and salvage more at his fingers' ends, that the management should have been in the hands of the agent, "in accordance with the practice here", can there be any reasonable doubt that the Receiver has done wrong in interfering? He has taken all power out of the hands of the Captain, violating the fact laid down by Lloyd's in their instructions to agents that "the master of a vessel according to English law has, as Agent ~~for~~ of the Shipowner, control over both ship and cargo, and is responsible for both". It is a question of far reaching importance to us, and to yourself as Lloyd's Agent, for if this interference is established by law, it practically takes away from you all power of representing the Underwriters in case of wreck. In such a case it is one of the cardinal points that would be insisted on by Underwriters that whenever possible cargo should reach its consignee or be forwarded to its destination, and if the sole idea of the Receiver is that it must be put up to auction on the spot, regardless of the fact that there may be the consignee close at hand, or of the possibility that there is no market for it locally, I feel confident that, sooner or later, Lloyd's will intervene. It has occurred to me to ask why, with this Ordinance

in force, the Receiver did not intervene, and take the management of the "Samoa", when she was wrecked soon after you took over the Managership. I enclose copy of a letter to Mr. Connell in which the clauses of the Act and the Ordinance are set out as mentioned above, and I may get his reply and perhaps some more information before the Supplementary mail leaves.

23. Referring again to the Farm account, since I wrote par. 7 I have had the totals of the wages taken out from the quarterly sheets, and the result is surprising, for they show that the total wages in 1912 were only £215.17.2 in excess of 1911, the figures being:-

	<u>1911</u>	<u>1912</u>
Standing wages	10,054.17. 0	9,810. 3. 1
Extra ,,	1,475. 6.11	1,935.18. 0
	<hr/>	<hr/>
	<u>11,530. 3.11</u>	<u>11,746. 1. 1</u>

It is not, then, in wages that we have to look for the great increase in expenses, and after the mail has gone the account will have to be still further dissected.

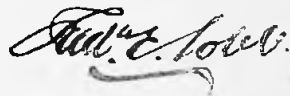
24. We received your cable about the "Lady Elizabeth", which is a vessel under the Norwegian flag, but, according to our information, wholly owned by T. Dobbin & Co., shipchangers of Poplar, to whom we applied for a credit. Mr. Dobbin called here, and said that they were in communication with the Salvage Association as to repairs or condemnation, the estimate of \$1750 for disbursements on a vessel 35 years old being rather alarming. He asked if there was a likely purchaser to be found in the Islands, and I told him that if there was any idea of selling he had better come to us. He said that before he got his own cable, he had an enquiry on the part of a firm in London as to whether ship and cargo could be bought right out; this was the first intimation he had of the ship being in Stanley, and as his own cable came by wireless in two days, somebody must have been very active, and he supposed the idea was that the ship might be jury rigged, and sent up to the Plate to be sold with the cargo, which would make

a good price there. But when I elicited from him that the name of the firm was W.Hooton & Yates, the affair took on a serious complexion. We do not want another hulk, but we have kept our rivals in the shipping business and in agencies of the farmers for a quarter of a century, and it is manifest that we must try at any cost to prevent the laying down of an independent 1200 ton hulk, which would be a standing menace in more ways than one. I can only say at present that the question of repairing is deferred, and the credit also; meanwhile Mr.Dobbin has promised to let us know as soon as anything has been decided.

25. The second sale of wool went better than the first, and our wool went at an average which, I believe, is a record. We have the shipment per "Corcovado" to be put up this month, and are hoping that there may be another steamer on the way, which will arrive in time.

I am, Sir,

your obedient servant,



Managing Director.

CORRECTION OF FIGURES RE FARM WAGES GIVEN IN
PARAGRAPH 23.

	<u>1911.</u>	<u>1912.</u>
Standing wages	10063.17.0	9827. 3. 1
Extra ,,	1475.6.11	2035.11. 2
	11539 3.11	11862.14. 3
	2606.17 5	3062 11 2
	8932.6.6	8800 3 1

Allyn etc
Accountant

DESPATCH no. 1117 per "Orissa", 2nd April, 1913.

Precis of Subjects.

1. Acknowledges despatches and letter.
2. On salvage of Wool at Hill Cove.
3. Renewal of Geese Ordinance to be supported.
4. Expresses ^apleasure on report of Dr. Wace's progress.
5. On notification from Wool Merchants' Association, and explains.
6. Reference to accounts in this and following paragraphs.
7. Farm.
8. Store.
9. Schooners and Interest and Commission.
10. Buildings.
11. General.
12. Enquires if Norwegian Minister is taking up quarantine question
13. Deals with the case of Lellman.
14. Reports settlement of rate of salvage on rams.
15. Refers to "Samson" and slip at New Island.
16. Deprecates exaggerated specification of steamer by Saarnum.
17. Reports that Brokers are looking out for a sailing vessel.
18. Enquiries as to standing of Whaling Companies will be made.
19. Approves proposal for telephone extension at Darwin.
20. Notes clerical error in former despatch.
21. Charter of sailing vessel will be cabled when signed.
22. Deals with action of Receiver of wrecks in "Or^avia" case.
23. Refers to Farm wages.
24. Acknowledges ^dcable re "Lady Elizabeth", and reports position.
25. Reports further sale of Wool.

Enclosures via Lisbon.

"Originals"

- 1 Account Currents 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 General Invoice goods per "Orissa"
- 7 Suppliers' Detailed accounts, goods per "Orissa"
- 8 Clients' Invoices goods per "Orissa"
- 9 Copy of letter from Lewis & Llewellyn and our reply of
of 2nd,
3rd April & Deed of Release and Bankers' Draft
in favour of Mary Jones for £522 . 15 . 6
- 10 Sight Draft on J.Kirwan for £79 . 5 . 6 & B/L attached.
- 11 Comparison of Stanley Accounts for 1911 & 1912
- 12 Copy of Cablegram received dated 3rd April.

Letters for the following:-

W.A.Harding & A.L.Allan.

(2) (2)
13. *Clients' Wool Reports*

London 5th April, 1913

Enclosures via Liverpool

Duplicates.

Despatch No.1116 dated 5th March.

List of Enclosures.

Account Current.

Remarks On Accounts.

Remarks on Stores.

List of Parcels.

List of Clients' Cargo per "Orcoma"

List of Dutiable Goods per "Orcoma"

List of General Cargo per "Orcoma"

General Invoice goods per "Orcoma"

B/L. cargo per "Orcoma"

Neale & Wilkinkson's draft on J.Kirwan for £33 . 16 . 9

Clients' Account sales &c.:-

AP	1	pkg.Hair ex Esmeraldas"	
WCM	1	,,	,,
AFC	1	cask Tallow ex "Inca"	
WP	9	,,	,,
HP	2	,,	,,
	44	,,	,,
L	11	,,	,,
H&B	14	,,	,,
	5	,,	,,
S I	4	,,	,,
Z	10	,,	,,
J B	1	,,	,,
	6	bales 'Sheepskins' ex Esmeraldas"	
H J	4	,,	,,
RBC	4	,,	,,
JR	4	,,	,,



Enclosures via Liverpool

Originals

- 1 Copy of Cablegrams received.
- 2 Copy of Cablegrams sent.
- 3 Copies of letters to Spearing & Waldron of 10th & 14th and
their reply of the 13th March.
- 4 Copy of letter from William Carpenter of 26th March.
- 5 Wool Market Reports.
- 6 Copy of letter from The Colonial Wool Merchants' Association
dated 17th March.

Clients' Reports & Contracts:-

7.

△	14 casks Tallow ex "Inca"		
Z	23	,,	,,
H & B	30	,,	,,
S I	17	,,	"Corcovado"
- 8 Copy of letter ~~to~~ ^{from} Mr Connell of 28th and Mr Cobb's reply
of the 28th March,
- 9 Extracts from letters re position of Receiver of Wrecks.

London 2nd April, 1913.

Advised

Quint Duf

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)
REGISTERED 1902.

67, Gracechurch Street,

Per Oropesa.

N^o 1118.

London, E.C. 30th April, 1913.

Sir,

I have to acknowledge the receipt of your despatches nos. 436 and 437, which arrived on the 14th and 26th inst. respectively, also of your letter of 19th March per "Oropesa", and several private letters. The receipt of cables is advised separately, and you will observe that your message of the 24th inst., which left Stanley at 10.45 p.m. was delivered in London at 5.20 a.m. the next morning.

2. 436-2. We have got ahead with chartering since I wrote last, and have taken up the "Ellen" of Porsgrund for steam coal, and the "Vanadis", 469 tons for general cargo on the round. It has been most difficult to get a ship, as you know, and both these are on the large side; but if you send 500 tons of coal to Goose Green, you will be able to deal with the balance in Stanley, and have coal for sale to Whalers and others. As to the "Vanadis", we shall have no difficulty in filling her here, and she will carry as much cargo for Darwin and Goose Green as we can get ready in time; but the homeward trip is a problem, which can only be worked out when you know what quantity of tallow will be available. You will see that she has been chartered with the option of cancelling when the outward cargo has been discharged, the freight on the round being £1825, or £1150 outward only; the rates are high, but it was the best we could do. You will see that as the through rate on tallow by PSNC is 60/., you will only have to find 225 tons gross weight to make it equal, and so it may answer to ship a cargo that may only half fill the ship. We should have

W.A. Harding, Esq.,

Manager,

Stanley.

preferred to make the freight \$1000 out and \$825 home, and this may still be possible, it all depends on what you will have.

3. Par.3. You are quite right in all you say about the wool pressing, and it is always a pleasure to get your views on machinery, as you have a much better grip of the subject than most people who are not Engineers by profession. Of course we have always treated our presses in a scandalous manner, or rather our men have, for what could be worse than lengthening levers which the makers considered the limit of safety? I heard of one case, not ours, where the levers had been lengthened, and a cross bar put on to enable more men to get on the pumps, and then people wonder why presses go. I have myself seen a safety valve tied down with string in one of our sheds, and I cut it. That there are not more accidents says a good deal for the strength of the machinery. I may here answer par.3 of your despatch 437. After reading Mills's report on the pressing machinery at North Arm, I can see that a new plant is wanted, a point on which I had doubts, and I have already written to Mr.Mathews to enquire about Shaw's presses. It seems strange that when Mills went there before, he confined himself strictly to reporting on the boiler, and did not mention the decrepit condition of the rest. Then we were misled last year both by Mr.Allan and Mc.Call, who thought that the engine and boiler were separate. If we had known that they were both on the same bedplate we should have sent a similar engine, if we could have done so without information about the size of the fly-wheel, which, when we order a new press, we can get from the makers. As there was a 3 ton gauge on the Darwin press it is singular that it had been taken off and was not in use. I had anticipated your request for a more powerful one, for I ordered last week, before your despatch arrived, a 5 ton lock-up gauge, which is being despatched by parcel post. Regarding bales, I have been comparing two lots from Darwin and North Arm respectively lately arrived, and I find from the Dock returns that Darwin averages 708 lbs. to 28' 1", while North Arm gives 668 lbs. to 31' 7", not as large a difference in the weights as I had expected to find.

4. Par.5. We have asked the Eastern Telegraph Co. about sending messages via Rio Grande do Sul, and their reply is that the station belongs to the Brazilian Government, and that they cannot accept messages. There seems to be some muddle about this. The cable advising the cargo per "Flamenco" was marked "Cerrito", which means, I assume, the Cerro at Montevideo.

5. Par.8. If the Directors had known that Mr. Oswald had throat trouble, they would have assented to his coming to England at once, and a wireless message was despatched to you to send him as soon as we had your despatch. It has happened, I think, more often than not, that a five year's agreement has been begun in the autumn here, and that leave has been given as soon after the making up of the books as has been found convenient, usually making the term of service rather over the time. Considering the cost of passages, it would not do to make the term less than five years, and as pay goes on all the time, there is not much hardship in it if it does run a few months longer. I was away about six years in my second term. As regards Mr. Girling's last leave, was that not a special occasion, as you were coming the following year yourself?

6. Par.9. I enclose copy of a letter from the owners of the "Terpsichore", from which you will see that Captain Noreika denies all knowledge of the accounts, and there it must stand, as you have done all you could, unless, perhaps, you could let us have some duplicate vouchers. I should be glad if you could, as the Owners have treated us very well in the matter of the accounts.

7. Par.10. It is clear that you were misled by the offer from Waldrons on the Coast, but the business of the rams has been unfortunate, and I hope that it will be settled without further trouble. But I still cannot understand how you could have supposed that, when you cabled for the release of 16 rams, and the reply was "you may release", we should not have told you in the message that we confined it to Port Howard only, if that was really the case. If anything of the kind occurs again, you will know that a guarantee from such a firm as the Patagonian Sheepfarming Co. is good enough, without asking for bail from here, and the Mana-

ger of that Company may learn that any expense for which he made himself responsible would be defrayed by the Underwriters. I do not reconcile your remark that they went at an average of \$23.10/- each, when according to Mr. Mathews, they were all sold at exactly that sum; an average suggests various prices, some of which would have been below the limit given, and in that case the purchase would have been made for Mr. Waldron.

8. Par.11. I do not think that you recognise the fact that the questions I have been raising over the management of wrecks has been mainly in your own interest. You are right about the vessels you name having been foreign ships and that I was Consul, but the names were given at hap-hazard, and I will give you three more, the "Little Edith" of Liverpool, the "Perthshire" of Glasgow, (the salmon wreck) and the "Sangreak" belonging to an English port that I cannot recollect, the flour wreck. The last was just like the wreck of the "Cassard", and I made a good thing of it, both for the Company and myself. In none of these cases was there any suggestion of interference, the Captain made the Company his agents, and there was an end of it. The "Antonia" I remember very well, though it was 42 years ago, and I believe that I was absolutely in the right, though I was overborne by a pig-headed Governor. I should have made a better job of it for the Underwriters than he did; it gave me infinite amusement, for the end of it was that out of proceeds amounting to some \$1200 or \$1300 there remained about \$60 to be remitted after all expenses were paid. The Governor forgot to have the liquor sold in bond, and had to pay duty out of what remained after the claims of the salvors had been satisfied. After that they never interfered with me, although I remained in the Islands for 20 years. Details will be found in my despatches 105-14,107-3,108, 111-19,112-4-10. As regards jurisdiction in cases of wreck, I thought that the law seemed to justify the Receiver's proceedings; but remembering how things stood in my time, I thought it worth while to ask Mr. Ince for an opinion, and after that Mr. Lowrey quite confirmed it in the letter to the PSNC, of which you had not seen a copy when

you wrote. Mr. Ince is one of the first shipping lawyers in London, and what Mr. Lowrey of the Salvage Association does not know about salvage is not worth knowing; with these two concurring, I did my best to get the PSNC to make this a test case. I think it quite likely that the law and the practice may differ, especially when the Receiver is reasonable, to use Mr. Lowrey's words, and I should like to find that that official acts as an assistant to Owners and agents, but not a Director-General of the whole show. This I shall know soon, as I have written a carefully drafted letter to Mr. Lowrey, which will oblige him either to substantiate his opinion or eat it. He has had it for four days, and I assume that he is considering it. The PSNC give no help, as they, no doubt, do not expect to have another wreck in the Islands, and they are bored, notwithstanding which they are looking forward with interest to Mr. Lowrey's reply. I can quite see that in dealing with the small lots of stuff that were brought ashore the Receiver was most useful, and did good work, in fact your panegyric of his action puts a spoke in my wheel, which seems a little unkind, as I am trying to assert your position. I know that you were much overworked, and that you gratefully received any help you could get; but I do not forget the many cases of wreck which I handled with profit to the Company and many guineas to myself, and I want you to be put in the way of the same good fortune. With regard to other people writing to you about explanations and instructions, the question is rather a difficult one, as the letters to which you refer are addressed to the Company at Stanley, who are agents for the PSNC there but not here. The latter surely possess the right to address their agents direct, and it would be inconvenient and impossible to send instructions through the head office. The Directors quite understand that you do not like being slated, and are always willing to take up the cudgels for you if you think that your correspondents are going over the mark.

9. Par.13. It is evident that nothing can be done with the "Malvina", and the report on the "Hornet" is not encouraging. The

statement that the masts, bowsprit, chains, and anchor can be recovered hardly warrants your suggestion that the gear will repay the cost of sending the "Samson" out, unless there is more to be recovered than you mention. Mr. Hobbs was to have sent an estimate of the cost of building a lighter in Punta Arenas, but it has not come yet, either to us or to Mr. Blake, but I hope that it is on the way, as this seems to be the most feasible plan of reinforcing you, unless, as I have suggested, there should be a chance schooner for sale over there, which could be got cheaply.

10. Par.14. Could you find out if there is likely to be any obstruction in the matter of the school building before I try to explain the position to our Solicitors? It may be hard to get them to take in all the facts, and in the meantime, I understand from Mr. Blake that there should be no hurry about pulling it down, as it will be wanted as a sort of cook-house for carpenters when the new buildings are taken in hand. If the Governor and J. Smith leave the thing alone, I do not think that anyone else is likely to be troublesome.

11. Par.15. We have received a cheque from the "Ornen" Co. for £291.13.6 for the Nor Company, and £205 for the Whaling license, according to your suggestion, the total being £496.13.6. These whaling Companies and their accounts seem to be somewhat mixed up, and their affairs are a little difficult to understand.

12. Par.16. The "Emeraldas" only left Las Palmas on the 26th inst., and is late for these sales, especially as she is going into Havre. I asked Mr. Lamb to send her here direct, but he wanted £100 for it, which could not be thought of, and it is, perhaps, as well, as prices are a little off, owing to uncertainty over the state of affairs in the near East. I have complained that only two of the steamers during the last 12 months have arrived before the commencement of the sales, and in future this means cutting them out for two months.

13. Par.17. You report an omission in the Store stock which adds slightly to the profit, but the cable received just as last mail was closing took off the amount of the "Orcoma" shipment in

April last year, and now what I may call the fourth edition has arrived with the precise sum of £6384.4.9 as the correct amount. This is welcome news, and we are all curious to know how the mistakes have arisen. Assuming that it will not be followed by an "Extra Special" we shall adopt these figures, and put the accounts into the Auditors' hands.

14. Par.19. I mentioned the discrepancies in the Bills of Lading to Mr. Connell, and found that his firm had paid the PSNC the amount of the first fine. On looking at the Bill of Lading it is easy to see how the mistake in describing beer as rice occurred. The downstroke of the "r" in beer, copied by a gelatine process, has not come out, and in a bad light a clerk might easily mistake the word. Perhaps if this is pointed out, the fine might be remitted, as it is evidently not intentional, and you pointed out the error when you made the entry. Mr. Connell said that the Bills of Lading should be typed in future.

15. Par.20. The owner of the "Lady Elizabeth" is really a Mr. Dobbin, a shiphandler in the East end. He has been here, and has explained that the question of condemnation is being considered, as the price asked for a diver from Punta Arenas was £650. Since then a diver has been sent from Montevideo, and you know more about it than we do. Mr. Dobbin told me that he had had a wireless message from Stanley, or rather a firm here had, asking what price would be taken ~~from~~ for ship and cargo. I got from him the name of the firm, W. Hooton and Yates, and this is rather significant. Other circumstances seem to indicate that a firm in Stanley are inclined to dabble in shipping business, and we must be on the alert. Mr. Dobbin will not sell the ship, if condemned, without letting us know, and I think that, as the "Garland" is permanently at Goose Green, and the "Fleetwing" is the only dry hulk you have, we might have another. We are to have a specification of the cargo as well, but this will be too large for us, and perhaps unsuitable.

16. 437-1. Mr. Blake had already told me that we were as well served as Punta Arenas, better in fact, in the matter of ton-

nage, and he suggests that our being able to worry the PSNC on this side may be the reason. We have heard this morning that the "Esmeraldas" is due in London on the 4th ~~xxx~~ of May, and Du Croz' last sale being on the 6th there is no chance for us.

17. Par.2. The news about the quarrel at Goose Green is disquieting, but it is satisfactory to know that work was able to proceed without Mills, and to have had no tidings of any breakdown as yet by cable. I am rather hoping to hear that when you had a chance of talking to Mills you were able, by the exercise of the tact you possess, to bring about a modus vivendi; this incident raises several questions that will have to be considered, and a recapitulation of various circumstances in the Engineering department will be useful. F. Martin was our first Engineer; he went out at the time when we began boiling down, and carried out the work of setting up the plant at Goose Green, and of making the tallow in the season. Although our Engineering plant at that time in Stanley consisted, to the best of my recollection, of a single donkey engine, I was able to find more work for him there in the off season than at Goose Green, and he was on the Stanley staff, going to Goose Green a month or two before the season began. In the course of time he was transferred permanently to Goose Green, and after staying some years he made a hurried and enforced departure, into details of which it is unnecessary to enter, - they will be found recorded in my despatches. Then we had Miller, a handy man, who through over confidence combined with want of knowledge blew up the Works, and killed himself. He was followed at short intervals by Wagner, Costello, and finally Noble, who remained at Goose Green all his time, coming to Stanley occasionally to inspect the machinery, which by that time we had accumulated in the Blacksmith's shop and elsewhere. The rest is within your personal knowledge, and I need not go into it, so far as Goose Green is concerned. Whether we should have a permanent Engineer there or not is a question that has often been on the tapis; there can be no doubt that it is what is vulgarly called a soft job, for, after the wild delirious rush of the Goose

EXTRACT FROM MANAGING DIRECTOR'S LETTER OF 20TH SEPTEMBER, 1911
TO MR. A. L. ALLAN.

"From information gathered from people acquainted with the working of Canneries, both in Australia and Patagonia, we learn that there is absolute unanimity on the subject of the Preserver and Engineer, that is that neither should be under the other, but that they must work under one head. You put this very concisely in your letter of 3rd July, when you said that you did not like dual control, and that one man in charge of the factory would have all hands under him, and he could place them each day. The Directors agree absolutely with this, and are of opinion that the only possible man for this is yourself. It seems to them imperative that you should necessarily be there all day, but that your presence to any question that may arise, or to discover anything that is not being properly attended to, is of the utmost importance. Granted that the two heads of departments must be independent of one another, though working into one another's hands, - and of this there can be no doubt - and that to engage a Manager is unthinkable, for he would be idle for the greater part of the year, to say nothing of the fact that the place could not afford to keep him, and your view must be accepted as the only solution. With a knowledge of all that has gone wrong, the Board do not doubt that under your supervision the result of next season will show a vast improvement."

(12)

Green season, lasting eight weeks more or less, the Camp work during the remainder of the year is suggestive of dolce far niente; there are, certainly, hydraulic presses to be overhauled, and engine or two that may require attention after the shearing season, and certain repairs to the plant at Goose Green; but nothing to warrant our keeping on the permanent establishment a mechanic costing us in wages alone \$240 per annum. Turning to Stanley, the fact that we have there a tug and launch, to say nothing of the greatly increased quantity of machinery in various departments, shows that we must have an Engineer there, and you have had him ever since the "Samson" went out with Atherton on board. What we should do, if it can be managed, is to confine ourselves still to the one Engineer, who ought to be present at Goose Green while canning is going on, and also attend periodically to the wants of the machinery elsewhere in the Camp. Assuming that you have a capable understudy in Stanley for the purpose of driving the "Samson", a matter that I know you have considered and arranged for, is there any reason why, with an active young Engineer, the work should not be carried on without having a second? It is a matter on which the Directors will value your opinion; if a second is really needed, I need hardly say that it will be a heavy charge on the canning. As regards the trouble between Mills and Weiss, I am sending you an extract from a letter I wrote Mr. Allan in September, 1911, in which I said that all authorities agreed that there must be an Engineer and a Preserver, neither of whom must be under the other, but both subject to the one Manager. Failure to arrange this we were told must lead to trouble, and it has come. So far as the engineering work goes, Weiss must not be the Manager; but what is universally done elsewhere ought not to be an impossibility at Goose Green, and you should try to advise Mr. Allan how to make the suggested arrangement.

18. Par. 5. We will see if we can collect the account due on account of the "Skjoldo".

19. I enclose copy of correspondence with the Colonial Office on the prohibition of stock importations, which shows that

it was removed on or previous to the 9th of March. It must have been within the knowledge of the Government that we have had rams waiting since September, and, although I am not prepared to say that we could have shipped by cargo boat, it would have been more courteous if we had been given the chance. If I had not enquired the fact might not have been notified at all. I have decided to send these rams by the "Vanadis", and shall engage a shepherd to accompany them. I know that Mr. Allan will not care to have them so early; but I am thinking of the possibility of another outbreak while they are waiting, and it seems to me prudent to get them away while we have the chance.

20. You send copy of correspondence with the P.S.N.Co., but do not allude to the question of the "Paal", and I do not understand it. I hardly see what they have to do with it, for the damage would be covered under the Whaler's policy, and there is a suggestion that the Governor may have been interfering, and also preventing the Harbour Master from going on a survey called by you. The question of the tender to repair for £55 is not clear, for it looks as if the steamer would have to wait until castings could be obtained from England, which is hardly reasonable.

21. Messrs. Wendt & Co. brought us a curious cable from some quarter I do not know, the substance of which was that Mr. George Isaac Turner had advised an application to the "Colony Office" for a letter about the "Sobraon", disabled at New Island. I suggested their asking the Colonial Office, but there was no information. That is all; do you understand it? Wendt & Co. were in communication with the Salvage Association, and asked if you were not Lloyd's Agent. I said that you were, and that the Association knew you, upon which they said that they would get a cable sent to you.

22. Mr. W. Stickney says that his Wool shipment should be 171 bales, the Bill of Lading being one short.

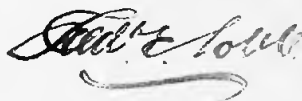
23. With reference to the "Oravia", I omitted to remark that sending a copy of Mr. Ince's letter to the Governor was a tactless proceeding on the part of the PSNC, for which they have expressed

regret.

24. Just as I am closing, I have received a letter from Mr. Mathews about the "Shaw" presses. The ones he saw turned out bales of 4½ cwt., measuring 18 to 20 cubic feet, and two men on contract made 35 bales a day. They are driven by Blackstone oil engines, the boxes are made of wood, bound with steel, and they cost £383. Taking 19 c.ft. as the average, they get in 26 lbs. per foot, but the 35 bales would go into 26 of ours. I shall enquire about the Mills press as soon as I can, as I think that the whole box is made of steel, and if we go in for such heavy pressure with wooden boxes, we shall have the trouble with breakage over again, for wood will not stand more than a certain pressure without giving way.

I am, Sir,

your obedient servant,



Managing Director.

DESPATCH no.1118 per "Oropesa", 30th April, 1913.

 Precis of Subjects.

1. Acknowledges despatches and letter.
2. Reports charters of sailers, and remarks on shipping tallow.
3. Deals with pressing plant at North Arm.
4. On wireless telegrams.
5. Gives leave of absence to Mr. Oswald.
6. Reports letter from owners of "Terpsichore" about accounts.
7. On sale of Condor rams.
8. Discusses questions arising out of "Oravia" wreck.
9. On getting a lighter.
10. Refers to school building at Darwin.
11. Reports payments by "Ornen" Company.
12. "Esmeraldas" late for sales; complaint to the P.S.Co.
13. On errors in Store profits.
14. Refers to errors in Bills of Lading from Liverpool.
15. Gives information about "Lady Elizabeth."
16. Confirms statement that we are as well treated as P.A. in matter of tonnage.
17. Deals at length with Engineer question at Goose Green.
18. Will try to collect "Skjoldo" account.
19. Refers to correspondence about ^{hi}prohibition of live stock.
20. Enquires about "Paal" correspondence.
21. Reports cable about "Sobraon".
22. Mentions that Stickney Bros.' wool is short shipped.
23. Refers to Ince's letter having been sent to Governor.
24. Letter received from Mr. Mathews about presses.

Enclosures via Liverpool..

Duplicates

Despatch No.1117 dated 2nd April.

Account Current

Remarks on Accounts.

Remarks on Stores.

List of General Cargo per "Orissa"

List of Clients' Cargo per Orissa.

List of Parcels.

List of Dutiable Goods per "Orissa"

List of Enclosures.

General Invoice goods per "Orissa"

B/L cargo per Orissa"

Second of Exchange for £79 . 5 . 6

Clients A/sales :-

J B L	7	bales	Wool	ex "Inca"	
H & B	69	bales	Sheepskins		,,
L	26				,,
F	17				,,
S	12				,,
Z	19				,,
△	17				,,
McG	14				,,
R B C	4				,,
A F C	2				,,
J B L	1				,,
△	10	casks	Tallow		,,
△	5				,,
Z	23				,,
S	150	bales	Wool	"Orcoma"	
D S	57				,,

Clients' Reports & Contracts:-

H G C	50	bales	Wool	ex "Corcovado"	
J B	125				,,
H & B	208				,,
H & B	30	casks	Tallow	ex "Inca"	
S F	17				,,
△	14				,,

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Enclosures via Liverpool.

Originals

- 1 Copy of Cablegram sent.
- 2 Copies of Cablegrams received.
- 3 Wool Market Reports.
- 4 Copy of letter to Pacific Steam Navigation Co. of 22nd
and their reply of 23rd April.
- 5 Copy of Charter-Party ship "Vanadis"
- 6 Original letter from Government Office, Stanley dated
13th February, 1871 returned.
- 7 Copy of letter to the Colonial Office dated 11th April.
& their reply of 19th April
- 8 Clients' Reports:-
 - S I 36 bales Wool ex "Corcovado"
 - H & B 1 bale Hair ex "Inca"
 - L 6 Salted Hides (pt. 14 Hides) ex "Corcovado"
- 9 Copy of letter to Mr. Lowrey of Salvage Association of the
25th April.
- 10 Copy of letter from Rhederei-Aktien-Gesellschaft dated
24th April.
- 11 Copy of Charter-Party ship "Ellen" (Coal)
- 12 Extract from Managing Director's letter of 20th September
1911 to Mr A.L. Allan.

Letters for the following:-

A.L. Allan & Mrs Jean Wace.

London 30th April, 1913

Enclosures via Lisbon.

Originals

- 1 Account Current & vouchers.
- 2 List of General Cargo per "Oropesa"
- 3 Corrected List of Dutiable Goods per "Oropesa"
- 4 General Invoice goods per "Oropesa"
- 5 Remarks on Accounts.
- 6 Remarks on Stores
- 7 Clients' Invoices goods per "Oropesa"
- 8 Suppliers' detailed accounts goods shipped per "Oropesa"

Letters for the following:-

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

London 3rd May, 1913

Forward

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61. Gracechurch Street.

Per Oronsa.

N^o 1119.

London, E.C. 28th May, 1913.

Sir,

I have to acknowledge the receipt of your despatch no.438 and of your letter of the 16th April, both of which arrived on the 13th inst. Despatch no.439 per "Flamenco" was delivered on the 26th inst.

2. 438-2. There seems to be a possibility of getting enough Tallow to warrant our loading the "Vanadis" home, but this seems to depend on the number of sheep taken for Buenos Ayres. We should not in any case delay the shipment of the Canned Meat or Extract, as both are wanted.

3. Par. 6. It is also our experience that the wireless messages are coming through much more correctly, though the operators made a hash of the word reporting the cargo per "Esmeraldas".

4. Par.7. This paragraph is in every way satisfactory, and the Directors are glad that you have managed a somewhat awkward affair with your usual tact and judgment. You know that the settlement of salvage cases is always protracted, and one of the preliminaries here is to agree the values. These cannot be settled on the spot, and any agreed percentage is liable to be upset on appeal; all that can be done, therefore, is to guarantee the payment of whatever may in the end be determined. With regard to your personal offer of restitution, the Directors, while appreciating it to the full, could not think for a moment of accepting it, for you acted in perfect good faith, and we are all liable to make mistakes at times.

5. Par. 8. Mr. Alcock was here a few weeks ago, and I understood from him that he would lay a suggestion before his Dir-

W.A.Harding, Esq.,

Manager,

Stanley.

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ectors for the settlement of our claims; but up to the present I have heard nothing further. I agree with every word you have written in this paragraph; but I shall refer to the subject later at some length, merely alluding just now to what you say about Mr. Ince's letter. It was not written with any idea of being made use of, and I had sent a copy to Mr. Connell, telling him that he might let the PSNC see it, not thinking for a moment that they would pass it on ^{to} the Governor; it was a fatuous blunder and a breach of faith, and I wrote them somewhat warmly by way of protest.

6. Par. 10. The Underwriters of Dettleff's photographic goods are satisfied with your explanation, and wish you to dispose of the salvaged case to the best advantage. As regards the salvage to be paid locally, it may be well to suggest to you that anything reasonable would meet with no objection here, but that an exaggerated claim, such as this for picking up a floating case, in saving which there was no risk to life or property, or any exercise of skill, if put forward, should be met by you according to Lloyd's Instructions.

7. Par. 12. I hope to be able to report by the end of the week that all the payments have been made on account of the Whaling Companies.

8. We have commissioned Griffiths to get us the tubes for the Samson's condenser, but I fear that they will not be ready to send even as a parcel. Much will depend on the condition of her bottom when she at last gets on to the slip; the report from Mills was an ominous one, and I fear that we shall have to think of replacing her before many years are over. No doubt every boiler must come to an end sometime, but I think that any ship-owner would say that a life of 12 years, which you assign to it, indicates premature decay.

9. Par. 16. Mc Nicoll is, without doubt, a valuable man; what addition to his pay would you suggest? Make the best terms you can with him.

10. Pars. 17 and 18. It was a good thing that you had to go

out to New Island, as it enabled you to judge how soon the slip would be available. With regard to the "Lady Elizabeth", nothing has yet been decided, though several cables have passed, and Mr. Dobbin says that the damage reported by the diver is so serious, that there is nothing but the cement that prevents the ship from foundering. But Mr. Dobbin's game is condemnation, and the report, when it comes, may not bear out what he says. He wanted to know what the ship would fetch, and I replied £1000 as she lies, with all her outfit and apparel. We could do with another hulk in Stanley, having got rid of the "Garland", and we must not let her fall into other hands if we can help it; but that would have to be our limit, and to a suggestion from the owners in Norway that they wanted £1350, we could not accede. Last week we were asked if we could do anything with the cargo, and we cabled out by wireless for your opinion. There is flooring as well as match lining, but the heavy and long squares of timber would be too much for us, as we have no saw to deal with them. Your reply at the time of writing has not come to hand. Obviously there is some risk in making a bid for the ship here, as the damage to the bottom, if the report is true, may necessitate your strengthening her from the inside with blocks of concrete or cement.

11. Par. 19. The alterations, omissions, and further revisions of the Store account have been somewhat bewildering, and all we can say is that we hope that the figures are now correct, as they are what we have to adopt in balancing our accounts. The Directors are fully aware of the confusion caused by the wreck of the "Oravia" taking place at such an inconvenient time, but some of them want to know why the actual quantities cannot be ascertained, and do not like the idea of estimates or measuring in bulk. If, as you think, the Stock has been underestimated, we should see increased profits at the end of the present year.

12. 439-2. You have got a good cargo together for the "Flamenco", and prospects seem good. Mr. Buckworth wrote last week asking why nothing had been heard of the Port Howard wool, which had

been reported as ready long ago; really these questions are foolish, as we cannot know anything here. I hope that he will not be very angry when he sees that the Waldron wool has been shipped; I rather think that this was in fulfilment of a promise.

13. Par.4. Do you really think that it would cost over 17/- per ton to discharge, store, and re-load the Lady Elizabeth's cargo?. It would be a good business for our hulk or hulks, and would not a portion at least of the labour be done by the ship's crew, for which the Underwriters would make some allowance? It seems so very desirable that this ship should be repaired and get away.

14. Par. 5. Owing to the last damaged wool shipped from Hill Cove having been marked "B" instead of "HB", it accidentally got insured here as from Saunders Island, and the mistake was only discovered after the papers had been in the hands of the Adjusters. Of course the error ought not to have occurred, but the alteration in the mark contributed to it, and on another occasion some distinguishing mark in addition to the "HB" should be used.

15. Par.6. You send quite good news about the canning, and we may make quite a respectable show after all, especially if the "Neuquen" makes only one voyage. As the work must be over by this time, and you would be sure to let us know of any breakdown by wireless, we may feel pretty comfortable that there has been no mishap. I hope that next mail will bring news of a reconciliation having taken place, or of some arrangement by which Mills will be able to see to the machinery without further trouble; it is a part of his duty that he has no right to throw up, whatever his relations with Weiss may be. He should certainly go out to see that all the machinery is properly protected against frost, so that we may not hear next season of any cracks due to carelessness or ignorance, as was the case with the Pearn pump.

16. In my last despatch I sent you a copy of a letter I had written to Mr. Lowrey of the Salvage Association, stating the position of affairs at Stanley, and this has been followed by an in-

teresting correspondence, all of which I enclose. I do not think that I am making a mistake in asserting that at the present time the whole management of a wreck is in the hands of the Governor, and is conducted through the Receiver of Wrecks, that is to say, the latter takes charge of operations, whether the wreck is unclaimed or not, as a matter of right. This is in striking contrast with what used to be the procedure in my day, as I have already shown in late despatches. I had simply to get the Captain to make the Company his agents, and the whole business was carried through without any interference from first to last. To take an instance I have quoted in one of my letters, if, when the "Cassard" was reported, the Captain had come to you, the intervention of the Receiver should not have taken place, and you would have had the whole management. You will see that Mr. Lowrey is of opinion that action is taken nowadays in consequence of a misreading of a clause in the M.S. Act and the Ordinance that is obscurely worded, and he is clearly of the same opinion as Mr. Ince on the whole question, and is prepared to assert the rights of the Underwriters to their full extent, but in a diplomatic way. I read what you wrote in 438-8 about a protest with pleasure, because I feel that you are absolutely in the right when you say that the Governor will have to be convinced by his own superior officers at the C. O. Well, we are giving him the chance of backing down, as I did once before on the sealing question, and I expect that his attitude will be the same, with, I firmly believe, the same result. The C. O. will be approached, as you suggest, by some others than ourselves, and a body infinitely more powerful and more disinterested than the PSNC, who, I may remark, have given no help whatever. If the result is a return to the status quo ante, it will be an excellent thing both for the Company and yourself, as I have before pointed out. Do not suppose that the work done by the Receiver has not been appreciated; it was of the greatest possible service, but I am sure that you will understand me when I say that the case of the "Oravia" was one in which all concerned were right in acting together, but that the Receiver

should have acted as assistant to the Captain and agent, and not as exercising a legal right. We have to get the clause appointing the Governor General Manager of Wrecks knocked out of the Ordinance, if it can be done; how it got in is a mystery, for anyone less suitable for such a post than the Governor and Chief Justice it would be hard to find.

17. I am arranging with Babcock & Wilcox to send an injector for the Goose Green boiler, and the parts to replace the breakages in the Pearn pump are already supplied. The question was whether we should send a new pump as a stand-by, or an injector, and the latter seemed in every way preferable, for the outfit here costs only \$17 against about \$25, and the advantage is that it will be in place, and instantly available, whereas if the pump broke down, an appreciable amount of time would be lost in taking it down and setting the other up in its place.

18. Mr. Blake sent me your remarks on the "Columbus", and I passed them on to Messrs. Salvesen, only to hear in reply that they are amusing. When you have read the correspondence, it may occur to you that Capt. Saanum is running with the hare, and hunting with the hounds. Why does he tell you and sundry others that the boat is on her last legs, and absolutely dangerous, while he reports to his owners that she is continuing to do excellent work? This, together with a report from the Chief Engineer which their Superintendent considers satisfactory in every respect, makes me naturally most diffident in saying anything about the boat at all, for it makes me look like an alarmist and a fool. I think that if Saanum had not put before them the specification of a boat, suitable in his opinion for the Island work, there would have been a much better chance of their listening to ~~him~~^{him}, for they are evidently convinced that he is crabbing the "Columbus" in order to get what he wants. In their last paragraph they refer to the fact that she delivered her last cargo direct to the steamer, and suggest that we should make no charge for storage and hulk hire, as those expenses were not incurred. I am afraid that this is a

contention that we cannot very well resist: our labour was not employed in re-loading after storage, nor did any of the cargo go on board the hulk, the only expense to us that might be looked upon as extra was the double time it took to discharge into the "Flamenco", as stated by Capt. Saanum himself. You charge 6d. a ton, I believe, for handling the wool, but is this both on receiving and re-shipping, that is to say 1/- altogether? I am not clear on this point, for is not our charge of one-sixth inclusive of labour as well as storage? I shall not reply definitely until I have your reply.

I am, Sir,

your obedient servant,



Managing Director.

Despatch no. 1119 per "Oronsa", 28th May, 1913.

 Precis of Subjects.


1. Acknowledges despatches and letter.
2. On loading "Vanadis" home, and shipment of meat and extract.
3. Wireless messages coming correctly.
4. Approves settlement of Ram question.
5. Refers to compensation for services to "Oravia" and Ince's letter.
6. Underwriters of Dettleff's goods satisfied.
7. On payments for Whaling Companies.
8. On condition of "Samson".
9. Authorises re-engagement of Mc Nicoll.
10. Discusses case of "Lady Elizabeth".
11. Remarks on alterations in Store account.
12. On cargo per "Flamenco".
13. Enquires about cost of discharging "Lady Elizabeth".
14. Points out mistake in mark on damaged wool from Hill Cove.
15. Refers to Canning and hopes the Mills-Weiss quarrel settled.
16. Deals at length with position of Receiver of Wrecks.
17. Reports arrangement made about boiler supply at Goose Green.
18. Remarks on condition of "Columbus" and Messrs. Salvesens' attitude.

19.

Enclosures via Liverpool

Duplicates

- Despatch No.1118 dated 30th April.
- Remarks on Accounts.
- Remarks on Stores.
- Account Current.
- List of General Cargo per "Oropesa"
- List of Clients' Cargo per "Oropesa"
- List of Dutiable Goods per "Oropesa"
- Charter-Party ships Vanadis & Ellen
- List of Enclosures.
- List of Parcels.
- General Invoice goods per "Oropesa"
- B/L goods per "Oropesa"
- Clients' A/sales:-

	L	6	Salted Hides	ex	"Corcovado"
	H & B	30	casks Tallow	ex	"Inca"
		14	,,	,,	
	S I	17	,,	,,	"Corcovado"
	H G C	50	bales Wool	,,	
	H & B	160	,,	,,	
	S I	36	,,	,,	

Enclosures via Liverpool.

"Originals"

- 1. Wool Reports.
- 2. Copies of Cablegrams sent on 9th & 23rd May.
- 3. Copies of Cablegrams received
- 4. Copies of letters to the Salvage Association of 16th & 20th and theirs of the 5th ~~10th~~ & 20th May.
- 5. Dr Browne's cheque for £5 . 5 . 0 for collection.
- 6. Copy of letter from Harrild & Sons dated 15th May.
- 7. Copy of letter ~~from~~ to. Chr. Salvesen & Co. of 2nd and their reply 26th May.
- 8. Copy of letter from Babcock & Wilcox dated 26th May and quotation also blue print.
- 9. Clients' Reports:-

R B C	35	bales Wool ex "Esmeraldas"
F	143	,, ,,
W E D	126	,, ,,
	171	,, ,,
- 10. Inventory of Materials, Plant & Utensils at Goose Green.
Letters for the following :-
A.L.Allan & W.C.Girling .

London 28th May, 1913

Enclosures via Lisbon.

Originals.

1. Account Current & vouchers.
2. Remarks on Accounts.
3. Remarks on Stores.
4. List of General Cargo per "Oronsa"
5. Corrected list of Clients Cargo per "Oronsa"
6. General Invoice goods per "Oronsa"
7. Clients' Invoices goods shipped per "Oronsa"
8. Morton's invoice goods per "Oronsa"
9. Sight Draft for £ 71 . 5 . 2 on J.Kirwan for collection.
10. Thorn & Hoddle's letter dated 28th May .

Letters for the following:-

W.A.Harding (3) & A.L.Allan.

London 31st May, 1913

Indes

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

67, Gracechurch Street.

Per Orcoma.

N^o 1120.

London, E.C. 25th June, 1913

Sir,

I have to acknowledge the receipt of your despatches nos. 440 and 441 and letter of the 14th of May, all of which arrived on the 7th instant.

2. Par.2. If a memorial against the discontinuance of killing geese is sent to the Colonial Office, we shall support it to the best of our power. The farmers will continue to pay for beaks we hope, but the advantage of the payment being in Government hands is that ~~the payment~~ ^{it} is extracted from some farmers who might be unwilling to do their share voluntarily. I had an idea of writing in advance of the Memorial, and may yet do so. The idea of protecting the Upland Goose, of which 500,000 have been killed under the expired Ordinance as public pests, is too absurd.

3. Par.3. I have asked that we might be allowed to include the Inca's wool in the next sales, on the ground that we had not time to make the new conditions known; but there is not much chance of this I fear, owing to possible complications over Punta Arenas shipments by the same steamer.

4. Par.4. Although there may have been no reference made to the abstracts of Farm Account, it was no less interesting, and it is more than ever necessary to supply it now, in order that we may see as clearly as possible the working of Goose Green. It is true that goods have always been debited out to the Farm at their selling price, and this I have of course always known; but I have also had my doubts as to whether a better system could not be devised. It means, naturally, that the Store gets all the profit, and that the Farm bears all the loss incurred in freight as well

W.A.Harding, Esq.,

Manager,

Stanley.

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as in depreciation, loss, and wastage. It may be said that the Farm is an account that can bear all this, and it would be difficult to deny it; but is not there some arrangement with the farmers who buy Stores from us, by which they are not out of pocket over the goods they sell their men? There are various points that want thinking over: we should know what the sales are during the year, so that we can compare the total with that of the goods charged from Stanley; we ought to know how the column "amount paid" is made up, distinguishing stores from cash; and when goods that have gone out for sale are taken for consumption there should be some record of the fact. We shall be glad to have your opinion on the whole question. The explanation about the wethers bought for Stanley is reasonable, and if it had been reported at the time nothing would have been said about it. We assume that they were sheep of a reasonable size on which no loss was made; in future we ought to buy by weight whenever we can, a thing that might be difficult in Stanley.

5. Par. 9. Your remarks on the case of Lellman have been considered by the Board, and you can settle the matter as you think best, perhaps the lump sum proposal will be the best, and the amount will be transferred to the fund we have here.

6. Par. 10. We have settled with Spearing & Waldron for the rams, and the amount received for salvage will be found in the accounts. We got the full percentage on the four for Port Howard, reckoned at £35.5/- each. I do not understand you reference to 70%, as no such rate has been reported, to the best of my knowledge. I have always understood that anything over 50% is liable to be upset, on the ground of being extortionate, and that even that rate is only recognized when there is a combination of all the elements that warrant a high percentage. As regards the salvage of life, and that on the miscellaneous collection accounted for by the Receiver of Wrecks, we have at last been told by the PSNC that their Board has agreed to pay £500 in full, but at the time of writing they have not suggested any rate of salvage for the latter, and I am holding the money back, much to their annoyance

as you will gather from the correspondence enclosed. You were not quite in order in asking us to pay the gross amount to them, and it should have been reported only as being in our hands pending a settlement. They have set it off against the £500, but I have only given a receipt on account. I took the precaution of asking our Solicitors about this matter, and they assured me that I was taking the right course. Probably I shall be able to report a settlement before closing the mail, but in any case you had better not make any division, as I must speak to Mr. Ince about it. With regard to the ship's men, he told me some time ago that they were entitled to share, because what they did was not in the ordinary course of their employment.

7. Par.11. It was a good thing to get the diver to clean the Samson's bottom, especially as we have heard nothing more about the opening of the slip.

8. Par.12. The reports sent to Leith by Capt. Saanum and the Chief Engineer are so encouraging that Messrs. Salvesen are in the best of spirits about the "Columbus", and have no present idea of replacing her. The accounts for 1912-3 are not as good as the previous year's, and it looks as if a more costly steamer could hardly be made to pay. On the question of coaling at New Island, they say that they want their mails regularly, and cannot alter the present arrangement.

9. Par. 14. All the whaling accounts have been met; the only people who gave any trouble were T. Dannewig & Co., who were dilatory over sending their cheque, and now want some vouchers.

10. Par. 16. You will have seen that the possession of the Consular appointments had nothing to do with the non-interference of the Receiver of Wrecks. The question is at an end here, and we now await developments.

11. I should have added to the above that we have tried to get a copy of "Instructions to Receivers", but the publishers say that the book is for official use only, and is not sold to the public. I will try to get a copy another way.

12. Par.17. As advised by cable, we have bought the "Lady

Elizabeth", and have agreed to give £1000 for her. This was before your report on the damage to her bottom arrived, and I must say that at first I thought that we might have been too precipitate. This idea was dispelled a few days later, when we got an enquiry by telephone from Mr. Dobbin as to whether we would re-sell her, as a firm in London was anxious to buy her. The firm, as was expected, turned out to be W. Hooton & Yates, and the natural conclusion is that they were asleep, and did not press Dobbin as we did periodically, with the result that we stole a march upon them. We replied that before selling we wished to know what she was wanted for, and we have heard nothing more. We do not take the serious view of her condition that you hold, for there are cases on record of ships that have been worse damaged, and yet have actually been sent away from Punta Arenas after being secured from the inside with a block of cement or concrete built in the hold over the tender spot. It has also been pointed out to us that the diver is strangely mistaken in thinking that the cargo is actually resting on the cement, for there is a close ceiling, with hatches in certain places, all over the bottom, and Mr. Dobbin has read me a letter from the Stevedore in Vancouver, in which he says that the ballast, 250 tons estimated, mostly sand, is stowed on this ceiling. It would therefore seem reasonable to anticipate that the removal of the cargo, far from being a cause of danger, will actually relieve the pressure of water on the bottom. It is unfortunate that we have periodically to put our hands in our pockets for the purpose of maintaining our hold on shipping business, but we believe that a firm in Stanley has wanted to nibble at it for over a quarter of a century, and we must regard the outlays we have from time to time to make as premiums of insurance against competition. It is not impossible that if Spearing & Waldron had the means of storing cargo in Stanley through an allied firm, we might lose the produce of the JLW, D&S, WKC, and JG marks, which would be enough to fill a small chartered steamer, and this would knock the bottom out of the Pacific-Salvesen arrangement, much to our discomfort.

13. Par. 18. The accounts of the "Terpsichore" have been sent to Hamburg with many apologies.

14. Par. 19. I send some correspondence about the shipment of rams to Punta Arenas, and you will see that the PSN are not concerned about the supposed discomfort to the passengers, but confine themselves to objecting to the rate of 3/-, which they say rightly is an absurd one in these days. The end will be that if you can assure them that anything over 6/- will drive the trade into other hands they will accept it, but think that they ought to get 9/-.

15. Par. 21. The management of the Goose Green work seems to have been good, and it is fortunate that the Chilians got away with nothing worse than two stabs and a broken head.

16. 441-3. The rise in the price of mutton was inevitable, and you have exercised judgment in arranging to sell to our own men at $\frac{1}{2}$ d under the public rate, though we do not see how you can prevent outsiders from supplying themselves through them. This will want watching, and the Directors will be glad to hear from you how the scheme works, for some of them think that another rise in wages would have been better. Personally I think that this would have upset the carpenters, and it should not be done without your approval.

17. Par. 5. Weiss's letter and returns are very interesting, as they show that he has a thorough grip of the whole thing, and if the feud between him and Mills can be adjusted we ought to feel satisfied that the place is being worked to the best advantage. I will comment on this letter in writing to Mr. Allan.

18. Messrs. Salvesen have asked for vouchers for payments made on their account, which they say should be attached to their accounts, see copy of correspondence.

19. Referring to the Condor rams, Messrs. Spearing & Waldron say that they have been told that we paid £35 and £30 for our two, though only £60 appears in the accounts. No report of the price paid has reached us, and we ought to have had this information. They asked if we would refund if an error was proved; I said we

Handwritten notes:
 35p + 25p
 instead of £35 + in your reply you refer to the £60 figure.

could hardly be asked to pay twice over, but you might be able to get something out of the seller.

20. By the "Corcovado" there weré by B/L 13 bales Sheepskins marked SI, which turned out to be 14, and the PSNC through the Royal Mail have asked us to pay them for the one over delivered. Mr. G.Cobb says that 14 bales were made, and shipped in the "Columbus", but that Capt. Saanum gave a receipt for 13 only, and it is probable that this error was continued on the Corcovado's Bill of Lading. The claim is in suspense pending your report; you should get a specification of the whole number, the one received being for 12 only, and this reminds me to ask you to have all the specifications dated, as we are in a difficulty sometimes when we have to refer to old ones. Incidentally this throws some light on the ways of Steamship Companies, for the PSNC base their claim on the fact that they have paid us "numerous" claims in the past, and it is clear that they regard cargo without Bill of Lading as their own property. Fortunately we were able to show how exaggerated their statement was; for the fact is that we have shipped in the past five years over 33,000 bales of Wool and Skins, and the claims paid amount to three bales of Wool and one hide! These claims were only put forward after getting conclusive proof that the missing goods had actually gone on board.

21. Our position in the matter of the "Lady Elizabeth" is that we have bought her, but have declined to take any responsibility with regard to the cargo, which, as present arranged, we allow to remain on board for three months, after which we shall charge a commission, or I should say, a rent to be arranged. The Captain is to remain in charge, but an inventory, as we cabled, is to be taken at once, as we know in such cases how little items have a way of disappearing. Correspondence will show that we take her with all her inventory, but leave it to you to buy the surplus stores if you think proper. It is probable that ships will be chartered to take the cargo on, the large quantity and specification being unsuitable for us.

22. The "Vanadis" sailed on the 21st inst. with a very full.

cargo, too full in fact, for some of the hay had to be taken on deck under tarpaulins, and wood was shut out. The six rams are on board, and a shepherd from Harris named McDonald to look after them. I have rather piled on the gratuities, \$1 for each ram landed alive, both to the Captain and shepherd, and 10/- to the Mate, but after all the shipment is much cheaper than it would have been by steamer, and the interest of the Master and Mate had to be secured. A letter from Messrs. Langridge is enclosed, in which they point out that a decision as to the homeward cargo must be made shortly after arrival. I do not think that you will be able to take her up, but you are the only one who can decide, as you will have particulars of all cargo available. If you reek-on up what this would cost by coaster and cargo boat, and take into consideration the extra amount we shall have to pay on the outward cargo only, you may find that it will answer to send her away half full. Your cable asking for tonite only arrived yesterday morning, so is too late. This message is dated 23hr.20 m. the day before ~~yesterday~~, which I believe means 11.20 p.m., and it was delivered at 6.7 a.m., so that allowing for the difference in time it looks as if it had come in about three hours.

23. The "Ellen" with steam coal left Cardiff on the 18th inst.

24. We have come to the conclusion after all that in order to get the Camp buildings up quickly we ought to send out a foreman and one or two carpenters specially for the job, and Mr. Lilly has promised to send some of his own men. He has foremen who go half over the world, and one is returning just now from the East Coast of Africa. These men can be re-inforced by such men as can be spared, no doubt including Bradfield, whose qualifications as a carpenter you have not reported on since his disastrous start with the Bleaker house. The first idea was to let Biggs go out from Stanley, but there is always the fear that at any moment he may be called away to ship work in Stanley, taking with him most of the men, and leaving the rest without a leader.

25. There does not seem to be much chance of a drop in the price of bagging, but as you have asked for 20,000 yards we have written to five firms for quotations, including some who have asked us during the past year to give them a chance.

26. With regard to the commission on negotiating the draft for Mr. Patron, I see that the London & River Plate Bank have taken the dollar at par on both sides of the account, so we are not losers by exchange. Since the matter of commission has to be settled with Mr. Patron, you should charge him 1%, which is not too much for our trouble in doing a business which is really out of our line.

27. Enclosed are code words to be used by wireless on the arrival of the "Vanadis", showing the number of rams landed alive.

I am, Sir,

your obedient servant,

John G. Love

Managing Director.

Super quantity Grey Sheep

<i>M. Patron</i>	<i>Buenos</i>
<i>Mendoza</i>	<i>Santa Cruz</i>
<i>Hamilton & Co</i>	
<i>Carlos Saenz</i>	<i>Puerto Rico</i>
<i>Guacaman</i>	<i>do</i>
<i>Angel Rabbione</i>	<i>Bahia Blanca</i>
<i>Carpani & Wagnon</i>	
<i>at Brasil</i>	
<i>Camargo & Cia</i>	<i>La Plata</i>
<i>Salvador</i>	<i>Santiago</i>
<i>Bossiere</i>	<i>Argentine Island</i>

DESPATCH no.1120 per "Orcoma", 25th June, 1913.

Precis of Contents.

1. Acknowledges despatches and letter.
2. Memorial re Geese killing will be supported.
3. Refers to wool per "Inca".
4. Deals with Farm accounts.
5. Authority given to settle Lellman's case.
6. Reports on Salvage questions.
7. Approves employment of diver on "Samson".
8. Refers to accounts of "Columbus".
9. Reports payment of Whaling accounts.
10. On Consular appointments in relation to wrecks.
11. Failure to get book on Wrecks.
12. Reports purchase of "Lady Elizabeth", and explains.
13. "Terpsichore " accounts sent to Hamburg.
14. Deals with question of shipping rams to Punta Arenas.
15. Remarks on good management at Goose Green.
16. Approves alteration in price of mutton and reduction to our
men.
17. Refers to Weiss's letter and returns.
18. Vouchers required by Messrs. Salvesen.
19. Enquires about price of Condor rams sold to Company.
20. Remarks on excess bale of Skins, and claim by Pacific S.N.Co.
21. Explains position re "Lady Elizabeth"
22. Reports sailing of "Vanadis" with rams.
23. Reports sailing of "Ellen" from Cardiff.
24. Carpenters to be sent to put up Camp buildings.
25. Tenders for bagging asked for.
26. States commission to be charged to Mr. Patron.
27. Refers to code for reporting "Vanadis".

Enclosures via Liverpool

Duplicates.

Despatch No. 1119 dated 28th May, 1913

Remarks on Accounts.

Remarks on Stores.

List of General Cargo per "Oronsa"

List of Dutiable Goods per "Oronsa"

General Invoice goods per "Oronsa"

List of Enclosures.

List of Parcel.

List of Clients' Cargo per "Oronsa"

Bills of Lading cargo per "Oronsa"

Account Current

Second of Exchange for £71 . 5 . 2 & B/L attached

Clients' A/sales:-

D S	10	Salted Hides	ex "Corcovado"
G I			
S	39	,,	,,
L	8	,,	,,
A F C	5	,,	,,
McG	56	,,	,,
W E D	126	bales Wool	ex "Esmeraldas"
F	143	,,	,,
R B C	35	,,	,,

Duplicates

B/L general cargo per "Vanadis"
 Copy of Invoice goods shipped for Mr Felton
 General Invoice goods per "Vanadis"
 List of Dutiable goods per Vanadis
 List of General Cargo per "Vanadis"
 List of Enclosures

Enclosures via Liverpool

ORIGINALS

- 1 Copy of Cablegram sent 6th June.
 - 2 Copies to Cablegrams received on 16th & 23rd June.
 - 3 Copy of letter from J.R.Robson to H.J.Roberts dated 5th May.
 - 4 Copy of letter from John Poynter Son & Macdonald dated 11th June.
 - 5 Copy of letters to Pacific of 10th & 16th and their reply of 14th June.
 - 6 Extract from letter to Chr.Salvesen & Co.of 11th and their reply of 12th June.
 - 7 Copy of letter from T.Dannevig dated 5th June.
 - 8 Copy of letter from Gratton & Co.,Ltd.dated 12th June.
- Clients' Reports:-
- | | |
|----|------------------------------------|
| 9 | H & B 156 bales Wool ex "Flamenco" |
| 10 | AP 108 ,, ,, |
| 11 | S & S 152 ,, ,, |
| 12 | A F C 46 ,, ,, |
| 13 | B 14 ,, ,, |
| 14 | J B L 6 ,, ,, |
| 15 | F B 88 ,, ,, |
| 16 | L 125 ,, ,, |
| 17 | W P 46 ,, ,, |
- 18 Brokers' Press copies Reports on Co's Wool ex Flamenco
 - 19 Agreement of Hector Macdonald, Testimonials & Receipt for £ 6 paid him.
 - 20 B/L Coals per "Ellen"
 - 21 General Invoice Coals per "Ellen"
 - 22 Particulars of Woolpress supplied to Packe Brothers & Co by E.Mills & Son dated 25th Nov., 04
 - 23 Particulars of payment made by H.Langridge & Co.to Cpt. Thoresen and gratuities to be paid. on Rams landed alive.
 - 24 Copy of letter from Spearing & Waldron of 18th June re settlement of Rams salvaged ex "Oravia"
 - 25 Sturgeon's invoice for Fodder supplied for Rams per "Vanadis"
 - 26 Copy of letter to the Pacific of 9th & 18th and their reply of 16th June.
 - 27 Copies of letter to T.Dobbin & Co.of 7th May & 18th June & their replies of 8th May & 3rd.
 - 28 Copies of letter from the Royal Mail of 18th 20th & 21st & our replies of 19th & 20th June
 - 29 Code for Advising arrival of Vanadis
 - 30 Particulars of Sheep bought for Canning 1913.

Letters for the following:-

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

London 25th June, 1913.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61. Gracechurch Street.

Per Orissa.

N^o 1121.

London, E.C. 23rd July, 1913.

Sir,

I have to acknowledge receipt of your despatches Nos. 442, 443, and 444, of the 31st May and 9th and 10th June, respectively.

442. 2. Par. 2. The "Inca" did not arrive in the Thames until the 2nd inst., and therefore, under the new regulations referred to in my despatch 5/1117, her shipment of wool could not be offered at the current series of sales, and must now remain over to those commencing on the 23rd September. This will of course mean heavier storage charges, and loss of interest, but after all, it is not of great importance, as prices for wool at the moment are a little off, and are generally expected to be better in September.

3. Par. 3. The question of certain of the PSN Co's Captains demurring to bringing their vessels to anchor in the inner harbour, will be taken up with the Company, and I will advise you later as to the result.

4. Par. 4. The loss and subsequent recovery of one bale of Mr. Felton's wool at Teal Inlet is noted, and the expenses of re-conditioning will be claimed here under the policies of insurance when the necessary particulars are received.

5. Par. 5. Note has been taken that Mrs. M.A. Smith has given notice to pay £1000 off her mortgage on the 31st December next.

6. Par. 6. Mr. Weiss's return of the Canning this season, has been read with much interest, and it is a matter for congratulation that his excellent organization has enabled him to put through about 2000 sheep more than last year in twenty three less working

W.A. Harding, Esq.,

Manager,

Stanley.

days. This in itself must mean a considerable saving in wages etc., and, taken in conjunction with the actual reductions effected in the daily consumption of coal and solder etc., we consider that the lower cost of working, which will be shown for this season's operations, is very encouraging. The return of mutton per carcase does not appear to be quite so good as last year, but this is largely accounted for by the inferior sheep bought of Felton, Bonner and Pitaluga. From the particulars sent, we have been able to complete an interesting statement showing the relative return of extract and mutton on the sheep from the different farms, and it is unfortunate that the return does not give the amount of tallow produced from each lot. If this information could have been added to the statement, we should then be able to arrive at a fairly close indication of what we can afford to give for the various weight sheep another year, for it would only leave the difference in the values of the skins to be estimated, to complete the return per head from all sources. A copy of our statement referred to is enclosed.

The sample bottle of water, per "Inca," used for the boiler at Goose Green, unfortunately arrived broken and empty, and Messrs. Babcock & Wilcox make the suggestion, which we shall be glad if you will adopt, to send further samples, say five or six pint bottles in a case; there will be every chance of one or two of them arriving whole.

7. Par.8. Since writing you last mail, Hooton & Yates have called on us with a proposal to buy the "Lady Elizabeth" for Mr. Louis Williams. They professed to be ignorant of Williams's intentions as to the future employment of the boat, and assumed that he wanted to buy the ship and cargo to send away. We regarded the enquiry with considerable suspicion, and they therefore obtained no satisfaction from us.

With regard to buying the cargo, we finally decided not to touch it, as it involved locking up capital in a large stock of unsuitable timber, which would probably not be realized for years; nor could we satisfy ourselves that any portion of the specification was worth bidding for.

8. Par.10. The corrent disposal of the £46.3.4, received from the Sociedad Ballanera de Magallanes for salvage of cartridges ex "Oravia", is somewhat difficult on account of your uncertainty as to which vessel, the "Samson" or the "Paal", salved the property. If as you think it was the "Paal", then the amount should be paid to the PSNC, as they are settling with her owners by payment of a lump sum. If on the other hand it was the "Samson", then it should be retained by us for apportionment among the interested parties, for you are mistaken in assuming that the payment of £500 to us by the PSNC for services rendered, had anything to do with other than the salvage of life. We have all along regarded this payment as for salvage of life only, and quite outside any percentage we may be entitled to for salvage of cargo or ship's gear etc.

9. Par.13. Full samples of extract have been drawn from the wharf, and it has proved excellent in quality and is considered to be, if anything, an improvement on last year's, which was admittedly good. The only possible comment that can be made, is that about one tin in ten is drier than it need be. This is a fault in the buyer's favour, as it enables him to increase his weight by adding moisture.

443. 10. Par.3. You will have gathered from the copy of my letter last mail to Mr.Allan, that a complete plant, consisting of Press with two boxes, and a Fielding & Platt Oil Engine for driving same, has been ordered for North Arm. We did our best to secure shipment by the August mail, but we learn from the suppliers that it will be quite impossible to deliver in time, owing to a congestion of orders, on hand. By this mail however I am able to send you the foundation plan, which will enable progress to be made with the work in advance of the arrival of the press and engine.

11. Par.4. In connection with messages cabled to you, we have the word "Fleetwing" registered for those sent via Punta Arenas or Montevideo, and we shall be glad to know if you can register "Fleetwing Port Stanley", to be used for the wireless cables sent you direct. The Eastern Telegraph Co., inform us that it is a matter for you to arrange locally. If you are unable to do this, we

will continue to address the wireless messages "Harding Port Stanley".

12. Par.5. I quite see the difficulty of obtaining beforehand any indication of obstruction to our plans with regard to the School building at Darwin, but suggest that you notify any of the original subscribers there may be, that in consequence of the delapidated condition of the existing building, it is the intention of the Company to replace it with a new building,^{we} bearing all the expense. You might ask for the expression of any objection they may have to this course.

13. Par.7. We are claiming on Lowden & Co., for repayment of the £3 fine, paid for the error in describing beer as rice on the Bill of Lading of the "Oronsa".

14. Par.11. Referring to the condition of the "Columbus", a subject referred to in a later paragraph, if she is quite broken down, it might be advisable to take the opportunity of the S.S. "Rio Gallegos" being on the spot, in connection with the further attempt at salvage of cargo of the "Oravia", to make some paying arrangement with her to bring in the rest of the produce. As regards her salvage operations, I do not think much of the prospects of success, but in the absence of any arrangement with the PSNC as to the disposal of any salvaged goods, it is desirable for you to claim to deal with them, as Agent for the PSNC outside the Receiver of Wreck. This would be a convenient test case. Probably to comply with the law, you would have to report the goods to the Receiver.

15. Par.12. Since writing, you will have gathered from despatch 1119/17, that a Babcock Injector has been sent for Goose Green. This, we have little doubt, will be found most useful for regular use, and the repaired Pearm Pump can then be kept as a standby. Doubtless the small cost, £5.10.0, incurred in repairing the cracked Cylinder casting of the Pearm will surprise you. The Worthington will therefore be free for use on the "Samson".

16. Par.15. The Board have learnt with considerable regret of the death of William Biggs, late foreman carpenter.

444. 17. Your remarks on the condition of the "Columbus", and the

Inter Insular Coastal Trade were most carefully read and considered at the last Board Meeting, and the Directors are fully alive to the fact that the vessel is certainly not fitted for the work, and must be replaced by a more suitable vessel at the earliest possible moment. The enclosed copy of all correspondence with Messrs. Salvesen & Co., on the subject, will acquaint you with the present position, and especially our letter to them of the 15th instant, which details exactly the view taken by the Board. We take note of your assurance that Capt. Saanum has written to the owners repeatedly as to her defective and unsafe condition, and in face of this, it is difficult to understand their letter to us of the 15th instant in which they practically ignore the receipt of such advices, and merely emphasize the fact that exceptional weather has caused certain accidents calling for special survey.

Your wireless message of the 10th instant, advising that the Governor had instructed Baseley to survey the boiler, was safely received, and we wired you in reply on the 15th instant asking you to report the result as soon as possible. We have since received your wire of 18th to the effect that you will cable result about the 22nd instant, and this message is looked forward to with much interest, as nothing more definite will be done until it is known.

With regard to the responsibility of running the boat in its present condition, we could not personally be held liable in the event of an accident, as by our agreement with Salvesens they reserve to themselves all matters relating to the management and running the vessel, our duty being confined to providing cargoes and giving directions as to her destination.

The Managing Director, who is at present out of town, will be in Edinburgh in about a week's time, at it is his intention to then fully discuss the whole matter with Messrs. Salvesen & Co., and some definite decision as to the future will then be come to.

18. I have the pleasure to inform you that at the Meeting of Directors held on the 14th instant, the Board decided, in

view of the satisfactory financial trading last year, to grant a general bonus of 10% to all employees. Please therefore make this known, and as no criticism of complaint has been received as to the basis of distribution last year, please follow the same lines in the present instance.

19. The copies of correspondence enclosed with the PSNC to date, with reference to the "Oravia" salvage, will show you the present position, and we have no doubt that following on the Managing Director's call on them in Liverpool next week, the final details will be amicably agreed. The whole matter of the "Oravia" loss was fully considered by the Directors at the last Meeting, and strong appreciation was expressed of the willing and courageous services rendered by you and all the Company's officials and servants at the time of the wreck. The Directors have come to the decision that the salvage services rendered by you all were not so much in the nature of business, as one of common humanity, and they have unanimously decided that the Company will take no share of the £500 paid by the PSNC, and further the Company is content to defray any expenses and loss entailed in the work of rescue, and it is therefore the wish of the Directors that the whole of the £500 received from the PSNC shall be divided among those who risked their lives on the night of the stranding of the vessel. Before the mail closes we purpose asking Mr. Ince to detail what he considers to be a fair and proper apportionment of the sum amongst those entitled to share.

20. We were somewhat surprised to receive a letter from the PSNC dated 12th instant, copy enclosed, advising their intention to immediately raise our rates on wool to 67/6 weight, and 22/6 measurement. I had received no warning of any intention to make a further increase, and I am informed that the new rates are to take effect immediately, but we are endeavouring to arrange for the shipment of all the 1913 wool at the old rates. As regards the future coastal rates, the matter is at present under consideration, but it is doubtful if I am able to write you anything definite by this mail.

21. We draw your special attention to copy of a letter from

the PSNC, dated 10th July, in continuation of our correspondence with them relative to their cargo steamers arriving here too late for the series of sales they were intended to catch. You will notice that they contend that sufficiently early intimation has not been sent to Valparaiso, but we know that you can refute this statement. You might therefore take out the particulars as to the dates of your advices to them, and the promised, and the actual dates of arrival of the cargo boats sent. When we receive this, we will pass it on to the Company.

I am, Sir,

your obedient servant,

Fredk.E.Cobb.

Managing Director.

For E. B. Goddard.

DESPATCH No.1121 per "Orissa", 23rd July, 1913.

Precis of Contents.

1. Acknowledges receipt of despatches 442/4.
2. The "Inca" arrived too late for sales.
3. PSN Co's Captains demurring to enter inner harbour.
4. Loss and recovery of one bale of wool at Teal Inlet.
5. Mrs.Smith's notice to pay £1000 off mortgage.
6. Canning season 1913, Sample of boiler water arrived broken.
7. Messrs.Hooton & Yates advance to buy "Lady Elizabeth".
8. Re disposal of £46.3.4, salvage on cartridges.
9. Extract of excellent quality.
10. Complete baling plant ordered for North Arm.
11. Can you register "Fleetwing Port Stanley" for wireless messages.
12. Church building at Darwin.
13. Claim on Lowden re fine for error in description on B/L.
14. Suggests arrangement with "Rio Gallegos" for collecting of produce.
15. Babcock & Wilcox Injector sent.
16. Regret to hear of William Biggs's death.
17. Condition of "Columbus".
18. Bonus declared to all employees.
19. Board's decision to distribute the £500 received from PSNC re "Oravia" salvage amongst those engaged.
20. PSN Co's advise of further advances in freights.
21. Correspondence with PSNC re their vessels arriving late for sales.

Enclosures via LIVERPOOL.

DUPLICATES

Despatch No. 1120 dated 25th June, .

Remarks on Accounts.

Remarks on Stores.

List of General Cargo per "Orcoma"

List of Dutiable Goods per "Orcoma"

List of Clients Cargo per "Orcoma"

B/L Cargo per "Orcoma"

B/L Steam Caol per "Ellen"

List of Parcels

List of Enclosures

General Invoice goods per "Ellen"

General Invoice goods per "Orcoma"

Account Current

Clients' Account Sales:-

Club	3 bales Sheepskins Ex "Esmeraldas"
R B C 1	, ,
Z 18	, ,

Clients' Reports :-

W P	46 bales Wool Flamenco"
L 125	, ,
F B 88	, ,
H & B 156	, ,
B 14	, ,
J B L 6	, ,
A F C 46	, ,
S & S 152	, ,
AP 108	, ,

))

Enclosures via Liverpool.

Originals

- 1 Wool Mareket Reports.
- 2 Copies of Cablegrams sent.
- 3 Copy of Cablegram received.
- 4 Copy of letter from the Salvage Association of 1st .and
our reply of 2nd July re "Lady Elizabeth".
- 5 Foundation Plan and Erecting Directions for Fielding &
& Platt's Oil Engine for North Arm.
- 6 Copy of letter from Babcock & Wilcox dated 12th July.
- 7 Copy of letter from William Bain & Co.,Ltd.of 8th July
re Fencing Wire.
- 8 Copy of letters from the Pacific of 9th & 19th and our
replies of 11th & 22nd July re ~~salvedegoods~~ ex "Oravi
- 9 Copy of letter from the Pacific dated 10th July re
shipment of cargo at Port Stanley.
- 10 Copy of letters from the Pacific of 12th & 16th and our
reply of 15th July re raising of rates.
- 11 Copies to letters to Chr.Salvesen & Co.4th.,11th.,14th.,
& 15th and their replies of 9th.,11th.,& 15th July
- 12 Report & contract on F 3 casks Tallow ex "Inca"
- 13 Copy of Statement of yeild of Mutton & Extract..
- 14 Copies of letters to the Pacific of 23rd April & 1st May
Letter for A.L.Allan.

London 23rd July, 1913

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61. Gracechurch Street.

Per Supplementary mail.

N^o 1122.

London, E.C. 25th July, 1913.

Sir,

1. I am now pleased to be able to report that some definite progress has been made in the settlement of the various salvage matters relating to the wreck of the "Oravia".

We have actually received from the PSNC settlement of the £500 which, as advised you in Par.19 of despatch No.1121, the Directors have decided shall be divided amongst those who rendered such good services on the occasion of the wreck, but Mr. Ince is unable to proceed further with the apportionment as we are unable to give him all the particulars he requires as to the ratings and rate of pay of those engaged. From your various letters we have compiled the enclosed statement, detailing what appears to us to be the complete list, but it will be well for you to go carefully through it to see that it is correct and complete, and then fill in against each name the man's rating and rate of pay, and return the form to us.

Secondly, there is the question of the division of the salvage received for the rams, £138.8.9, which amount has been passed to your credit in account in the adjustment with Messrs. Spearing & Waldron on the 19th June. Please send us complete statement, showing which vessel is entitled to share in this and list of names with ratings and pay.

Thirdly, we hear this morning from the PSNC that they are passing us a cheque for £122.17.6, being 50% salvage on the proceeds of boats, £104.0.6, and the sundries, £141.14.7, together £245.15.1. A similar statement to that referred to above had better be sent us with regard to the vessel and men entitled to share in this.

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

Fourthly, there only remains the question of the division of the £46.3.4 received for the salvage of the cartridges, and this we are unable to make progress with until we know definitely which vessel rendered the service. If you come to the conclusion that it was the "Paal", then we must, as previously stated, pay the PSNC the amount in full. If on the other hand, you find that it was one of our vessels, please also send us a similar statement, with full particulars of the interested parties.

2. We have this morning received your wireless message, informing us that as the result of the survey on the "Columbus" called by the Governor, the boilers have been condemned, and that she will not be permitted to continue her service unless ~~the~~ they are repaired, and that this cannot be done in Stanley. We have passed the information on to Messrs. Chr. Salvesen & Co., and await the result of the Managing Director's interview with them next week.

I am, Sir,

your obedient servant,

Fredk.E.Cobb.

Managing Director.

Po. E. B. Soddard

Enclosures per Supplementary Mail

Originals

- 1 Account Current and vouchers.
 - 2 Remarks on Accounts.
 - 3 Remarks on Stores.
 - 4 General Invoice goods per "Orissa"
 - 5 List of Cargo per "Orissa"
 - 6 Sight Draft for £57 . 11 . 9 on J.Kirwan for collection
B/L attached.
 - 7 Oravia salvage - list of persons engaged in saving of life
 - 8 A/sale Z 348 bales Wool ex "Esmeraldas"
 - 9 Clients' Invoices goods per "Orissa"
 - 10 Copy of Cablegram received on 25th instant
 - 11 S.H.Day & Co!'s certificate of strength goods shipped
per "Orissa"
 - 12 Copy of letter from Chr.Salvesen & Co.of 24th July.
& 25th
 - 13 Copy of letter from the P.S.N.Co.of 24th and our reply
of 25th July re Salvage "Oravia"
 - 14 Foundation Plans of Woolpress & Pumps for North Arm from
Edwin Mills & Sons, Ltd.
 - 15 Priced Sheepskin catalogue.
- Letter for W.A.Harding. + *af. Allan*

London 26th July, 1913

Indented

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street.

Per Oropesa.

N^o 1123.

London, E.C. 20th August, 1913.

1123

Sir,

I have to acknowledge the receipt of your despatch no. 445, and letter of the 3th ult., both of which came to hand on the 5th inst., the 4th having been a Bank holiday.

2. Par. 2. You will have found out before this that you were mistaken in supposing that all salvage would be covered by a lump sum; the fact being that this payment was restricted to the saving of life, while goods and ship's gear as well as the rams were on another footing altogether. In small cases like that of the photographic goods it may now not be possible to remedy the error.

3. Par. 3. Although the wages agreed upon with McNichol look high, you exercised a sound judgment in not giving an undertaking about passages home, a practice which should be discouraged more and more as time goes on. For the first time in my recollection we seem to have a thoroughly satisfactory blacksmith, and we must pay to keep him; in fact, wages are going up so much everywhere that we could not expect him to be satisfied with less than you have given him. Do you give him anything extra for ship's work, or does his pay cover everything?

4. Par. 4. From what has been written already you will have seen that it was not only impossible to secure the "Lady Elizabeth" for less than £1000, but that if we had not acted promptly she would have gone into the hands of an opponent, and have become, with little doubt, a permanent obstacle in the matter of control of the Colonial produce. I feel sure that we could have sold her at a profit to W. Hooton & Yates when they came to see me about her. Her actual value may not have been more than £500, but some

W. A. Harding, Esq.,

Manager,

Stanley.

account must be taken of the fact that no one could lay down a hulk of her size for anything like that sum. It must be remembered that we gave the same sum for the "Garland" of 500 tons only, while hers is more than double that, and we wasted a large sum on the "Sabino", which never earned us a penny, all for the same purpose.

5. Par. 9. It is most satisfactory to hear that you have adjusted the differences between Weiss and Mills, but both Mr. Blake and I felt sure that you would do so, and perhaps they will get on all the better after the flare-up. Yours remarks on Johnston and running the machinery are duly noted.

6. Par. 10. I am going to give Mr. Lowrey a reminder of his promise to write to you on the subject of salvage.

7. Same par. There will be no objection raised to your accepting the acknowledgment of your services sent by the PSNCo.

8. Par. 11. No doubt Mills is right in advising the use of the injector, as it will be equally serviceable, and save coal.

9. Par. 12. I had an interview with Mr. T. Salvesen when in Edinburgh lately, and found that he would much prefer giving up the coasting service altogether. This matter is now under discussion, and I hope to give you some information before closing this despatch. Mr. Salvesen is still of opinion that if the boilers had been properly repaired in Montevideo according to the suggestions sent out, they would have continued to do good service for some years, and he has an abiding distrust of the opinion of anyone in the Islands on the subject of steamers, although I think that I satisfied him as to Baseley's competence. It is clear that Saanum must be acquitted of the suspicion that he has not given sufficient warning; someone, however, has written Salvesens that probably a lot of unnecessary fuss would be made over the stoppage off the Arch Islands, but that there was no immediate danger, and they say that the same accident might have occurred in a new steamer. Mr. Salvesen instanced a steamer of their own with boilers over 30 years old, but ~~they~~^{they} are sure to have been well cared for. Apart from the question of the boilers, it is evident to the Board that the "Columbus" is unsuitable both on

account of her draught of water, and her inability to carry live stock on deck, and, whatever may be decided, these points will have due attention.

10. Par. 13. I do not think that we can dispute Salvesen's claim for a rebate of the hulk hire, as we charge for the labour at a rate that I suppose does not pay. When we adopted their offer of 6d per ton, I fear that we were penny wise and pound foolish, for we did not think of this contingency, and it would have been better to take the one-sixth as representing the work and hulk hire in Stanley in a lump sum, regardless of whether the hulk was used at all or not. Without going closely into figures, it seems to me that we risk losing more on the sixths that we shall have to return than we gain on the allowance for stevedoring.

11. Par. 15. The Secretary of State seems to be going on the wrong lines in raising the spirit duties, but ^{may} have ^{been} influenced by some temperance fanatic; if so, he ought to pay attention to the remonstrance you propose to send on the subject of tonic wines, which must have the effect of driving those who want single bottles into the public houses, which otherwise they would not wish to enter.

12. Par. 19. No doubt the Governor is influenced by spite in drawing attention to our people being on surveys of ships which we have to repair; but it will do no harm. No outside carpenter would be capable of giving an opinion as to necessary repairs, simply from want of knowledge, and the presence of the Harbour Master would serve as a check upon any exaggerated recommendations, which, for our own credit, we should wish to avoid. The practice of putting Captain Thomas on surveys I believe you have discontinued for some time.

13. Par. 20. It is most unfortunate about Dr. Wace's second accident, but we hope that it has not resulted in anything serious.

14. Par. 23. In chartering the "Rio Gallegos" you have done exactly what we expected, the price of £25 per day seems high, but you may be able, if she works well, to see the money back. In any case, the position was a desperate one, and you had to get the

produce in. Messrs. Salvesen would have no cause for complaint, as the "Columbus" is laid up for an indefinite time.

15. As you will have heard by wireless, we have bought the cargo of the "Lady Elizabeth" for £2000 in compliance with your suggestion, and it seems an excellent purchase, if the wood is of a class suitable for building. The problem will be what to do with the large stuff, for there is some 12" by 12", and it runs up to 40 feet long, while other sizes are on the large side. I wonder whether it has occurred to you to make a selection large enough to freight one of the chartered vessels we have, and send it either to the Plate or the Cape. Probably Mr. Patron would have taken it up to Buenos Ayres, and you might get an estimate of the value up there. You speak of the circular saw, but this old thing I find referred to in despatches about 40 years ago, and it is absolutely out of date. I do not know whether you are aware that at its best it could only deal with deals on the flat, attempts to cut planks on the edge having been a failure, as it got pulled up all standing. I know that if you keep the wood you will be asking for a more modern sawing plant, and I am already making enquiries, on which I shall act if the cost seems anything within reason. We have a lot of wood for £2000 of which the insured value is nearly £5,500, according to Mr. Lowrey, and if we spend another £100 or £150 on sawing machinery that will make it merchantable, the money will not be thrown away. Our Engineer's opinion is that an oil engine will be better than steam, and if this and the bench are placed on the deck of the "Lady Elizabeth" you will have everything you want in the most convenient place.

16. Our cables on this subject have been of a confidential nature, and I want to know if the Governor has access to all messages passing through the station. This subject was referred to some time ago, but I do not remember that we heard anything definite about it. If it is a fact that he requires the Colonial Surgeons and the professional nurses to give him details of the complaints of their private patients, enquiry into private messages would be comparatively a trifle.

17. Since beginning this despatch your no.446 per "Sorata" has arrived from Rio.

18. Par. 2. Through the intervention of Mr. Connell there is every probability of the P.S.N.Co. extending the old rates until the whole of the 1913 clip is in, though you could not help yourself in the face of the orders by wireless, and had to adopt the new rate. I am sorry not to find the Manifest and Bills of Lading, which should have been included in this despatch, and would have been of unusual interest this time. Mr. Connell being a persona grata with Mr. Lamb, and in constant personal touch with him, has on several occasions used his friendly offices in our favour, when there has been some fear of an impasse.

19. Par. 3. I am sorry that you have sent particulars of all the produce discharged direct by the "Columbus", as Salvesens' complaint of 26th May referred to a particular instance that had occurred, and expressed a hope as to the future. I do not wish to have them going into back numbers, which I fear they will now, if Capt. Seanum has reported that particulars have been looked up.

20. Par.5. Seeing that Stanley is the principal port of entry, where practically all duties are paid, it is difficult to see why the Government are demanding such an unnecessary amount of information about the goods shipped coastwise, unless it can be put down to a desire to hamper and annoy shippers in every way. I shall try to find out what the regulations are on this coast, though the conditions are scarcely on the same footing.

21. Par.3. The list of possible purchasers of sheep is a formidable one; some of them, I think, may be eliminated as not being serious competitors, especially those who want breeding stock only. Patron, Cameron, and perhaps Menendez are most to be feared, as likely to raise prices for Goose Green. I have seen Smith, Weiss's brother-in-law lately, and he was going to ask Menendez, who is in London, what he was really offering. I have now heard from Mr. Bonner that he will see me about his sheep before he leaves in October, so he is following a non-committal policy. The question about tallow for Buenos Ayres will be referred to the Board, but we shall want some more information about the price.

22. Par. 9. All I can say at present about the "Columbus" and the coasting is that the matter is having our earnest attention, and that we hope to have a steamer out to take her place before the beginning of the season, in fact as soon as possible. But on the subject of the ownership of the boat I can say nothing at present; whoever may take it up will be wise to secure contracts for a fairly long period with all the shippers, otherwise it is likely to be a losing game.

23. I have just been informed that, in spite of the urgent instructions sent on the subject of freight to be stated on Bills of Lading for outsiders, and the explanation accompanying them that it is most necessary to keep the details of the through freight from them, the Bills of Lading for Dean & Co.'s and Cameron and Greenshields' produce per "Inca" have been made out at the ocean rate only, i.e. 60/- or 20/-, and freight has accordingly been collected by the Royal Mail Co. It is really difficult to write moderately about this most unnecessary blunder, for the consequences may be ^eserious, especially at this time. We may, in the first place have some trouble in collecting the coasting portion at all, although we are responsible to Salvesens for it; for the consignees have paid the freight as per B/L, and any further sum we can only get as an act of grace. But just as we are about to negotiate for new terms, it is most important that the actual earnings of the coasting steamer should not be made the subject of criticism, and yet they must inevitably be so now. I say nothing about the humiliation of having to go to these outside consignees with a confession of a mistake that ought never to have occurred, and of having to ask them to allow us to correct it. The freight was correctly stated on your Manifest from Stanley, or the error would have been detected long since; is it not possible, even in the rush of loading a steamer to have the different rates of freight written out and checked, so that mistakes of this kind can be avoided?

24. With reference to the error in the number of Stickney Bros.' bales of wool per "Esmeraldas", the number made and shipped

having been 171, while the B/L was made out for 170, you have heard that the PSNC, without saying anything to us, took possession of the surplus one, and, although it bore the same mark as the bulk, and evidently belonged to the parcel, instructed John Hoare & Co. to sell it on their account, and coolly proposed, when their action was brought to light, to set it off against some previous shortages. This was too much for us, and again Mr. Connell came to our assistance, with the result that the proceeds have been ordered to be delivered to us. But the Royal Mail have written that they will pay us the money on the understanding that it will be set off against some future shortage, and again I have spoken to Mr. Connell, who was here yesterday, and he says that this is absolutely indefensible, and will put it right with Mr. Lamb today. So the matter stands, and it will show you that the greatest accuracy is needed in the tallies, since the PSNC now take up the position that any cargo for which a Bill of Lading has accidentally not been signed belongs to them. In plain words, they claim the right to rob us.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures per Supplementary Mail

"Originals.

- 1 Account Current and vouchers.
- 2 Remarks on Accounts.
- 3 Remarks on Stores.
- 4 List of General Cargo per "Oropesa"
- 5 Suppliers detailed Accounts goods shipped "Oropesa"
- 6 Clients' Invoices goods per "Oropesa"
- 7 Sight Draft on J.Kirwan for £91 . 0 . 4 for collection
- 8 Copy of letter from Thomas Mason dated 19th August &
our reply of 20th August.

Letters for the following:-

W.AHarding (2) & A.L.Allan.

- 9 General Invoice goods per "Oropesa"

London 23rd August, 1913

Enclosures via Liverpool

Duplicates

Despatches Nos .1121 and 1122
 Account Current
 Remarks on Accounts
 Remarks on Stores
 List of Cargo per ORISSA
 General Invoice goods per "Orissa"
 List of Parcels.
 List of Clients Cargo per "Orissa"
 List of Dutiable Cargo per "Orissa"
 List of Enclosures.
 Report & Contract on F 3 casks Tallow "Inca"
 B/L.General Cargo per "Orissa"
 Second of Exchange for £ 57 . 11 . 9 on J.Kirwan.
 Clients' A/sales:-

AFC	14	Salted Hides	ex "Flamenco"
JBL	24	,,	,,
WED	126	bales Wool'	ex "Esmeraldas"
RBC	35	,,	,,
JBL	6	,,	,,
AFC	46	,,	"Flamenco"
WP	46	,,	,,
AP	108	,,	,,
S&S	152	,,	,,

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Enclosures via Liverpool

Originals

- 1 Copies of Cablegrams received.
- 2 Copies of Cablegrams sent.
- 3 Copies of letters from Chr. Salvesen & Co. of 30th July &
5th August.

Clients' Reports:-

- | | | | | | | |
|----|-----|-----|-------|------|----|--------|
| 4 | H P | 138 | bales | Wool | ex | "Inca" |
| 5 | A P | 63 | | ,, | | ,, |
| 6 | L | 13 | | ,, | | ,, |
| 7 | F B | 4 | | ,, | | ,, |
| 8 | S | 160 | | ,, | | ,, |
| 9 | T R | 158 | | ,, | | ,, |
| 10 | F | 159 | | ,, | | ,, |
| 11 | H W | 43 | | ,, | | ,, |
- 12 Brokers Report Company's Wool ex "Inca"
 - 13 Estimate of Result of Sheep bought 1913.
 - 14 N. Cornish's receipt for £5 advanced.
 - 15 Detailed Expenses on Buildings for 1912 (returned)
 - 16 Copy of letter from W. Cooper & Nephews dated 8th August.
 - 17 Copy of Specification of Timber per "Lady Elizabeth"

Letters for the following:-

A.L. Allan & W.A. Harding.

LONDON 20th August, 1913

DESPATCH no. 1122 per "Oropesa", 20th August, 1913.

Precis of Subjects.

1. Acknowledges despatch and letter.
2. Points out error re salvage.
3. Approves of the re-engagement of McNichol.
4. Refers to the purchase of the "Lady Elizabeth".
5. On reconciliation between Weiss and Mills.
6. Mr. Lowrey to be reminded to write on Salvage.
7. No objection to receiving honorarium offered by PSNC.
8. On use of injector at Goose Green.
9. Reports interview with Mr. Salvesen.
10. On rebate asked for by Salvesen on shipment of produce direct.
11. Remarks on Customs duties and regulations.
12. Refers to appointment of Surveyors on ships.
13. Regrets Dr. Wace's second accident.
14. Approves charter of "Rio Gallegos".
15. Reports purchase of cargo in "Lady Elizabeth", and discusses the subject. Enquiries being made about sawing machinery.
16. Enquires about secrecy of wireless messages.
17. Acknowledges receipt of despatch no.446.
18. On probable extension of old rates on 1913 cargo.
19. Regrets superfluous information about cargo direct to steamers.
20. Criticizes new Customs Regulations.
21. Discusses probable purchasers of sheep.
22. Further about "Columbus" and replacing her.
23. Complains of error in Bills of Lading per "Inca".
24. Reports proceedings re bale short delivered a/c Stickney Bros.

Index

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per Oronsa.

N^o 1124.

London, E.C. 17th September, 1913.

Sir,

I have to acknowledge the receipt of your despatches nos. 447 and 448, which arrived on the 30th ult. and the 1st inst. respectively.

2. 447-2. The memorial for the continuance of the Goose Ordinance must have got into the hands of someone opposed to it, or it would not have been hung up for six months. Meanwhile there has been another breeding season, and the number of geese must be advancing by leaps and bounds, neutralizing all the good that has been done by the Ordinance in the last five years.

3. Par. 3. If we only make 9.3% on stores sold to our men in the Camp, the probability is that the freight, loss, and wastage, which are not taken into account, bring it to a vanishing point, and we practically sell at cost price. As increased prices would lead to an advance of wages, we had better submit to this, as long as we do not make an actual loss, and recognizing this we shall have an explanation to offer in case the smallness of the Store profit comes in for criticism. We seem to treat Mr. Packe in a way that can only be described as generous, for we give him a higher discount than we allow the Farm, solely to save his horses, and to prevent his calculations from being upset, reasons which, on the face of it, seem hardly adequate. Freight by schooners is now a thing of the past, but I would suggest that the fact that they had to return with produce is hardly a sufficient reason for not charging freight on the outward voyage. I merely mention this in passing, and do not wish to dwell on it. The work at Darwin

W. A. Harding, Esq.,

Manager,

Stanley.

has increased much of late years, and if you think that we should have a clerk there for accounts, I do not think that the Board would offer any objection. The breakdown of Mr. Moir, which I understand is attributable to overwork, is a warning that we must not work a willing horse to death. Any suggestions on this subject will be valued; Mr. Moir is so good at all points that we ought not to lose his supervision of the Store business; at the same time, if he were relieved of pressure, we might extend the benefits of education by centralizing the teaching at Darwin by means of a boarding house under a suitable matron for Camp children, incidentally doing away with the Camp teachers altogether. This has been a favorite idea of mine for some years, but when previously suggested the difficulty was considered insuperable. It is a duty that we owe to our people, and we are well enough off to carry it out. I talked to Mr. Moir on the subject when I saw him in Scotland last month.

4. Par. 6. I have never seen the official instructions to Receivers of Wrecks; but the fact that I pointed out to you was that in all cases in which I was concerned, whether the ships were British or foreign, I was recognized as the agent appointed by the Master, and therefore the person entitled to deal with the salvage. In fact the Instructions you quote prove the case, for they refer to the contingency of the Master, Owner, or Agent not being present, and when the "Oravia" was wrecked both Master and Agent were present; yet the Government assumed charge. Mr. Lowrey tells me that he wrote you on the subject some time ago, and perhaps the question has been amicably settled. Who took charge of the property salvaged by the "Rio Gallegos"?

5. Par. 7. The purchase of the "Lady Elizabeth"'s cargo was reported last mail, and from what you say we have got an excellent bargain.

6. Par. 10. The New Whaling Company's accounts have been sent to Leith, but in the absence of Mr. Theodore Salvesen, who is taking a holiday in Norway, they have been acknowledged only. If we had been going on with them, it would have been desirable to make a re-arrangement of accounts, but we have told them that

we are following their wishes by making independent arrangements for the coasting, so we have now only to close up the "Columbus" business as soon as we can.

7. Par. 11. Spearing & Waldron are not to blame for querying the price of the rams, for although the letters you have sent in original clear the matter up, your copy, received some months ago, gives the prices as £35 and £30. The letters are now returned together with a press copy of the one you sent.

8. Par. 12. The tallying on board the steamers is evidently done hurriedly and carelessly. We are all right about the Speedwell bale, as it was delivered to us, and we sold it. The Royal Mail asked us to hand over the value, but we naturally declined. The PSNC have written that the "Sorata" has delivered 45 cases of meat in Liverpool in excess of the Bill of Lading, but this turns out to be nonsense, as the shipments per "Inca" and "Sorata" actually delivered are just one short of the number of cases packed, and this case you have accounted for as having been sold to Mr. Bossiere.

9. Par. 13. We have not yet got the Manifest of the "Sorata" from Liverpool, and so the actual tonnage cannot be given.

10. Par. 14A. The "Odd", as well as the other Whaling accounts, have been paid. When in Leith I asked Mr. Salvesen what he thought about the stability of the Companies about which you enquired some time ago. He had a return of all the dividends paid for some time past, and read out a number of names of those that had paid perhaps 30 or 40 % the previous year, but nothing for the last one. Just now he said they were all solvent, as there had been a good season, but it was a risky business. He advised making no advances to those operating in the Shetlands, as he did not believe that they could pay a dividend.

11. Par. 17. The matter of expenditure on South Georgia is one that we cannot deal with. No doubt Messrs. Salvesen and the Whaling Companies think that as they contribute so substantially to the revenue, something substantial should be done for them; but, as you say, they may find out their mistake.

12. Par. 13. The Farm account analysis has had due atten-

tion; regarding the purchase of sheep which, according to Mr. Allan showed a profit, in the case of Petaluga's, of 4/4d per head, we find that there was an actual loss of all but 1/4d, and figures are enclosed showing how this has been arrived at. The actual result will only be known when we have realized the tallow and skins, but we do not expect to see a material difference. In making contracts these returns should be consulted, and if we buy by the pound we ought to be safe.

13. 448-3. You write about getting the "Samson" to New Island some time during the summer, to be put on the slip; but it seems most desirable on every account that not a day should be lost. You know that she is now running without any class, and we know from your accounts what a shaky condition she is in; therefore, if we do not seize the first opportunity of getting her hauled up, we run a good deal of risk in the event of any accident happening. Another consideration is that we are parting company with Messrs. Salvesen, and can hardly expect that they will let us off too lightly in the way of charges, especially if the final settlement leads to any kind of dispute or misunderstanding. Still further, owing to the accident on the Billy Rock we are entitled under our policy to get the damage repaired by the Underwriters, and while she is up we can do other things that are necessary, paying something of course towards the expenses of the slip. I enclose copy of a letter from Salvesens saying that the charge will be as reasonable as possible; but if you can make terms on the spot, it may be perhaps prudent to do so. We tried to compound with the Underwriters for the cost of getting her on the slip, but they preferred waiting, and it may turn out to our advantage..

14. Par. 4. We shall have to hear what Mr. Roy wants us to do as agents for Mr. Patron. If to negotiate the purchase of sheep, while we want to buy ourselves, the position would seem to be an almost impossible one; but if it is only to carry out the financial arrangements we might take it up. In any case you are quite right in saying that we should avoid putting shipping work in the way of Williams.

15. Par. 5. It was good of Captain Lawrenson to take the 24 bales of Wool left by the "Sorata".

16. Par. 6. You will have seen that a 'g' was substituted for an 'n' in the message you acknowledge, and that you mistook the tonnage of the "Orissa"'s cargo. In case of a mutilation I think you will find it better to guess at a word with the same number of letters.

17. Your wireless message reporting the arrival of the "Vanadis" with all the rams alive is most gratifying. The Underwriters had asked such an enormous premium that we took the whole on our own Fund; this is so far to the good, but of course we should have been sorry to lose any at twice their value. The rather lavish gratuities that were given for safe arrival are shown to have been fully justified, and the fact that we are still able to get live stock out safely by sailer is a point that I shall not forget to mention to Mr. Lamb.

18. You mentioned some time ago that, in consequence of the disorganization of the office at the time of the "Oravia" wreck, it was found shortly afterwards that there was a shortage of cash to the amount of £14, which the clerks would have to make good. I reported the circumstance at the last meeting of the Board, and the Directors in consideration of the unusual stress put upon the staff resolved that a personal loss should not be incurred, but that it should be taken out of the surplus cash standing in your Deposit account. This is quite an exceptional decision, and must not be taken as a precedent. With regard to that surplus cash, it was money I found in the safe after the death of Mr. Langdon in 1889, and I supposed that on the day before he became suddenly ill he might have received some money and had forgotten to enter it. If that had been the case a claim would have been made shortly afterwards, but it remained a mystery up to the time I left, and the Board think that it might now be wiped out by transferring it to Interest and Commission, or some other account.

19. I mentioned also that you had suggested presenting a challenge shield for football competitions got up by the Rev. C. M. Hobley: to this the Directors agreed, and the trophy has been

ordered, but will take some ten days to make. It will have a bronze centre surrounded by a number of silver shields, detachable for the purpose of being engraved. With a centre of silver it would have cost about £20, which was rather too much, and I chose bronze in preference to electroplate.

20. It would be well to circularize the clients on the subject of Sheepskins on several points. We have lately found it to our advantage in the case of a long string of bales, all of about the same quality and about the sorting of which we feel fairly confident, to sell them in the bale, instead of having them sorted. The charges are less, and the sale of the last Goose Green lot was quite satisfactory in price. There is no question possible about an error in counting, or of one lot getting accidentally mixed up with another. But bales, especially from the smaller stations, are often made up of such a miscellaneous lot of skins, that sorting here is necessary. It would be well to ascertain from each shipper whether he intends to class his skins himself, in which case they would be sold in the bale, or whether he will leave the sorting to be done in the warehouse. However they may be sold, a specification should be provided, stating the class of the contents and the number of skins; this should never be omitted, and when bales are opened and sorted we always compare the specifications with the Warehouse tallies. Then there is the old question of heating. Notwithstanding all that has been said about it, going back 30 years or more, people will not realize that at a certain stage a skin is to all appearance dry, but is not so really, and the consequence is that year after year bales come home heated. I remember hearing years ago on one of my visits home that the Goose Green skins had been baled long before the Spring winds had got at them. I said at the time that there would be trouble, and, sure enough, when I got out I found that some bales had been on fire. I am mentioning this now, because there have been a lot of heated bales ex "Sorata", and the Brokers remark that some marks are always in this condition.

21. You will find enclosed copies of letters from a Mr. Hoad

on the subject of shipping feathers and down from the geese. If what he says is true and the Upland goose would yield an appreciable quantity, it ought to answer to get some of the shepherds' wives and children to go in for plucking and drying. Perhaps you will be able to collect some samples, and get to know the weight to be expected from an average bird. If it paid to kill them, possibly it would be better than an Ordinance.

22. I have been going into the question of sawing machinery, and find that the best kind for you is a circular saw, or saws rather, but an improved system as compared with the veteran you have. I discussed frame saws with Mr. Bray, whom we consult on all machinery matters, but there are several objections to them, one of which is that a solid foundation of concrete is necessary; they cut several planks at a time, but slowly, and want a lot of power. Mr. Bray's opinion is that we want two benches for economical working, one to cut up to 12" by 12", with carriages for long lengths, and another with rising and falling table to do from the smallest sizes up to 8". Coupled with these we are sending another Fielding & Platt oil engine of sufficient power for any kind of work, and saws of various kinds adapted for both soft and hard wood, so that you will be able to cut oak logs if not larger than 12" square. I take it that having the wood on board the "Lady Elizabeth", you will, at the outset at all events, establish your sawing machinery on deck, and, although I have no plan of her deck, and do not know if it will be practicable, I suggest that you should have one bench on one side of the hatches and the second on the other. I expect that you will be able to place the engine, suitably housed, in the centre, and there will be a counter-shaft with fast and loose pulleys to work either bench as may be required. Later on, when the wood has been exhausted, it may be found desirable to move the whole plant ashore, and use the power for other purposes as well. Seeing that a good deal of the wood will be shipped, it seems evident that it will be better now to establish the sawing machinery close to it, instead of employing a lot of labour to take it ashore, and more to get it afloat again.

Understand that your judgment is not fettered in any way, and if you think of a better plan, act upon it, I am only suggesting what seems to me a feasible scheme. You have said in another place that the number of standards of wood on board, worked out at the cost to us of the "Ragnhild" cargo delivered in Stanley, is of the value of £7000, and we have bought the lot for £2000. We can easily add £200 or so in machinery to this, to enable the wood to be cut into workable dimensions, and still have a good deal in hand. The machinery has been ordered, and I hope may go by the next boat.

23. The Directors have discussed the abnormal condition of the meat market, and are almost inclined, if offers are made of anything like 10/- or 12/6- for 60 lb. wethers to consider the propriety of closing down Goose Green for a season, or until prices fall. We cannot, after paying expenses, realize anything like that sum per head, and we should like to have your opinion as well as Mr. Allan's on the subject. Possibly there may be a considerable number of sheep unfit for shipment, to deal with which we might have to run the Works on a reduced scale; but as long as such prices are offered from outside for freezing on the Coast or in the Argentine, we cannot hope to buy from outsiders at a price that we could afford to give. They do not ~~regret~~ regret having established the Works, for they must be a powerful lever in raising the prices that people like Mr. Patron offer, knowing that they must bid high to secure stock that would otherwise be canned. This is a matter that requires a lot of consideration, and there is not much time for it. We should have, in any case, to retain and pay for Weiss's services, for we could not afford to lose him. Canning cannot compete with freezing, and we understand that the Canning Works on the coast, where sheep are in large numbers, are closed down; but it is a new thing to learn that such prices may be offered in the Islands for shipment as to make us consider the propriety of doing the same.

24. We have been conferring with Mr. Connell about sending out a steamer to replace the "Columbus", and have virtually agreed to go into it on the following lines. A suitable steamer to be

bought, in which we should take a controlling interest, probably rather more than half the shares. She will be a one-ship Company, and it is proposed to run her on similar lines to those agreed upon with Salvesens, with some modifications. Mr. Connell is negotiating with the PSNC, and is hopeful of getting them to agree that if all the shippers in the Islands will agree to send all their produce through them for a term of not less than five years, to give us fixed rates for that period on the scale lately in force before the rise, that is to say 60/- and 20/- for wool and skins. The charter of the "Frigga", "Vanadis" and "Ellen" has made them sit up at last, and Mr. Connell has already arranged to get coals delivered by them in Stanley for 45/-, but hopes to get the cost down to 40/-. Further, they want to put on more cargo boats outwards, and deliver our coals and goods at Stanley and Darwin at no more than the rates that we paid the sailers. The advantage of this scheme to us will be that we shall have the matter in the hands of an experienced shipowner, whose guidance in the matter of management will be invaluable, and who is not only personally in daily touch with the PSNC, but is regarded by them as a persona grata. The Directors consider that this plan, if it can be carried out, possesses many advantages, and is preferable to our being the sole owners. No time is being lost in looking out for a boat, and we have heard of the "Cornubia", now trading between Liverpool, Hayle, and Bristol, as a likely one. Although fairly old, she has been unusually well kept up, and is said to be in excellent order, with the exception of her boiler, which will have to be replaced by a new one. This will not matter much, as Mr. Connell has three new ones in view, and no time will have to be lost in building one. She has accommodation for 20 cabin passengers with steerage accommodation as well, draws little water, and has plenty of room for sheep on deck. She has, curiously enough, the same net tonnage as the "Columbus", 163, but below deck she is 306 against 223, length 156 against 135.8, beam 24.6 against 23.1, and depth 11.2 against 16. I am being urged to go to Liverpool at once to see her, and suppose that I shall have to do so, especial-

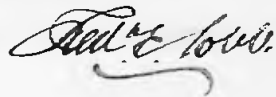
*Mark
New Year*

ly as Mr. Blake has offerēd to accompany me; but it is most inconvenient in the middle of a mail week with almost more to do than I can get through.

25. The "Sorata" arrived on the 25th ult., and her wool will be offered at the forthcoming sales. Sheepskins have sold well, and prospects are fairly promising. The meat is selling at advancing prices, the latest having been 30/9 in the grease, and 31/6 cleaned and labelled.

I am, Sir,

your obedient servant,



Managing Director.

The number of the last despatch should have been 1123, please alter it.

ENCLOSURES VIA LIVERPOOL

DUPLICATES

Despatch No. 1122 dated 20th August.

Account Current.

List of General Cargo per "Oropesa"

General Invoice goods per "Oropesa"

Second of Exchange for £91 . 0 . 4 & B/L attached.

List of Clients' Cargo per "Oropesa"

List of Parcels.

List of Enclosures.

Bills of Lading cargo per "Oropesa"

Remarks on Stores.

Remarks on Accounts.

Clients' A/sales:-

AP	28	Salted Hides	ex "Inca"	
F	3	casks Tallow		,,
TR	4	bales Sheepskins		,,
AP	6	,,	,,	,,
	16	,,	,,	,,
WCM	13	,,	,,	"Flamenco"
AFC	5	,,	,,	,,
McG	7	,,	,,	,,
	5	,,	,,	,,
S&S	8	,,	,,	,,
WP	1	,,	,,	,,

Clients' Reports:-

HP	138	bales Wool	ex "Inca"
AP	63	,,	,,
TR	158	,,	,,
HW	43	,,	,,
F	159	,,	,,

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Enclosures: via Liverpool

Original

- 1A Copy of letter to E.Mills & Son and their reply 3rd Sept. of 2nd Sept.
- 1 Copy of Cablegrams sent 29th Aug.& 12th Sept.
- 2 Copy of Cablegram received 16th September.
- 3 Copy of letter from Keen Cobb & Lee and contract notes attached

Clients' Reports:-

- 4 { ♡ 2 casks Tallow ex Sorata
- M VMLV ,, ,,
- J B L 1 ,, ,,
- H G C 28 ,, ,, & contract
- B 101 bales Wool ,,
- M V 15 ,, ,,
- H 37 ,, ,,
- J B 192 ,, ,,
- L 99 ,, ,,
- D S 70 ,, ,,
- G I
- H G C 33 ,, ,,
- W E D 76 ,, ,,
- D H 103 ,, ,,
- P H 82 ,, ,,

- 5 Press copy Brokers' Report on Company's Wool ex "Sorata"
- 6 Original letters from Mr Johnston to Mr Townson and Townson to W.A.Harding & ~~contract~~ extract from copy of letter sent
- 7 Copy of letters from Thomas Hoad of 5th & 12th September re feathers.
- 8 Copy of letter from King Bray & Co.of 9th Sept.& 28th Aug.re order for Saw Bench.
- 9 Copy of letter from Haldor Virik of 11th Sept.re error in a/c.
- 10 Copy of letter from Chr.Salvesen & Co.of 23rd August.
- 11 Copy of letter from Anning & Cobb of 12th Sept.re Sheepskins
- 12 Copy of letter from R.L.Connell dated 16th September.
- 13 Marked Sheepskin & Tallow catalogues

Letters for :-

A.L.Allan & W.C.Girling

London 17th September, 1913

Enclosures per Supplementary Mail

ORIGINALS

- 1 Account Current and vouchers.
- 2 Remarks on Accounts.
- 3 Remarks on Stores
- 4 General Invoice goods per "Oronsa"
- 5 List of Cargo per "Oronsa"
- 6 ~~Statistics~~ Canning Statistics
- 7 Clients' Invoices goods per "Oronsa"
- 8 Clients' Reports Skins ex "Sorata"
- 9 Spratt's Invoice goods per "Oronsa"
- 10 George Nicholls' Agreement
- 11 Hides Catalogue (priced)
- 12 Sight Draft for £ 4 . 7 . 2 for collection & B/L attached

Letters for the following:-

A.L.Allan (3) W.A.Harding.

LONDON 20th September, 1913

DESPATCH no. 1124 per "Oronsa", 17th September, 1913.

Precis of Subjects.

1. Acknowledges despatches.
2. Refers to Goose Ordinance.
3. Remarks on Store prices, and suggests alterations at Darwin.
4. On Receivers of Wrecks in relation to Agents.
5. Purchase of cargo ex "Lady Elizabeth" already reported.
6. Refers to New Whaling Company's accounts.
7. Explains error about price of rams ex "Oravia".
8. Homeward cargo, bad tallying on board steamers.
9. Tonnage per "Sorata" not known yet.
10. About stability of Whaling Companies.
11. Remarks on expenditure on South Georgia.
12. Reports loss on sheep purchased for Goose Green.
13. Urges immediate despatch of "Samson" to New Island.
14. Discusses proposed agency for Patron.
15. On shipment of Wool left behind by "Sorata".
16. Points out error in cablegram.
17. Acknowledges cable reporting arrival of "Vanadis".
18. Touching shortage of Office cash.
19. Board will give Challenge Shield for football.
20. Remarks on Sheepskins and mode of sale.
21. Enquires about Goose feathers and down.
22. Reports purchase of sawing machinery, and makes suggestions.
23. Discusses question of closing down Goose Green temporarily.
24. Gives particulars of scheme for replacing the "Columbus".
25. Reports arrival of "Sorata" and sale of Sheepskins.

Received

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per Orcoma.

N^o 1125.

London, E.C. 15th October, 1913.

Sir,

I have to acknowledge the receipt of your despatch no. 449 and of your letter of the 3rd ultimo.

2. 449-2. There can be no objection to your closing the Canning account as far as your books are concerned on the 30th of June; it would have its advantages in several ways, as you point out, and although the expenses during the second half of the year would not appear, an estimate might be made of them, and carried forward. The advantage of getting the inventory taken at once would be considerable, as we should have timely notice of the materials required for the next season. The final closing of the account, including the proceeds realized or estimated, would have to be brought into the accounts for the year at the usual time.

3. Par. 3. You were informed last mail that sawing machinery had been ordered, and I thought at the time that it might be shipped this month, but it is not ready yet. When it goes full notes and instructions will be sent with it. The difficulty of handling the long and heavy logs will be got over to a great extent by the use of the trucks on rails.

4. Par. 5. We shall use "Fleetwing" in future for wireless messages.

5. Pars. 10, 17, and 18. We have gone into the matter of salvage with Messrs. Ince, and have agreed the principles on which the apportionment is to be made. A full statement is expected from them daily, and it will be included in this despatch. As we are surrendering the vessel's share, which has varied from 4/5ths to not less than 3/4ths of the total in former cases, according to

W. A. Harding, Esq.,

Manager,

Stanley.

established practice, we are, with the concurrence of Messrs. Ince, reserving a sum for division among some of the helpers who did not possess the status of sailors or firemen.

6. Par. 11. We have, with the assistance of Mr. Connell, made a satisfactory arrangement with the Pacific Co., and shall charge the old rates for this season, notwithstanding the advance notified by them.

7. Par. 12. Mr. Lamb is the only man who can deal with the shortcomings of the Manager at Valparaiso, and as he is away for a month's holiday, I have delayed communicating your memorandum to the Company.

8. Par. 13. The settlement with Lellman is satisfactory, and we are crediting you with the amount of compensation, which is charged to the fund we are accumulating here. I shall be glad to hear if the eye protectors I sent out are of service.

9. Par. 14. Messrs. Salvesen suggested that we had better make an independent claim on the "Columbus's" Lloyd's policy, and sent it up for the purpose. Our Brokers thought that they could get it through, but it appears that the Underwriters want a receipted account for the repairs, and I am afraid that you will be obliged to have them carried out.

10. Par. 15. I have been closely into the question of boilers with Mr. Bray, and we have decided to send you a Cochran, but of a larger size than you ask for, 11 ft. 3in., ^{by 5 ft.} and at a price not much in excess of what was paid for ^{the} second hand Davey Paxman 24 years ago. The reason for this Mr. Bray will explain in a letter of which a copy will be enclosed.

11. Our arrangements for sending out a steamer are now fairly matured, although we have been subjected to several disappointments which have caused delay. In my last I reported that we had the "Cornubia" in view, but at the last moment the owner decided to withdraw her. We then had several others offered, but for various reasons they were unsuitable, and we finally got down to the "Spey", the "Busk", and the "Wheatear". The first is an ideal vessel, and might have been built for us; light draught, fine saloon with ample passenger accommodation, and cargo capacity pre-

cisely in accordance with your specification, that is equal to 100 to 150 bales more than the "Columbus". A new boiler was recognized as a necessity, the engines looked good, and the windlasses and winches were almost new. She was bought subject to inspection for £4000, and it was estimated that an expenditure of £3500 would enable her to be re-classed at Lloyd's. Unfortunately, when a Surveyor came from Liverpool to overhaul her, he found that the frames ^ewere to a great extent perished with rust, and although this could have been remedied at a price the seller would only abate another £500, and she had to be given up. She was a Royal Mail inter-Colonial steamer in the West Indies, and used to be at Trinidad a good deal I believe; perhaps someone in Stanley may remember her. Mr. Blake and I went to Liverpool to see the "Busk", which is an ordinary coaster, but in good condition, and with some additions to her passenger accommodation might have done. But neither of these had a double bottom, and we have the "Wheatear" in view, possessing this advantage. Mr Blake and I are to see her next week, and I think that she will be chosen, and made fit for the Islands with the least possible delay. The arrangements for the Company which is to own her are pretty well settled. It is to be "The Falkland Islands Transport Co., Ltd.", capital £5000 in £1 shares, and debentures £2500 or £3000 bearing interest at 5% (secured by Trust Deed with Mortgage on steamer and Marine Insurance policies) repayable over seven years at 2% premium. Of these we are to take more than half, (the shares) and £1000 in shares will be reserved for any of the farmers who like to take an interest; otherwise they will be subscribed for here. If the steamer gets the same amount of work as the "Columbus" did, there ought to be a profit of not less than 20% at the lowest estimate, probably more.

12. Several questions have to be discussed in connection with this business. Can you give us an idea as to what coal the "Columbus" consumed, and how many hours' steaming she did per day or per week in ordinary circumstances? In Salvesens' account they only show the sum total of the cost of the coal, and the con-

sumption must have been low, or the price at which the coal was charged very moderate, for the amount of the account is not excessive. This is such an important item, that we have been somewhat puzzled in making estimates for want of more accurate knowledge. Mr. Connell wants to know what arrangement can be made for storing coal in Stanley, and I have suggested that we had better let him have one of our hulks by the year, at as low a rent as we can fairly charge. What have you to say about this? Then about stores and provisions. We must either put the new Company on exceptionally good terms, or it will have to ship out its own supplies. Freight. I hope before the end of the week to put definitely before you, to be passed on to the farmers, a proposal for a five years' agreement to carry all produce home at the late rates, which the PSN are prepared to agree to in exchange for the promise of the produce for that period. These rates were based on the ocean rates of the PSN, and you know that they have since been raised by 7/6d per ton weight, which means that unless this offer is accepted the new rates will come into force, and wool can no longer be carried from the ports to London at 5d per lb. The arrangement seems to be quite fair on both sides; the farmers will be saved from the annoyance of constant rises and general uncertainty about rates, while the PSN will have a certain amount of freight to depend on. You will observe that they are actually, in assenting to this arrangement, putting our freights for the first time on record on a lower level than those from Punta Arenas. Spearing & Waldron have given in their adhesion to the arrangement, and this has relieved us of the only serious opposition that we were likely to have to meet. But to make quite sure, do not lose any time in fixing the farmers in writing to this contract, and make it quite clear to them that if they do not consent they will have to pay immediately 11/16d or at least 21/32d, with a prospect of a further rise when next the Conference decide on another turn of the screw. There is another reason for getting freights settled, and that is that Salvesens have lately written that materials for repairing the boiler have

been sent out, and that when the "Columbus" is fit again she is to recommence trading with goods, if the Governor in Council will allow her to do so. Now this won't do; perhaps the quantity of goods she can carry would not harm the new steamer, but they may tout for wool, and carry it home in their own boats, and this might do enormous harm. It cannot be too clearly understood that the Colonial produce is insufficient in amount to allow two steamers to pay, and that the Company's produce alone, if withdrawn from any steamer, will at once make her an unpayable proposition. With our own produce and the rest that we have already secured no other boat has a dog's chance; we have got our hold on the Island produce by taking infinite pains, and we mean to keep it. But every little tells, and we must not allow even small quantities to go away from us, or the steamer's and our own profits will be diminished by so much. With the prospect of having to pay increased freights unless people contract, and the certainty that any opposition that might offer temporarily lower freights cannot stand, you are in the best possible position for inducing the shippers, one and all, to come into this new arrangement, especially having regard to the fact that it offers a good sound ship for getting about the Islands in comfort. I have written Salvesens that the steamer will be put into the service, and I may hear in a day or two what their views are; the best thing they can do is to send her away and sell her, unless they like to try competition for the fun of the thing. When the new boat gets out, we must relinquish their agency, so far as the "Columbus" is concerned; but I hope to learn from them that she will be withdrawn. Saanum. It is proposed to offer the command to him, for without him the ship will be handicapped for a time. I believe that he has been with Salvesens for a number of years, and he may have prospects in the service that may make him unwilling to give up his place, unless we offer sufficient inducements to make it worth his while. Do you know what his pay is, and what he is likely to expect? It would suit us best if he applied for the command himself, for we ought not to take him away with-

out saying something to his owners. I may have an opportunity of broaching the subject before long. I have now given you as much information about this steamer business as I can at the present time, and have only to add that I hope that it will not be thought that there has been any delay on our part that could have been avoided; it has been the principal subject before us day after day for a long time, and it has been a great annoyance to all concerned that we have not got further forward. I have been told that when Braun & Blanchard ^{have} wanted a steamer, their principal man has been sent over, and has spent months before finding a vessel suitable to their requirements; this has been the case with us. There are plenty of steamers on the coast, but to find one that will do for our trade has been a hard job.

13. We have seen Mr. Roy, and he has put forward proposals for the purchase of our sheep this next season, which are contained in the correspondence sent herewith. He has also made similar proposals to all the farmers within reach here. He is acting as agent for Tomas Buzzi & Co. of Buenos Ayres, and as you introduced him as representing J. M. Patron & Co. I asked him for an explanation, which he has given. We hear through our Bank that the firm are in good repute with fair means, and this is enough for us, as the money is to be available before any sheep are delivered. He has offered 10/- for wethers of 60 lbs., 8/- for ewes of 50 lbs., and 4/6d for scrags of any kind, and the prices look tempting. The Directors have considered the subject very fully, and have gone carefully into figures, with the result that when account is taken of the annual charge for depreciation on the Works, the stock of steam coal at Goose Green that would lie on hand for years, the certain ruin of the tin plates on the spot, the uselessness of other consumable stores, and the loss of freight to the steamer in the transport of the meat and other products from Goose Green to Stanley, they do not see much in it unless prices are advanced, and they have decided that unless the offer can be increased by 2/- a head all round, they will go in for at least another season at Goose Green. I should have in-

cluded the pay of Weiss and the others who must, for a time at all events, be kept at Goose Green to look after the establishment to prevent it from falling into ruin. The Board also take into account the lack of time for communicating with you and Mr. Allan, and the general upset of the labour that will have been arranged for. We do not know what your views are, as on the subject of the purchase of the Company's sheep you have said nothing, and we disregard Mr. Roy's assertion that both you and Mr. Allan are strongly in favour of selling, as if that had been the case you would have said so. If this extraordinary rise in the meat market had been foreseen we should never have set up the Works, and the position is an unfortunate one altogether. We cannot pay our neighbours the prices offered by Roy, and shall have to can our own sheep without any outside help. There is another point worth noting for next season at least, and that is that we shall have in addition to the sheep the 3000 or so head of cattle to can, for which preparations have been made, and for which alone it would not pay to set the Works going. How things will go in the meat market in the future no one can tell; at present the disturbing factor appears to be the machinations of the American Trusts, which are trying to drive out other interests in the Plate. We may know more before long, but the prevailing opinion seems to be that prices will keep up.

14. With regard to the boiler that will be put out of use at North Arm, I am getting an estimate for a steam winch for one of the hulks, for which it could supply steam. You wrote something about working with an engine I think, but a winch is probably what you want.

15. I am enclosing a letter from the Admiralty in which they ask us to waive our right to require a person who wishes to drive sheep across a station to apply for leave, their reason being that an application has been made to them for a lease of Navy Point for pastoral purposes. I have replied asking them to defer the granting of the lease until we can hear what you have to say about it. There is no water there, and very little grass, and it looks to me as if the proposal is being rushed through without

giving you a chance of objecting, or of posting us up on the subject. As I have pointed out in my reply, we should have accepted the lease of the Point that they offered us some years ago, if it had been for grazing purposes only; but they wanted us to take over the buildings and Camber, and be responsible for their maintenance, which would have been out of the question. If the would-be tenant is a Stanley butcher, his sheep will be starved; but it crosses my mind that it may be intended to be a shipping station for sheep bought for the Argentine, and if that is the case, the passage of thousands of sheep through our leasehold would not do us any good. I have received a formal acknowledgment of my letter, but no reply up to the present.

16. I enclose copy of a letter from Messrs. Ince about the long drawn out "Marco Polo" case, as to which they ask for information on several points. The values come out better than we had anticipated.

I am, Sir,

your obedient servant,



Managing Director.

DESPATCH no. 1125 per "Orcoma", 15th October, 1913.

Precis of subjects.

1. Acknowledges despatch and letter.
2. Approves closing of Canning account on 30th June.
3. On sawing machinery.
4. "Fleetwing" to be used for wireless messages.
5. Refers to "Oravia" salvage.
6. Reports arrangement with the P.S.N.Co.re freights.
7. Memorandum on homeward steamers to be sent to Liverpool.
8. Approves settlement with Lellman.
9. Repairs to "Fleetwing" to be executed before insurance paid.
10. Cochran boiler to be sent for Smithy.
11. Deals at length with proposed steamer and ownership.
12. On management and working of steamer.
13. Reports negotiations with Mr. Roy.
14. Estimate being got out for steam winch.
15. Refers to letter from Admiralty about proposed lease of Navy Point.
16. Asks for information about "Marco Polo" required by Solicitors.

Enclosures via Liverpool

Duplicates

Despatch No.1124 dated 17th September

Second of Exchange for £ 4 , 7 . 2

List of Enclosures

List of Clients' Cargo per "Oronsa"

List of Parcels

List of General Cargo per "Oronsa"

Account Current

Remarks on Accounts.

Remarks on Stores .

Bills of Lading cargo per "Oronsa"

Clients Reports:-

J B	9 bales	Skeepskins	ex "Sorata"
H G C	3	,,	,,
D H	6	,,	,,
W E L	11	,,	,,
B	1	,,	,,
H	5	,,	,,
M V	5	,,	,,

Enclosures via Liverpool

Originals:

- 1 Copy of Cablegram sent on 26th September.
- 2 Copy of letter from Glanvill Enthoven & Co. dated 8th Oct.
- 3 F.H. Boniface's receipt for £ 15 money advanced.
- 4 Copy of letter from the Admiralty dated 30th September &
our reply of 7th October.
- 5 Wool Market Reports.
- 6 Mr George Cobb's receipt for £ 5 money advanced to Mrs
Runacres.
- 7 Copy of letter from Browne & Lilly dated 23rd September &
foundation plans attached.
- 8 Copy of letter from Mr Hooper to C.J. Piggott re out-turn
Boiled Mutton ex "Sorata" (enclosed in letter)
to Mr Allan.
- 9 Copy of letter from Mr Kennaugh re cost of Marconi Apparatus
- 10 Copy of letter from T. & S. Plum dated 1st October.
- 11 Labourer's Agreements & testimonials attached:-
Roderick Montgomery, Malcolm Montgomery
Angus Mackintosh, Lawrence Anderson.
Peter Somers, William Phin.
Percy Simmons, Frank White.
Charles Ford, Herbert W. Gaylard.
John Scott, Walter Shire.
- 12 Copy of Letter from Chr. Salvesen & Co. of 10th & our reply
of 13th October.
- 13 Copy of letter from Compagne Generale des Iles Kerguelen
dated 11th October.
- 14 Copy of letter from Ince Colt Ince & Roscoe dated 13th
October re "Marco Polo"
- 15 Copies of letters from James Roy of 27th 30th Sept. & 4th Oct
& our replies of 29th Sept. 3rd 7th October
- 16 Copies of letters from King Bray & Co. of 14th Oct (2)
& 15th Oct. also specification & Blue Print .

- 17 Dates of Wool Sales for 1914
- 18 Copy of letter from Ince Colt Ince & Roscoe dated 15th October
& particulars of apportionment re "Oravia" Salvage
- 19 Copy of letter from Mrs E.Clarke dated 14th October.
- 20 Priced Wool catalogue

Letters for the following:-

W.A.Harding & A.L.Allan.

LONDON 15th October, 1913

Enclosures per Supplementary Mail via Lisbon.

Originals:-

- 1 Account Current & vouchers.
- 2 Remarks on Accounts.
- 3 List of General Cargo per "Orcoma"
- 4 General Invoice goods per "Orcoma"
- 5 Remarks on Stores.
- 6 Clients' Invoices goods per "Orcoma"
- 7 Schedule of Royal Insurance Co's new Fire Cover.
- 8 Copy of letter to Compagnie Generale des Iles Kerguelen dated 7th October.
- 9 Sight Draft on J.Kirwan for £ 105 . 17 . 7 B/L attached.
- 10 Copy of letter from J.L.Waldron,Ltd.dated 26th Sept.
- 11 Copy of letter from C.J.Piggott dated 15th October,
re sheep tongues ex "Sorata"
(please pass on to Mr Allan after perusal)
- 12 Out-turn of Boiled Mutton ex "Sorata"
- 13 Cheques & F.I.notes paid by us to Mr Roy.
- 14 Suppliers' detailed invoices goods shipped per "Orcoma"
- 15 Dewar & Day's certificates of strength goods shipped.
- 16 Copy of Mr J.H.Paul's Analysis of Sea-water dated 15th
October.
- 17 Copy of letter from King Bray & Co.dated 16th October,
instructions for working &c.& blue prints as detailed

Letters for the following:-

W.A.Harding (£) & A.L.Allan.

London 18th October, 1913

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per Orissa.

N^o 1126.

London, E.C. 12th November, 1913.

Sir,

I have to acknowledge the receipt of your despatch no. 450 and of your letter of the 1st of October, both of which arrived on the 27th ult.

2. 450-3. It will be interesting to hear how Mr. Lowrey's views on salvage and agency are received; the letter bears out all that I have been contending for from the outset, and I hope that it will have the effect in future cases of restoring your position, when you are able to claim to act as agent either for Owners or Master.

3. Par. 4. After a good deal of delay caused by circumstances quite beyond our control, the "Wheatsheaf" of Cardiff has been bought, and as soon as alterations, which the Contractors bind themselves to complete in 22 days, have been carried out, she will leave for Stanley, and take up the coasting work. She is a sound boat, built in 1906, and in excellent order, superior to the "Wheatear", which was under consideration when I last wrote, but was withdrawn by her owners. Messrs. Salvesens have taken the arrangement very nicely, and have written about getting the "Columbus" home, and passing on the mail contract. I am going to reply today that I think that they had better give notice to terminate it, a course which they suggest as an alternative, and that will give us, for the new Company, an absolutely free hand to make an agreement with the Government, eliminating those clauses in the old contract, which you have found by experience to be obstructive, or otherwise objectionable.

4. Par.5. I have been into figures over the question of hand-

W. A. Harding, Esq.,

Manager,

Stanley.

ling wool and skins, and cannot see that I am wrong in my view that we lose by the tonnage allowance. Take your own figures; 300 tons measurement of wool or skins give us one-sixth of the coasting earnings, i. e. $300 @ 18/4d = £275$, one-sixth of which is £45. 16. 8, and this less £2.9/. expended in wages gives us £43.7. 8 clear profit on 300 tons. But by making the stevedore charge of 6d per ton we only get £7. 10/-, less the £2. 9/- as before, and we give the owners of the steamer the opportunity of saying most reasonably and convincingly that, as the produce has not passed through the hulk or been stored in it, and we have been paid for handling it, we have no right to the sixth of the local earnings. What I say is that we should take the sixth as our remuneration for receiving, handling, and reshipping all produce sent through Stanley for shipment to England, however it may be handled, and however stowed, and if we do this it will answer our purpose to pay the charges ourselves instead of taking 6d per ton and thereby raising complications. If you have come to a different conclusion I shall be interested to hear what you have to say. I do not think that I have reported that Messrs. Salvesens agreed to remit half the charges on those shipments that were made direct.

5. Par. 6. The sawing machinery goes by this boat, including the Fielding & Platt engine; drawings went last month with instructions, and there are further notes by Mr. Bray enclosed, which will, I hope, make everything clear. There has been no stinting in the supply of this machinery, which will be capable of doing more work than you anticipated when you suggested it. It has cost a little more than I expected, but it comes to only a small percentage comparatively on the value of the wood you have to deal with. You may find the provision made for sawing oak and other hard wood very useful.

6. Par. 7. The danger of giving an answer to the question whether the Governor has or has not access to wireless messages is a little difficult to understand, as your despatches are privileged communications; it is a question that may have to be referred to the Colonial Office in the course of time. I believe that

telegraph and telephone operators here are sworn to secrecy, and there should be an understanding in the Colony about it. Copies of two codes have been procured, but I have not had time to go into the question sufficiently.

7. Par. 8. I have put a question about coasting regulations twice at least to Mr. Connell, but have not got a definite reply. The fact is that the steamer has been first in our thoughts for weeks, and everything else has had to give way. I will not overlook the subject.

8. Par. 9. I think that I had better deal with the question of selling sheep in my letter to Mr. Allan, as there is no advantage in saying the same thing twice over.

9. Par. 11. You need not be alarmed about the action of the PSNC; it may all seem very bad, but if we get proper specifications we shall have no trouble, with Mr. Connell to back up our case in Liverpool. You cannot be seriously suggesting that they would steal a few bales during the night when alongside our hulk? There was one Weddell bale overlanded in the last lot, and both the Bill of Lading and the specification were against us; still we got the bale and stuck to it. Mr. W. S. Williams admitted that his specification was one short, and the tally in the "Columbus" was made to agree with it, although, as it proved afterwards, the latter was incorrect. The Royal Mail are the real culprits, but they put down their action in all cases to instructions given by the PSN Company.

10. Par. 12. The letter to the Magazine is quite what it should be.

11. Par. 14 and 15. We hoped to hear before now that there was a boat on the way with the rest of the produce. Waldrons also are expecting a final shipment of wool, in addition to the lots you mention.

12. Par. 16. The news that you are getting the "Gwendolin" into commission is re-assuring, especially as you say that the "Antarctica" may be also available.

13. Regarding bonus I fear you may have gone astray in other

cases besides Mc Call's, if you have been applying the 180 day rule to men on monthly or yearly wages. In deciding to allow jetty and other men to share the bonus the Directors agreed to recognize everyone as a permanent, as distinguished from a casual hand, who had made up 180 days' work on daily pay during the year, but it was expressly stated that this was not to apply to men on the permanent staff, see desp. 1106-20. Mc. Call is therefore entitled to his bonus, and anyone else, who through a similar misapprehension has been deprived of it. Husband has written to ask if he is to come in, but I have deferred a decision pending a reference to you. I think that he was dismissed on account of drink, and I do not know whether you have taken any notice of this in any other case. Then Mr. Allan mentions N. L. Adam, as not having had a bonus; has any rule been made under which he has been deprived of it?

14. Par. 13. The circumstances of A. Nilsson's death are particularly sad, and the Directors are most sorry that the accident occurred. If the sum you name, £300, is what is allowed under the Act or Ordinance in force in the Colony, it will, of course, be paid, and is there anything besides that we could do for the widow and children?

15. Par. 19. Would you suggest that we should in future send our wireless messages via Punta Arenas?

16. Par. 20. Your arrangement about purchases in the Drapery Store is approved.

17. Since last mail left the schooner "Glanogwen" has been bought for conversion into a lighter, and I have been with Mr. Connell to Portmadoc to see her. She is a strong boat, built of oak 58 years ago, and quite sound, roomy, perhaps too much so, but she will carry an excellent cargo. She is being metalled up to the light water mark, above which she is iron fastened, and I am getting estimates for other work that if done here will save some money in Stanley. She has cost £300, and is practically ready for sea, having a good inventory; but by the time she has been metalled and sailed out, I do not expect her to cost less than

£700, perhaps more. It seems a good deal for a lighter, but the position is a desperate one; we must have one or two new ones to replace those almost worn out, and we have exhausted every means of getting what we want in other ways. If built here, they would be too costly, and if constructed of steel unsuitable, they would be too large to carry on the deck of a cargo steamer, and the cost of putting them together would be too heavy if done in Stanley. We have had estimates from Punta Arenas, and they have run into four figures, we have asked Maclean & Stapledon if old schooners are to be had in the Plate, and the answer is that there are a few, but they would cost \$4000 to 5000, i.e. £300 to £1000 each, delivered there. The "Glanogwen" will last for years, and be, I think, quite suitable. If no schooner like the "Hattie" happens to turn up at Punta Arenas shortly, for sale at a reasonable price, I fear that we may have to contemplate cutting down one of the schooners, which would be a great pity.

18. Mr. Oswald goes out by this boat, and the Board have allowed him six months' leave on full pay, the excess to be on half pay. They have decided that the salary of the second clerk at Stanley must be regarded as £300 per annum maximum, with £50 house allowance in the case of a married man, as long as there is no suitable house to offer him.

19. A copy of the inventory of the "Lady Elizabeth" should be sent home to be filed; we have no details of this at all yet, but it is understood that there is a chronometer, which if not wanted at Stanley should be sent home, either to be cleaned or sold.

20. Particulars and a blue print of a steam winch are enclosed: you mentioned lately that it would be useful to have one on one or more of the hulks, and this one, of which the cost would be according to size and power £60 or £66, would work with the boiler sent to North Arm last year, and now superseded by the new oil engine. If each winch with its boiler is to cost £100 or more, it is evident that they cannot be supplied wholesale, and that the need of them, either in the way of expediting work, sav-

ing labour, or earning rent, will have to be established before the Directors can be asked to sanction their purchase. Personally I think that a winch, if it can be properly worked and cared for, would be useful on the "Garland; we have one already on the "Great Britain", if there is any one hulk that is used more than another for hiring to a ship that has to lighten, perhaps it might be useful on her, to be let at so much per day, although it must be remembered that many ships now have their own steam winches, and that it is doubtful whether much would be got in the way of hire; then there is the principal coal hulk, and a winch might be useful to her; but practically, would not the steamer coaling alongside use her own winch? We have sent out a good deal in the way of machinery of late, and are never behindhand in adding to our plant when there seems to be good reason for spending money; but though we are able to do this, it would be foolish to waste it on anything that is not really needed, however well off we may be.

21. Perhaps the best news that we have had for a long time has been brought by your cable announcing the return of the "Samson" after repairs on the slip at New Island in fair condition. This is a great relief, and the Directors are glad that you acted so promptly.

22. We cabled a few days ago asking if Saanum would apply for the command of the new steamer, and this would go down with the despatch in which reference was made to the desirability of getting him. I did not know at the time what attitude Messrs. Salvēsen would take up with regard to the boat, and thought it better that he should apply, rather than that anything should be done that might look like kidnapping another firm's servant. They had written that ^{the "Columbus"} ~~she~~ would still, if allowed by the Government, continue trading with goods at all events, after repairs to the boilers, and this might have meant a little opposition to be overcome. Now that they seem only too much pleased to throw up the whole thing as soon as the new boat appears, and write of getting Saanum to bring her home, I have been emboldened to suggest to

them that an exchange might be effected, and that the man who takes out the "Wheatsheaf" could bring home the "Columbus", leaving Saanum in command of the former, subject, of course, to his willingness to take her. There have been many ill-natured remarks made about Messrs. Salvesen by people who do not know them, both here and in the Islands; but perhaps I have been brought into contact with them, personally, more than anyone else connected with the Colony, and I say without hesitation that what we heard of them in Edinburgh has been fully borne out, and that I never wish to meet a straighter man than the partner who looks after the affairs of the "Columbus". We were to have had an agreement drawn up by lawyers, but as a matter of fact we have carried on the somewhat complicated arrangements made in correspondence, without it, and have not had anything that could be called a dispute from first to last.

23. The name of the "Wheatsheaf" has to be changed, as one of the conditions of sale, and we do not know what to call her, as under a new law the Board of Trade will not sanction one that is already held by another. We had proposed the "Adventure", and as having some relation to the Sound in Lafonia, and also as being somewhat descriptive; but there are already three or four. "Port Stanley" has been appropriated by a Whaler. Apparently it will have to be a double-barrelled name, and "Black Hawk", "Falkland Sound", or "Silver Grebe" have been suggested; "Malvina" would revive distressful recollections, or that would have been descriptive enough.

24. On reading over par.4, I see that there is another way of looking at the question of the charge for stevedoring, but it is a little difficult to put it clearly. It is evident that we have to look at the year's shipments as a whole, not at any individual shipment, and the summing-up of the case brings out the fact that if the 6d per ton we get on the whole lot exceeds what we lose on the lots that go direct, then it is justified; but in actual figures it appears that if there is one direct shipment in a year, then there is not much either way, but if there should

be two, then the exclusion of our sixth would tell heavily against us. It was originally intended that we should have the sixth on all produce that passed through Stanley, and I shall endeavour to revive this arrangement with the new Company.

25. If the "Columbus" after repairs to the boilers is again fit to work, and it is arranged that she is to leave as soon as her successor arrives, you may still be in quite a good position over the first shipments of wool, as Saanum will, no doubt, be allowed to go on collecting as long as you can give him anything to do.

I am, Sir,

your obedient servant,

John Lubbock

Managing Director.

*Long Shipment 1 9/16 Lamb Wool 129 cost 1 1/4 2
4 1/2 Centimeter No 129 cost 2 1/8 2*

Can you say whether wool has advanced generally in price in the last few months? If so, will that be more on the E. wool

$\frac{7}{8}$

$\frac{14}{15}$

3 mths

DESPATCH no. 1126 per "Orissa", 12th November, 1913.

 Preci*s* of Subjects.

1. Acknowledges despatch and letter.
2. On Mr. Lowrey and Salvage.
3. Reports purchase of "Wheatsheaf", and suggests arrangement for (mail service.
4. Discusses charge for labour on produce.
5. Remarks on shipment of sawing machinery.
6. On secrecy of Wireless messages. Code to be selected.
7. On British Coasting regulations, information to be obtained.
8. Question of selling sheep reserved for Mr. Allan's letter.
9. On attitude of Pacific S. N. Co. re errors in Bills of Lading.
10. Letter to Magazine approved.
11. On further produce expected.
12. Refers to commissioning the "Gwendolin" and employing outsider.
13. Points out error in the matter of the bonus.
14. Expresses regret for Nilsson's death.
15. Enquires as to cabling wireless messages via Punta Arenas.
16. Arrangement about Drapery Store approved.
17. Reports purchase of "Glanogwen".
18. Mr. Oswald leaving by this boat; remarks on salary.
19. Enquires for inventory of "Lady Elizabeth".
20. Discusses winches for hulks.
21. Expresses relief on hearing news of "Samson".
22. About Saanum and command of new steamer.
23. Name of steamer to be changed.
24. Further on charge for handling produce.
25. Suggests employment of "Columbus" pending arrival of new boat.

Enclosures via Liverpool

Duplicates

Despatch No. 1125 dated 15th October.

Account Current.

Remarks on Accounts.

Remarks on Stores.

List of General Cargo per "Orcoma"

General Invoice goods per "Orcoma"

Clients' Cargo per "Orcoma"

List of Parcels.

List of Enclosures.

Sight Draft on J. Kirwan for £105 . 17 . 7

Clients' Account Sales:-

	219	bales Wool ex " Inca"	
AP	63	"	"
HP	137	"	"
FB	4	"	"
HW	43	"	"
F	159	"	"
S	160	"	"
TR	158	"	"
L	13	"	"
MV	15	"	"Sorata"
JB	192	"	"
H	37	"	"
DS	70	"	"
B	101	"	"
HGC	33	"	"
WED	77	"	"
PH	82	"	"
DH	103	"	"
HGC	24	"	"Oronsa"
DH	6	bales Skins	"Sorata"
WED	11	"	"
JB	9	"	"
HGC	3	"	"
H	5	"	"
MV	5	"	"
B	1	"	"
DS	2	"	"
	2	casks Tallow	"Sorata"
JBL	1	"	"
MV	1	"	"
PB	15	Hides	"
S&S	27	"	"
HGC	6	"	"
B	8	"	"
WP	4	"	"

Enclosures via Liverpool.

Originals.

- 1 Copy of Cablegrams sent on 24th & 30th Oct. & 7th Nov.
- 2 Copy of Cablegram received on 2nd November.
- 3 Extract from letter dated 19th Oct. received from Mr Vere Packe and our reply of 22nd October.
- 4 Copy of letter dated 27th October received from A. Husband re bonus.
- 5 Further instructions regarding the Sawing Plant shipped per "Orissa"
- 6 Copy of letter from the Admiralty dated 28th October and our reply of 4th November.
- 7 Copy of letters received from Mr W.M. Dean dated 30th Oct. and 3rd November.
- 8 Copy of letter from Chr. Salvesen & Co. of 10th and our reply of the 11th November.
- 9 Copy of letter from King Bray & Co. dated 29th October and quotation for Steam Winch and Blue Print attached.
- 10 Agreements - Hookings (Baker) Tucker (Carpenter)
- 11 Copy of letter from Browne & Lilly, Ltd. dated 11th Nov. and shipping specification & plans attached.

LONDON 12th November, 1913

Enclosures per Supplementary Mail.

Originals.

- 1 Account Current & vouchers.
- 2 Remarks on Accounts.
- 3 Remarks on Stores.
- 4 General Invoice goods per "Orissa"
- 5 List of General Cargo per "Orissa"
- 6 Corrected A/sales for :-
 - A F C 5 bales Sheepskins ex "Flamenco
 - W C M 13 " "
- 7 Clients' Invoices goods per "Orissa"
- 8 Suppliers' detailed accounts goods per "Orissa"
- 9 Copy of letter from Chr. Salvesen & Co. dated 12th Nov.
- 10 Sight draft on J. Kirwan for £16 . 15 . 7 B/L attached.
- 11 Copy of letter received from Edwim Mills & Son dated
13th Nov. Specification & Blue print attached.
- 12 Statement of apportionment of Wool Sweeps for 1912
- 13 Debit note for charges per "Vanadis"

Letter for the following:-

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

London 15th November, 1913

Island

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per Oropesa.

N^o 1127.

London, E.C. 10th December, 1913.

Sir,

I have to acknowledge the receipt of your despatches nos. 451 and 452, which arrived on the 27th ultimo, several days late, owing to a railway breakdown in Spain.

2. 451-2. The different conditions upon which shearing is conducted in the Islands and on the Coast may, as you say, lead to trouble; but I understand that in Patagonia there are shearing gangs that go from place to place in the season, and they have no regular work or settled place of habitation during the rest of the year, while our men are on the permanent staff, and receive regular pay with lodging and free meat all the year round. The others are in the position of Irish harvesters who come over here for a time every year, or of the nomad gangs of shearers, which I have been told do the shearing in the Colonies by contract. Between the two classes of labour you can hardly institute a comparison; in the larger countries there must be a large floating labour population, which lives on contracts made for certain periods at high prices, and may be out of work altogether at a slack time; in the Islands, on the other hand, there is no labour reserve, and to get our work done in the summer and autumn, we keep a number of men all the year round, with whose services we could dispense with advantage to ourselves if they elected to take their work in bursts. Considering all things, including steady employment and the possibility of a bonus, it is to be hoped that the majority will wish to keep on as they have been going. The labour unrest here will set people thinking, or it will be odd if it does not, and we must do all we can to prevent any kind of a

W. A. Harding, Esq.

Manager,

Stanley.

strike, for it is a catching complaint. You mentioned lately that the carpenters had begun to talk; they are about the last people who should have a grievance, for at times they get double pay for fully half a year. If it were not for the uncertainty of ship work, it might be politic to give them unasked another penny an hour, or, possibly, notwithstanding this. You might give us your opinion on this point. I am going to write to Mr. Allan about the propriety of abolishing the intermediate stage of the shepherds, and starting them at once on £5.10/-, rising to £6 at the end of the first five years. This would remove a difficulty we have here in getting new men, for our agents are always telling us that wages have risen to such an extent in Scotland as to make our terms unattractive.

3. Same par. From what you write I judge that we had better carry out Mr. Moir's suggestion that we should send out a new Camp schoolmaster early next year, and I will ask Fleming & Haxto look out one who has been accustomed to accounts. With regard to the establishment of a Post Office at Darwin, it would be much better, as you say, that our people should do the work rather than have a Government Official planted at Darwin, and for such an arrangement there must be some recognized regulation in the other Colonies, similar to that under which so many shops run post offices at home. It would be cheaper for the Government, for if they had their own man, they would have to build him a Post Office and a residence, and we could not give a Government official free meat or fuel. With the necessary assistance, Mr. Moir could run the business, and could be allowed something out of the emolument we should draw. He could not take the whole, for our responsibility would be worth something, as well as the work of an extra assistant and a portion of his own time. I do not know how the private shopkeepers, such as stationers and grocers, are paid here; clearly they cannot do it for the honour of the thing, and there must be some system laid down, such as a percentage on the sale of stamps and orders, and perhaps a fixed sum for letters. This is a matter that you would do well to get settled while the

present Administrator is in charge.

4. Par. 4. I gave you what Mr. Salvesen said to me about the Whaling Companies; it seems that you can be guided by their catches in judging as to the safety of making advances, and in a doubtful case you should cable for a credit by wireless.

5. The news about the "Samson" is very satisfactory, in fact comes as a relief, as she can evidently run for some years longer, and give us time to decide what should be done when we have to replace her. I am disappointed to find no mention of the new crank-shaft, which was sent out years ago, and was to be put in on the first opportunity. I may have asked the question before, but I should like to hear from you if our men who went with her were able to judge the capacity of the slip for taking up the new steamer.

6. Par.9. You cannot too strongly urge on all shippers the necessity of giving full and correct specifications of all produce. There have been several discrepancies this year, and in some cases the specifications have either been wanting or incorrect. Although one bale of Weddell wool was overlanded, the specification agreed with the Bill of Lading, and gave us no help. Mr. W. S. Williams was pleased to see one more bale than he thought he had shipped, but could not account for it, and if there is a shortage on another mark we may yet have to set the proceeds of this one against it. It was different in the case of Stickney's, for he was able to prove the shipment of the surplus bale, and we got the value back from the PSN.

7. Par. 12. We are in complete agreement about the sale of sheep, and the Directors do not withdraw from their decision to see another season through at Goose Green. After protesting that we were asking too much, and waiting until Mr. Roy had made his arrangements with all the other owners here, we got a wire from him saying that Buzzi & Co. wanted to know if they could rely on our sheep at our terms for April/May shipment. I replied that it was too late to alter, and that we should not sell until 1915. I think that the farmers, especially those who have sold for three

years, have made a mistake in not holding out for better prices, for we hear of Falkland sheep having been sold at Bahia Blanca at more than 23/. each, and Mr. Markham Dean tells me that the Rio Gallegos Works have bought sheep from the Bridges' at Harberton at 13/9d on the beach there, (wethers) while on the Coast they are offering 16/-, and that ewes are expected to be worth at least 12/-. With these prices it will be odd if we do not get a substantial rise in canned meat next year. Mr. Roy has gone, and the terms on which we are to take the agency of ? you already have in the copy of his letter of the 27th September last. I put a note of interrogation to represent his principals, for it is shrouded in mystery: you continue to tell us that Mr. Patron is going down again this month, while Mr. Roy puts up Buzzi & Co. as his Chiefs, and from that firm we got a cable on the 3th of October confirming contracts made by Roy. It is singular, however, that they have neither confirmed their cable, nor answered a letter I wrote them a few days afterwards, in which I asked them to do so. What are we to think of all this? I am reminded that the question of commission on what we did for Patron last year has never been settled; there was a transaction through the London & River Plate Bank, and I assume that we did not lose in exchange, so that it only remains for you to get the commission out of Roy or Patron on the terms now arranged.

8. The "Wheatsheaf" has been renamed the "Falkland", and is to be registered at Stanley. Her alterations are to be finished this week, and when completed she will be a boat that will stand a good deal of criticism. There are always delays in getting vessels away, so that I do not propose to disappoint you by telling you that she will leave on a certain date. As regards the ownership, those who have had most to do with the purchase and other negotiations are quite satisfied that the partnership with Mr. Connell is infinitely better than owning the ship ourselves.

9. Par. 15. You have done the best possible about the ships; it was very awkward having to send up so much ex "Vanadis" to Darwin, but it could not have been helped, as the owners of the latter made the round voyage the condition for her going there. It

It is rather disturbing to hear that the "Garland" and the "Vanadis" dragged ashore at Goose Green, as it looks as if sufficient precautions had not been taken against accident, and then, it seems, the hulk went aground a second time, which suggests that she was not properly moored. I am not suggesting that anyone at Darwin should be blamed; people whose business is farming cannot be expected to have a knowledge of nautical matters; but it raises the idea that if there is much increase in the floating property there, it would be wise to have some old sailor on the spot who would know how to manage it. I think that you will agree that if the Garland was moored properly with two anchors down and a sufficient scope of chain, no north-west gale that ever blew should have caused her to drag. Is she moored with a swivel? I think that all the Stanley hulks were provided with them some time ago; but if any more are wanted you must let us know. I fear that you were unable to persuade the Captain of the "Ellen" to bring the Goose Green produce in, for we are still without any advice of a shipment.

10. Par. 16. We have enquired of Cooper's Wharf about the complaint of the Pacific Co. about the want of hooping on the cases of canned meat, and learn that ours is delivered in as good condition as the rest, quite up to the average, and they can find no fault with it. The cases are put together with cement coated nails, which are used to hold them together in the absence of iron hooping, which the trade do not like; the majority of the cases they handle are shipped without hooping for the latter reason, and as we have made no claim on the Pacific for damage it looks as if they were crying out before they were hurt. Cooper's Wharf handles 95% of the canned goods that come into London, and they can speak with authority. The PSN are so touchy, and ready to take offence, that it might be imprudent to suggest that their reputation for knocking cargo about is not in their favour, and that if they could induce their officers to be more careful in handling it, there would be no need to raise the question they have started.

11. Par. 18. In asking about rendering accounts half-yearly

to the Clients, you do not say whether the practice is one that leads to increased office work or not; if it is, it hardly seems fair to you to ask you to do it. At present I gather that you have been in the habit of supplying a sort of statement of debits and credits without interest, and it may be that if you made up complete accounts-current to the end of June, with interest in those cases in which you know that it would be chargeable on the whole year, you would be cleaning the account right off to that period in a comparatively slack time; and at the end of the year, when you are pressed, you would only have to work up the interest for six months instead of twelve. It would be slightly to our advantage too, for you would start with the debit balance on the 1st of July, and charge interest on that. I think that it is a matter that had better be left to your own discretion.

12. Par. 19. The Directors are of opinion that we should be contented with the land we have, and they do not wish to buy or lease section 33, west of Bluff Cove. We are clearly barred from leasing under the 20,000 acre condition, and it is clear that this was made for the purpose of demonstrating that comparatively small farms could be made to pay. So far it has proved the opposite, I believe, and it is surely better to protect ourselves against any cranky nonsense that may enter the head of any new Governor, and leave it as a standing illustration of the fact. Besides this, there is the fact that we tried for some years to grow mutton for Stanley on that section and on Bluff Cove itself, the section is a mass of bogs and stone-runs, and fencing would have to be undertaken that would be more profitably expended elsewhere; - altogether it has been decided not to touch it.

13. 452-4. It seems a good arrangement to tow the "Lafonia" to Darwin, as the "Samson" was going. Referring to par. 3, we shall be relieved when we hear that the "Garland" is not holed.

14. The "Glanogwen" is still in the hands of Williams, the shipbuilder at Portmadoc, but is expected to be ready in a week. We have arranged with Nicholas, the man who took out the "Karina Kirsten, to sail her out for a lump sum, and he has already gone

down to take charge. We have to put something in her, and shall probably send round a cargo of house coal from Liverpool, the same as what we shipped in the "Fleetwing", of which no complaint was made. Williams has had some experience in converting old ships into hulks and lighters, and took readily to a suggestion of mine that he should prepare the hatches and bolt the coamings down to the ^{beams} ~~hulls~~, leaving the after coaming in each case to be fixed on arrival, thus allowing water to run off during the voyage. On arrival you will only have to get the 'thwartship coamings put in place, and saw away the deck and beams, the hatches being made and fitted here. There will be two beams left between the hatches to support the deck, and if these are insufficient perhaps an iron stanchion on each side will be required, though Williams says that she will be safe enough. After you have given credit for surplus stores and fittings, I fear that we shall have exceeded the £700 we aimed at. I suppose that you will use some of the sails for tarpaulins.

15. 451-5. Note has been taken of your remarks on results at Goose Green, about which you must bear in mind that the figures given were approximate. It was desired to emphasise the fact that buying at so much a sheep would not do, and that the proper method is to take them by the pound weight. There is a good deal in what you say about proportioning the expenses, though without knowing precisely what these expenses are, and not having yet sold the tallow and skins, the discussion is more or less academical. Looking at Weiss's report, it appears that the poorer class of sheep require more steam, that the skins seemed to have come direct from the shears, that Petaluga's were a wretched lot of scrags, and that Felton's had very little fat and their skins were very light, all this foreshadows less weight and value both for tallow and skins, likely to convert any profit that may have been estimated into a loss. As regards the depreciation, this is bound to be allowed for, and must be charged against the profits just as rent would be. As the sheep were bought at per head, and about 22,000 went through the Works, depreciation amounting to £1,100 would run to 1/- per head; it is a rough and ready calcu-

lation,
and no more exact than some of the other figures.

16. A letter from Mr. A. R. Brown about composite lighters is enclosed; they might be more suitable than steel ones. Some of the older carpenters will remember putting the "Wasp" together, and a lighter would be built in a similar way. A trough for steaming the planks is easily constructed, and I think that steam was got from an old oil drum. I remember that the teak planks when hot were as pliable as india rubber. But I am afraid that the cost would be too great, unless you could get it done by contract; we shall know more about this when we see what we have spent on the "Glanogwen".

17. The alterations to the "Falkland" are expected to be finished at the beginning of next week, and she will sail a few days later. There will be accommodation for a number of saloon passengers, and a house is also being constructed for those in the steerage. On receipt of your cable saying that you could not too highly recommend Saanum, and that he asked for £17 per month, it was at once agreed that he should be engaged, and this was intimated to you by wireless. You had said that an increase in wages was expected, so that his willingness to take the post at £17 per month, the old rate, is not understood: there is also the house, about which we shall arrange with Mr. Connell. I have discussed the appointment with him, and he is strongly of opinion that £17 should be the minimum, and that as so much depends upon him, there should be a further bonus, or percentage on the profits, dependent on the vessel's success. Do not say anything about this to him at present, but you might make any suggestion that may occur to you as to how this should be given. I do not think that it should be anything that would involve our divulging the actual profits made.

18. When you dismantle the "Lady Elizabeth", you should sell by auction, or otherwise give her credit for any stores or fittings that will be removed from her, and it would be useful if this could be done before her actual cost is sent home in the year's accounts.

19. Salvesens have charged us. £55.10/- for slipping the "Samson", which seems moderate. If you have not sent the account already, we want materials for making our claim on the Underwriters for the accident alongside the "Oravia", and a copy of the log should be sent, as we are likely to recover at least a portion of the expenses on the slip, as well as the cost of going to New Island. Nothing, of course, should be charged for expenses arising from wear and tear or the cost of cleaning; but the permanent repair of the damages sustained on the Billy Rock we shall certainly recover, and I think we may be entitled to the cost of painting.

I am, Sir,

your obedient servant,

John G. Smith

Managing Director.

~~Mr. Smith Esq. June 30~~

~~London~~

Adm^r & South Georgia

~~London~~

Trust but do not trust too early Smith have seen

~~London~~

~~London~~

B. S. Gale of Lond

London

DESPATCH no. 1127 per "Oropesu", 10th December, 1918.

Precis of Subjects.

1. Acknowledges despatches.
2. Discusses subject of labour.
3. About Post Office at Darwin.
4. Advances to Whaling Companies.
5. Expresses satisfaction re "Sanson", and enquires about crank-
shaft.
6. On care needed in specifications of produce.
7. Remarks on sale of live sheep, and on Mr. Roy's mission.
8. Reports progress of "Falkland".
9. Refers to cargo per "Vanadis" and floating property at Darwin.
10. About hooping cases of canned meat.
11. Replies to questions about half-yearly accounts.
12. Gives Board's decision about purchase of see. 82.
13. Approves arrangement for towing "Lafenia", and refers to "~~Sans~~
Isad.
14. Reports progress with "Glanogren".
15. On results of purchase of sheep from outsiders.
16. On composite lighters.
17. Refers further to "Falkland" and arrangement with Saanun.
18. About credit for items removed from "Lady Elizabeth".
19. Reports charge for use of slip for "Sanson", and asks for ac-
counts.

Enclosures via Liverpool

DUPLICATES

Despatch No. 1126 dated 12th November.

Account Current dated 30th November.

List of Clients Cargo per "Orissa"

List of Parcels

List of cargo per Orissa

General Invoice goods per "Orissa"

Remarks on Accounts.

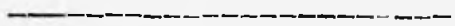
Remarks on Stores.

Second of Exchange on J. Kirwan for £ 16 . 15 . 7

Clients A/sales :-

F	3	Salted Hides	ex "Sorata"
W P	1	"	"
B	4	"	"
H G C	1	"	"
S & S	8	"	"
P B & Co.	1	"	"
W C M	13	bales Sheepskins	ex Flamenco.
A F C	5	"	"

Enclosures list of.



Enclosures via Liverpool

ORIGINALS

- 1 Copy of Cablegrams sent dated 21st November & 2nd December
- 2 Copy of Cablegram received dated 28th November.
- 3 Wool Market Reports.
- 4 *Copies* Capt.T.M.Nicholas's agreement for taking out "Glanogwen"
- 5 Copy of letter from Chr.Salvesen & Co.dated 22nd Nov.
- 6 Copy of letter from W.Carpenter dated 18th Nov.
- 7 Copy of letter from A.R.Brown dated 14th Nov.re lighters.
- 8 Anning & Cobb's list of Sales for 1914.
- 9 Copy of letter from Edwin Mills & Son dated 15th Nov.
detailing instructions for erecting Press & Pumps.
- 10 Blue Prints of Avery's Quadrant Carcase Weighing Machine
and Fixing Instructions for Mr Allan
Letters for the following:-

A.L.Allan, (2)

London 10th December, 1913

1914 - 3

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per Oronsa.

N^o 1123.

London, E.C. 5th January, 1914.

Sir,

I have to acknowledge the receipt of your despatches nos. 453 and 454, which arrived on the 22nd ultimo and the 3rd instant respectively, also of your letter of the 25th November per "Oron-sa".

2. 453-4. The PSNC have not said anything about the "Sorata", and I am keeping the amusing correspondence until they do.

3. Par. 6. You will have understood that the Underwriters will not pay on an estimate of repairs, but will make good any expenses actually undertaken. We are entitled to have the figure head replaced at their expense, but it seems hardly worth while.

4. Par. 3. The information contained in this paragraph has been conveyed to Mr. Connell. The "Falkland", late "Wheatsheaf", sailed on the 30th of December, and her departure was cabled via Montevideo. The Company were represented by Mr. A. W. Lafone and myself on the occasion, and we were much pleased with the way in which the alterations had been carried out. She has two faults, which may be mentioned at once to get them out of the way; she is undoubtedly ugly, and her ensign is ragged: on the other hand her passenger accommodation is far ahead of anything yet seen in the Islands in a coaster, and her machinery being right aft she has a perfectly clear hold, without any obstructions, from bulk-head to bulkhead, so that with powerful winches she ought to be very convenient for cargo. In addition to the saloon accommodation, which provides berths for 16 or 13 passengers, a large place has been provided on deck for steerage passengers. It was a matter of some difficulty to convert an ordinary coaster into a passenger

W. A. Harding, Esq.,

Manager,

Stanley.

boat suitable for the Colony, and Mr. T. Kennaugh, who designed and carried out the alterations, has done his work well. Barring the Mate, who may prove to be the weak spot in the equipment, the crew seemed an able lot, and both Cook and Steward looked promising. The saloon is dark, but that could not have been avoided, and it, as well as the staterooms, is well lighted with electricity. With the large number of chairs at the two tables it looks rather blocked up, and there is no room for a stove, so it is heated with steam. I will go through your remarks in this paragraph.

SHARES. It is rather to be hoped that there will not be many applications, for we have come to the conclusion that it would be simpler to run the boat as a joint concern with Lowdens ourselves without any outside shareholders.

RUNNING EXPENSES. Your crew list differs from that given in 403 par. 2, in which the total was stated as 14, the difference between that and 17 being accounted for by two seamen and a mess boy extra. I think that the "Falkland" has left with 14, following the information given about the "Columbus" in the despatch just mentioned. Regarding ~~that~~ ^{the} storage of coal, I hope that you have had the "J. P. Smith" caulked, so that she can hold more than 400 tons; but why will it be necessary to strip any of the copper? Make sure of this before you do it. The "Falkland" has not taken much cargo, and has coals enough to carry her to Montevideo, where she will fill up, so may want storage for some of this. All that can be said from here is that you must use your discretion on this subject, bearing in mind that the steamer must have as good treatment as if she were entirely ours. It is expected that she will consume 3 tons per day. The Chief Engineer has come over with her from the late owners, a Scotsman in very good condition, whose bearing gives one the impression that he is a model of caution, both in word and deed.

FREIGHT. A list of the principals who have signed the agreement is enclosed, and it may be complete before the mail closes.

FARES and VICTUALLING. By all means go on as before, and make as much as you can to pay for the heavy cost of

fitting up the accommodation. We hope that with a better steamer this revenue will increase.

COLUMBUS. There is no apparent likelihood of the owners giving us any trouble, they seem only too well pleased to get rid of the worry of the local service, and not at all annoyed at being squeezed out. They have, as you know, abandoned the mail service, and it will probably fall to you to make a new contract.

SAANUM. Mr. Connell is quite satisfied to take him at £17 per month, and proposes to add a substantial bonus dependent on his own care and diligence. Details are not fixed yet, but if the suggestion is carried out it will add £40 per annum to the wages, provided that the boat runs without accident. In the matter of the house, I have not looked at the account, but if the second half of the rent was charged to the "Columbus", and not to Messrs. Salvesen personally, it follows that we paid three-quarters of it. What do you propose to do about the house? He could not come on as a servant of the F. I. Co. so as to be entitled to a bonus; that would be stretching it too far.

MAIL CONTRACT. This must be left in your hands to arrange as you think best. Salvesens' six months' notice will not be up for a while, and if they are content to go on to the end of their term, it will give you time for negotiation, and also for clearing up arrears. I have mentioned before that we did not take on their contract, as that would have still pinned us to the New Island call; but I would suggest that in making the new contract with the Government your aim should be, as long as the subsidy is all right, to give the greatest satisfaction to the greatest possible number, so as to make the boat thoroughly popular, even if she has at times to go a little out of her way. For instance, you might agree to at least one call at New Island, if not more, synchronizing this with the collection of wool in the neighbourhood, and then there are other places where the "Columbus" was compelled to call periodically, as to which you must use your own judgment entirely. Settle also for special calls if you can, probably those who were served by the "Columbus" will renew their contracts with the "Falkland." In the matter of making a contract at all

for the local mail service, you will better your position if you leave it to the Government to approach you, instead of offering to perform the service. It is evident that the "Falkland" is the only boat capable of taking it up, and that she will have to do it sooner or later; moreover the subsidy will be of value, though you can point out with reason that if she is tied up to certain dates she will be precluded from undertaking possible remunerative work beyond the limits of the Colony. Then as to the subsidy; is it not fair to say that if the broken down "Columbus" got £600 per annum for an undertaking to carry the mails once a month, and was not bound to meet both the outward and homeward steamers, that sum would be too little for a vessel fitted out like the "Falkland", especially if you undertake both to carry the outward mail on arrival, and to catch the homeward steamer a fortnight later? Probably for the improved service £900 or £1000 a year would not be too much, considering the state of the Colonial finances, and the evident desire of the Government to spend their income. When the time for making a contract arrives, some account should be taken of the possibility of the boat being kept in Stanley by the break-down or lateness from any cause of the mail steamer, the cost of which should not fall wholly on the former.

POWER to ACT. A Power of Attorney is being prepared, and will go to you from Liverpool, giving you absolute control over the steamer as well as her Master and crew, and the direction of all details of management. Captain Saanum will be instructed to forward certain returns to Liverpool, and the Engineer's reports will also have to be sent, as was the case with the "Columbus". You will have to make Saanum understand that in all matters he will have to exercise as much economy as he had to do for Salvessens. The Directors are looking forward with much interest to your report on the steamer.

5. Par.9. The correspondence with Mr. Llanso conveys the impression that there has been some double dealing somewhere, but not of a kind that is likely to affect us. You introduced Mr. Roy as agent for Mr. Patron, and now it appears that he and Mr.

Llanso are anxious to keep Mr. Patron out of the business altogether. We are still without any confirmation in writing of the cable from Buzzi in Buenos Ayres, acknowledging Roy as agent, and we have again asked for it; but on the other hand we have ~~ad-~~vice from the Anglo-South American Bank that Tomas Buzzi & Bro. have opened a credit with them in our favour for £5,000, which is, so far, satisfactory, although the sum required to pay for all the sheep said to have been bought will be much more than that. You will have to exercise caution, and not go beyond the amount of the credit as at present advised, or of any future ones that may be opened.

6. Par. 10. I have had no time to write to the Admiralty about Navy Point, but will do so after the mail has gone, and do not think that there will be any difficulty in getting the lease from the Admiralty. You do not seem to have been able to find out from whom the application for a lease came, although it most likely passed through the Colonial Government.

7. Par. 11. Messrs. Ince have asked for vouchers in connection with the "Marco Polo" salvage, and I have told them that they probably were not taken in duplicate, and are required for the purpose of audit. They say that they may not be asked for, and that they would not be if the ship had been British; but that it is impossible to say what quibbles may be raised by Norwegians, so that the Auditor should check them and they should be sent by return. The case drags its slow length along, and it may yet be some time before it is settled.

8. Par. 14. The arrangements for working cargoes in and out of Stanley have the approval of the Board, and it is quite true that desperate ills require desperate remedies. We must hope that as soon as the "Falkland" gets to work things will settle down, and that it will never again be necessary to send the "Samson" from Darwin to North Arm and back with 12 casks of cement. It would be worth while considering whether some arrangement could not be made for carrying out the original intention of keeping the schooners as a stand-by capable of being utilized; there they are for the purpose, but of no use because

there are no Captains or crews available. My idea is that, if you had in Stanley two men who could be trusted to sail them, in a case like the present, when you know for a certainty that through the breakdown of a steamer the coasting ~~will~~^{would} be upset for months, you could, failing local hands, send to Montevideo for crews, and you would then not be so hopelessly paralysed as you have been since the "Columbus" gave up running. The eventuality was foreseen, and as we thought provided against, but the provision failed: on another occasion, which must, in all human probability present itself sooner or later, is it inevitable that we should again be unprepared?

9. Par. 15. The Board are glad to hear that Mr. Creece is now giving you satisfaction, and are willing to sanction an increase of pay of £50 per annum for five years, the provision as to passages in the first agreement remaining unaltered. The alterations in housing you ⁿ mention have doubtless been made after due consideration, as well as those in the Store. You do not say what you are doing with the old house at the West Store.

10. Par. 16. It is always a good thing, when possible, to sell goods on a cash basis, and if you can introduce the system at the General Store, so much the better. When a discount of 5% is given for payment within a certain date, it is certainly irregular to allow it when extended credit is taken, and it should not have been done. The discrepancies you mention, which no doubt mean that discount allowed has not been entered, are the result of carelessness in the Store, and hardly warrant its being taken off all accounts ~~when~~^{whether} paid or not. The 5% is in consideration of prompt payment, and is meant to be an inducement to customers to settle their accounts regularly, but it loses its force if they see that they are not called upon to fulfil the condition on which they get it. Are there not people who cannot pay until they get their wages on Saturday? Do other Stores in competition with us insist on cash? If the system is recognized throughout Stanley, then it might be adopted with advantage; but you had better not go into such an important alteration too hurriedly. I would suggest that in any case you should put that matter of dis-

count on a proper footing, for the present system offers no inducement whatever to the customers to pay their monthly bills. I used to have the same trouble about the small discrepancies you mention; in getting out the monthly sales the Storekeeper took the gross amount of each customer's account, not knowing whether it would be paid within the prescribed time allowed for discount or not, then, if the discounts allowed were not deducted from the next month's sales I found in time that the amount credited to the Store for sales had been overstated, and at the end of the year the account "Store Debtors" did not correspond with the sum of all the Store accounts in the Storekeeper's ledger, and had to be adjusted. If a proper account were kept of all discounts and other deductions allowed, the discrepancies would vanish ; but to get over this by deducting the discount, whether earned or not, is clearly not right. If I have misunderstood your meaning, you will let me know.

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11. Par. 17. It is very difficult to follow all the Whaling Companies and their Owners; we have written to Mr. Lars Christensen at your suggestion, asking if he can settle the "Skjoldo's" account, but that was a fortnight ago, and there is no reply yet. On turning up the despatches you mention, it appears that the account was not enclosed in despatch 437, and I think that we have been waiting for it before writing. It is not clear whether the account was incurred for the former or the present Owners.

12. Par. 19. Remarks on Bass's Ale and Galvanized Sheeting will be found enclosed.

13. 454-2. In giving us the old rates the PSNC are only following their promise of the year before last to put us on even terms with Sandy Point; but they have not mentioned the rebellion of the shippers there as the reason for coming down, and their attitude has not been quite straightforward, unless I misjudge them. However, we have the rates reduced, and that is the main thing.

14. Par. 4. We shall deal with the loss of Wool at Grand Jason when the papers arrive.

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15. Par. 5. There has been no year when the outturn of wool and skins has been so bewilderingly bad, and if there are short-

ages it is clear that we shall have no fair claim on the steamers, but must recover from those who have had excesses. In the case of the Weddell bale that we saved from sale, we asked Mr. W. S. Williams to explain how he got one over, but his reply only went to show that the account has been credited with a bale too many. The only suggestion that I can make is that you should insist upon proper specifications being sent in, and get them verified with the bales before shipment, also that you should try to devise a system of tallying that does not depend upon the tally into the coaster or hulk, but should confirm both of them. We ship a certain number of bales of something, and that number should be turned out here, even if there are small discrepancies in the marks; but when you ship, say, 1000 bales, and we receive either 999 or 1001, the inference is that the Sandy Point shipments are better or worse off by one.

16. Par. 6. It is a great nuisance about the Tallow, and I shall get Mr. Connell to call the attention of the PSNC to the want of faith on the part of their Manager. The worst feature is the neglect to get the "Huanchaco" here in time to report for the January sales, for which there is no excuse. Fortunately we have not much wool as it happens, but if we had a couple of thousand bales it would have been very serious. We cannot at present discuss the question of the disposal of tallow, for we are pledged to give it to them, if they want it; but you might enquire about the price likely to be offered by Buenos Ayres people on the spot, leaving it to them to settle about the duty. Possibly Salvesens might agree to deliver in London, if the shipment were large enough. The third suggestion can be discarded at once; there is no dependence to be placed on small sailers, which can seldom be got of the right tonnage, and often cannot be found for six months, besides which it has been through chartering sailers that the Pacific have agreed to put on two cargo boats per annum at actual sailing ship rates, and we have agreed to ship by them.

17. Par. 7. On receipt of your cable about towing the "Fleetwing" we communicated with the British & Foreign, explaining what

you proposed to do, and with their sanction replied that you could do it. I hope that this will enable you to get a fair shipment together, and that the Valparaiso Manager will send you a steamer that will not miss the March sales. I am very glad that you have taken Port Howard into consideration, for it is most important to hold the Waldrons to their agreement about freight, which is conditional on a certain shipment being made for March. They are already trying to raise a dispute about the delay of the rest of the 1913 produce, but we can disregard that, as it comes from a cantankerous member of the Board, so I am told.

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18. Par. 3. I will put Biggs's letter before the Board. I may say that, personally, I am of opinion that it would be much better to give him good standing wages, and abolish the old system in ship work, I would have done it myself long ago if the foremen had been willing. But I do not agree that he has any grievance over losing his bonus when on ship's pay, for he is compensated over and over again by the extra pay, to say nothing of survey fees, earned in the Company's time, which many employers would consider to belong to them.

19. Par. 9. It would have done no harm if you entered the wool and skins per "Corcovado" at the old rates, and you may have done so yet; if at the new, we shall not pay them.

20. You will have to make it known as widely as possible that the PSNC are going to put on two cargo boats a year in connection with our new arrangements, one of which is intended to leave early in October, after the Kent ram sales, and the other most likely in April, though it may be later this year. There are a lot of people who will get their own goods out, and it is of no use trying to prevent them, in fact, as we and Lowdens are pledged to supply a certain tonnage, it will be a help to us if the public come in. The rates will be much lower than by the mail boats, and if the farmers come in to any extent, it will mean business for the "Falkland", by which in time we might establish a through rate from Liverpool to ports on the coast. You will have to get your orders together for rough goods, and if the orders that come forward are insufficient, Mr. Connell suggests that we

Through Stock

should ship fine goods also.

21. I hoped to be able to report the sailing of the "Glanogwen", but she is still hung up at Portmadoc, and is not to be ready until next week. What there is to do, goodness knows, the fact is the place is too far off, and there is no one to stir up the local shipbuilder who is fitting her out. I had arranged to get her round to Liverpool to load, and for that purpose bought some slates, about 25 tons as ballast; but we have since been able to get coal round by a coaster, and the slates need not have been bought. However, you will recollect that Portmadoc lives on slates, and is in direct communication with the quarries by rail, so that they cost much less than at any other port, and you will be able to make some use of them.

22. Enclosed is copy of a letter from Mr. Mantle about the Stanley telephone. I would suggest that, considering the mess made over this institution, first by Governor Allardyce and then by the Crown Agents, you should persuade the Administrator to let us get it carried out under Mr. Mantle's directions, and the Colonial Government can pay us when the materials are shipped. You might say that as this is a public institution in which we take an interest, we are public spirited enough to do whatever share of the work may fall to us without charge or commission. I know this: if Mantle sees to it, it will be a success, but if it goes into the hands of the Crown Agents it will be past praying for.

23. Just before closing I have seen Mr. Connell, who agrees that it will be a good plan to buy all the coal from us at a profit per ton to be arranged, and now we must find out for how little we can do this without loss. A full inventory of stores on board will be sent to you from Liverpool, and Captain Saanum will give the necessary receipts to Capt. Poole. The last news is that the boat did 11 knots between Liverpool and Holyhead.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No. 1127 dated 10th December, 1913

Account Current .

Remarks on Accounts.

Remarks on Stores.

List of General Cargo per "Oropesa"

General Invoice goods per "Oropesa"

List of Parcels .

List of Clients' Cargo per "Oropesa"

List of Enclosures.

A/sales J B L 1 bale Hair ex "Flamenco"

Bills of Lading cargo per "Oropesa"

List of Enclosures via Liverpool.

Originals.

- 1 Copies of Cablegrams received dated 14th 21st & 23rd Dec.
- 2 Copies of Cablegrams sent dated 19th 22nd. & 23rd Dec. &
2nd Jany.
- 3 Wool market reports.
- 4 Copy of letter from A.W. Gamage, Ltd., dated 29th Dec.
- 5 Copy of letter from Anglo South American Bank, Ltd. dated
31st Dec.
- 6 Copy of letter from T. & S. Plum, dated 30th December.
- 7 Copy of letter from Bass & Co. dated 2nd January.
- 8 Copy of letter from Jarrott, Ltd. re Motor Boat.
- 9 Copy of letter from J.L. Waldron, Ltd. dated 19th & our
reply of the 20th December.
- 10 Copy of letter from Crosse & Blackwell, Ltd. dated 23rd Dec
- 11 Copy of letter from P.J. Mantle, dated 6th January.
- 12 Copy of letter from William Bain & Co., Ltd. dated 18th Dec
- 13 Copy of letter from Chr. Salvesen & Co. dated 5th Jany.
- 14 Copy of letters received from Ince Colt Ince & Roscoe
dated 6th & 7th and our reply of 7th Jany.
enclosures mentioned attached.
15. Louis Williams's draft on W. Hooton & Yates for £40
Letter for A.L. Allan.

London 7th January, 1914

Enclosures per Supplementary Mail

Originals

- 1 Account Current and vouchers.
- 2 Remarks on Accounts.
- 3 Remarks on Stores.
- 4 List of General Cargo per "Oronsa"
- 5 General Invoice goods per "Oronsa"
- 6 List of Principals who have signed Freight Agreement.
- 7 Sight Draft on Rev.R.Johson B/L &c.attached.£7.12. 1
- 8 Sight Draft on J.Kirwan for £ 31 .0. 3 & B/L attached
- 9 Suppliers Invoices goods per "Oronsa"
- 10 Notes on Motor Boat per "Falkland"

Letters for the following:-

W.A.Harding (3)

A.L.Allan (2)

- 11 Copy of letter from Chr.Salvesen & Co.dated 9th January
- 12 Copy of letter from Aktieselskabet"Ornen dated 6th
January.

London 10th January, 1914

(8)

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DESPATH no. 1123 per "ORONSA", 5th January, 1914.

Precis of Subjects.

1. Acknowledges despatches and letter.
2. Correspondence re "Sorata" held in reserve.
3. States Underwriters' attitude on estimates for repairs.
4. Reports departure of "Falkland", with details of boat, and sundry notes on her management.
5. Deals with sheep purchases and advises caution.
6. Replies to remarks on Navy Point lease.
7. Vouchers re "Marco Polo" wanted.
8. Approves arrangements for coasting cargoes in absence of steamer, and discusses subject.
9. Sanctions re-engagement of Creece at higher salary.
10. On selling for cash and discount system.
11. Refers to Skjoldo's" account.
12. Refers to complaints about iron and beer.
13. On PSNC homeward rates.
14. Notes loss of Wool at Grand Jason.
15. Reports discrepancies in wool shipments, asks for specifications in all cases.
16. Replies to remarks on tallow shut out and wool per "Huanchaco".
17. Towage of "Fleetwing" approved, and remarks on Port Howard.
18. Biggs's letter to be referred to the Board.
19. On rates on wool and skins per "Corcovado".
20. Intended sailing of two cargo boats annually to be published.
21. "Glanogwen" still at Portmadoc.
22. Refers to letter on Stanley telephone, and offers assistance.
23. On proposal to supply coal to "Falkland".

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Enclosures vis Lisbon.

Originals

- 1 Account Current and vouchers.
 - 2 Remarks on Accounts.
 - 3 Remarks on Stores & replies.
 - 4 General Invoice goods per "Oropesa"
 - 5 List of General Cargo per "Oropesa"
 - 6 Prices's invoice for Oil shipped per "Oropesa"
 - 7 Particulars of Customs regulations re Coasting Trade.
 - 8 Coasting freight Agreements (30)
- Letters for the following:-

W.A.Harding (4)

A.L.Allan (1)

London 13th December, 1913

Received

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per Oriana.

N^o 1129.

London, E.C. 4th February, 1914.

Sir,

I have to acknowledge the receipt of your despatch no. 455, which arrived on the 16th ult., together with your letter of the 23rd^e December.

2. 455-2. You are quite right about the Chinese crew proposed, for it would never do to upset our labourers. I understand that in some places where they have been introduced the prejudice against them vanishes, and it was for this reason that Mr. Connell was anxious to try them, their employment in his steamers on the North American coast having been quite a success.

3. Par. 3. It is right that the questions of handling goods and produce should stand each on its own bottom, and that the loss on one should not be made up by an overcharge on the other. If the rule that the crews are not to do any shore work still holds good, I would suggest your taking careful note of what the loading of goods coastwise actually costs, and let^{ting} us know, so that we can arrange a price per ton, something between 6d and 1/-; on produce in future we take toll of one-sixth of all passing through Stanley, and this is to cover labour employed on it.

4. Par. 4. Fielding & Platt say that they use Royal Daylight oil, but believe that Rock Light (now R.V.O.) would do as well. This is a Russian oil, and was sent for the Gardner engine in the "Malvina". It has a flash point of 96 against 81 for Royal Daylight, and is 3d cheaper. You must not think of using the oil sent for sale, which has a flash point of 111, and costs more per gallon, is in fact too good for the purpose.

5. Par. 5. The question of secrecy in wireless messages does

W. A. Harding, Esq.

Manager,

Stanley.

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not press at the moment; if a Governor happened to be both inquisitive and garrulous, persons making use of the system might find themselves at a disadvantage. If it were laid down that the secrecy to which operators are sworn should not be violated ^eexcept for reasons of State, that is to say that even the highest official should not have access to ordinary commercial messages, unless exigencies of the public service could be pleaded, that would give confidence to the public, and I think that we should try for something of the kind. But it would be difficult to bring it about without ~~trampling~~ ^{treading} on someone's toes.

6. Par. 6. It will be difficult to clear up all the discrepancies in the Bills of Lading this year.

7. Par. 3. You will understand that the Board leave the settlement of compensation to the widow of Nilsson in your hands. The amount, when agreed, must be charged to the London Office.

3. Par. 12. You are quite right in deferring the question of a steam winch afloat in Stanley for the present; as regards the "Garland", I agree with Mr. Allan that it would be useful, and when the shearing is over and the new oil engine installed at North Arm, the boiler there will be free, and can easily be adapted to drive a winch, the cost of which will not be half that of a winch and boiler combined.

9. Par. 13. It is unfortunate about the scows, and I am afraid that you have never told us until now how unsuitable they are. They have, as you know, been taken over by the Transport Co. on certain terms, and you may have to sell them, as soon as suitable arrangements have been made for getting wool on board. Probably this would be the purchase of more suitable scows at Sandy Point, and permission for this would have to be obtained from Liverpool.

10. Par. 14. If you will refer again to the invoice from Len-antonto which you draw attention, you will see that the 1 x 9 was converted into cubic measurement, and that the running foot did not cost as much as 2d. There has been no general advance in timber of late, and the small difference was due to the cost of shipping to Liverpool.

11. Par. 15. If a single bale of sheepskins is uniform throughout in quality

out in quality, both as regards the pelt and the fleece, it would be a waste of time and money to have the contents sorted; but this sort of bale does not usually come from the small farms, or any farms, in fact, except the larger ones, and where there is a doubt it is better to sort. We adopt this principle here, and instruct the Brokers to sort all the clients' bales, unless we get orders to the contrary. From Goose Green we get long strings of one quality, and expect to receive the same from our Stations, now that Mr. Allan has been made aware of what is done here.

12. Par. 16. The list of those agreeing to the five years' proposal has been completed by a letter received from Packe Bros. & Co., so far as the farmers residing here are concerned, and we hope to get your list completed by the next mail. As regards the shares to be allotted, it would have been more to the purpose if you had given the names of the Managers who had been enquiring, for they could have been passed on to Liverpool. There are more shares asked for than are available, and the probability is that no one person will get more than 100. At my request Mr. Connell has deferred allotment until the mail arrives, in case there should be more applications.

13. Par. 17. Your letter to the Administrator about South Georgia and the Whaling regions is excellent, and you have done well to have a slap at that most rotten of all institutions, an Export tax. What are the prospects of the industry continuing to be profitable? It is commonly thought that all Whaling gets played out after a time, and when the whales leave the Dependencies, are the inhabitants likely to remain for the benefit of their health? As far as we are concerned we are only affected by the question of the possible mail steamer to be run by the Government, and you should do your very utmost to get this idea out of the heads of the authorities. You have put your objections very clearly, and they should have much weight. You might also point out that a steamer fit to run the mails and passengers to the West and South Georgia would cost not less than £10,000, unless she had no more accommodation than a whaler, and that your estim-

ate of the cost of running her is probably much understated at £5,000 per annum. But it ought to have great weight if you pointed out on behalf of the Transport Co. that in response to an unanimous cry for a steamer, they have stepped in after the failure of the "Columbus", and at great expense, including a sum of not less than £1,100 for passenger accommodation alone, have put on a steamer more fitted in every way to do the Island work than any boat that has ever been seen in the Colony. It is an experiment, and it is not known yet whether with the liberal scale of expenditure that has been adopted it will pay, although it is hoped that by undertaking all the Colonial work it can be made to do so. But if, after all that has been done to meet the Colonial wishes, the enterprise gets a slap in the face in the form of another local passenger steamer, owned and run by the Government, you can say with confidence that there will be every risk of the boat being withdrawn, and of steam being abandoned as a failure, caused by Government competition. For ourselves, we may revert to schooners once more, for we cannot run the risk of being unable to get our goods out and our produce in, and if we were to do this, there would not be enough produce left to make the smallest of steamers pay. Of course we do not expect that things will come to this pass, but it is just as well to let people know that any attempt to compete with our boat may have very awkward consequences for the Colony at large. Capt. Dickson is believed to be opposed to any interference by the Government in trade, and he no longer touts for passengers alongside the mail steamers; but it is by no means certain that Mr. Allardyce may not be out again next mail.

14. Par. 13. I have written to the Admiralty about Navy Point, but my letter, of which a copy is enclosed, has only been acknowledged as yet. I think that we could successfully show that our holding on the north side is not a station within the meaning of the Ordinance, and that it would be difficult for any proposed tenant of Navy Point to establish a right of way.

15. The "Corcovado" appears to have been sent, as usual, too late, and she will miss the sales almost to a certainty. I have

been complaining about the repeated instances of neglect in this respect on the part of the PSN Manager at Valparaiso, through Mr. Connell, and the latter, who was here last week, told me that they said nothing in his defence, but asked him to ^{get us to} instruct you to cable us whenever you have asked for space, telling us how much and the date when the ship should be at Stanley, and they will then send him direct instructions from Liverpool. I can see that they do not wish directly to censure him, but that they are unable to defend his actions. The last news this morning is that the ship is unlikely to report until the 24th, which will be a day too late, and keep all the wool back until the third series, much to our inconvenience and possible loss.

16. A revision of the insurances with the Royal has been made, and we are adopting the principle with regard to those in the Camp of insuring all property in the settlements, and placing the isolated risks on our own fund, that is to say all the shepherds' houses, and buildings of that kind. A very elaborate schedule has been drawn up, and a copy is enclosed for your inspection and criticism. You will see that we have adopted an entirely new line, for the purpose of covering specific lines either in Stanley or the Camp, where the value is doubtful, and in the event of fire the property might be proved to have been under-insured; that is to say we have a floating sum of £6000, of which a portion may be applied to a case of this kind, applying specially to goods, the position of which, as they are always moving, cannot be precisely indicated here.

17. The Directors have considered Biggs's letter of the 4th December, and think that it will be far more satisfactory to arrange a fixed rate of pay all the year round, the Company to take or rather to charge for his work at the foreman's rate on their own account. For the purpose of ascertaining what would be a fair rate of pay, you can extract from the books the total earned by Biggs on work both afloat and ashore for some years and average it. The Board give you permission to settle this matter as you think best. Naturally the question would not have been raised if

ship work had not fallen off, and it is, perhaps, a good thing that this has occurred, as it gives us the opportunity of making an arrangement that he would have scoffed at until lately. He is quite right to bring the subject up, and we cannot blame him in the least for making out the best case he can, or for advancing arguments which will not hold water. We cannot agree that he has suffered in the least through not getting a bonus on wages which he did not earn, for he went from our pay of 3/4d per day to get 20/- from the ships he worked for, or to put it into figures, he sacrificed 10% on 3/4d = 10d, in order to gain 11/3d, and since we did not share to the amount of a penny in the 20/- per diem, he could well afford to keep account of materials and the men's time without feeling it a hardship. No doubt you can come to an amicable arrangement with him.

18. With regard to Mr. Roy and his principals, a perusal of the correspondence and a comparison of dates leave us a little bewildered. On the 7th October I wrote him that the Board would not take less than 12/- and 10/- for sheep, and he called shortly afterwards to say that Buzzi & Co. could not give those prices. He then went round the country, and after securing all the sheep he could wired us ^{on 13th November} that his principals wanted to know if they could rely on ours at our prices for April/May shipment; this was declined. But Buzzi, writing to you on 4th December, expressed surprise at our asking for 2/- over their offer, a fact of which they had not been previously aware, although just three weeks before they had, according to Mr. Roy, agreed to pay it. There I leave it, and come to the credit. The Anglo-South American Bank report that one has been issued in our favour for £5,000, and that we are to note that it is a revolving credit. But on enquiring at the Bank, we find they are as much puzzled as ourselves as to who is to draw on them, your office or this, and they have wired to Buenos Ayres for instructions. The simplest arrangement would be to leave the drawing in your hands after each shipment has been made, as we do not want to draw here, and should have no particulars of the number of sheep shipped or the value, and in any case

it will not do for you to draw upon us. A revolving credit is defined as one that is recurrent, that is to say, the amount is always open, and when the first is exhausted you can draw for a second of the same amount. But this looks like an open credit, and until we know more definitely how we stand you had better, for our protection, consider that it is limited to £5000, and be sure that a further amount has been opened before you compromise us. Having now had the amount of our remuneration settled, you will be able to get what is due to us on last year's shipments; as far as we know at present, we took some responsibility and trouble, and have had nothing for it.

19. The reports of the "Falkland" have been gratifying, for she seems to have kept up a steady 9 knots at economical speed all the way to Montevideo, and at this rate is due at Stanley today. She had bad coal to St. Vincent, and with better fuel will, it is hoped, show a diminished consumption. There is not much more to be said about her at present: the Mortgage on her is sent for registration at the Custom House, and is then to be returned, this is necessary, as she is already registered as of the Port of Stanley. I would advise your getting a mail contract settled beyond revocation, and on the best terms you can secure, as Mr. Allardyce is in London, and has spoken of going out next mail. It seems incredible, but he would try to enforce terms that would not suit us, and we must take no risks.

20. After sailing with a fair wind which lasted for a long time, the "Glanogwen" unexpectedly put back to Falmouth Leaky, and this is involving us in expense which will make her a dear lighter indeed. The worst of it is that, although she has been stripped for caulking & remetalling, there is no appearance of any leak or even weakness, but she was sent away with inefficient pumps, reprehensibly neglected at Portmadoc, and funk has had a good deal to do with the rest. It is very sickening, but there is no use in crying over spilt milk, and she has to be repaired and got away. This bars our ever trying for an old schooner again, nothing of the kind is to be got in the Plate or Punta Aren-

as, the cost of lighters at the latter place is prohibitive, and by a process of exhaustion we are driven back to the idea of steel lighters, framed here, and sent out in pieces to be put together at Stanley, a proceeding to which I think you will have to reconcile yourself if you want any. They are in universal use all over the world, and I think that your objection to them is not very well founded, for they would only draw a few feet when light, and arrangements for hauling them up periodically for cleaning and painting could easily be made.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures via Liverpool

Duplicates.

Despatch No.1128 dated 5th January.

Account Current.

Notes on Motor Boat per "Falkland"

Remarks on Accounts.

Remarks on Stores.

List of General Cargo per "Oronsa"

List of Clients' Cargo per "Oronsa"

List of Parcels

General Invoice goods per "Oronsa"

List of Cargo per "Falkland"

List of Parcel per "Falkland"

Second of Exchange for £ 7 . 12 . 1 on R.Johnson.

Second of Exchange for £ 31 . - . 3 on J.Kirwan.

Enclosures via Liverpool

Originals.

- 1 Copy of Cablegram sent dated 19th January.
- 2 Copy of Cablegram received dated 28th January.
- 3 Copy of letters from P.J.Mantle dated 8th & 20th January
re Teal Inlet Telephone Line.
- 4 Royal Mail Steam Packet Co's mail tables for 1914.
- 5 Wool Reports.
- 6 Copy of letter to the Admiralty dated 21st January.
- 7 Copy of letter from the Royal Insurance Co.,Ltd.dated
21st January.
- 8 Precis od Subjects of Despatch No.1128 omitted last mail.
- 9 Copy of letter from the Pacific Steam Navigation Co.dated
22nd ~~Jany~~ & 2nd Feby.also copy of their letters to
W.Lowden & Co.of 14th & 28th Jany.& our reply of 27th
Jany.
- 10 Copy of letter from Thos.Scott & Co.,Ltd.dated 8th Jany.
re Galvanized Roofing Sheet per "Vanadis"
- 11 Copy of letter from The Anglo South American Bank,Ltd.,
dated 23rd Jany.re credit opened by Tomas Buzzi Co.
- 12 Copy of Agreement re management of S S "Falkland"
- 13 Wool Statistics for 1913.
- 14 Mortgage Bond S S "Falkland" for registration & return.
- 15 Cläents'Repotts:-

T R	6	bales Wool ex "Huanchaco"	
M & G	36	"	"
J B	34	"	"
S I	61	"	"
B B	19	"	"
J R	31	"	"
- 16 Brokers press copies Reports on Co's Wool ex "Huanchaco"
- 17 Copy of telegram received from Mr James Roy.dated 13/11/13
- 18 Report from Capt.Dougall to W.Lowden & Co.of 1st & 2nd
February,re Glanogwen
- 19 Schedule of Insurance on Company's Property in Islands.

London 4th February,1914

Enclosures via Lisbon.

Originals

- 1 Account Current & Vouchers.
- 2 Remarks on Accounts.
- 3 Remarks on Stores
- 4 List of General Cargo per "Oriana"
- 5 General Invoice goods per "Oriana"
- 6 Clients' Invoices goods per "Oriana"
- 7 Notes on Spares for Motor Boat
- 8 Copy of letter to Tomas Buzzi Hermano dated 6th Feb.
- 9 Sight Draft on J.Kirwan for 45 . 17 . 2 for collection
B/L attached.
- 10 Copy of letter from W.Lowden & Co.dated 5th February
- 11 Report on Z 15 bales Wool ex "Huanchaco"
- 12 J.E.Dickinson's invoices for goods shipped per "Oriana"
- 13 Anning & Cobb's marked Hides & Sheepskins Catalogues.
- 14 "Amended copy" Schedule of Insurance on Co's Property
in Islands.
- 15 Copy of letter received from Tomas Buzzi & Co.dated
30th December.

Letters for the following:-

W.A.Harding (2)

A.L.Allan, (2)

London 7th February, 1914

DESPATCH no. 1129 per "Oriana", 4th February, 1914.

 Precis of Subjects.

1. Acknowledges despatch and letter.
2. Approves objection to Chinese.
3. Gives instructions about charge for ~~stevedoring~~.
4. Information about oil for engines.
5. On secrecy in wireless messages.
6. Refers to discrepancies in Bills of Lading.
7. Settlement of claim by Nilsson's widow to be settled locally.
8. On steam winch for "Garland".
9. On unsuitability of scows sent for "Columbus".
10. Corrects mistake about Lenanton's wood.
11. Deals with sorting of sheepskins.
12. Refers to contracts for shipping produce and shares in steamer.
13. Approves letter to Administrator about South Georgia, &c.
14. Letter sent to Admiralty about Navy Point.
15. About cabling requirements in tonnage for wool.
16. Explains schedule of insurances against fire.
17. Deals with letter from foreman Carpenter.
18. Discusses business with Buzzi & Co. and gives instructions.
19. Remarks on "Falkland" and mortgage to be registered.
20. Reports disaster to "Glanogwen".

2H.

Sealing Coy.

1319- 2. 727.2. F.I. & D. Sealing Co. Ltd.

The copy of the Balance Sheet of this Company as at the 31st December, 1930, forwarded to the Government, is to hand. The value given for the floating assets strikes one as being too high, and as to the item of Goodwill, \$1,500, for a concern which can only show a dead loss on its operations to date, it is farcical to say that the Goodwill is of any value. As I understand it the concession to exploit the sealing business is not a saleable asset; certainly not without the consent of the Government.

There is no prospect whatever at the moment of effecting any sale of the seal oil on hand and to endeavour to force one would be futile. We can only trust that if the bulk of the whaling companies were to suspend operations next season ^{as suggested} a demand in anticipation of reducing stocks may arise within the next few months.

131-7. S.S. "Fleurus" Salvage. I cabled you on 24th September requesting you to send me a legalised copy of the salvage award in this case. It is required for production in the High Court here in support of the Sealing Company's claim.

1311- 10. S.S. "Fleurus" Salvage.

Copy of letter from H. Meen-Andersen dated 13th July is enclosed from which you will see that certain alleged creditors in Norway have, through a lawyer, put a stop on the salvage award of \$750 agreed to by the leading Underwriters in London and Norway. On receipt of this letter we wrote to the owners of the "Fleurus", the Tonsberg Whaling Company, and asked them to pay over to us the salvage money or instruct the insurance brokers here to do so. They replied that as the seizure had been proclaimed they could not comply with our request. We then informed the Tonsberg Company that there was little doubt that unless we received a cheque for \$750 payable in London by return the Sealing Company would arrest the "Fleurus" in Port Stanley as security for their claim. We are awaiting their reply.

Advised

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)
REGISTERED 1902.

61, Gracechurch Street,

Per Orissa.

N^o 1130.

London, E.C. 4th March, 1914.

Sir,

I have to acknowledge the receipt of your despatch no. 456 and of your letter of the 20th January, both of which arrived on the 16th ultimo.

2. Par. 1. The delay of the Supplementary mail was most unfortunate; we have communicated with the PSNC about this, but they do not seem to know why it occurred.

3. Par. 2. It may seem desirable a little later on to raise Carpenters' wages to 1/2d per hour, and you must use your own judgment about this.

4. Par. 4. The statement about the "Samson's" crank-shaft seems to show that it is a pity that we ever went to the expense of sending it out, and it would certainly now, in the face of what you say, be a mistake to do anything with it. It may be useful as a stand-by in the event of anything happening to the old one.

5. Par. 5. As we rely ultimately on the specifications in having to decide whether to make a claim or not, we rely on your keeping all the shippers up to the mark in sending them.

6. Par. 6. The matter of the revolving credit is not quite on a satisfactory footing yet. We got £5000 from the ^{Anglo-}South American Bank, and considered this to be against the first two shipments; we also put before the Bank the estimated dates of the succeeding ones, and they were to pay us sufficient on those dates to meet them. This seemed quite in order, but they have since told us that before paying us anything more they want advice from Buenos Ayres that the money for the first has been put up, and

W. A. Harding, Esq.,

Manager,

Stanley.

this will not do for us. The revolving credit means apparently successive credits of £5000 each as required, as you put it, but according to the Bank's interpretation, although it is revolving, there is nothing to prevent Buzzi & Co. from stopping the revolutions by neglecting to put up another £5000. As we stand now, the Bank cabled on the 23rd ult. asking for £2600 to be put to our credit on the 28th, the date of the third shipment, and to this they may get a reply at any time. We have cabled you the first £5000, as you asked us to do, and we take it that you will not make us responsible in any case for payments until you know that the money is here. I still think that the simplest arrangement would be for you to get such a credit that, on receipt from the shipping port that a certain number of sheep had been shipped, you would at once be able to draw upon the Anglo-South American Bank for the value, leaving this office out of it altogether. You may have an opportunity for putting this suggestion before Mr. Roy.

7. Par. 7. What you write about Captain Saanum is very comforting, for I had worked out in my own mind the precise explanation that you now give of his apparent change of front, and it was with a view to leading to that change that I cabled you the information I had received from Salvesens that they had nothing to offer him in the way of employment. I think that he will find his position vastly improved, and I hope that you got from Lowdens the details of the bonus scheme that they put before us.

8. Par. 9. By all means try another season without iron hooping the meat, if you have sufficient cement coated nails, but you might put ^{bands} on the Extract. You might tell the steamer people that nothing but rough handling will cause the nails to give.

9. Par. 10. It must be left to you to deal with half-yearly accounts as you think best.

10. Par. 14. The Underwriters seem inclined to give trouble over the repairs to the "Samson", as they have put forward a suggestion that we ought to get the money out of the PSNC, and of that there would be no chance. I may hear more before the mail closes.

11. Par. 16. On finding that some messages intended to go by wireless had been kept in Montevideo and sent down by steamer, we communicated with the Eastern Telegraph Company, and received from them a return of the difference in the rates with an explanation that they had been "inadvertently" forwarded by post. I replied that the matter could not end in this way, and that I wanted the blunder investigated, and an assurance that there would be no repetition, pointing out that they had been delayed 15 and 16 days, and that they were of an importance for which the return of a few shillings was no compensation. The Company then refunded the whole of the charges, and asked us ^{to} ~~xxx~~ mark all future messages in red ink "Wireless via Cerito". I do not think that it will happen again.

12. Par. 17. You seem to have done very well with the "Fleetwing" in getting cargo for the "Corcovado", but it is to be hoped that such an expensive way of working will not be necessary again for a long time, although on this occasion there was nothing else to be done. The gratuity to Captain Thomas was well earned.

13. Par. 19. According to the Bill of Lading we have already sold one "heart" bale in excess, i. e. 219 instead of 218, but this would not matter, as the specification gives 219. Now it appears that there is still another to come, or one more than the specification, and this is only one more difficulty to be solved when the day of reckoning comes.

14. Par. 22. What Mr. Moir asks for is reasonable and more than reasonable, if we understand it rightly. We have no copy of his agreement, but no doubt he went out in 1909 on the same terms as before, that is to say with a passage out and home at the end of five years, and this should have been endorsed on the old agreement or a new one made, but as a matter of fact was forgotten. In 1913 he came home, that is after serving four years instead of five; he paid for his passages, and now asks that if he serves another five years he may be guaranteed passages home at the expiration of the time. This the Board grant without hesitation, and are willing also to refund to him the proportion of the

passages paid for out of his own pocket corresponding with the time he served, so that if he worked four years out of the five we should give him 4/5ths of the money. If we have not misunderstood the matter, you will know how to act.

15. Par. 23. It is not true that we agreed to take over the mail contract from Salvesens, quite the contrary. They asked us to do so, and I replied that they had better give notice to terminate it. This will be found in the copies of letters from Salvesen of 10th November and myself on the following day, and as I find that they were sent to you at the time I cannot see how there can have been any doubt about what had been decided. You were in a position to tell both the Administrator and Saanum that they had been misinformed; I am sure, without looking, that I must have said that although Salvesens wanted the contract taken over, I would not do it, because it would have pinned the "Falkland" to the monthly New Island trip. By last mail we were able to say what had better be done, and as Mr. Allardyce has booked his passage for the 2nd of April, by all means fix up a contract that cannot be altered on the best terms possible, trying to make it suitable to all parties, and avoiding the charge that may later be thrown in our teeth that it has been framed to suit our own interests at the expense of others in the Colony. The long and expensive steam to New Island seems the principal thing to be avoided, but the "Falkland" should go there sometimes, though not once a month. As regards the stipulation made by Mr. Carpenter, in replying to him I expressed a pious hope that you would be able to meet his wishes, with a confident expectation that in future years they would present no difficulty; but I gave no guarantee. You were certainly right to refuse to give one to Bonner, and as to J. L. Waldron Limited, we can deal with them here; I have explained why it is of such importance that we should make a point of bringing in the early wool they ask for without fail.

16. I am glad to learn that Mr. Allan has succeeded in getting the tinsmiths from San Carlos; it seemed so evident that it would be so that no attempt was made to engage one from here.

17. When I saw the accounts-current in advance, I said "well done"! They provided us with some thousands of pounds at a time when they were very acceptable.

18. The "Glanogwen" business is a tale of disaster, and we are not nearly at the end of it yet. After all the metal that was put on at Portmadoc had been stripped at Falmouth, and the vessel had been caulked again and recoppered, on getting her afloat she leaked as badly as ever, and where the water gets in puzzles all the experts. Then the Board of Trade Surveyor stepped in, and prohibited her sailing until the leak had been found and stopped. I was at Falmouth at the time, and got him to allow her to sail to Liverpool in fine weather, having decided that we could deal with her better there than at any other place. After I left he went back on this, and insisted on her being towed, which was done at a cost of £60. The first crew had refused to go on, and another was obtained in Cardiff and brought by train. In Liverpool further troubles developed, for Captain Nicholas let out that the breasthooks and transomes were defective, and we had a survey which declared her a mass of rot from stem to stern. She was bought on her Lloyd's classification given in Portmadoc in 1909 or 1911, A1 in red for 7 years, and fit to carry dry and perishable cargoes; which, if it had been true, would have been sufficient, but it is proved to have been totally false, and now under the advice of Messrs. Ince we are going for sundry people on the ground of misrepresentation, and for Lloyd's Register for the false certificate. It is wasting a lot of time, and causing more worry than I care for; at the moment I can say no more as things are happening every day, but it is clear that she can never be made fit for the voyage, and our hopes of getting her converted into a splendid lighter are dashed to the ground. We have had a good try, and bought our experience, but it is clear that the idea of buying an old schooner for this purpose must be abandoned.

19. The "Corcovado" has arrived while I have been writing this, just seven days too late for the coming sales. There will be a good deal of fuss over this, for John Hoare & Co. have taken

the matter up, and are incensed at the Punta Arenas wool having been shut out. Your despatch no. 457 has been delivered.

20. Par. 1. You have exercised very sound judgment in entering all the freight at the lower rate, for although it would have been charged ultimately according to agreement, we have now to deal with a lot of red tape and stupidity on the part of the Royal Mail and the Pacific, and the adjustment would have been troublesome.

21. No doubt you are right about getting the sawing machinery set up on shore; the drawing made by Mills is very pleasing, and we ought to congratulate ourselves on having a man with such talents. Would it not be well, as you are so much concerned about the "Lady Elizabeth's" bottom, to get cargo removed from the spot as soon as practicable, and put in the cement block to secure the sore place from the inside?

22. Par. 3. The two Brokers tried to get an extra day for the "Corcovado" wool, but objections were raised at a meeting of Brokers, and the proposal was abandoned.

23. Mr. A. E. Felton's name has been entered for 50 shares in the Transport Co. as requested. It has been decided to spread the interest as widely as possible, and not to allot more than 100 shares to any individual. Before the mail leaves I hope to get from Mr. Connell the shares that are already allotted, the balance are in the names of his firm and ourselves, but if any more are wanted, up to the 1000 promised for the Islands, they will be transferred, subject to the payment of the transfer fees of 10/- per cent. Of course these shares have to be paid for in cash, and we can only advance the money to those whose accounts will be on the right side when the year's produce has been sold. You asked if Managers of stations would be allowed to take shares; there would be no objection to this. If after due notice has been given, the full number of 1000 shares has not been applied for, we and Lowdens will retain the balance permanently.

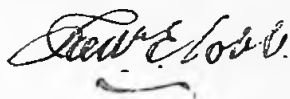
24. Seeing the necessity of making our cable messages unintelligible to outsiders who may have access to them, we must adopt

the system that was sent to you some time ago. It looks complicated, but is really quite easy when gone into; the words will be a "jumble of consonants and vowels", as you said in the case of Lloyd's Code in your despatch 439/7, but this will not matter, as you said at the same time that their messages came through without a single error, and we have proof of this in the correct delivery of the special code advising shipments. You reported lately that Cerito and the F. I. Government charge a code word as two, but as the system combines two code phrases in one word this increased charge is nullified. I think that something will have to be said about this double charge, because here we pay 4/9d per word, whether in code or not, and you ought to be able to send from Stanley at the same rate and on the same terms.

25. The Wool sales opened last night with a good deal of excitement, and prices are stated by some Brokers as being 10 to 15 % up for cross-breds as compared with the January sales.

I am, Sir,

your obedient servant,



Managing Director.

DESPATCH no. 1130 per "Orissa", 4th March, 1914.

Precis of Subjects.

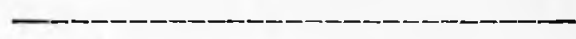
1. Acknowledges despatch and letter.
2. Have enquired about delay of Supplementary mail.
3. Gives discretion as to Carpenters' wages.
4. On "Samson's" crank-shaft.
5. Urges correct rendering of specifications of produce.
6. Deals with credit on account of Buzzi.
7. Refers to arrangement with Captain Saanum.
8. Approves of sending meat cases without hoops.
9. Question of half-yearly accounts left to Manager.
10. Reports trouble over "Smason's" repairs with Underwriters.
11. Reports correspondence with Telegraph Co. about delays.
12. On collecting produce for "Corcovado".
13. Refers again to errors in specifications.
14. Sanctions proposal re Moir's passages.
15. Deals with "Falkland" and mail service.
16. On tinsmiths engaged from San Carlos.
17. Approves despatch of accounts-current in advance.
18. Reports disaster to "Glanogwen".
19. "Corcovado" arrived too late for sales.
20. Approves rates of freight charged on produce by same.
21. Arrangement for setting up sawing machinery approved.
22. Reports objections to an extra day for "Corcovado's" Wool.
23. On allotment of shares in F. I. Transport Co.
24. Coding arrangements previously suggested to be adopted.
25. Reports opening of Wool sales.

Enclosures via Liverpool

Duplicates

- Despatch No.1129 dated 4th February.
- Account Current.
- Remarks on Accounts.
- Remarks on Stores.
- General Invoice goods per "Oriana"
- Bills of Lading cargo per "Oriana"
- List of Parcels.
- List of Clients Cargo per "Oriana"
- List of General Cargo per "Oriana"
- Second of Exchange for £ 45 . 17 . 2 on J.Kirwan.
- List of Enclosures.
- Clients' Reports:-

J R	31	bales	Wool	ex	"Huanchaco"
J B	34		,,		,,
T R	6		,,		,,
M & G	36		,,		,,



Enclosures via Liverpool.

Originals

- 1 Copy of Cablegrams sent on 18th Febry.& 2nd March.
- 2 Copy of Cablegram received 23rd February.
- 3 Copy of Articles of Association of the Falkland Islands
Transport Co.,Ltd.
- 4 Housemaid's Glove returned as requested.
- 5 Copy of letter to the Normanna Whaling Co.of 24th Febry
& Haldor Virik's reply of 27th Febry.& ours of the
3rd March to the latter.
- 6 Anning & Cobb's priced Hide catalogue of 26th February.
- 7 Wool market report.
- 8 Letter of A.L.Allan.
- 9 *Additions to Code.*

London 4th March, 1914

Enclosures per Supplementary Mail

Originals

- | | | |
|---|---|--|
| <p>100 ✓
50 ✓
100 ✓
10 ✓
100 ✓
100 ✓
100 ✓
50 ✓
<hr/>610
100 ✓
100 ✓
<hr/>810</p> | <p>1
2
3
4
5
6
7
8
9
10
11
12
13
14</p> | <p>Account Current & vouchers.
Remarks on Accounts.
List of General Cargo per "Orissa"
Remarks on Stores.
Invoice for goods shipped per "Orissa" A.F.Cobb
Copy of letter dated 19th Febry. from J.Thorley, Ltd
with copy of enclosure attached.
Sight Draft on J.Kirwan for £48 . 12 . - B/L attached
Falkland Islands Transport Co., Ltd.- Share Certificate
Nos.5/14 in the names of Mrs O.Dean, H.Waldron, J.G.
Felton, H.Petaluga, G.Bonner, Mrs Scott, A.Morrison &
R.Grant, Mrs S.Hansen, Vere Packe & A.E.Felton.
General Invoice goods per "Orissa"
Copy of letter from the Anglo Egyptian Cigarette Co.
dated 25th February.
Priced Wool catalogue.
Lamb, Minimax & Morton's invoices for goods per "Orissa"
Copy of Cablegrams sent 4th & 5th March.
Letters for the following:-
W.A.Harding
A.L.Allan (2)
First of Exchange for £ 42 . 19 . 4. on T.& N.Binnie
with B/L attached.</p> |
|---|---|--|

London 7th March, 1914

Indexed

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)
REGISTERED 1902.

61, Gracechurch Street.

Per Oropesa.

N^o 1131.

London, E.C. 1st April, 1914.

Sir,

I have to acknowledge the receipt of your despatches 458, 459, and 460, all of which arrived on the 16th ultimo.

2. 458. The accounts are very satisfactory, and call for but little comment.

Store. The profit keeps up well, notwithstanding the absence of ships. The only unsatisfactory feature is the very large stock, the reasons for which are quite understood, but at the same time you will no doubt try to get it well reduced during the year. The "Falkland" cargo might have been left to this year, as it really belongs to it.

Company's Shipping. The expenditure on this needs no criticism, as the importance of keeping up the floating property is appreciated. We should certainly not think of capitalizing a penny of it.

Samson. You have dealt with this in the right way, but later on when we make up the final accounts we may, perhaps, write off something.

Schooners. Quite right.

Buildings. In good years the Board are going to adopt the principle of paying for a portion at least of the renewals out of revenue, instead of capitalizing them, but you will have to send forward the returns as usual, and we shall deal with them here.

Wages. This item must be expected to increase, especially as you are able to deal with necessary repairs in the absence of ship work.

Canning Account. You have put the unsold value of tallow at

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

a safe price, which is fortunate, as the market is in a poor way just now.

3. 459-2. Messrs. Ince consider that we have all we want now, and the arbitration is to take place on Monday next, the 6th inst.

4. Accepting the correctness of what you say about the absence of any trustworthy men capable of sailing schooners, it may be a question some day whether we ought not to send out and keep on our staff two such men, but we must hope at the present time that the "Falkland" will run without accident. As to having a possible successor constantly in view, or one that could be chartered, both are out of the question, unless you know of a boat at Sandy Point that would be available in an emergency. The requirements are such that no vessel possessing them could be found, for it must not be forgotten that passengers have to be provided for as well as cargo, and although suitable coasters for the latter are numerous, passenger accommodation is wanting in all of them. I remember hearing that one of Braun & Blanchard's Captains, who was specially sent here to get a boat for them, took something like a year over the business, and our experience last autumn was not encouraging.

5. Par. 5. My remark about carelessness referred to what used to take place in my time, and I assumed that you also would find instances of it. I explained in the latter part of the paragraph how the discrepancies arose.

6. Par. 8. You will most likely find that the duty in Buenos Ayres would kill the price of tallow.

7. Par. 9. J. L. Waldron Ltd. have made no complaint about their Tallow.

8. Par. 10. We are in rather a cleft stick about the cargo boats, as sooner or later Lowdens will have to send out coal for the "Falkland". If the general public knew about them, would they be likely to increase the orders that in any case they would send for the mail steamers? If not, there would be no harm in making the matter known. We cannot order goods for ourselves that we do not want, simply to give the PSNC freight.

9. Par. 12. Since you had already got the written engagements of the farmers to ship for five years, it was, perhaps, unnecessary

to send out those forms at all. In any case, on consideration, I think that they should not be sent here, as they may be wanted as evidence in any case of breach of contract. I will speak to Mr. Connell about this.

10. Par. 19 and despatch 460. It is disappointing that you have not said a word about the steamer, for if you were unfortunately prevented from going on board through illness, a report of the general impression entertained about her by others would have been most interesting. All the information you have given has been passed on to Mr. Connell. What you report about the refusal of the Government to allow Saanum to take charge of the steamer is astonishing to us, and it is likely that a great blunder has been made. If the Registrar of Shipping allowed him for some years to command another British vessel, he was bound to explain why and by what authority he refused him charge of the "Falkland". If he is right now, he must have been wrong in the other case; the Board of Trade could not give special exemption to Messrs. Salvesen, and, in fact, you will see from their letter to Lowdens that it was not so. Lowdens have taken it up with the Board of Trade, and more will be heard of the matter. It must not be forgotten that Saanum was allowed to take the "Columbus" to Montevideo and back by this same official, and now, as we understand, the provisional certificate will not admit his competency to do that with the "Falkland". The whole thing bristles with mystery; it must have been common knowledge for weeks that Capt. Saanum was to take the boat when she arrived, and yet ~~this~~ ^{this} thing was sprung upon you at the last moment, and was a secret that was not to be divulged. If the Government are, as we understand, friendly towards you, why did you not get an inkling from them of what they proposed to do? Who could have moved in the matter, and why? I hope that you will get at the bottom of the affair, and let us know all about it; it looks like a move by someone who has no good feeling towards the steamer or her owners. In a case like this, it is always ^{well to} remember that it is open to you to say that you doubt the legality of the action taken by an official, that he does it on

his own responsibility, and will, of course, put up with the consequences. If wrong has been done, and the steamer has suffered, it is quite likely that an action will follow.

Boats. Mr. Connell has written to Salvesens about their being unsuitable, but I have not heard what reply he has. I have heard more than once, from Mr. Blake I think, of the excellent scows or rafts that are carried by the Punta Arenas boats, and until lately I thought that those sent out were on the same model.

Correspondence. I have asked Mr. Connell about this, and he is quite willing to avoid the duplication of reports that has been customary hitherto; he will be satisfied if you report to this office, and as what you will write will be on matters of detail connected with the steamer's work, not specially interesting to all, I think you had better send a separate letter each mail, with a carbon copy for Liverpool. In addition to this, Mr. Connell will expect a letter direct to him from Capt. Saanum, the sort of letter he used to write to Salvesens, giving details of his trips, and enclosing returns and a copy of the engine room register, forms for which I understand have already gone out.

Cable. The word "Sopesares" arrived before we knew what it meant, and caused a general search in the office, which was naturally fruitless. We understand from this that all trouble is over for the time being.

11. The PSNC are stubborn about our claims, and although they have at last conceded the one for our own bales of Wool, they are disputing that for the HP bale that has been before them so long. This hangs on a bale of hair that was not put on the Bill of Lading, and although we satisfied the Royal Mail, the question has been reopened in Liverpool, and we have to ask you once more for the original receipt given, which we returned to you some time ago. Unfortunately there is more trouble with the "Corcovado", which has delivered 53 instead of 54 bales of Skins and 261 instead of 266 hides. If you have any evidence about these discrepancies, please send it forward, for we are sure to have trouble. Is there no way of avoiding these disputes, which seem to increase in frequency?

12. We are also in trouble with the Company over the freight on last year's meat, as they are claiming an extra 2/6 on the portion forwarded to Liverpool, on the ground of the custom ruling that an importer cannot have the choice of markets without paying extra, and they have made the singular assertion that both Bills of Lading were made out for London. This we were naturally able to contradict, by sending the documents themselves, which showed an equal quantity for both ports; but we did ~~not~~ retain in London 500 cases from the Liverpool Bill of Lading, and on these we are paying. In shipping this year's meat, please make out the Bills of Lading in the proportion of two-thirds for London and one-third for Liverpool, which will about meet the case, and I have to add to this that there should be no more than 500 cases on one B/L for either port, the reason being that if split up in this way some of the larger buyers may take 500 cases on c.i.f. terms, and save all landing expenses. The PSNC now say that the Captain of the steamer asserts that he was told in Stanley that all the meat was for London, and only heard at the last moment that there was a B/L for Liverpool. There was also some drivel about the cost of sorting, but as all the cases are exactly similar it is too absurd to notice.

13. On the date given in your message we have got another £5000 from the Anglo-South American Bank, £2600 on the 18th to cover the third shipment, and £2400 on the 30th ult. for the fourth. This seems to keep us safe, and we shall go on getting money from time to time as may be necessary.

14. The question has been raised as to whether you should keep some of the ox tongues for sale in Stanley. This must depend entirely on what you could get for them; here they are worth from 1/3d to 1/6d per lb., and freight and expenses would not run into much; probably you would not be likely to sell many at such a price, and unless you are quite sure you should send them home. Tongues always open up better in cold weather, and it would be better to avoid shipping to arrive in August. I may add that the instructions about Liverpool only apply to the meat; tongues and Extract must come here.

*dup. part
Landed
1896.7.2*

15. By a late mail you sent us an account against the New Whaling Company, but it was not signed by anyone or certified by their Manager, and since we sent it to Messrs. Salvesen with a suggestion that they might pay it, we have heard nothing more about it. The Balance Sheet shows that they owed on ~~the~~ the 31st December £921.15.6, and this remains unpaid three months later: some understanding should be come to for more prompt payment, as we are now unable to set off against advances to them sums due to the "Columbus". This you can arrange perhaps with the Manager, for we ought not to have large sums outstanding, especially at the beginning of the year. Outside this Company, we seem to have about £1000 advanced to other Whaling Companies, a sum likely to be much increased when the ships return from the South. We applied to the Manager of the Normanna Company for a fairly large amount, and received the reply that it would be paid when his Company came home, whatever that may mean. To put the business on a proper footing it seems desirable to come to an understanding with the Whaling Companies about advances, and perhaps get Banking or other credits, for we appear to depend on the catches for our money, and although these have been good, they may not always be so, and the present course of business has a good deal of "happy-go-lucky" about it, unless we are mistaken.

16. The Guarantee Society asked if they might appoint you their agent in the Colony; we said that we had no objection, but did not anticipate that you would get any business. Their idea is that some Government officers might have to find security.

17. We have your cable about the "Flamenco", which may again miss the sales, although we cannot judge about this, not knowing when she was in Stanley. We have been expecting to hear about further orders for space, which will be taken up promptly in Liverpool as soon as we get advice.

18. Your cable about delaying the contract with the PSNC is quite unintelligible, and we must wait to see what it means. You have reported that all the shippers have agreed to the arrangement, and here all the residents have signed, this has been reported to the Pacific Co., and the matter has been confirmed and

settled in correspondence between them and our agents after reference to us, and is unalterable. From the date of your message I fear that next mail will throw no light on the mystery.

19. Although the "Corcovado" was too late for the sales, we managed to sell a good portion of our own wool and some of Mr. Packe's by private contract, at prices equal to and in some cases a trifle over those of March last year. We took those prices as a basis to work on, and would have sold other lots, but could not get sufficiently tempting offers. H & B also fetched excellent prices, and although things might be even better next time, we thought it better to take what we were offered, good as it was, instead of gambling on the future.

20. The Directors are sorry to find that you have been so unwell, and think that in order to avoid a complete breakdown you should take three months' leave at once. This has been conveyed to you by cable, and we trust that you will act upon it at once without waiting. Probably you will take a trip in South America, and if you can throw all business cares to the winds, and go in for enjoying yourself in fresh scenes, you will return to the Islands a different man.

21. Unhappily Mr. Allardyce goes out by this mail, and we expect storms to be raised on his arrival. I have asked Mr. Connell to see him in Liverpool, and talk to him nicely about the "Falkland", touching, among other matters, on the question of the coasting manifests. Speaking as a Shipowner and Broker, he may be able to make an impression if he clearly gives the facts with regard to coastwise cargo here.

I am, Sir,

your obedient servant,



Managing Director.

DESPATCH no. 1131 per "Oropesa", 1st April, 1914.

Precis of Subjects.

1. Acknowledges despatches.
2. Remarks on annual accounts@
3. Refers to arbitration re Marco Polo.
4. About providing emergency substitutes for steamer.
5. Making up monthly sales, explanation about.
6. Duty on Tallow in Buenos Ayres.
7. Waldrons have not complained about tallow.
8. On goods for cargo boats.
9. About forms of contract for shipping.
10. On "Falkland" and objection to Saanum, boats and correspondence
11. Claims on Pacific S. N. Co.
12. Instructions for shipping meat, and remarks on last cargo.
13. Further cash received account of Buzzi.
14. About price of Ox tongues and selling in Stanley.
15. Refers to Whaling Companies' accounts.
16. Offer of Guarantee Society's agency.
17. Cable about "Flamenco" received.
18. Cable about contract with PSNC unintelligible.
19. Wool per "Corcovado" partially sold.
20. Board desire Manager to take a holiday.
21. About Mr. Allardyce's return.

Enclosures via Lisbon.

ORIGINALS

- 1 Account Current & Vouchers.
- 2 Remarks on Accounts.
- 3 Remarks on Stores
- 4 List of General Cargo per "Oropesa"
- 5 Clients' Invoices goods per "Oropesa"
- 6 Copy of Cablegram sent 3rd April
- 7 Suppliers' detailed accounts goods per "Oropesa"
- 8 Copy of letter from W.Lowden & Co.dated 1st & 2nd April
- 9 Sight Draft on J.Kirwan for £58 . 7 . 6 for collection
B/L attached.
- 10 Sight Draft on H.E.Bennett for £ 39 . 9 . 3 for
collection B/L attached.
- 11 General Invoice goods per "Oropesa"
- 12 John Hoare & Co's Wool catalogue of 9th March.
- 13 Press copy of Brokers contract for 20 casks Tallow ex
"Corcovado"
Co's
- 14 Royal Insurance Policy on property covered in the Islands
Letters for the following:-

- W.A.Harding. (3)
- A.L.Allan (2)

London 4th April, 1914

Enclosures via Liverpool

Duplicates

Despatch No. 1130 dated 4th March.

Remarks Accounts.

Remarks on Stores

Account Current.

List of General Cargo per "Orissa"

Clients' list of Cargo per "Orissa"

General Invoice goods per "Orissa"

Additions to Code.

List of Parcels.

B/L cargo per "Orissa"

Second of Exchange for £ 42 . 19 . 4. & B/L attached.

,, ,, £ 48 . 12 . -

B/L for Bungolow shipped per "Oriana" for Dean & Anson

Clients' A/sales :-

A F C	2 bales	Sheepskins	ex "Huanchaco"
F B	3 bales	,,	,,
J R	2	,,	,,
M & G	3	,,	,,
T R	11	,,	,,
F B	16	,,	,,
B B	3	,,	,,
McG	13	,,	,,
M C M	1	,,	"Flamenco"
H P	1	,,	"Inca"
Z	22	Salted Hides	"Huanchaco"
T R	4	,,	,,
McG	52	,,	,,

Enclosures via Liverpool

Originals

- 1 Wool Market Reports.
- 2 Copy of Cablegrams sent dated 12th & 24th March.
- 3 Copy of Cablegram received 21st March.
- 4 Copy of letter from W.Lowden & Co.dated 25th March and
Extract of letter from Capt.Jenkins of S.S."Sorata"
- 5 Copy of letter from P.J.Mantle dated 25th March with
enclosures attached.
- 6 Copy of letter from Anning & Cobb dated 27th March re
Sealskins ex "Huanchaco".
- 7 Copy of letter from W.Lowden & Co.of 17th.19th.& 28th March
to the Board of Trade of 17th & their reply of 24th
to Chr.Salvesen & Co.of 19th & their reply of 21st Mar
- 8 Copy of letter from Chr.Salvesen & Co.dated 26th and extract
from letter dated 27th March.
- 9 Press copies Brokers' reports on Wool,Skins & Tallow ex
"Corcovado"
- 10 Clients' Reports :-

S & S	34	bales Wool ex "Corcovado"	
S	100	"	" & contract for
A F C	42	"	43 bales
S I	31	"	"
H & B	15	bales Sheepskins	"
S I	17	"	"
S	8	"	"
S & S	6	"	"
W C M	15	"	"
S	26	Salted Hides	"
Z	3	casks Tallow	"
S I	16	"	"
A F C	1	"	"
H P	27	"	"
H	1	cask Sealskins "Huanchaco"	contract only
- ~~11 Copy of letter to A.P.Killik dated 28rd March~~
- 11 Anning & Cobb's Sheepskin & Tallow catalogues
- 12 Copy of letter from Chr.Salvesen & Co.dated 31st March.
- 13 Small parcel Spoons from Cooper Pegler & Co.

LONDON 1st APRIL, 1914

Inland

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)
REGISTERED 1902.

61, Gracechurch Street.

Per Oronsa.

N^o 1132.

London, E.C. 29th April, 1914.

Sir,

I have to acknowledge the receipt of your despatch no. 461^{es} and 462, which arrived on the 14th instant.

2. 461-6. A list of those who have signed the freight contract both here and in the Colony is being made up, and will be enclosed. Although you reported on the 26th of January that Mr. A. E. Felton had agreed to ship his produce, his letter of a month later shows him unwilling to sign. This does not matter in the least, as his former letter holds good; it does seem a little absurd that a man whose whole produce is a trifle should expect to get conditions that have been refused to some of the largest farmers. He should know that there will always be a chance of taking his wool when the steamer is going to Roy Cove or New Island, and no doubt you will do the best you can for him. But it is just as well that it should be known that anyone refusing to take the offer made will be liable to be charged not less than 1d. per lb. on his wool and skins.

3. Par. 7. Regarding the mail service, Mr. Connell is replying in part to your remarks. He saw Mr. Allardyce in Liverpool, and the latter promised to do what he could for the Transport Co., having evidently been impressed. That his feeling towards Mr. Connell and his enterprise was favourable is borne out by Mr. Alcock, who went to La Pallice in the "Oropesa". But the position taken up by Mr. Connell was that everything was in the hands of his firm, and that we occupied a back seat altogether; in the interests of all concerned this should be kept up, and it is to be regretted that a remark extolling the enterprise of this Company

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

should have appeared in the local newspaper. I hope that you contradicted this in the next number. The real truth is that we and Lowdens hold an equal interest, both in shares and debentures, in the Transport Company, and that so far we have been working together for the common interest without a shadow of a difference of opinion, a state of affairs that we hope may continue indefinitely. But knowing the Governor's feelings about us, it is not desirable in dealing with him to put our name forward more prominently than can be helped. Mr. Allardyce evidently thinks that the "Falkland" should have a larger subsidy than the "Columbus" had, and he made a proposal to Mr. Connell that in certain circumstances, connected with salvage I think, she should be placed at his disposal! This is just what Mr. Connell will not agree to, but he made some diplomatic reply evading the question.

4. Par. 11. The Board will confirm any arrangement you may make about the Foreman Carpenter.

5. Par. 12. The "Glanogwen" fiasco is getting worse and worse, in fact we are on the brink of a lawsuit against the Vendors, and are only awaiting Counsel's opinion as to our chances.

6. Par. 17. This has, to a great extent, been answered by Messrs. Lowden's letter, copy enclosed, which also deals with par. 20. I may also mention that in the tonnage to be shipped the shipments of the Government, Waldrons, Deans, and the general public are likely to run into high figures; the Governor seemed to take to the idea of these two cargo boats, and will give some help I expect.

7. Par. 19. The diaries and logs relating to the "Marco Polo" salvage arrived too late for the arbitration, which was held before Mr. F. Laing, K.C., and resulted in an award in our favour of £900, quite a satisfactory sum, considering that £500 was the best offer the other side had made. We have not had the settlement yet, but it should come in shortly, and we shall then ask Messrs. Ince to make an apportionment, taking into consideration the high wages we paid the salvors.

8. Par. 20. As already remarked this has been dealt with by

Messrs. Lowden; I will talk to Mr. Connell when next up about the passages of our own men, and at least arrange that you, as Manager of the boat, should always be carried free. I think, also, that if the Governor wants to go on one of her ordinary trips, it would be impolitic to make a charge, although if he wished to deviate from her course or delay her it would be a different matter.

9. Par. 24. At the present time the position with regard to Buzzi & Co. is that we have received in all £12,600 from the Anglo-South American Bank, the last £2,600 having been paid on the 18th inst. We are a little ahead of time, and need not agitate ourselves about the next payment for some ten days. They have kept good faith with us, and, no doubt, will be prompt in their payments up to the end, though we shall still have to see that the Bank gets regular remittances up to the end. What are we going to do with all this money, and what are your arrangements? J.L. Waldron Limited wanted to draw theirs, but we pointed out that most probably Roy had drawn upon you in their favour against the credit, and that the Manager had instructed you to place the amount to the credit of their current account, in any case if a remittance had to be made it would be through you.

10. Par. 25. The remonstrances that we have made from time to time about the late arrival of steamers with wool has had an excellent effect, and the "Flamenco" reported two days before the appointed time. But, most unfortunately, on this occasion a limit of so many thousand bales for the May sales had been decided on, and although the PSNC were in touch with the "Flamenco" by wireless for several days, urging the Captain to report at the nearest signal station, wireless not being recognized according to the rules, she was cut out by a boat called the "Volga", which reported on the Saturday morning while the "Flamenco" only made her number in the evening. It is unfortunate, but not the fault this time of the Valparaiso Manager, and I told the PSNC so, which seems to have pleased them much. This limit appears to be only put on when there is likely to be a glut of wool; up to the present it has not affected us, and we have known nothing of it. If good prices are offered, and of that there seems every chance, we

shall again sell by private contract, and do the same for others who we know will trust us. In this I except the owners of the S&S mark; but as there will be some of their wool up from the "Corcovado", which was left severely alone last time, we shall have a basis to go on in dealing with the new lot. You have not yet wired us, as instructed, about orders sent to Valparaiso. The measurement of the "Sorata" cargo is being made up, it was all charged for by weight, or nearly all.

11. ~~11.11.11~~. 462-3. Note has been taken of the accident to a bale of wool at Johnson's Harbour, and we shall make a claim when we get the necessary particulars, including the original weight, and that of the bale when dried and ~~repressed~~ repressed.

12. Par. 5. The weight of the ewe and hogget wool is not very important, and I see that as the pieces and bellies are mixed up it cannot be given; I asked, because we have several times been told that the wethers have weighed so much all round, and I thought that the same information might have been available about the others.

13. Referring to par. 11, estimating the Pebble wool at 32 feet per bale, as in a former shipment, actual figures not being obtainable, the "Sorata" shipment works out at 966 tons measurement and 41 tons weight.

14. I am sending letters received from a Marine and a Stoker belonging to the "Glasgow", as I think they might be handy men, especially the stoker, who might be useful at Goose Green.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No. 1131 dated 1st April.

Account Current

Remarks on Accounts

Remarks on Stores

B/L general cargo per "Oropesa"

Second of Exchange for £ 58 . 7 . 6 on J. Kirwan

General Invoice goods per "Oropesa"

Second of Exchange for £ 39 . 9 . 3 on H.E. Bennett

List of General Cargo per "Oropesa"

List of Clients' Cargo per "Oropesa"

List of Parcels

List of Enclosures.

Clients Account Sales:-

M & G	36	bales Wool ex	"Huanchaco"
T R	6	,,	,,
J B	34	,,	,,
J R	31	,,	,,
B B	19	,,	,,
H & B	122	,,	"Corcovado"
S	40	,,	,,
Z	3	casks Tallow	,,
A F C	1	,,	,,
J B	14	Salted Hides	"Huanchaco"
McG	23	,,	,,
T R	10	,,	,,
Z	15	bales Wool	"Huanchaco"

Sundry Clients' Reports on Wool Tallow & Hides ex "Corcovado"

Enclosures via Liverpool

Originals

- 1 Copy of Cablegrams received dated 7th, 14th & 20th April.
- 2 Copy of Cablegrams sent dated 9th & 20th April.
- 3 Letter from (Stoker) James Smith of H.M.S. Glasgow dated
14th April.
- 4 Letter from (Private) W. Whittaker do. do.
- 5 Hayward Tyler & Co's invoice dated July, 1892 returned.
- 6 James Smith's signed agreement.
- 7 Copy of letters from W. Lowden & Co. dated 15th & 23rd
& our reply of 28th April.
- 8 List of signed Agreements received for the 5 years
freight contract.
- 9 Wool market reports.

Letters for the following:-

A.L. Allan

W.C. Girling.

Capt. Thomas

London 29th April, 1914

Enclosures per Supplementary Mail

Originals

- 1 Account Current and vouchers.
- 2 Remarks on Accounts.
- 3 Remarks on Stores.
- 4 General Invoice goods per "Oronsa"
- 5 List of General Cargo per "Oronsa"
- 6 Particulars of weights & measurements of Cargo per "Sorata"
- 7 Priced Wool catalogue (April 29th)
- 8 Morton, Scott & Barclay's invoice goods per "Oronsa"
- 9 Copy of letters from W. Lowden & Co. dated 29th & 30th ^{April} (2)
& our reply of 1st May.
- 10 Copy of W. Lowden & Co. letter dated 29th April to Governor
Allardyce.
- 11 Copy of letter from Chr. Salvesen & Co. dated 30th April &
our reply of 1st May.

Letters for the following:-

W. A. Harding, Esq. (2).

A. L. Allan, Esq. (2)

LONDON 2nd May, 1914

Hand

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per Oriana.

N^o 1133.

London, E.C. 27th May, 1914.

Sir,

I have to acknowledge the receipt of your despatch no. 463 and of your letter of the 16th ult.

2. Par. 2. If Mr. Buzzi's idea is to establish a credit in London on which he or you can draw for purchases of sheep in favour of the sellers, the business will be simplified, and it will be on the lines I have already suggested. We have understood that such an arrangement, by which a large sum might have to be put up, would possibly be inconvenient, and at any rate expensive. If the sellers can get good prices for their sheep on good security, they can hardly grumble at having to wait for the maturity of the drafts; they are lucky in getting cash down, and if they are in a hurry for their money the bills can always be discounted. The present arrangement is not satisfactory in more than one way; it causes anxiety both in your office and ours, and in addition to this the present position is that, although we have £15,000 in our hands belonging to other people, which we are ready to pay over at any time, the consequence of your having failed to give us any information of the various sums due to the sellers, which are credited to their accounts at Stanley, is that we are unable to disburse the money. We have paid Holmsted & Blake £2,000, on assurances received from Mr. Blake and Mr. Miller that the purchase money stands to their credit, but we cannot treat everyone like this, and the position in which we find ourselves is awkward.

3. Par. 3. The question of the passage home for Captain Saa-num and his family has been conceded by Messrs. Lowden, and the rent of the house should be charged as you say.

4. Par. 5. As we have a fixed rate here for wireless messages,

W. A. Harding, Esq.,

Manager,

Stanley.

there seems to be no reason why a similar one should not be established homewards.

4. Par. 6. In writing about the collection of wool by the tug and hulk, I was perhaps, without sufficient data to enable me to express a decided opinion. What passed through my mind, I think, was that the crew of the "Samson" must have been a far more expensive one than that of the coasting steamer. I hope that when the accounts are made up my fears will prove to be falsified.

6. Par. 8. In the matter of the mail contract we can only await your advices. Messrs. Salvesen seem to be anxious to get rid of it, and I believe that Mr. Connell was going to write to them that they would take it over if a three-monthly call at New Island would be approved of, and if the Transport Company could be relieved of the liability to provide another vessel in case of a breakdown. He will make it clear to the Government that this can only last until November, and that after that a better subsidy will be looked for.

7. Par. 10. We must have a vast overstock of wood, if there is no room in any of the sheds for a portion of the "Lady Elizabeth's" cargo. Remarks have reached us that you are selling this at very high prices, but I believe them to be unfounded, as you reported the rates at which you could show a good profit, and these were decidedly moderate. I think that the price of the 12 by 12 piles is complained of, but the critic may forget that each one contains 12 inch planks a foot wide.

8. Par. 11. Transfers of 190 shares in the Transport Company are sent herewith, but the Certificates cannot be executed until the transfers are returned signed by the purchasers. I think that the signatures witnessed by a Justice of the Peace would be accepted.

9. Par. 12. The Board are willing to leave it to you to settle Biggs's wages, but are glad that you gave them the opportunity of remarking that if it had not been for the total cessation of ship repairing he would have been contented to go on as before. Are you suggesting that the sum to be paid to him shall

be an inclusive one, and that the Company are to get the benefit of the extra charge for his services as foreman and survey fees, in the event of any ship being seen in Stanley again for repairs? Biggs's wages have been £130 per annum, and the Directors' opinion is that an addition of over 50%, or £200, would be ample pay for a foreman carpenter, with a free house in addition, and no broken time. They do not think that the position ranks with that of Captain Thomas, whose responsibilities are much greater, and it must be borne in mind that if shipwork is a thing of the past, the Company also suffer in the loss of profits that we used to derive from it. . However, having said this, the Directors do not wish to fetter your action, and if you think that Biggs is worth £225 per annum, you must use your own discretion.

10. Par. 14. No decision can be arrived at about an Engineer for Goose Green, and Mr. Allan has only casually referred to the subject. We must wait until it has been decided whether we continue to run the Works next year or not. At first sight it seems somewhat wasteful to have a highly qualified Engineer to carry on some six weeks' work in the year, and surely a man with the qualifications of an intelligent fireman would be good enough, instead of sending out another Mills to kick his heels about during the greater part of the year. Looking back on the history of our Engineers from 1873, when we first employed Martin, it will be seen that we have always had one, who was stationed where he was most wanted. Martin first lived in Stanley, and went out to do the boiling down; later he was removed to Goose Green, and from that time all the Engineers lived there, making periodical visits to Stanley to overhaul the machinery there. Then the "Samson" went out, and of course you were obliged to have an Engineer in Stanley, so Atherton and Noble overlapped for some two years, but on the departure of the latter the Camp work was carried out by a handy man, just as that at Stanley had been previous to the advent of the tug. The question for consideration is whether the machinery in Stanley and outside has or has not been so much increased and extended as to be beyond the control of one first-class man, aided by others of a lower rating, but still capable of carrying

on in the absence of the chief Engineer, after the latter has personally satisfied himself that everything is in order.

11. Par. 17. The Directors hope that you took the full holiday they prescribed, and that your health has been fully restored. From the absence of information on various points which had been looked for, they judge that you must have been just on the move, and that you had not realized how much we should be disappointed.

12. Although the "Falkland" arrived out at the beginning of February, we have not had a single figure relating to her earnings, and are completely in the dark. We know that she has made various trips, and we hear of her having carried a number of passengers and a quantity of cargo, but of all this details are absolutely wanting, and neither we nor our partners Messrs. Lowden have the smallest idea of how she is doing. I believe that they are preparing forms that will have to be filled up and returned by each mail: the long and elaborate statements of outward freights from Stanley, which used to be sent to Salvesens are not required, as I understand that Mr. Connell will be satisfied if Capt. Saamum scrutinizes them, and what are required are the summaries of earnings which will give a sufficient idea of the progress she is making, together with a monthly statement of all outgoings, the latter being very important. We hear vaguely that expenses for repairs have been heavy, but no account of them has been sent, and the long and short of it is that accounts are anxiously awaited, and must be furnished regularly. Does Captain Saamum collect any portion of the passage money? This should be on a different footing now, and should all come in one account from the office. Although you have not referred to the Engineers, passengers who have come home say that there is friction between them and the Captain, and that one or both of them may be leaving before long; however this may be, and it is disquieting to hear such remarks, which may have no foundation, I understand that the Chief Engineer, who is a pawky old Scotsman personally, is nevertheless a man who has been long in the ship, and was thoroughly trusted by his late employers. It would be

unfortunate and create a bad impression if Captain Saanum's breeziness and impetuosity led to a rupture with the Engine room staff, unless he could show without any doubt that he was entirely in the right. Mr. Connell is surprised at the amount of overtime incurred, and the only explanation I can give is that when the men work at outports beyond the usual hours it has to be paid, but what the arrangements are now I do not know. I cannot remember having to pay this to schooner men, and it certainly cannot be for work on board at sea.

13. We took a good deal of trouble over the motor launch sent out in the "Falkland" at your request, and yet you have not even mentioned her, beyond saying that she had been landed.

14. We have had an unusual amount of tallow damage to the wool per "Flamenco", and it is not only hard but sometimes impossible to recover from the PSNC, while there is no claim on the insurance policy at all. You should caution Captain Saanum not to stow wool on the top of tallow, not that I think that the damage occurs before shipment, and in some cases it is doubtful if it is tallow at all. My theory is that when wool and tallow are shipped in the same vessel the Dock people put every stain down to tallow damage, when it is only grease from the fleeces that is oozing through the tares. It would be well to say something to the PSN Captains about this.

15. There are still some freight agreements that appear not to have been signed. If you have any decided refusals, you must let us know, and we will deal with them.

16. We have sold a lot of wool by private contract again, and at very good prices. The "Duendes" seems to be after her time, and if the "Huanchaco" is so also her wool will be too late, as the last two shipments have been. I hope that you have now sufficient labour in Stanley to give her good despatch, but we ought to hear of her in a day or two.

17. I am sending a new mail itinerary made up from the one just issued by the Pacific in consequence of their sending the steamers to Panama; it alters our dates entirely, as you will have the outward boat six days after despatching the homeward

one, and then a period of 22 days without any steamer at all. The chief thing about it is that it will enable us once more to write via Punta Arenas both ways, as there is a homeward boat due there five days after the arrival of the outward one, while the interval the other way is only four. This intermediate mail, although it will take longer in transit, will at times be of considerable use; I can see, for instance, that you will have to make a practice of sending your Store indents by it, as the boats are going to be turned round in Liverpool in nine days, instead of 17, making it practically impossible to get indents executed by return. Advantage may often be taken of the opportunity of visiting Punta Arenas on the way home, although the time will be six days longer; but on the other hand who would not prefer two days in the "Oropesa" and 26 in the "Orduña" to a complete voyage in the first named? Then the "Falkland" will be affected, for if she has to bring passengers for the homeward boat, there will only be six days before the outward one arrives, too short for a trip to any distance, and who is going to pay for her detention in Stanley? This may raise the question whether she can be required to meet both steamers without an immediate increase of subsidy, a point that I think was raised by Salvesens some time ago. I enclose copy of a letter from the PSNC about this alteration in the service, which you will see they are taking up with the Post Office, and of another from Messrs. Lowden referring to the way in which the "Falkland" will be affected.

18. We have had a settlement of the "Marco Polo" salvage, and a statement of the apportionment by Messrs. Ince is enclosed.

19. The last named have just given us a simple Salvage form which they recommend for use. It incorporates Lloyd's standard form, and has the advantage of including more than one salving vessel, thus getting over a difficulty in our case when the "Plym" has also been rendering assistance.

20. On examining the return of fencing in the Camp and at Stanley, it is necessary to ask why there is a further order by this mail, for there must already be a huge overstock. The fig-

ures we have are of course those of the 31st December, and a portion of the Camp stock may have been set up, but the figures are extraordinary, and represent a length of fencing that cannot possibly be erected for a long time. It may be that the order is a special one for a client, but there is nothing to show that it is, and if it is wanted to supplement what we already have for our own use, it will only add to the total of stock in hand that is far above the normal without being of any practical use. The quantities run out as follows:- Standards sufficient for 100½ miles, Straining pillars 45 miles, Wire 78 miles, Split pins 59 miles, Droppers 78 miles, these were in stock, and the comparatively short supply of straining pillars may be accounted for by 457 Luma posts also in stock. On the top of this you now order Standards for 18 miles, Wire for 8, and Split pins for 10 miles. The Board are not wishing to stint the erection of fencing, but this supply of materials seems altogether too much.

21. The "Vimate" is reported as having put into Stanley on fire, and there may be a chance for the "Samson", as ship and cargo are very valuable. Last week she was stated to be on fire 700 miles to the westward of the Horn, and was said to be making for Montevideo. We shall watch for news with interest.

22. Today your cable about cargo per "Huanchaco" has arrived, and it looks as if she would hardly save her time.

I am, Sir,

your obedient servant,

John E. Bell

Managing Director.

Section
 Submitted to Mr. A. this year
 for Board Bill + Report
 80 Standard 8 miles
 0500 Droppers 8 "
 261 Gal. Wire 10 "
 7 cut Split pins 7 ½ "
 26 Strainers

DESPATCH no. 1133 per "Oriana", 27th May, 1914.

 Precis of Subjects.

1. Acknowledges despatch and letter.
2. Discusses financial arrangements with Buzzi & Co.
3. On Captain Saanum's privileges.
4. As to Wireless tariff.
5. Refers to earnings of "Samson" and "Fleetwing."
6. Local mail contract, remarks on.
7. About stock of Wood and "Lady Elizabeth's" cargo.
8. Transfers of F. I. Transport Co.'s shares sent.
9. Discusses wages of foreman carpenter.
10. ,, question of Engineering staff.
11. Expresses regret for want of information on various points.
12. Information about "Falkland" required, with remarks on Engineer and overtime.
13. Also about "Harry Lundy".
14. Refers to the question of Tallow damage.
15. Enquires about freight agreements not received.
16. Advises sale of Wool by private contract.
17. Discusses new Mail itinerary.
18. Reports settlement of the "Marco Polo" salvage.
19. On new form of Salvage agreement received from Solicitors.
20. Enquires about overstock of fencing.
21. Alludes to "Waimate" reported in Stanley on fire.
22. Acknowledges cable about "Huanchaco".

Enclosures per Supplementary Mail via Lisbon.

ORININALS.

- 1 Account Current & vouchers.
- 2 List of General Cargo per "Oriana"
- 3 General Invoice goods per "Oriana"
- 4 Remarks on Accounts.
- 5 Remarks on Stores.
- 6 Copy of letter from Ince Colt Ince & Roscoe dated 28th May.
- 7 Clients' Invoices goods per "Oriana"
- 8 Spratt's & Salt Union's invoices for goods per "Oriana"
- 9 Sight Draft on J.Kirwan for £43 . 6 . 7 B/L attached.

Letters for the following:-

W.A.Harding, Esq.

A.L.Allan, Esq.

10 *Printed Balance Sheet & P.L. for 1913.*

London 29th May, 1914

Enclosures via Liverpool.

Duplicates

~~Despatch~~ No. 1132 dated 29th April.

~~Account~~ Current.

~~Notes~~ on Accounts.

~~Remarks~~ on Stores.

List of Enclosures

General Invoice goods per "Oronsa"

List of General Cargo per "Oronsa"

List of Parcels.

Bill of Landing goods per "Oronsa"

Clients A/sales:-

S & S	6 bales	Sheepskins	ex "Qarcovado"
W C M	15	..	..
S	8	..	..
S	26	Salted Hides	..
H.	Quantity	Sealskins	"Huanchaco"

Enclosures via Liverpool

Originals

- 1 Wool Market Reports.
- 2 Copy of Cablegrams sent dated 6th., 8th., 13th., & 22nd May
- 3 Copy of Cablegrams received dated 5th., 15th., & 16th May.
- 4 Copy of the "Marco-Polo" Award. ✓

Following transfers for completion:-

5. Falkland Islands Co., Ltd. to W.H. Luxton.
 ditto. to G. Greenshields.
 R.L. Connell to G. Greenshields.

Clients' reports & contracts:-

- 6 F 139 bales Wool ex "Flamenco"
- 7 S & S104 ,, ,,
- 8 M V 13 ,, ,,
- 9 A P 86 ,, ,,
- 10 J B 155 ,, ,,
- 11 H G C 99 ,, ,,
- 12 T R 139 ,, ,,
- 13 Brokers' press copies reports on Co's Wool ex "Flamenco"
- 14 Brokers' marked Hide & Sheepskin Catalogues.
- 15 Copy of letter to the Nestle & Anglo Swiss Milk Co. dated
 15th & their reply of the 19th May.
- 16 Copy of letter from the Crown Agents dated 21st May.
- 17 Copy of letters from the Falkland Islands Transport Co
 dated 14th & 15th May.
- 18 Copy of letter from Ince Colt Ince & Roscoe dated 25th ✓
 May re "Marco-Polo"
- 19 Copy of letter from W. Lowden & Co. dated 19th May.
- 20 Amended Mail Table for second half of 1914.

continuation.

- 21 Balance Sheet & Profit & Loss Statement for 1913.
- 22 Copy of letter from Laidlaw Mackill & Co., Ltd., dated 27th May.
- 23 Copy of letter from the Pacific Steam Navigation Co. dated
19th May.
- 24 Copy of letter from Ince Colt Ince & Roscoe dated 26th May ✓
and agreement referred to attach
Letter for A.L.Allan.

& London 27th May, 1914

Messrs

40

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per Orissa.

N^o 1134.

London, E.C. 24th June, 1914.

Sir,

I have to acknowledge the receipt of Mr. Girling's despatch no. 464, which arrived on the 8th instant.

2. Par. 2. The benefit to the Sheepfarmers and the Colony generally of two cargo boats a year is so great, that we must put aside any scruple that we might be inclined to entertain in the matter of the lower freight to competing storekeepers. We have several advantages over them, and should always be able to hold our own. The PSNCo. stipulate for a larger tonnage than it would often be convenient to us to find, and although this will be helped by the coal to be shipped for the "Falkland", the contributions by the general public and the Government will be very useful.

3. Par. 3. The Board of Trade have written to Lowdens that as Captain Saanum has obtained a certificate of competency the matter about which they had written was closed. Mr. Connell, I believe, is going to reply that it is by no means closed, and that it cannot be closed until an explanation has been given of the refusal to ship Saanum in the "Falkland" after he had had the "Columbus" so long without any objection having been raised. This must be cleared up, or there may be trouble in future.

4. Par. 6. Upon the cabled request of Messrs. Buzzi & Co., we lately took up £2600 more from the Anglo-South American Bank, and advised it by wireless. This was for the seventh trip, and the total received up to the present is £17,600. No particulars of the shipments have reached us, but we have at the request of J. L. Waldron Limited paid them £1000 on account, knowing that shipments have been made from Port Howard, and a payment to Holmsted &

W. A. Harding, Esq.,

Manager,

Stanley.

/

Blake, Limited was advised last mail. I assume that you will have sufficient funds in hand after the shipments have been completed to pay our commission on the whole business as arranged, and you will have to debit the firm with the cost of cables and wireless messages advising credits from time to time. I have also to remind you that the commission you were to settle with J. M. Patron & Co. on last year's transactions has not yet been advised as received.

456/6
January

5. Par. 7. Up to the present the Whaling Companies have been paying their accounts, the Odd Whaling Co. being the only one from which we have not received a remittance. At the same time, we ought to satisfy ourselves before going too deeply into advances, and we should like to know what your arrangements are; do you give them practically unlimited credit, and do they draw the bulk of the advances after they have returned with their catches or before? It would seem more regular if the accounts had been countersigned by the Captains or Managers, and it speaks well for the good faith of the various Companies that they should have sent us cheques promptly on receipt of accounts for the correctness of which they have only our word. The business is now running into a good deal of money, and we should like to feel sure that the accounts would be safe, even if the Whalers had a bad season.

6. Par. 9. We have advised Messrs. Waldron of the loss of four bales at Port Howard; they presumably do their own insurance.

7. Par. 10. You will have heard before now that the "Esmeraldas" was to be sent in to fill the gap caused by the despatch of the Pacific steamers to Panama. Probably she will have space for cargo, and her mails may be trans-shipped at Montevideo.

8. Par. 13. Nicholls has been here, and has given an interesting account of his work. In accordance with his suggestion we are sending out some match lining, notwithstanding that the stock of wood is so much larger than usual. We hope, however, that by pricing it moderately you will be able to sell a lot of the "Lady Elizabeth's" cargo before the end of the year.

9. Par. 14. The "Duendes" has arrived, and it is to be hoped that the "Huanchaco" will report in time for the July sales.

She was at Las Palmas on the 21st inst., and should easily save her time.

10. The Pacific Co. are putting on the "Bogota" for Stanley, as they have been asked to take some goods for Port Howard that cannot be carried in the "Orissa", and they proposed to us that we should agree to ship as much as we could, at mailboat, not cargo boat rates. We agreed to this so far as diverting some of the goods intended for the "Orissa" ~~was~~ ^{was} concerned, but pointed out that we had a quantity of rough stuff awaiting the first cargo boat, on which we could not pay the higher rate. We were then asked to schedule those goods which we desired to put in at 32/6, and the Pacific have agreed to it without qualification, except that they cannot, in consequence of having contracted to carry a number of steerage passengers, take the full quantity of paraffin, or petrol, and wish to cut out the matches and tonite cartridges altogether. They will take any quantity of this class of cargo by the autumn steamer. In connection with these boats, Mr. Connell has been talking about the possibility of arranging a through rate from London to the outports by means of the "Falkland", and this, if it could be carried out, would be an excellent scheme, but would require the cooperation of all concerned to make the rates reasonable enough to be tempting. It would pay the "Falkland" to carry a lot of outward cargo at a reduced rate, and it ought to be worth the while of the Pacific Co. to cut the rate on such cargo fine: the question is what could we do in the way of handling at Stanley without loss to ourselves? Let us have your ideas on this subject.

11. In your despatch 450-6, 30th September last, writing about the "Lady Elizabeth" wood, you said that you proposed to sell it at a price a little under what it would cost people to import direct, but that buyers would have a further advantage in getting a splendid quality, something far better than we had ever had before. This seemed to us a reasonable and excellent proposal; we had become possessed of a lot of lumber enough to supply the whole of the Colony for some years, and at such a favourable price that we were in the position, not only of selling it at a

profit to ourselves, but to the advantage of the Colony generally both with regard to price and quality, consequently we expected to stop shipments from outside altogether, - for who would wish to import inferior wood at a higher price than it could be bought at on the spot? - and to turn the cargo into money rapidly. I was much surprised, therefore, when two price lists of wood, supplied by our Storekeeper in 1912 and 1914, were put before me, to find that they were practically identical, the few exceptions showing a rise instead of a fall in the price. I can only suppose that it was done without your sanction, for the statement of your intentions was a definite one, and in any case I suggest that your policy should be to move off this cargo as rapidly as you can, by selling on the terms of your proposal, i.e. at less than the cost price of direct shipments, and not at an exorbitant and disproportionate profit. Already we hear of shipments of wood being proposed on account of the high price in Stanley, and this should not be.

12. No doubt Mr. Connell is writing to you fully about the "Falkland", and I will only send you copies of a few letters received from him, which you will find interesting.

13. At the General Meeting on the 15th inst., after declaring a dividend and bonus making the full return for the year 35% free of income tax, a resolution was passed thanking the officers of the Company for their attention to their duties and for their successful administration of their several departments. At the same meeting Mr. W.M. Dean was elected a Director, and at the Board meeting held immediately afterwards I was appointed Chairman in succession to Mr. Doxat, and Mr. E.B. Goddard Secretary to the Company on my retirement as Managing Director on the 30th inst.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures via Liverpool

Duplicates
~~Originals~~

Despatch No.1133 dated 27th May.

Account Current.dated 29th May.

Remarks on Accounts.

Remarks on Stores.

List of General Cargo per "Oriana"

List of Clients' Cargo per "Oriana"

List of Parcels.

List of Enclosures

General Invoice goods per "Oriana"

Clients' A/sales & sundry report & contracts.

H G C 3 bales Wool e x "Flamenco"

H & B 8 ,, ,,

H G C 6 Salted Hides ,,

A F C 42 bales Wool ,,

S 60 ,, ,,

J B 3 ,, ,,

M V 12 ,, ,,

F 132 ,, ,,

AP 71 ,, ,,

S & S 49 ,, ,,

Bills of Lading cargo per "Oriana"

Sight draft on J.Kirwan

Enclosures via Liverpool.

ORIGINALS

- 1 Copy of Cablegram sent dated 5th June.
- 2 Copy of Cablegram received dated 8th June.
- 3 Copy of letter received from Chr.Salvesen & Co.dated 3rd and our reply of 4th June.
- 4 Copy of letter from T.Scott & Co.dated 3rd June.
- 5 Copy of letters from W.Lowden & Co.dated 10th 11th & 13th June.
- 6 Copy of letter from The Royal Insurance Co.,Ltd.dated 19th June.
- 7 Annual Report & Balance Sheet for 1913.

Letters for the following:-

A.L.Allan, Mrs Wace & G.J.Felton.

London 24th June, 1914

(8)
Despatch no. 1134 per "Orissa", 24th June, 1914.

Precis of Subjects.

1. Acknowledges despatch.
2. On benefit of cargo boats to the Colony.
3. Refers to the refusal to ship Saanum on "Falkland".
4. Deals with the business with Buzzi & Co.
5. Reports payments by Whaling Companies, and discusses subject.
6. Loss of Wool at Port Howard advised to J. L. Waldron Ltd.
7. Refers to visit of "Esmeraldas".
8. Reports arrival of Nicholls and order for match lining.
9. "Duendes" arrived and "Huanchaco" at Las Palmas in time.
10. Explains shipment per "Bogota", and discusses the subject of through rates to outports.
11. Discusses prices of "Lady Elizabeth" wood.
12. Mr. Connell to write about "Falkland".
13. Reports dividend and vote of thanks to Officers, also changes on Board and in Office.

Enclosures per Supplementary Mail.

Originals.

- 1 Account Current and vouchers.
- 2 Remarks on Accounts.
- 3 Remarks on Stores.
- 4 Clients' Invoices goods per "Orissa"
- 5 Messrs Lamb & Morton's invoices goods per "Orissa"
- 6 List of General Cargo per "Orissa"
- 7 Copy of letter received from Chr. Salvesen & Co. dated 25th and our reply of the 26th June.
- 8 Precis of Subject Deapatch dated 24th June.
- 9 Sight Draft for £ 40 . 16 . 9 for collection. B/L attached.
- 10 General Invoice goods per "Orissa"

Letters for the following:-

W.A. Harding & A.L. Allan.

LONDON 27th June, 1914

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per Bogata

N^o 1135.

London, E.C. 3rd July, 1914.

Sir,

"Bogata"

This steamer is finishing her loading in Liverpool today, and is expected to sail this afternoon. As the documents have to be posted to you tonight, before the final and corrected list of shipments can be received, it may possibly happen that some corrections will have to be made, and if this proves to be the case, I will draw your attention to it next mail.

I now enclose:-

General Invoice.

List of Cargo.

Suppliers' Invoices.

Four Certificates relating Whisky.

I am, Sir,

your obedient servant,

E. B. Gondard.

Secretary.

W.A. Harding, Esq.,

Manager,

Stanley.

Indesed

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per Oropesa

N^o 1136

London, E.C. 22nd July, 1914.

Sir,

I have to acknowledge the receipt, on the 29th ultimo, of your despatch no.465, per "Huanchaco", and on the 6th inst., per "Oropesa", despatch no.466, and your letter dated 10th June.

2. Par.2/465. The arrangements you were able to make for the collection of produce for shipment by the "Huanchaco", are very satisfactory, and we forwarded to the P.S.N.Co., a copy of your letter to their Agents at Valparaiso, expressing appreciation of the Captain's action in detaining his steamer for the delayed S.S."Falkland" and her cargo. The "Huanchaco" arrived in the Thames on the 29th ulto., and the wool she brought was therefore included in the sales which commenced on the 7th instant.

3. Par.3/465 & Par.10/466. Your accounts of the visit of the New Zealand Shipping Co's "Waimate", with cargo on fire, have been read with interest, and we can only regret that you could be of so little assistance to her. We were in touch with the owners here at the time, and learnt from them that the crew had been able to extinguish the fire without assistance.

4. Par.4/466. You may rest assured, that the difficulties you foresee, if a large tonnage of outward cargo was suddenly dumped into Port Stanley, are fully appreciated, and, as a matter of fact, since the letters to which you are referring were exchanged, the matter has been fully discussed between the Chairman and Mr. Connell, and a complete understanding of a give and take nature exists between the P.S.N.Co., and ourselves on the subject. The P.S.N.Co., have, to obviate the troubles you detail, offered to increase the cargo vessels to three or even more a year, and thus distribute the tonnage for discharge as much as possible. Further, they have no objection to our keeping back tonnage from the mail boats for these sailings. The spirit of the arrangement between

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

us, is, that, in consideration of our giving them all the rough tonnage we have for shipment during the year, instead of our chartering sailing vessels as heretofore, they will take it - including the coal for the "Falkland" - at what will be practically sailing ship rates. If we do this it is all they ask, and they will not then call upon us for any payment in the way of dead freight etc.

5. Par.9/466. We are glad to have the account and the list of payments made by Messrs.T.Buzzi & Co., to the various clients, and your remarks as to drawings on this side are noted. Your suggestions for the financial arrangements for next season are perfectly clear, and the system you outline is that which we expected Messrs. Buzzi & Co., to have arranged from the first. This year's plan of a revolving credit, which in fact does not recur while any portion of it remains unpaid, is clumsy, expensive, and unsatisfactory. We will discuss the matter with Messrs.Buzzi's representatives when they call. On the 7th instant we received a cable from Messrs.Buzzi "Roy sails today London advise Waldron". It is ~~not~~ clear whether Mr.Buzzi accompanies Mr.Roy or not.

6. Par.8. We have approached the British & Foreign Marine Insurance Company, with whom all our produce is insured, and, having regard to all the circumstances, they are agreeable to your suggestion of allowing 30/- per bale for drying and reconditioning, when accidents, such as you refer to, occur. We enclose copy of their letter on the subject.

7. Par.11/466. We regret to hear that the Fielding & Platt engine has been giving some trouble; we have taken the matter up very fully with the suppliers, and have given them a copy of the Engineer's report. Their opinion is, that the proper lubricating oil has not been used, and that the presence of the gummy deposit on the piston rings, wall and cylinders cannot be due to the quality of paraffin used, for that only enters the cylinder, in the form of vapour or gas, and no such deposit could be left by it. Can you tell us if any lubricating oil was used, other than the gas engine lubricating oil sent out? We enclose copies of correspondence on the subject, from which you will see that the

makers lay the greatest stress on using only the special oil prepared for these engines, as supplied by them, but as they ask the exorbitant price of 4/6 per gallon for it, we have arranged to send you one cask only, and we have ordered a sample to be drawn here. This we will have analysed and matched by Messrs. Price & Co., and when this is done, will send you a small quantity for your trial and report, and on receipt of which, we will decide whether to send your further supplies from the same source. With regard to the missing parts, referred to in the Engineer's report, it appears that no vapouriser cover is supplied with this size engine, although referred to in the makers instruction book. The small lamp is not of the standard equipment, but an extra lamp was sent you with spare piston rings and vapouriser in the small case marked No.2553 per "Orissa". A new inspection cover is being sent you, although it is considered that the pin hole flaw in the casting, you refer to, is unimportant. The two leading text books on Gas & Oil Engines also go to you by this opportunity.

8. Par.12/466. Mr.Weiss called here on the 20th instant, and seems to have quite recovered from his recent indisposition. We were glad of the opportunity of seeing him and discussing the details of the Canning Factory, and he certainly impresses one as being capable, and possessing ^a thorough knowledge of the business. We were able to hear his views with regard to the trouble which has arisen with regard to the Extract, which on being liquored, shows a considerable sediment in the test glass, which ought not to be there.

We gathered from Mr.Weiss that he is quite content to continue with us at Goose Green, if he could receive the assurance that his employment there would be certain for at least two years. It has therefore been decided to enter an agreement with him, which will be binding on both sides for that period. The question of bonus to be paid him is under consideration, and will be settled in a few days.

9. The wool brought home by the "Duendes" and "Huanchaco", and the small balance from the previous arrivals, in all 677 bales of the Company's, and 2107 bales belonging to Clients, came into

the sales on the 13th instant, and with the exception of 28 bales of clients' wool withdrawn, all were sold, the average for our N.A. being 10.44 and W.C. 9.99, which is a little more than a ^{d.} ^{d.} ^{d.} per lb below the average for our 1500 bales previously cleared. We have now sold to date 2184 bales, yielding net from the Brokers £59373.2.10, which compares with the total sold last year, 2152 bales yielding £59,172.17.1 (Brokers' net). The wool sales close today, and the next series commence on the 29th September.

10. We are today informed by the P.S.N.Co., that they have received cable advice from Valparaiso to the effect that the "Junin", substituted for the "Esmeraldas", is calling at your port about the 25th instant, and we shall look forward with interest to your advice of shipments by her.

11. We have previously written you strongly to the effect that on no account must Capt.Saanum be allowed to show any preference to our Clients in the matter of lifting their produce, and that any system of gratuities to him for such work can on no account be allowed. In this connection we have received a letter from Mr.W.M.Dean, enclosing one to him from Mr.Robertson, his Manager at Port Stephens - copies of both are enclosed - with reference to Capt.Saanum's objection in April last to take in the tallow awaiting shipment there. Perhaps as you were there, you will be able to give us your report on the matter.

12. Copies of further letters received from Messrs.Salvesen & Co., of 27th and 30th June, are enclosed, with reference to the "Columbus". They serve no useful purpose, but it is satisfactory to note that they acquit us of all blame in connection with what they evidently consider unjustifiable condemnation of their steamer.

*London Port
1133-14
Should examine
Capt Saanum
and on the 13th
of 21st June
Call to P.S.N.
Browsed through
June 29
W.M.Dean
11/30/1909*

*Protect - Salvesen with %
Fairbank Coal Storage*

I am, Sir,
your obedient servant,

E. B. Soddard.

Secretary.

*Re Hall Nov 14
W.M.Dean*

Enclosures per Supplementary Mail

ORIGINALS

- 1 Account Current and vouchers.
- 2 Remarks on Accounts.
- 3 Remarks on Stores.
- 4 General Invoice goods per "Oropesa"
- 5 List of General Cargo per "Oropesa"
- 6 Priced Wool & Hide Catalogues.
- 7 Copy of letter from W.Lowden & Co.dated 23rd with enclosure attached and our reply of 24th July.
- 8 Wool Market Reports.
- 9 Copy of letter from Chr.Salvesen & Co.dated 22nd July.
- 10 Copy of letter from the British & Foreign Marine Ince.Co dated 22nd July.
- 11 Williams ,Morton,Baiss Bros.invoices goods per "Oropesa"
- 12 Clients' Invoices goods per "Oropesa"
- 13 Copy of letter to Wright & Stephenson dated 3rd July for Vere Packe.
- 14 Sight draft on J.Kirwan for £ 50 . 15 . 2 B/L attached.
- 15 Precis of Subjects , Despatch No.1136.

Letters for the following:-

W.A.Harding,A.L.Allan & Mr Creece.

London 25th July,1914

Enclosures via Liverpool.

Duplicates.

Despatch No.1134 dated 24th June.
 Account Current dated 26th June.
 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"
 Second of Exchange for £40 . 16 . 9 on J.Kirwan
 Clients' A/sales:-

H G C	17	bales	Sheepskins	ex	"Flamenco"
T R	1	..	..	..	..
M V	2	..	..	..	..
S & S	2	..	..	..	..
F	16	..	..	..	..
McG	7	..	..	..	..

B/L general Cargo per "Orissa"

Duplicates

B/L general Cargo per "Bogota"
 List of Cargo ..
 General Invoice ..
 List of Clients' Cargo per "Bogota"

Enclosures via Liverpool

Originals

- 1 Wool Market reports
 - 2 Copy of Cablegram received dated 11th July.
 - 3 Copy of Cablegrams sent dated 6th., 7th & 17th July.
 - 4 Copy of letters from King Bray & Co. dated 18th June. re
Wheels.
 - 5 Copy of letters from Chr. Salvesen & Co. dated 27th & 30th
and ours of the 29th June.
 - 6 Copy of letter from W.M. Dean dated 8th July with enclosure.
 - 7 Plan of Darwin Harbour (Blue Print)
- Clients' reports:-
- | | | | |
|----|------------|-----------------------------|----------------|
| 8 | ♡ | 222 bales Wool ex "Duendes" | |
| 9 | Z | 388 | ,, |
| 10 | H&B | 220 | ,, |
| 11 | S I | 59 | ,, "Huanchaco" |
| 12 | △
F B | 98 | ,, & Duendes |
| 13 | D S | 64 | ,, |
| 14 | G I
J B | 194 | ,, |
| 15 | ◇
C I | 41 | ,, |
| 16 | JBL | 7 | ,, |
| 17 | AFC | 3 | ,, |
| 18 | ◇
B | 79 | ,, |
| 19 | WP | 49 | ,, |
| 20 | S | 200 | ,, |
| 21 | △
P H | 52 | ,, |
| 22 | L | 220 | ,, Duendes |
| 23 | AFC | 2 casks Tallow | "Huanchaco" |
| 24 | JB | 2 | ,, |
- 25 Brokers' press copies of reports on Wool ex "Huanchaco" Co's
 - 26 Copy of letter from King Bray & Co. dated 14th & 22nd July
re Oil Engines
 - 27 Copy of letter from the Pacific Steam Navigation Co. dated
30th June.

London 22nd July, 1914

(15)

Despatch No.1136 per "Oropesa" 22nd July,1914

Precis of Subjects

1. Acknowledges despatches Nos.465/6 & letter of 10th June.
- 2 Expresses appreciation of Captain of "Huanchaco"s" action waiting for produce.
3. Refers to N.Z.S.Co's steamer "Waimate" at Port Stanley
4. Discusses arrangement with P.S.N.Co.re outward tonnage per cargo steamers.
5. Buzzi & Co.'s financial arrangements .
6. Underwriters agree to pay £ 1 . 10/-per bale for reconditioning damaged wool.
7. Refers to trouble with Fielding & Platt's Oil Engine.
8. Refers to Mr Weiss's call here and his future employment.
9. Result of Wool sales todate.
10. Advises "Junin",substituted for "Esmeraldas" ro call for produce 25th July.
11. Capt.Saanum not to show preference to Stations for gratuities.
12. Enclosing copies of correspondence with Chr.Salvesen & Co.

Received

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)
REGISTERED 1902.

61, Gracechurch Street.

Per "Oronsa"

N^o 1137

London, E.C. 2nd September, 1914.

Sir,

Since writing you last on the 22nd July, no Mail has been despatched to the Falklands, owing to the outbreak of war, and the consequent demands made on the P.S.N.Co., by the Government, for the use of their steamers as transports.

2. We have now to acknowledge receipt of various communications from you, as under:-

- Despatch No.467 dated 6th July per "Oronsa", arrived 4th August.
- ,, ,, 468 ,, 20th ,, ,, "Oriana", via Punta Arenas, arrived 27th August.
- ,, ,, 469, numbered in error 489, dated 24th July per "Junin", arrived 24th August.
- Letter ,, 21st ,, ,, "Oriana" ,, 27th ,,
- ,, ,, 26th ,, ,, "Junin" ,, 29th ,,
- Cables ,, 22nd August, via Monte Video, re Mr. Packe.
- ,, ,, ,, ,, ,, ,, re "Sorata" shipment.

3. I have to confirm our wireless cable of 19th August, as per copy enclosed. Immediately on the outbreak of war, Royal Proclamations were issued, prohibiting the export from the United Kingdom of almost every description of food, clothing, boots, oils, etc., in fact, practically all goods which we usually send to you. In view of the uncertainty attending the first phases of the war, and the resumption of regular sailings to the Islands, it was decided by the Board to cable you advising that shipments were suspended, and requesting you to distribute stores equally, not to raise prices, and to reserve your bagging. The advice with regard to

W.A.Harding, Esq.,

Manager,

Stanley.

stores and prices, was intended to put you on your guard against selling to persons, who through panic, might be disposed to purchase abnormally large quantities of necessaries to the detriment and inconvenience later of those not in a position to do so. This action has occurred here, in the first stages of the war, and has been most severely condemned for obvious reasons. It was also the wish of the Directors that prices should not be raised, and that we should be satisfied with the ordinary profit for stores in stock. It was also deemed advisable to give you a hint with regard to the bagging. We have 10,000 yards on order, and practically ready for shipment, and owing to the great demand for jute and sacking for Government purposes, we could not place the balance of our order for 10,000 yards under a considerable advance, with uncertain delivery.

4. In addition to the general upset of all business caused by the war, we have during the last fortnight, been practically unable to attend to any work in the office, in consequence of extensive alterations which have been carried out for the better arrangement and efficiency of working. Consequently I shall not be able to reply as fully to your despatches as otherwise would have been the case.

5. 467/2. We note your remarks with regard to Messrs. Buzzi & Co's accounts. Mr. Roy has recently called on us, and from the enclosed copy of letter from him, you will see that he offers 10/- & 12/- for 60 & 73 lbs wethers, and 8/6 & 12/- for 50 & 60 lbs ewes. In reply to this, we informed him he will have to make a considerable advance on this offer if he wants our sheep.

6. 467/3. We carefully note your full explanation as to the position of the sawing plant, and desirability of landing the timber at the East Jetty. It is very satisfactory to hear that the plant is working full time, and that the wood meets with such a ready sale. Under these circumstances, the knowledge of which is new to us, it is certainly not desirable to reduce prices.

7. 467/4. The transfer for Mr. Luxton's shares in the Transport Company is to hand, and the new certificate for him will be forwarded later.

8. 467/5. The arrangements you have made for the wages of the Foreman Carpenter are approved.

9. 467/6. Having regard to your explanation, that no handy man, with a knowledge of machinery, and capable of being left at times in charge at Goose Green, is to be found in the Islands, your suggestion to secure from the Coast the services of one of the men mentioned, is approved. You will of course decide, having regard to the commencement of the work, when it is most desirable to bring him over.

10. 467/7. Your observations with regard to tallow damage at Port Stephens and Chartres are most interesting; we quite agree that in many cases, this so called damage, may be merely the staining of the wrapper from extreme pressure of the bale, but in the case of the shipment per "Corcovado" (arrived 2nd March, 1914) it has since transpired that at the survey held at the ship at time of discharge, it was found that tallow, stowed in the tween deck above, had become heated, and had run through the deck on wool bales stowed below. The docks assure us they always make a distinction between these two classes of damage.

11. 467/8. All you write in connection with the "Falkland" has been ^{carefully} read, and the great pressure put on you and the staff, from the various causes mentioned, are fully appreciated, but at the same time, if you will put yourself in the position of the owners here, I am sure you will realize the anxiety they felt at not receiving, until the 4th of August, any particulars whatever of the earnings and expenses of their vessel which arrived out the previous February. All that is asked for, is, that each month, a summary of local earnings, and particulars of expenses shall be sent, together with a manifest of produce carried on each voyage, and particulars from the Captain and Engineer of the vessel's movements and coal consumption. The question of a ship's clerk has been taken up by Messrs. Lowden & Co., and they have decided to send out a suitable person from their office, and this we hope will relieve you of much of the work complained of in connection ^{with} ~~of~~ the vessel.

12. 467/10. There is no doubt, that owing to a mistake on this

side, in not taking into account the amount of fencing that could be erected in a year with your available labour, an excess quantity was shipped.

13. 467/13. Due note has been taken that Messrs. Smith & Sons wish to pay off from their mortgage, £500 on 31st December next.

14. 467/14. Your urgent requirements of steam and house coal are noted, but until the war takes a definite turn for the better, it is not possible to say when the autumn cargo steamer is likely to sail. At the time of writing you would not have known that the "Bogata" was carrying to you 300 tons for the "Falkland", and with this, and the New Island stocks, you should be able to get along for the present.

15. 467/16. Your advice that the "Sorata" has been substituted for the "Esmeraldas", more fully explains the cable of 22nd August, advising the very satisfactory shipment of produce by the former vessel. The matter of war risk has been an anxious consideration, and we immediately covered same with the Government Underwriting Office for £21,864, @ 50/-%, which was the approximate value of the shipment, excepting the 3980 cases of mutton. This was offered to the Admiralty at 45/- per case, war risk insurance for their account, and three days elapsed before they informed us they did not require it. In the meantime, the sinking of the New Zealand Liner "Kaipara", and the attack on the "Galacian", at the hands of the armed German Merchantmen, became known, and we have since only been able to cover the meats for £4486 @ 50/- & 60/-%, leaving at the moment £4469 at risk. We are still hopeful that Underwriters will yet be found to complete the insurance at a reasonable figure.

16. 467/17. The question of a heavier anchor for the "Falkland" is having the attention of Messrs. Lowden & Co., and no doubt by this mail, they will be advising you when to expect it. On receipt of the extended Protest, the insurance claim for the damage to the boats referred to, can be put forward.

17. 468/2. Your very full notes and criticisms, with regard to the proposed Mail Contract, are much appreciated, and all the points and objections you have raised are most carefully noted.

We quite agree that the great mistake has been made of following the agreement for the "Columbus", the circumstances surrounding which, were very different. We have also to thank you for your proposed draft, which is certainly more simple, and amply covers the ground. In the present state of upset, the matter is one that may be hung up for a short time.

18. 468/3. Your proposal with regard to the land required by the Government for a road, is approved.

19. 468/4. We regret to hear of the outbreak of foot and mouth disease on the Coast, thus preventing the importation of our ploughing horses. This has since been confirmed from Patagonian sources, but we understand it is of a mild form which generally disappears with the spring.

20. 468/5. Note has been taken that the loss of tallow at Hill Cove is 12 casks only. In this connection, please enquire if any salvage was made, as it is an article which floats, and cannot be destroyed by water. Should not some be recoverable ?

21. 469/2. We have to thank you for copy of the Provisional Certificate granted to Capt.Saanum. The matter is being followed up by Messrs.Lowden & Co., who are still in correspondence with the Board of Trade. The last advice from that body was to the effect that they were communicating with the Registrar at Port Stanley.

22. 469/4. The explanation you give of the difficulty of providing Whaling Co's with vouchers for some items in their accounts, is quite clear.

23. 469/5. We think from your remarks that you are under the impression that the suggestion is to work all shipments of stores, etc., outwards at a through rate with the P.S.N.Co. That is not the case. The P.S.N.Co., are anxious to secure all the tonnage that is sent to the Islands, which of course especially includes that usually taken by Spearing & Waldron's chartered sailing vessels, and with that object, would quote by certain ~~by certain~~ two or three steamers only, a cut rate. The owners of the "Falkland" realize, that after all the wool and produce is collected, the vessel will have a comparatively slack time, and this

extra tonnage, if it could be secured, would be worth having. They, on their part, and we as part owners of the vessel, would also benefit by the extra freight. Therefore, if the P.S.N.Co., will reduce its oversea freight for these particular ships, and the "Falkland" will reduce her ordinary coastal rate, and we are prepared to handle the goods for a little less than our usual charge, - a reduction which may possibly be made good if you could arrange for the steamers to discharge straight into the "Falkland" on their arrival at Stanley, - if each of the three interested parties make some reduction, a through rate to coast ports might be arrived at, at a figure much below the 85^s/₄^d you name, and one which would probably secure for us all the tonnage which we now lose.. It appears to us, that in these cases, instead of extra work being thrown on you, your task would be much lightened, as the through freight would be charged out in one item.

24. 489/8. We are pleased to advise the s.s. "Junin" successfully ran the gauntlet of all hostile German ships, and safely arrived at Swansea & Liverpool, from whence her cargo will be sent by rail to London.

25. David Smith - Great Island. In despatch No. 421/2, we advised that rent for Great and Swan Islands was to be £60 per annum, but we note from the accounts that the old rental of £40 is still being charged. Please set the matter right as from the expiry of the old lease. David Smith has asked that the account in future shall be called David & James Smith.

I am, Sir,

your obedient servant,

C. B. Goddard

Secretary.

DESPATCH NO. 1137 PER "ORONSA", VIA PUNTA ARENAS,

2ND SEPTEMBER, 1914.

 PRECIS OF CONTENTS

1. Advises that no mail has left since 22nd July.
2. Acknowledges despatches 467, 468, & 469 letters of 21st and 26th July. cables (two) of 22nd August.
3. Instructions as to distribution of stores equally, selling prices, and position of bagging supply.
4. Office alterations have necessitated short reply to above.
5. Messrs Buzzi & Co., and the offer for sheep.
6. Stanley sawing plant and prices for timber.
7. Mr. Luxton's transfer received.
9. Suggestion to engage handy man for Goose Green approved.
8. Arrangements for wages of foreman carpenter approved.
10. Tallow damage to wool discussed.
11. Discusses absence of information re s.s. "Falkland".
12. Fencing ordered.
13. Smith & Sons' notice to pay off part Mortgage.
14. Discusses position of coal requirements and supply.
15. Acknowledges advice of shipment per "Sorata" and War Risk.
16. Request for heavier anchor for "Falkland" attended to.
17. Discusses proposed Mail Contract.
18. Suggestion re land for road in Stanley approved.
19. Refers to foot and mouth disease in Patagonia.
20. Amended quantity of H & B tallow ~~lost~~, noted.
21. Acknowledges ~~copy~~ copy of certificate granted Capt. Saanum?
22. Difficulty of providing Whaling Co's vouchers noted.
23. Discusses question of through rate for stores by certain P.S.N. steamers to coast ports.
24. Advises safe arrival of "Junin".
25. Rent of Great and Swan Islands not correctly charged.

Enclosures via Liverpool

Originals.

- 1 Copy of Telegram received dated 31st July.& 24th August.
- 2 ,, ,, sent dated 31st July & 19th August.
- 3 Copy of letter to the Colonial Office dated 28th August.
- 4 Copy of letter to the General Post Office dated 31st August
- 5 Brokers' press copies Reports on Sheepskins.

Clients' Reports on :-

6	L	20	bales	Sheepskins	ex	"Duendes"
7	♡	10		,,		,,
8	Z	20		,,		,,
9	H & B	7		,,		,,
10	F B	7		,,		"Huanchaco"
11	H	7		,,		,,
12	A F C	3		,,		,,
13	MCG	4		,,		,,
14	W P	9		,,		,,

- 15 Account Current and vouchers.
- 16 Remarks on Accounts.
- 17 Copy of letters received from J.Roy dated 22nd & 26th Aug.
- 18 Copy of letter from W.Lowden & Co.dated 7th Aug.re "Falkland"
- 19 Anning & Cobb's Sheepskin marked catalogue.of 31st July.

Letters for the following:-

A.L.Allan,W.C.Girling & Vere Packe. (2)

London 2nd September,1914

Enclosures via Liverpool

Duplicates.

Despatch No.1136 dated 22nd July,1914

Account Current dated 25th July.

Remarks on Accounts.

Remarks on Stores.

List of Enclosures.

Invoices (Clients) goods per "Bogota" & "Oropesa"

List of Parcels

List of General Cargo per "Oropesa"

List of Clients Cargo per "Oropesa"

General Invoice goods per "Oropesa"

Second of Exchange for £ 50 . 15 . 2 on J.Kirwan.

Clients' A/sales:-

F B	44	bales	Wool	ex	"Duendes"
L	226	,,	,,	,,	,,
H&B	220	,,	,,	,,	,,
	198	,,	,,	,,	,,
Z	387	,,	,,	,,	,,
S	124	,,	,,	,,	,,
TR	139	,,	,,	,,	"Flamenco"
HGC	17	,,	,,	,,	,,
S&S	67	,,	,,	,,	,,
AP	1	,,	,,	,,	,,
F	9	,,	,,	,,	,,
MV	1	,,	,,	,,	,,
S	71	,,	,,	,,	"Huanchaco"
AFC	3	,,	,,	,,	,,
JBL	7	,,	,,	,,	,,
JB	196	,,	,,	,,	,,
PH	52	,,	,,	,,	,,
FB	54	,,	,,	,,	,,
CI	41	,,	,,	,,	,,
B	79	,,	,,	,,	,,
PW	49	,,	,,	,,	,,
DS	64	,,	,,	,,	,,
B/L General Cargo per "Oropesa"					

0505



W. A. Harding
The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per "Orita"

N^o 1138

London, E.C. 16th September, 1914.

Sir,

Since writing you last on the 2nd inst., I have received your despatches:-

No. 470 of the 12th August, which was only delivered here on the 14th inst.

and 471 ,, ,, 14th ,, which arrived yesterday.

X
2. In connection with the cables which have passed between us, we notice from the confirmation received of yours of the 8th August, that the words asking us if you should ship wool and meats by the "Sorata" were not in the message received here, and our cable of 31st July asking you to ship these goods, does not appear to have reached you. The Eastern Telegraph Company can give us no information of these omissions in either case, and we shall be glad to know if you can get any light thereon on the matter from your side.

X
You will have seen from our confirmation of your message of the 8th August that Governor Allardyce appears to have altered and edited it. Were you not advised that this had been done ?

3. 470/2. The extract from Commander Engineer Shrubsole's letter, and also the original applications from the two men of H.M.S. "Glasgow" are to hand, and it is noted that while Stoker Smith is anxious to remain in the Service, the Marine, H. Whittaker, would like to join our employ. The Commander certainly gives him a good character, but in view of the present state of war, it is very doubtful if he would be allowed to buy himself out of the Navy.

4. 470/3. The New Zealand Shipping Co. advise us that their steamer "Ruahine" calling at Port Stanley homeward, will leave Wellington mid October, so that it is not possible to give effect to Mrs. Hansen's wishes with regard to the purchase and shipment of Rams.

W.A. Harding, Esq.
Port Stanley.

5. 470/4. Your remarks with regard to Mr. Waldron's account have been considered, and the view is taken, that, it is very undesirable to accept from him a mortgage against the outstanding debit, for the following reasons:-

- a. In the event of the farm being thrown on our hands, it is very unlikely that a buyer could be found willing to purchase at an amount equal to the advance we must make to clear off Mr. Waldron's debt.
- b. That owing to the outlying nature of Beaver Island, it would not be possible for the Company to work the farm profitably.

This being the case, it is considered that strong pressure must, without further delay, be put on Mr. Waldron to wipe off his liability, and having regard to the fact that he himself has stated repeatedly that his investments in the Argentine are large and profitable, it is felt that no excuse can be accepted for his delaying longer to do so. You will doubtless be able to put the matter before him strongly, with your usual tact, and we shall await with interest your further advice on the matter.

6. 470/5. The half yearly accounts have safely arrived, and have been distributed, and no doubt the copies for filing will come to hand with the next mail.

7. 470/6. It is satisfactory news that the "Harry Lundy" has been repaired, though we note that the engine is giving some trouble. Unless this is to be accounted for by the extraordinarily bad treatment on the "Falkland", detailed in your recent remarks, it is most difficult to understand, inasmuch as, before the boat was bought, she made on three separate occasions successful runs of a mile or two on the Thames, without any such defect being apparent to our inspecting engineer and representatives then on board.

Your remarks, referred to above, were duly sent on to Messrs. W. Lowden & Co., representing the owners of the "Falkland", and by this mail we send you their reply. To reconcile their statements, with those from Stanley, seems impossible. If you can give us any further information that will enable us to establish

a claim on the "Falkland", please do so.

8. 470/7. It is not surprising to hear of the state of excitement into which Stanley was thrown by the news of the outbreak of war. Without wishing to disparage the patriotic actions of your local forces, the opinion is held here, that to have opened fire on any German Cruiser, had she thought fit to visit you, would only have lead to the distruction by shell fire of much property in Stanley, from a range beyond that at which the excellent rifle shots in the Islands could have made themselves effective. With regard to requisition^{ti}ing the "Samson", presumably the Governor was within his rights, but in the event of, as is quite possible in times of such excitement, demands being made on you, which, in your opinion are beyond his proper powers, you will, doubtless, while loyally carrying out his orders, make your written protest holding him personally liable if it is subsequently found that he has exceeded his powers.

The steps you have taken to purchase necessaries in Monte Video are noted, and while it has resulted in your stocks of corn and kerosene being unduly heavy, you could not have done otherwise under the circumstances.

9. 470/9
471/3. The "Sorata" was reported at St.Vincent on the 7th inst., and we were then able to complete the insurance of the produce aboard, against war risks at 30/-%. She is due in London about the 19th inst. We are obliged for the documents conveying the very satisfactory shipments she is carrying.

10. 471/2. The transfers for 100 ^{shares} in the Falkland Islands Transport Co., are to hand, and have been forwarded to that Company for registration. The new certificate for Mr. Greenshields will be sent you next mail. We now enclose one for 90 shares in the name of Mr. Luxton.

11. 471/4. Note has been taken, in the event of any question arising, that the passage tickets had been issued by you before the receipt of instructions to increase rates all round.

12. 471/6. The question of these claims will be referred to later.

13. 471/7. Your remarks with regard to the heavy tonnage of

*Duncan
740*

X

stores by the "Bogata", and the consequent difficulties of lighterage, are carefully noted. I hope at an early date to be able to advise you that some decision has been come to with regard to the lighter question.

14. It has been arranged by the P.S.N.Co. to despatch the "Junin" from Liverpool on the 9th October as the autumn cargo boat. We are, therefore, now that nearly all restrictions with regard to shipments have been removed, sending you all your orders received to date, including those especially sent for the cargo boat. This will run into a considerable tonnage, and when to this is added the coal which Messrs.Lowden & Co. are sending for the "Falkland", she will have not far short of 1500 tons. We fear that this will put you to considerable inconvenience, having regard to what you have already written on the subject of lighterage difficulty, but we trust that this early advice will enable you to make good preparations before the arrival of the "Junin".

15. The question of buying sheep for the next Canning season was discussed at the last Board Meeting, and it was decided to authorize you to offer for any that may be obtainable 2d. per lb. for wether sheep of 45 lbs - cold butchers weight - and upwards. Below that, they are of little value for canning purposes, and you can base your price accordingly. If however, all that we are told by Mr.Roy, as to contracts completed with farmers for the next two years, is true, we fear that there will be few sheep obtainable.

All the Canning products just arrived will make excellent prices, and by next mail, if your promised return to 30th June is to hand, a statement will be sent you showing approximately how the return per sheep works out.

I am, Sir,

Your obedient servant,

C. B. Soddart

Secretary.

DESPATCH NO.1138 PER "ORITA" 16TH SEPTEMBER, 1914.

PRECIS OF CONTENTS.

1. Acknowledges despatches Nos.470 and 471.
2. Refers to suppression and censorship of cable messages.
3. Refers to applicants for employment from H.M.S."Glasgow".
4. Mrs.Hansen's request for Rams from New Zealand.
5. Mr.Henry Waldron's proposed mortgage.
6. Half yearly accounts received.
7. Discusses condition of motor boat "Harry Lundy".
8. Discusses conditon of Stanley on outbreak of war.
9. Arrival of "Sorata" at St.Vincent.
10. Acknowledges receipt of transfers for Falkland Islands Transport Co's shares and enclosing certificate for Mr.Luxton.
11. Re increased passage rates.
12. Claims for shortage and damaged cargo.
13. Discusses difficulty of handling large tonnage of stores in Stanley.
14. Advises "Junin", cargo steamer, sailing 9th October with heavy tonnage.
15. Authority to buy sheep for next season.

Enclosures via Liverpool

DUPLICATES.

Despatch No.1137 dated 2nd September.

Remarks on Accounts.

Account Current.

List of Enclosures.

Clients' A/sales:-

Heart	25 bales	Wool ex "Duendes"	
L	20 bales	Sheepskins	"Duendes"
S	13	„	„
Z	20	„	„
S	1	„	"Huanchaco"
W P	9	„	„
D S	5	„	„
McG	4	„	„
A F C	3	„	„
B	12	„	„
H	8	„	„
J B	12	„	„
S	45	Salted Hides	„
MCG	53	„	„
J B	35	„	„
A F C	10	bdls.	„
A F C	2	casks	Tallow „

Enclosures via Liverpool.

Originals

Despatch No.1138 dated 16th September.

Copy of letter from W.Lowden & Co.dated 10th August.

Copy of letter from W.Lowden & Co.dated 15th September.

Amended Copy of A/sale S 40 bales Wool ex "Corcovado"

Remarks on Accounts.

Remarks on Stores.

Letter to A.L.Allan.

*Fiakland Islds. Transport Co's Certificate
for 90 shares for 10th Linstow.*

London 16th September, 1914

Return

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per "ORIANA"

N^o 1139

And Norton
London, E.C. 14th October, 1914.

Sir,

I have to acknowledge receipt of your despatches, nos. 472 & 473 of the 10th and 12th ulto., which arrived only on Saturday, the 9th inst. Therefore, time has not permitted of some matters being dealt with as fully as would otherwise have been the case, and these, if necessary, will be referred to again next mail.

2. 472/3. The copies of correspondence, with Messrs. Buzzi & Co., for which we are obliged, call for little comment. We agree that their letters are high handed in tone, but you have given them a complete answer to their claims. Messrs. Holmsted & Blake inform us that under the terms of their contract with Messrs. Buzzi & Co. they are clearly entitled to the charge made for the use of paddock, and no doubt you will avail yourself of Mr. Miller's presence in Stanley shortly, to clear up any doubts there may be as to the facts of the case.

3. 472/4 & 15. The account of your experiments with the Fielding & Platt engine are interesting, and it is satisfactory to hear that it is now running well. A barrel of the special oil supplied by the makers, costing ^{s d} 4/6 per gallon, will reach you in the "Junin", and in view of the high price charged for it, we have had samples drawn and analysed by Price's Company, and the Bowring Petroleum Co., and both these firms have supplied a barrel each, which is said to be exactly similar. Their prices are respectively ^{s d} 3/10 and ^{s d} 3/- per gallon, and we have asked you on our special form to report separately on the three casks.

W.A. Harding, Esq.,

Manager,

Port Stanley.

4. 472/5. No formal agreement was entered into with Mr. Weiss when here, for the reason that he considered it unnecessary on receiving assurance that he could rely on continuous employment with the Company for certainly two years. It was necessary to give him this promise to ensure his returning to the Falklands, as he said quite candidly without it he would reluctantly feel obliged to accept any offer of a more permanent nature should one be made to him in Australia.

There appears to be some misunderstanding with regard to the gratuity due to him. Your letter from Buenos Aires, 31st Oct.'11, and your despatch 408/7, of 27th Nov.'11, both give the agreed salary at £450 per annum, and £50 gratuity. From your Journal entries of Dec. 1912 and 1913, you appear to have paid him on the basis of £400 salary, £50 gratuity, and this would appear to make his claim for £100 owing for 1912 and 1913 correct.

5. 472/6. Your explanation of the incident between Capt. Saanum and Mr. Robertson is clear, and throws more light on the matter.

6. 472/7. The copies of your correspondence with Messrs. Salvesen & Co., have been read with interest, and it is to be hoped they will let the matter drop on receipt of your last letter.

7. 472/8. Your remarks and suggestions, together with Mills' notes, have been passed on to the owners of the "Falkland", and there is no doubt they will be very glad to have them and will reply to you direct on the subject of the auxiliary condenser, accumulators, etc.

8. 472/8. In discussing your remarks as to the insufficient water supply for the "Falkland", the question was raised at the Board Meeting as to whether you could not make the suggestion that a portion of the surplus revenue in hand be devoted for the establishment of a good and sufficient fresh water supply for the whole of Stanley. If this could be brought about, it would not only solve the difficulty you refer to, but from an hygienic point of view, would prove a great boon to the inhabitants of the City.

9. 472/9. I have to thank you for Protest relative to tallow lost at Hill Cove when loading the "Falkland".

10. 472/10. The question of the charge to be made for receiving and storing the "Falkland" coal, has been discussed, and it has been agreed with Messrs. W. Lowden & Co. to adopt your suggestion, and charge

4/- per ton.

11. 472/11. The matter of the excessive freight charged on flour from Monte Video is being taken up with the P.S.N.Co., and by next mail, we will advise result.

12. 472/12. The statements and statistics relative to the Canning are to hand, and together with your remarks, have been studied with interest. The amount of wages - exclusive of Weiss - charged for the six months, July to December, £619.3.0, being say £103 per month, for a period when the works were idle, appears heavy, and we shall be glad to have particulars with regard to this item, and if it is possible for you to make any division of wages and expenses, showing how much is applicable to beef and mutton packing, we would like to have it, so as to get at the actual cost of treating the sheep.

13. 472/13. With regard to the appeal for subscriptions to the Prince of Wales Relief Fund, the Directors at the Board Meeting held in August, voted £500 as a first instalment, and this sum was forwarded to His Royal Highness on the 16th of that month. On Monday last a further resolution was unanimously carried to forward £400 to Lord Rothschild's Fund for the provision of ^a fully equipped Motor Ambulance, and this has accordingly been done. The Authorities have made a special appeal for these conveyances, and it was considered that the Company's subscription could not take a more useful form.

14. 472/14. The position of the prohibition against importation of live stock from Chile, is duly noted.

15. I am pleased to advise you that the Board have authorised the placing of contracts for two Steel Lighters of 100 tons capacity to your plan and general specification, dated 13th April, 1914. The lowest quotations received are from Messrs. Fredk. Braby & Co., London, £545 each, and Messrs. Crichton & Co. of Chester, £690 each. In deciding which of these to accept, we shall be guided by the advice of an expert Engineer thoroughly conversant with this work. The orders will be placed at once, but we are inclined to think that it would be better to contract for delivery of the second one, say two months after the first, as the assembling and rivetting of one will

keep your available hands for this work, fully employed for some time.

The lighters, which will be of steel, will be erected at works, painted, marked, dismantled, packed and bundled etc., and delivered f.o.b. Liverpool, complete as per your notes and specification.

16. In paragraph 14 of my last despatch, I advised you of the "Junin" being fixed to load in Liverpool and London, and that she was carrying a heavy tonnage of cargo for your port, representing an accumulation of orders which could not be shipped earlier owing to the war. The steamer finished loading in Liverpool and arrived in London on the 13th inst., and is now loading. She will sail hence direct to Stanley on Friday the 16th inst. That you may have the earliest intimation of her cargo, I send herewith copy of the Liverpool bill of lading, and a summary of the goods being loaded in London, and it is our intention to cable you in a few days, her due date at your port.

17. Enclosed please find copy of letter from Laurence Anderson enquiring for a chest left in the Falklands, and asking for the return of two testimonials. Your attention will oblige.

18. Following my remarks in paragraph 15 of last despatch, in view of the higher prices now ruling for canned meat etc., it has been decided to authorize you to increase the offer, if necessary, for any sheep available next season to 2^d per lb for wethers, and, the same rate if not possible to buy them cheaper, for Ewes down to that weight. Below 45 lb, Ewes are certainly not worth more than 2d. per lb. If however, as now seems quite possible, owing to the general disturbance incident on war, Messrs. Buzzi & Co. take no sheep this year, it may be possible to purchase some lots on more favourable terms than these, though it is realized by the Board, that the difficulties of labour you will have to contend with, if the Volunteers remain called out, may restrict the number of sheep that can be treated, having regard to other work that must be carried on.

19. You will learn from Messrs. Lowden & Co. that they are sending their Mr. Richards out in the "Junin" to gain experience in the working of the "Falkland", and to act for a time as ship's clerk, until more permanent arrangements are made.

I am, Sir,
Your obedient servant,
C. B. Sordani Secretary.

PRECIS OF CONTENTS


1. Acknowledges receipt of despatches Nos. 472 & 473.
2. Refers to correspondence with Messrs. T. Buzzi & Co.
3. Running of Fielding & Platt Engine - Oil for, etc.
4. Mr. Weiss' agreement and gratuities owing.
5. Capt. Saanum and Mr. Robertson incident.
6. Refers to correspondence with Messrs. Salvesen & Co.
7. Re suggestions from Mills, Condenser and Accumulators.
8. Stanley Water Supply. Suggests Government scheme.
9. Acknowledges Protest re Tallow lost at Hill Cove.
10. Charge for receiving and storing coal for "Falkland" agreed.
11. P.S.N. Co's excessive freight on flour from Monte Video.
12. Refers to Canning statistics received.
13. Re Appeal for the Prince of Wales Relief Fund.
14. Re prohibition against importation of stock from Chile.
15. Two Steel Lighters sanctioned by Board.
16. Encloses summary of s.s. "Junin's" outward cargo.
17. Refers to Laurence Anderson's enquiry for chest & testimonials.
18. Authorises higher price to be given for sheep.
19. Refers to Mr. Richards going out as Ship's Clerk in "Falkland".

Enclosures via Liverpool

Duplicates

- Despatch No. 1138 dated 16th September.
- Remarks on Accounts.
- Remarks on Stores
- List of Enclosures.

Originals

- 1 Wool Market Reports.
- 2 Signed Agreements (Labourers) William Turner, James Ritchie,
Peter Fox, Charles Ramsay, Wilfred Jackson, Alex. Arthurson
- 3 Cutting from paper re Antarctic Expedition.
- 4 George D. Stephen's agreement and testimonials
- 5 Cutting from paper re contribution to National Relief Fund.
- 6 Clients' Reports & contracts:-
 - W.E.D. 163 bales Wool ex Sorata"
 - 7 D H 94 bales ,, ,,
 - 8 H W 50 ,, ,,
 - 9 F 145 ,, ,,
 - 10 S I 2 ,, ,,
 - 11 R B C 33 ,, ,,
 - 12 B 4 ,, ,,
 - 13 A P 91 ,, ,,
 - 14  153 ,, ,,
 - 15 H P 141 ,, ,,
 - 16 B 39 casks Tallow ex "Sorata"
 - 17 H & B 8 ,, ,,
 - 18 HP 2 ,, ,,
- 19 Brokers' press copies Sundry reports & contracts.
- 19a Appriximate tonnage of Cargo per "Junin"

- 20 B/L cargo shipped per "Junin" from Liverpool.
21 Copy of letter from L.Anderson dated
22 Drafts on J.Kirwan for acceptance & B/L attached.
23 Remarks on Accounts.
24 Remarks on Stores.
25 Account Current & vouchers.
Letters for the following:-

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

London 14th October, 1914

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per "JUNIN"

N^o 1140

London, E.C. 16th October, 1914.

Sir,

This merely serves to enclose documents, as per separate list, for the shipment of sundry stores by the above vessel.

I am, Sir,

Your obedient servant,

E. B. Goddard

Secretary.

W.A. Harding, Esq.,

Manager,

Port Stanley.

Enclosures per S.S. "Junin"

Precis of Subjects Despatch No.1139

General Invoice goods shipped per "Junin"

Remarks on Stores.

List of General Cargo per "Junin" (London)

List of General Cargo per "Junin" (Liverpool)

Suppliers' Certificates of strength Spirits &c per "Junin"

Suppliers' detailed accounts of goods shipped per "Junin"

List of Parcels.

List of Clients Cargo per "Junin"

Copy of letter from W.Lowden & Co.dated 13th October.

Letters for W.A.Harding.

Sydney Miller.

B/L cargo per "Junin" from London.

London 16th October, 1914

Address

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per "Orissa"

N^o 1141

London.E.C. 11th November, 1914.

Sir,

I wrote you last on the 14th October, despatch No.1139, and received yesterday your despatches Nos.474 and 475, and letter of the 12th ultimo.

2. 472/12. The Pacific Steam Navigation Co. have agreed that only 25% additional freight shall be charged on the shipment of flour and maize by the "Oronsa" from Monte Video to Port Stanley. A debit note for £54.5.8, the difference, has been sent them, and the amount will be credited in account, when received.

3. 472/13. Communications have been sent to all those persons mentioned in your circular letter of the 9th September, asking for contributions to the Prince of Wales National Relief Fund. In almost every case the answer received has been to the effect that subscriptions had already been sent to the Fund here, before the receipt of your letter, and that the donors were unable to contribute in both places. The following, however, have requested that the amounts mentioned should be transferred from their accounts to the Fund:-

Messrs.Baillon & Stiekney £100, Mrs.Scott £5
Messrs.Stiekney Bros. £ 20, H.J.Pitaluga £20.

Mr.John H.Dean informs us that he has asked you to transfer £50 from his account, and we have since obtained his sanction to this being increased to £100.

4. Following my remarks (1139/15) on the subject of lighters, the contracts for two have been given to Messrs.J.Crichton & Co., of Chester, for £615 each, f.o.b.Liverpool, for delivery by

W. A. Harding, Esq.,

Manager,

Port Stanley.

No.1141. 11.11.14.

the 19th February, 1915, subject to a penalty of £10 per week for failure. If detailed plans and specifications are received before this mail closes, copies will be sent you, but you may rely on the lighters conforming in every detail to your design and notes of the 13th April last. The question of sending out an experienced rivetter with the barges has been discussed, and it appears to offer the advantages of ensuring the quicker erection of the two lighters under the direction of a man accustomed to the work. We shall value your views of this matter.

5. 472/2. Your despatch having been received only yesterday, it has not yet been before the Board, but the Chairman is in complete agreement with your remarks, and the action you suggest, with regard to securing the election of a farmer as the permanent unofficial representative on the Legislative Council. I am obliged for your draft of a letter to the Colonial Office, and this will be adopted and forwarded for signatures without delay, and then sent in to the Colonial Office in good time before the next outward mail.

6. 474/3. The particulars you give of the "Falkland's" stevedoring expenses in Stanley will be most useful, and the matter may call for further reference in a later mail.

7. 474/4. The correspondence with the Pacific Steam Navigation Co's Agent at Valparaiso, has been carefully read, and we will get the Head Office in Liverpool to lay down once for all, for your guidance, which of the two you must look to for final orders.

8. 474/5. Your remarks with regard to the incoming mails, and supplies of necessaries etc., have been read with interest. It is certainly satisfactory that you were able to convince the Governor that importations could safely be left in our hands.

9. 474/6. The movements and arrivals at your port of Admiralty colliers is most interesting, and we trust that their presence will ensure the Islands a larger measure of protection than we feared they were receiving.

10. 475/2. We will do our best to insure the indents for Engineers Stores, to replenish those taken by H.M. Ships, being

Noll41. 11.11.14.

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despatched to you by the next sailing, which will, we assume, be the Mail boat of the 10th December.

11. 475/3. The payment of £400 referred to will be made to Messrs. Van Gelder & Co; the stores taken over should prove useful.

12. The increasing amount of Capital locked up in the stocks of stores and material in the Islands, and the consequent loss of interest thereon, is a matter, which has had your anxious consideration, and that of the Board, from time to time, and with the near approach of the annual stocktaking, we wish again to draw your special attention to the subject.

We are aware that a variety of exceptional circumstances, such as the large stocks of timber ex "Lady Elizabeth", and the unusual quantities of material sent out for building, fencing, canning, etc., combined to swell the value at 31st December last to the highest total on record. Notwithstanding this however, we cannot but think that there must be a considerable quantity of "dead" stock, or stock, the sale of which is, at best, doubtful, lying in the stores at Stanley, Darwin and North Arm. We would therefore ask you to give instructions that when stocks are being taken at these stores at the end of the year, to have stated separately those goods for which there is an undoubtedly sure and ready sale, and those about which there is any doubt. It would be best to at once set the doubtful goods aside, and send them away at the earliest favourable opportunity to the Coast for sale at the best obtainable figure. In this connection we might as well realize at once that the ship repairing business is practically at an end, and that it would be a saving of interest on idle capital to make a considerable clearance of the old stocks you hold for this work.

The revenue of the Company for the current year, from all sources combined, promises to be a record one, therefore, if any sum has to be written off for old unsaleable stocks, the time is opportune. Please deal with the matter as rigorously as you think desirable at the 31st December, and write off an ample sum to cover the estimated depreciation from recent book values.

With regard to stores imported for use and sale, would it not

No.1141. 11.11.14.

be possible to reduce these, with the exception of bagging, fencing and other vitally essential goods, to say something approximating to six months requirements? In view of the regular monthly opportunities for replenishments afforded under normal conditions, together with the existence of the wireless telegraphy, it would appear to be more possible now than it has ever been before.

We shall be glad if you will give the matter your usual earnest consideration, and let us have your views thereon, always bearing in mind that a total stock of £45,000, which is approximately what we have of late been carrying, means at 5% £2,500 per annum in interest.

13. In anticipation of the large revenue above referred to, it has been decided, that, to obviate swelling our Capital outlay in the current year, it will be better to charge to the year's income, through the Farm account, all wages paid, and materials supplied locally for the erection of the buildings at Goose Green and Darwin. This course will not be felt in a year of plenty, and will strengthen our position financially for future years and be a saving of income tax.

14. The extraordinary phases through which the wool market has passed since writing you last, can be gathered from the various Brokers' catalogues sent to you with this mail. Suffice it here to say, that before any Public Sales had taken place, since the commencement of the war, no Brokers in the City could be found to hazard a guess as to the prices which would be obtainable, and all were very pessimistic as to the outlook. The demand for wool for khaki purposes had not then set in, consequently when private offers were made on the 1st October, for some of our parcel ex "Sorata", about equal to the satisfactory prices obtained last year, but not quite up to those of July last, all our clients, whom we were able to consult, decided, on the strong recommendation of our Brokers, to accept same, Messrs. Paake Bros., Stiekney Bros., and Mr. H.J. Pitaluga being amongst those agreeing to sell. Seven days later, so strong had the demand for khaki quality developed, that these wools might have made a penny to three half pence per lb. more. It

No.1141. 11.11.14

is a strange circumstance, and worth recording, that when the above marks were sold, not a single offer could be obtained for much of the Weddell consignment, on account of its inferior quality and unsuitability (vide par.16). Yet a week later, so strong had the demand become, that it was then actually sold at prices higher than the best had made in the first sales. I should explain that the Sales fixed to commence on 29th September were postponed until the 6th October, and it was decided by the Importers Committee that only consignments which had arrived previous to the 18th August could be included. The result of this was that the "Sorata" shipment could not be included, and we were left with the responsibility of accepting, or not, the private offers received, or leaving the wools over for future sales with very doubtful prospects. When therefore good prices were offered for marks, the owners of which could not be consulted, we considered it right to accept.

15. To such an extent have prices advanced that, in the opinion of our Brokers, our wool, if here, would make about $\frac{1}{2}$ to $\frac{1}{3}$ per lb., on account of its marked suitability for khaki cloth. This condition of things is likely to remain into the Spring, and we have therefore to ask you to use every endeavour to get our supplies forward as early as possible. The ordinary agreed intervals for the Public Sales have been entirely set aside, and by order of the Government they will be held at intervals of about a fortnight until further notice, so that the raw material can pass without delay into the manufacturers hands. The sales for the new year, and for which there will be no limit of quantity, will commence on 19th January, and thereafter at frequent intervals as circumstances may require.

16. Enclosed please find copy of letter of 10th November from the Brokers, relative to the unsatisfactory wool from Weddell Island. Please pass it on to the Manager there.

17. I would also ask your special attention to Messrs.J.L. Waldron's letter of the 4th instant - copy enclosed - asking that at least 200 bales of their wool shall be here for the March sales.

18. In my open letter to Mr.Allan you will find a copy of the

No.1141. 11.11.14.

analysis of a sample of water received from Goose Green. You will doubtless agree, it is not pretty reading, and we think its contents should not be allowed to pass beyond yourself and Mr. Allan.

19. In view of the probable developments in land cultivation, we have concluded with Messrs. James & Fredk. Howard, of Bedford, an arrangement making us sole agents for all their machinery imported into the Islands, the first term to be until 31st December, 1915, and the discounts, 20% and 2½%. It is understood we will push the sale of their implements in preference to those of other make. In this connection, it is felt that some return is due to Mr. S. Miller for his energetic pioneer work, and for the advantages that will be obtained by those farms following his lead with success, and it is therefore understood between Messrs. Howard and ourselves that the above mentioned discounts include 5% to be paid to him.

20. Enclosed please find certificate No. 20 for ¹⁰⁰~~150~~ shares in the Falkland Islands Transport Company, Limited in the name of Mr. George Greenshields.

21. The produce from the Canning Factory is selling at abnormally good prices, nearly 1700 cases of mutton having been cleared at 50/- per case, and 500 cases of Beef at 45/- and 46/-. The beef extract still rather hangs fire, owing to the sediment before referred to, but we are hopeful of clearing it at 4/- per lb. From the catalogues sent, you will see that sheep skins have advanced considerably in value, and it is hoped that ours will not be unduly delayed. We do not appear to have received from you or Mr. Allan any specification of the tallow packed this year, and its absence has caused some difficulty.

22. Considerable difficulty has been experienced in coming to an agreement with The Pacific Steam Navigation Company as to the rates of freight to be charged by the "Junin". In the case of Liverpool cargo, it is finally settled, that being one of the cargo boat sailings provided for in the five years agreement, the coal is carried at 22/6, and all other cargo, 32/6 all round. Both

Despatch No.1141. (11.11.14)

rates to be net, and no 10% primage or 10% war surcharge to be paid. As regards cargo shipped from London (vide copy of Messrs.W. Lowden & Co's letter of 28/10/14) they point out that the "Junin" is the first of their intended future sailings, on the Kosmos berth, and that it as such was not provided for in our agreement, and, after agreeing to concede us the satisfactory net rate of 22/6 on bricks, lime and cement, they insist on London Tariff rates for the remainder, with usual 10% primage. They have not yet admitted our right to the 20% special discount.

22.^a The Pacific Steam Navigation Company have now practically agreed to send, if necessary, four cargo steamers per annum into Stanley if we can provide them with sufficient tonnage, and they are indifferent as to whether cargo is taken for this purpose from the Mail boats or not, the idea being that it is better to incur delay with a cargo boat of low value than with a mail steamer worth probably three times the amount. There should be no difficulty in your working to this arrangement, it being only necessary to look to requirements further ahead and order somewhat larger quantities. This arrangement will mean a considerable saving in freight, as of course the 32/6 net all round rate will apply. We shall be glad to have your views on the matter, and when your indents come forward for the quarterly sailing, it will be well for you to draw our attention to the matter.

23. With despatch No.1136 of 22nd July, we enclosed copy of letter to Messrs.Wright Stephenson & Co.Ltd., requesting them to buy and ship by the New Zealand steamer calling at Stanley, rams for Mr.Vere Packe. I now enclose copies of letters from that firm dated 11th and 14th September on the subject.

24. I send you herewith copy of a letter, dated 9th inst., addressed to the Colonial Office, on the subject of the Volunteers.

25. Please pass on to Mr.Allan the information given above as to the wool market, sales, and values of canned products.

I am, Sir,

your obedient servant,

C. B. Goddard

Secretary.

DESPATCH no. 1141 per "Orissa", 11th November, 1914.

Precis of Subjects

1. Acknowledges despatches 474, 475, and letter of 12th October.
2. P.S.N.Co. agree to charge only 25% extra per "Oronsa" @ M.V.
3. Refers to Prince of Wales National Relief Fund.
4. Two Steel Lighters have been ordered.
5. re Unofficial Member of Legislative Council.
6. "Falkland" stevedoring expenses.
7. Correspondence between Stanley and P.S.N. Valparaiso Agent.
8. Supplies of necessaries in Stanley.
9. Arrivals of Admiralty colliers in Stanley.
10. Indents for Engineer's goods will be hurried forward.
11. Payment of £400 to Van Gelder & Co.
12. Increasing stocks held to be depreciated.
13. Wages etc. erecting Buildings to be charged to Revenue.
14. Deals with wool market, prices and sales.
15. Asks for wool shipments to be hurried forward.
16. Encloses copy of Brokers' letter re Weddell wool.
17. Messrs. J.L. Waldron, Ltd. asking for wool for March sales.
18. Analyses of Goose Green water unsatisfactory.
19. Sole Agency for J. & F. Howards' implements secured.
20. Encloses certificate for 100 shares in F.I.T.Co. for G. Greenshields.
21. Reports good prices for canning produce.
22. re freight rates per "Junin".
- 23^A P.S.N.Co. agree to send quarterly cargo steamers.
23. Letters from Wright & Stephenson re Rams from New Zealand.
24. Encloses copy of letter to Colonial Office re Volunteers.
25. Information re markets, prices, etc. to be sent to Mr. Allan.

Enclosures via Liverpool

DJPLICATES

Despatch No. 1139 dated 14th October.

Remarks on Stores

Remarks on Accounts

Account Current.

List of General Cargo per "Junin" from L'pool & London

List of Enclosures

Despatch No. 1140 dated 15th October.

General Invoice goods per "Junin"

List of Parcel

List of Clients' Cargo per "Junin"

Second of Exchange & B/L attached. (J. Kirwan)

Clients' Reports & contracts-

AP	91	bales	Wool	ex	"Sorata"
IW	50		„	„	„
B	4		„	„	„
F	145		„	„	„
RBC	33		„	„	„
IP	2	casks	Tallow	ex	Sorata
H & B	8		„	„	„
B	6		„	„	„
W P	63		„	„	„
B	33		„	„	„

Enclosures via Liverpool

Originals

- 1 Wool Market Reports.
- 2 Copy of Cablegram sent 20th October.
- 3 Copy of Cablegram received 24th October.
- 4 Copy of letter from T. & S. Plum dated 23rd September.
- 5 Copy of letters from Wright Stephenson & Co. dated 14th Sept. 11th &
- 6 Anning & Cobb's Hide & Sheepskins catalogues.
- 7 Somervell Brothers' notice re rise in prices of Boots &c.
- 8 Brokers' press copies of sundry reports & contracts.
- 9 Copy of letter from DuCroz Doxat & Co. dated 10th November
re Weddell Wool per "Sarata"
- 10 Certificate for 100 Shares in the F.I.T. Co., Ltd. for
George Green Shields.
- 11 Copy of letter to the Colonial Office dated 9th November.
- 12 Copy of letter ~~to~~ from J.L. Waldron, Ltd. dated 4th November
- 13 Copy of letter W. Lowden & Co. dated 28th October re rates
of freight by Cargo Steamers.
- 14 Account Current & vouchers.
- 15 Remarks on Stores
- 16 Remarks on Accounts.

Letters to :-

A.L. Allan, W.S. Williams, G.J. Felton, *W.A. Harding*
Sydney Miller & G. Goddard.
London 11th November, 1914

Received

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per "Magellan"

N^o 1142.

London, E.C. 21st December, 1914.

Sir,

Since writing you last on the 11th November, no despatch or letters from you have been received, but on the 3rd instant, the envelope containing the duplicates of your despatch and enclosures per "Oropesa", came safely to hand. The outward mail service is equally disturbed. The "Oropesa", which had been fixed to take the mail sailing of 10th December, was unexpectedly requisitioned for Government service, and the "Magellan", sailing on the Kosmos berth from London on the 22nd, is to carry the Falkland Mails and passengers, but no cargo. This latter restriction will not matter much, as the cargo steamer, "Bogota", will leave London on the 6th prox., and will take all goods on order for you.

2. You will see from the foregoing, that the information available here as to the position of affairs in Port Stanley, does not carry us beyond the 12th October. That being so, it is not surprising that when the news came to hand of the success obtained by Admiral Von Spree's Squadron in the Pacific, some anxiety was felt as to the safety of our property. It was feared that you might possibly be for a time without sufficient protection to preserve the Town from bombardment, and it was therefore decided by the Board to partially insure against this risk to the extent of £30,000, and this has accordingly been done at 1%. Since then the fine achievement of Admiral Sturdee has put a different complexion on affairs, and, incidentally, made the Falkland Islands famous for ever. Our

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

No.1142. 21/12/14.

Anxiety was not lessened by the receipt of no reply to our wireless message of 26th November, asking you to cable the date of the arrival of the s.s."Junin". We have since concluded, that for reasons which no doubt the Censor considered sufficient, such messages were not permitted to pass. In this connection it is interesting to note that the wireless cable despatched from Stanley on the 16th November to Messrs.W.Lowden & Co., was not delivered to them until the 6th December.

3. Enclosed I send you copy of letter received from the Colonial Office, dated 13th November, 1914, in reply to the letter addressed to them, referred to in par.24 of last despatch.

4. Following up my remarks in par. 5/1141, a letter on the subject of the election of a sheep farmer as the permanent member of the Legislative Council, in the form of your draft, has been sent to the Colonial Office by Messrs.James Lovegrove Waldron, Limited. This has been signed by all the Falkland farmers in this Country, with the exception of A.E.Felton and W.K.Cameron, who preferred not to, and Bertrand & Felton, and Williams & Co., whose representatives here could not be reached.

5. I would draw your special attention to the enclosed copy of letter from Mr.W.M.Dean, asking you to do all that is possible to get wool from his station shipped home for the March sales.

6. Referring to your suggestion (474/4) that it would be well for the Pacific Steam Navigation Company to make clear from whom you were expected to take instructions in such matters as the recent increase of passenger fares, considerable correspondence, of rather an unsatisfactory nature, has passed between the Company and ourselves. They advise that they are writing you direct on the matter, but the copies herewith of our final letters to them will satisfy you, I think, that we have fully defended your actions.

7. Enclosed I send you copy of letter, dated 10th November, 1914, received from Messrs.Chr.Salvesen & Co., on the subject of the refusal of the Government to allow the "Columbus" to trade interinsularly after her condemnation. Copy of my reply is also sent, and

No.1142. 21/12/14.

since the date thereof, we have heard, nothing further.

8. Messrs. Whitley & Co., Solicitors to George Bonner & Co. Ltd., have raised the question as to whether the receipt endorsed on the Mortgage, acknowledging the repayment of the advance, is sufficient to reinvest the property in the Mortgager, and whether, according to Falkland Islands practice and regulations, it is necessary to have a Reconveyance executed. Copies of letters from Messrs. Whitley & Co., and Messrs. Bischoff & Co., are enclosed, and I shall be glad if you will give us the necessary information in reply.

9. From the enclosed copy of letter from Messrs. Wright & Stephenson, dated Dunedin 19th October, 1914, you will gather, that in the event of the "Ruahine" not calling at the Falklands, about which there was much uncertainty, it was their intention to consign the rams to Monte Video for transshipment there to Port Stanley.

10. For your information, I send herewith detail^{ed} specification and blue prints giving all particulars of the steel lighters on order from Messrs. Crichton & Co.

11. Referring to par. 3 of your despatch No. 474, the matter of the stevedoring charges in connection with loading the "Falkland", has been fully discussed with Mr. Connell, and he considers that your suggestion to charge 1/-^s per ton quite reasonable.

12. I would draw your attention to the fact, that in consequence of the War, all classes of timber have advanced about 50% in price. Therefore, bearing in mind the amount of your stocks, its condition, and that replacements can only be made at about this increase, you must use your discretion as to raising your prices.

13. The attention of the Pacific Steam Navigation Company has been drawn to the form of the Bills of Lading in use from Port Stanley homeward. There is no doubt, and in this they agree, that it is quite obsolete, and their intention is to send you as soon as possible a supply of Bills in the modern form. The chief objection to those hitherto in use, is that freight is to be paid - it is impossible to say for certain where, - "ship lost or not lost". This is a clause, that so far as our experience goes, is not in any other homeward Bill of lading. Freight homeward is invariably payable on delivery. When

No.1142. 21/12/14.

you receive the new forms, it will be wise to destroy all the old copies.

14. Since the foregoing despatch was written, your letter, and one from Mr.Girling, both dated 8th November, have been received by the Chairman, and copies have been sent to the Directors. Much sympathy has been expressed by them, with you all, in the exceedingly grave position in which you found yourselves at the time of writing. Naturally we were most anxious to know, if, between then, and Admiral Sturdee's victory, the Germans had visited Stanley, and with the object of knowing the exact position, I called at the Colonial Office this morning and had an interview with Mr. Grindle. It was most satisfactory to be assured by him that the Germans had not bombarded, burnt, or sacked the place, and he further told me, we might rest assured that no men required on the Stations for shearing would be detained by the mobilization of the local Volunteers. This is good news.

I am, Sir,

your obedient servant,

C. B. Goddard

Secretary.

15. The question of replacing the cutter at Darwin has been under consideration for some time past, and, the Board have now sanctioned the acceptance of a tender received from Messrs.J.Crichton & Co., of Chester, for a 10 ton barge, fitted with a 16 HP Gardener Paraffin Engine. For your information, I enclose drawing of the type of boat.

DESPATCH NO.1142 per "Magellan", from London, 21st December, 1914.

Precis of Subjects.

1. Refers to dislocation of Mail service.
2. Expresses anxiety as to position in Port Stanley.
3. Encloses reply from Colonial Office re Volunteers.
4. Advises letter sent to Colonial Office re election of sheep farmer to Legislative Council.
5. Encloses copy of letter from Mr.W.M.Dean re collection of his wool.
6. Refers to correspondence with PSNC re increase of fares &c.
7. Encloses copy of correspondence with Messrs.Chr.Salvesen & Co.
8. Messrs.Whitley & Co. ask if reconveyance to Geo.Bonner & Co.Ltd., is necessary.
9. Encloses copy of letter from Messrs.Wright & Stephenson, Dunedin.
10. Encloses specification and plans of Steel Lighters.
11. Proposed charge for stevedoring "Falkland" approved.
12. Advising large advance in price of timber here.
13. Refers to obsolete form of homeward Bills of Lading.
14. Acknowledges receipt of private letters to Chairman re serious position in Stanley at 7th November, and refers to satisfactory interview with Colonial Office here.
15. Advising tender for Motor Barge for Darwin accepted.

Enclosures via Liverpool

Duplicates

Despatch No. 1141 dated 11th November.

Remarks on Accounts

Remarks on Stores


Account Current dated 11th November.







List of Parcels

List of Clients' Cargo per "Orissa"

List of Enclosures

Clients' A/sales:-

EP	127	bales	Wool	Junin
W E D	49	,,		Sorata
H W	25	,,		,,
F	10	,,		,,
F	17	,,		,,
H W	22	,,		,,
F	46	,,		"Junin"
F	68	,,		"Sorata"
AP	82	,,		"Junin"
AP	14	,,		"Flamenco"
S	5	,,		"Duendes"
S & S	22	,,		"Flamenco"
W E D	42	,,		"Sorata"
R B C	33	,,		,,
F	1	,,		"Junin"
F	2	,,		"Sorata"
H W	1	,,		,,
HP	13	,,		"Junin"
AP	7	,,		,,
H W	2	,,		"Sorata"
W E D	72	,,		,,
 B	3	,,		,,

	5 bales Wool.ex "Sorata"		
	89	„	„
B	6 casks Tallow e x "Sorata"		
	6	„	„
H & B	20	„	„
H & B	88 Salted Hides		„
	14	„	„
W E D	5	„	„
F	24	„	„
W P	8	„	„
S & S	44	„	„
W P	57 casks Tallow		„
W P	6	„	„
	6	„	„
HP	2	„	„
	33	„	„

Enclosures via London. per "Magellan"

Originals

- 1 Wool Reports.
- 2 Copy of Cablegrams sent dated 21st & 26th November.
- 3 List of Shut out Cargo per "Orissa"
- 4 Bills of Lading cargo per "Orissa"
- 5 Anning & Cobb's Public Sales for 1915.
- 6 Apportionment of proceeds of Wool Sweeps for 1913.
- 7 List of General Cargo per "Orissa"
- 8 Copy of letter from Gramophone Co. dated 16th November.
- 9 Copy of letter from Chr. Salvesen & Co. dated 10th and our reply of 13th November.
- 10 Copy of letter from the New Zealand Loan & M. Agency, Ltd. dated 21st November.
- 11 Copy of letters from Bischoff & Co. dated 24th & 26th Nov. re Bonner's Mortgage.
- 12 Copy of letters from Whitley & Co. dated 21st & ours of 23rd & 30th Nov. re Bonner's Mortgage.
- 13 Copy of letter from Wright Stephenson & Co., Ltd. dated 19th October.
- 14 General Invoice goods per "Orissa".
- 15 George Nicholls's agreement.
- 16 Copy of letter from W.M. Dean dated 17th November.
- 17 Copy of letters to the Pacific Steam Navgtn. Co. dated 20th Nov. 30th & 11th December & their replies 25th Nov. & 7th December.
- 18 Copy of letter from Cooper's Wharf to C.J. Piggott dated 8th October. *enclosed in Mc Allan's letter.*
- 19 Copy of letter from Anning & Cobb dated 23rd July.
- 20 Specification & Blue Print of Steel Barge on order from Crichton & Co.

- 21 Copy of letter from the Colonial Office dated 13th November
22 Remarks on Accounts.
23 Remarks & Replies to Remarks on Stores.
24 Sight Draft on J.Kirwan for £ 49 . 7 .10 B/L attached.
Letters for the following:-

W.A.Harding,

Vere Packe

A.L.Allan.

- 25 Account Current and vouchers.
26 *Drawing of type of motor barge.*

London 21st December, 1914

Received.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per Bogota

N^o 1143

London, E.C. 12th January, 1915.

Sir,

I wrote you last on the 21st December, and have since received the following:-

your despatch No.476 per "Benbrook", via Sandy Point, delivered here on the 28th December, 1914.

copies of your despatch No.477, per "Orita", forwarded by "Junin" to Sandy Point, delivered here 7th inst.

The "Orita" bringing the original of the latter Mail is not expected to arrive before the 26th instant.

2. I have to thank you for the very full information given in your letters and enclosures, relative to the steps taken for the protection of lives and property in Stanley. These, I need hardly mention, have been read with intense interest by the Directors, and although no Board has been held since their receipt, I am able to say that they fully realize what a strain must have been thrown on you at the time, and much appreciation has been expressed for the measures adopted by you for the general good. All the Directors individually have expressed sympathy with you and the staff in the trying circumstances in which you have been placed, and since the receipt of the news of Admiral Sturdee's victory, they are able to congratulate you on your happy delivery from a state of terrible anxiety.

Your next despatches are awaited with much interest, as it is felt that they will give most interesting information as to the defeat of the enemy, which has, we trust, assured the safety of Port Stanley for some time to come.

W. A. Harding, Esq.,

Manager,

Port Stanley.

1143. 12/1/15.

3. The excellent despatch given the "Junin", in the midst of the turmoil in Port Stanley, is also most highly commended, for it was fully anticipated by the P.S.N.Co. and ourselves, that it might take you, with the conditions obtaining, perhaps three weeks to put out her two thousand odd tons of cargo. To have discharged her in nine days is a fine performance, and the willing cooperation of all "ratings", including carpenters and blacksmiths, reflects great credit on all concerned.

4. All possible pressure has recently been brought to bear on the P.S.N.Co. to send a cargo boat into Stanley for the first wool shipments, and we were very pleased to hear yesterday that the "Sorata", which left Punta Arenas on the 6th instant, is to call. We hope shortly to hear that you have despatched her with a good consignment.

5. 477/2. Your remarks are noted. The engagement of an engineer in charge of Goose Green must be left in your hands.

6. 477/3. Since writing your despatch, you will have received credit for the total loss of tallow at Hill Cove.

7. 477/4. The question of the proposed through rate on outward stores will be referred to next mail, after I have had an opportunity of discussing the matter with the Chairman. Meantime, due note is taken of the difficulties and objections you instance.

8. 477/6. The delay in delivery of our cable of the 31st July, via Punta Arenas, seems quite inexplicable, and when the original you are sending comes to hand per the "Orita", we will take up the question of a refund with the Cable Company.

9. 477/7. It is hoped that your communication with Mr. Henry Waldron will result in his debt to the Company being wiped out. In the meantime, your remarks, for which we are obliged, throw further light on the value of his property.

10. 477/8. We are sorry to read of the difficulties you have experienced with the engine of the "Harry Lundy". With regard to the damage sustained on the "Falkland", copies of your remarks have been forwarded to Messrs.W.Lowden & Co., and these

1143. 12/1/15.

appear to leave no possible doubt but that it occurred on that vessel. It is unfortunate that we were not in possession of this definite information, ^{earlier} as to her condition before discharge from the "Falkland", as seen by yourself and Mr. Girling, and we shall be glad to know if Capt. Poole's attention was called to the matter at the time.

11. 477/12. Nothing can be done in the matter of the claims on the P.S.N.Co. until the receipt of the Protests coming in the "Orita".

12. 477/13. Your remarks as to the working of the Fielding & Platt engine are being passed on to the makers, and their reply will be sent you when received. It would appear more than probable that your surmise is correct, as to the "handyman's" experiments being the cause of the trouble.

13. 477/17. You will have gathered from recent despatches that your suggestion as to ordering first, one lighter only, comes too late. Two were ordered to obtain the lower quotation, and this also makes it the more worth while sending out a rivetter to superintend and expedite the erection. This we have decided to do. The barges are strictly in conformity with your design in every way, and the makers, Messrs. Crichton & Co., are amongst the most experienced in this class of work, so that you need have no fear but that they will prove satisfactory.

14. 477/19. Thanks for information re Lawrence Anderson. When the "Orita" mail arrives, his testimonials will be sent him.

15. 477/20. Your full remarks on the development of the Volunteer movement will be before the Board at their next Meeting, but it is doubtful if any further action in the matter will be taken.

16. 477/22. I will await the arrival of the "Orita" Mail for the enclosures referred to. Meantime, as you can well imagine, it is almost impossible to get Medical men to go anywhere except to the "front", and it is extremely doubtful if any success will attend our endeavours to get a satisfactory man for the West until the war is over.

17. 477/23. I regret to find that the statement of the "Marco Polo" award, dealing with the apportionment amongst the crews engaged, was inadvertently filed away and so escaped the Mail. It is now enclosed herewith.

18. 477/29. Surely there must be some mistake in your remarks with regard to Mr. Richards ? I understand that Mr. Connell personally, had written you direct with regard to his mission.

19. With regard to the date of future Wool Sales, following the series commencing on the 19th instant, it is at present arranged that a second series shall commence on 16th February, and a third series on the 16th March, and thereafter at frequent intervals as circumstances may require.

20. I enclose herewith a detailed drawing and specification of the Motor Barge, ordered for Darwin, and referred to in par.15 of last Mail.

21. Following remarks in par.4 of 1142, I now send you copy of letter received from the Colonial Office by Messrs. J.L. Waldron, Ltd., in reply to the letter signed by themselves and others, on the subject of the election of a sheep farmer to the Legislative Council.

22. I have to advise that the Directors having authorised the payment of a further sum of £1000 towards the relief of distress caused by the war, this sum was forwarded to the Crown Agents for the Colonies on the 30th December, for distribution by the Colonial Secretary. The copies of correspondence ensuing on this matter are enclosed.

23. Mr. George Nicholls, foreman carpenter for Darwin, whose agreement was sent you last mail, is sailing in this vessel.

I am, Sir,

your obedient servant,

E. B. Goddard

Secretary.

Enclosures via London "Eogota"

Duplicates

Despatch No. 1142 dated 21st December.

Account Current.

Remarks on Accounts.

Remarks on Stores & replies.




List of General Cargo per "Orissa"

General Invoice goods per "Orissa"

Second of Exchange for £ 49 . 7 . 10 B/L attached

Clients Invoices - Stores per "Orissa" & "Junia"

Clients' A/sales:-

EP	1	bale Wool ex "Junia"	
A9	2	, ,	, ,
EP	5	bales Skins	, ,
AP	8	, ,	, ,
 B	4	, ,	ex, "Sorata"
H W	1	bale Wool	, ,
W E D	14	bales, Skins	, ,
	2	, ,	, ,
D H	5	, ,	, ,
	9	, ,	, ,
R B C	10	, ,	, ,
H W	15	, ,	, ,
		24 casks Tallow	, ,

Enclosures via London per "Bogota"

ORIGINALS

- 1 WOOL (ANNUAL) Market Reports.
 - 2 Apportionment of Salvage in respect of services rendered by "Samson" & "Plym" to "Marco Polo"
 - 3 Copy of letter from Wright Stephenson & Co., Ltd. dated 19th October re Mr Packe's Rams.
 - 4 Sight Draft on J. Kirwan for £ 77 . 7 . 7 for collection B/L attached.
 - 5 Blue Print of Steel Motor Barge
 - 6 Measurements of Poles per "Falkland"
 - 7 Copy of letters to the Crown Agents of the 30th Dec. & 8th Jany. & their replies of 1st & 7th Jany.
 - 8 Copy of letter from the Colonial Office to J.L. Waldron, Ltd. dated 30th December.
 - 9 Remarks on Accounts.
- Letters for W.A. Harding. (2) A.L. Allan (1)

London 12th January, 1915

4

DESPATCH NO.1143 per "Bogota" from London, 12th January, 1915.

Precis of Subjects.

1. Acknowledges despatches No.476 and 477.
2. Expresses appreciation of Mr.Harding's action through the war crisis.
3. Expresses appreciation of good despatch given s.s."Junin".
4. Advice received of "Sotata's" call at Stanley in January.
5. Engagement of Goose Green Engineer left to Mr.Harding.
6. Refers to settlement of claim for tallow lost at Hill Cove.
7. Question of through rates on Stores left for future discussion.
8. Refers to delays in cable communication.
9. Refers to Mr.Henry Waldron's account.
10. Refers to "Harry Lundy" - damage sustained, etc.
11. Claims on P.S.N.Co. for stores - awaiting protests.
12. Refers to working of Fielding & Platt engine.
13. Why two lighters were ordered. Rivetter to be sent out.
14. Acknowledges information re L.Anderson's testimonials.
15. Refers to Volunteer movement. Acknowledges information.
16. Question of Doctor for West Falkland.
17. Enclosing apportionment of "Marco Polo" salvage.
18. Re Mr.Richards - supercargo "Falklands" - arrival unadvised.
19. Date of Wool Sales.
20. Detail drawing and specification of Motor Barge sent.
21. Enclosing reply from Colonial Office to letter re Sheepfarmer on Legislative Council.
22. Advises the payment of a further sum of £1,000 towards War charities.
23. Advises Mr.G.Nicholls, foreman carpenter, sailing in"Bogota".

Enclosures per Consignees' Letter per "Bogota"

Suppliers' detailed accounts of Stores shipped

List of parcels

List of Clients' Cargo per "Bogota"

List of General Cargo per "Bogota"

General Invoice goods shipped per "Bogota"

Certificates of strenght of Spirits shipped per "Bogota"

Remarks on Stores.

Package (small) from Falk Stadelmann & Co.,Ltd.

London 12th January, 1915

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851

REGISTERED 1902.

61, Gracechurch Street.

Per "Oronsa", via Punta Arenas.

N^o 1144

London, E.C. 22nd January, 1915.

Received 16 March

Sir,

Since writing you last, on the 12th instant, the following mails have been received from you:-

Despatch No.477 per "Orita", delivered 18th instant.

478 " "Crown of Galicia" ,, 18th ,,

479 " "Macedonia" ,, 14th ,,

480 " H.M.S."Inflexible",, 19th ,,

In my last despatch I replied to your No.477, the copies of which were delivered on the 7th instant.

2. The "Oronsa" was originally fixed to take the Falkland mail direct, but circumstances have necessitated the cancelment of this arrangement, and she will not now call at Stanley. It has therefore been decided to send you this despatch, by her, through our Agents in Punta Arenas, in the expectation that an opportunity will occur, for forwarding it to you, by a homeward bound cargo boat. The next direct mail will not leave Liverpool until the 18th of February.

3. In my last despatch I was able to convey to you the congratulations of the Directors on the extremely fortunate delivery from the crisis surrounding Stanley in December, and your despatches since received, make still more clear the very narrow margin of time by which the place was saved. Your detailed accounts of events leading up to the 8th December, and your vivid description of the preliminaries of the battle on that day, have been read with the greatest interest, and are much appreciated by the Board.

W. A. Harding, Esq.,

Manager,

Port Stanley.

1144. 22/1/15.

4. 478/2. It is extremely satisfactory to hear that the "Junin" discharged her large cargo in such good condition, and the instance indicates clearly, the advantage obtained when cargo vessels sail direct to Port Stanley, and so avoid the damage resulting from disturbing the stowage at intermediate ports.

5. 478/3. A letter has been sent to Dr.Siddons giving him details of the West Falklands appointment, and asking for full particulars as to his qualifications and experience. Should a reply be received before this Mail closes, further reference will be made to the matter.

6. 478/4. We are glad to hear, with regard to Mr.Richards, that you have traced Mr.Connell's letter speaking of his intention to send him out. With regard to the list of queries, we discussed the matter this week with Mr.Connell who explains, that, having, in his letter of 16th September, asked that you would not regard the questions as being asked in a captious spirit, drafted the queries in the form of notes for Mr.Richards to take with him, merely for the purpose of eliciting information for the general well being of those interested in the "Falkland". Mr.Connell regrets that they should have been regarded in any other light, and that any remark therein was the cause of the slightest annoyance.

^{478/5.}
7. Your reasons for not answering our cable of 26th November, asking you to telegraph the arrival of the "Junin", are now clear, but you will have seen from par.2 of No.1142 that the message to Messrs.W.Lowden & Co., of the 16th November, was delayed by the Censor, and not delivered until the 6th December.

In your 477 par.6, you explained the reason of the alteration of your cable to us of the 8th August. We shall be glad to know if you can ascertain why the words " shall we ship wool meats Sorata " were deleted.

8. In connection with telegraphic delays, I would mention that we received advice from the P.S.N.Co., that the "Sorata" had left Punta Arenas for Stanley on the 6th instant to load the first wool shipment. It was calculated that she would leave your Port

1144. 22/1/15.

about the 12th January, and naturally we have been looking for your cable advice giving particulars of shipment. So far, this has not come to hand, and we therefore asked you by cable on the 20th, to telegraph inclear, the details of her cargo. We sought an interview with the Censor on the subject of these delays, but not the slightest information would he give. He will not even say whether or not a cable from the Falklands has been received and delayed by him.

9. 478/6. Mr.Allan's reply (25th November,1914) to our query as to the labour at the Canning Works, July to December,1913, is to hand, but does not go quite far enough. It has been pointed out that wages debited for the above period amount to £619.3.0, or say £103 per month. Mr.Allan's reply merely makes it clear that in the month of July seventeen hands were employed for a total wage of £98. Are we to understand that for the following months, August to December inclusive, more men were employed, or at any rate, more wages were earned? The average total per month, £103, appears high for the "off"season. Without putting Mr.Allan to the trouble of what he calls "digging out the time book" to allocate to each job the exact amount of wages, he should have no trouble in furnishing us with a statement of the total wages and hands employed per month, August to December, such as he has supplied for July.

10. 478/7. The Directors have learned with very great regret of the sad accident resulting in the drowning of eight men in Stanley Harbour on the 1st December, and have expressed their deep sympathy with the relatives of those who have lost their lives. With regard to the men from South Petherton, the wish has been expressed, that any belongings they may have left, be packed in their chests, and returned to England, properly marked, addressed to Martock Station, Somerset. If you will then advise me of their despatch, Mr.Blake has kindly undertaken to see that they are delivered to the proper persons.

11. 478/8. I am glad to have the copy of your letter to

1144. 22/1/15.

Valparaiso, as it gives a good idea of the probable wool shipment by the "Sorata". Note has been taken of the loss of one bale of Skins in discharging the "Falkland" into the "Great Britain", and when the particulars promised are received, a claim can be made on the policy of insurance.

12. 478/9. The extreme demands made on the energies and resources of yourself and staff are fully appreciated by the Directors, and ^{had} the same conditions continued, it is possible that you might have been obliged to follow some such course as you suggest with regard to stocktaking, but now that things with you are so altered for the better, it is sincerely hoped that you will succeed in taking the stock in the usual way.

I am sorry, but not surprised to hear, that the Governor has broken down under the severe strain, but I sincerely hope that the voyage to the Bahamas may quite restore his health.

13. 479/1. An appreciation of your graphic account of the battle was conveyed to you in an earlier paragraph of this despatch.

14. 479/2. With regard to Mr. Adam, the matter is left for you to make the best arrangement possible. At the same time, the opinion was expressed by the Board that £15 per month appears to be on the high side. Taking your figures, for instance, ^{salary at} £12 per month, equalling £144 per annum, and Stanley lodging and board at £7.10.0 per month, equalling £90 per annum, and it would appear to leave the fair margin of £54 per annum for clothes and luxuries, which after all, is not so bad for 25 years of age.

15. 479/5. I am pleased to note that the rams from New Zealand are safely landed ex the "Orissa".

16. 480/3. The copy of Mr. Waldron's letter is to hand, and for which I thank you. So far as it goes, it merely indicates that his increased annual liabilities for land purchase will be paid ^{for} as they occur, but beyond the payment of £150 you refer to, he makes no proposal for the reduction of his large indebtedness to this Company.

1144. 22/1/15.

17. No doubt you have already heard from official sources that the Admiralty have decided to immediately erect an additional wireless installation at Stanley, exceeding considerably in its power and range, the existing plant. This is to be one of several others erected in different parts of the world, all sufficiently powerful to reach each other. The Contractors for the work have interviewed us with regard to facilities for discharge of cargo, etc., in Stanley, and briefly, the following is an outline of the course to be followed. The complete plant, with all necessary materials, estimated by the Admiralty Shipping Agents, to amount to 3,400 tons, is to leave England about 7th February, accompanied by 100 men. Huts, also being sent, are to be erected for these men, and they will construct the necessary buildings, and lay down the plant with the least possible delay.

We hear that it is the intention of the Admiralty to land all this tonnage at the Navy Coaling Depot, and by means of a light railway, about 3 to 4 miles long, convey all material to the place of erection.

We have promised that you will afford all possible facilities to expedite the work, but in hiring out any of our lighters for the purpose, you will be quite alive to the necessity of stipulating that you do so subject to your having the use of them when Mail boats arrive, ^{and} if the movement of produce demands their use.

I am, Sir,

your obedient servant,

E. B. Soddard

Secretary.

Precis of Subjects.

1. Acknowledges receipt of despatches 477/480.
2. Explains why this mail is sent via Punta Arenas.
3. Expresses appreciation of accounts of events in Stanley.
4. Refers to landing of "Junin's" cargo in good order.
5. Refers to Dr.Siddons' application for West Falkland post.
6. Refers to Messrs.W.Lowden & Co's queries re "Falkland" sent by Mr.Richards.
7. Refers to delays and deletions from cables sent.
8. "Sorata's" homeward shipment, advice of anxiously awaited.
9. Asks to further information as to Canning wages in off season.
10. Refers to the loss by drowning of eight men in Stanley Harbour.
11. Refers to correspondence with Valparaiso re produce.
12. Expresses the hope that stock will now be taken as usual.
13. Refers to Mr.Harding's account of battle.
14. Mr.Adams salary to be left to Mr.Harding.
15. Arrival of Rams from New Zealand noted.
16. Refers to Mr.Waldron's account.
17. Advises decision of Admiralty to erect wireless station.

7

Enclosures via Liverpool

Duplicates.

Despatch No.1148 dated 12th January.

Remarks on Stores.

Remarks on Accounts.

List of General Cargo per "Bogota"

List of Clients' Cargo per "Bogota"

List of Parcels.

Second of Exchange for £ 77 . 7 . 7 on J.Kirwan & B/L
attached.

List of Enclosures.

Bills of Lading cargo per "Bogota"

General Invoice goods per "Bogota".

Enclosures via Punta Arenas.

Originals.

- 1 Copy of Cablegram sent on 20th January, 1915
- 2 Account Current and vouchers.
- 3 Remarks on Accounts. & Supplementary.
- 4 Precis of Subjects - Despatch No. 1143
- 5 Wool market reports.

Letters for the following:-

W.A. Harding

Mr James Clarke

Mr David Oglivie

A.L. Allan

Vere Packe. *+ G. Goddard (2)*

- 6 Clients Invoices goods shipped per "Bogota"

London 22nd January, 1915

Received

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851
REGISTERED 1902.

61, Gracechurch Street,

Per "Orita"

N^o 1145

London, E.C. 19th February, 1915.

Sir,

Since writing you last on the 22nd ulto., the following have been received from you:-

Despatch No.481 per "Orita", delivered 2nd February.

,, 482 ,, "Sorata" ,, 9th ,,

Letters of the 2nd, 6th and 10th January, received on the 2nd, 10th and 9th February respectively.

2. I have also to acknowledge receipt of your cables of the 26th January and 11th February, giving the welcome advice of the shipments of produce by the "Sorata" and "Orissa". We were glad in this instance to be able to advise the interested clients of the quantities coming forward for them, but in future it will be quite sufficient if you merely cable the total bales of Company's and Clients' wool.

3. Your cable of the 7th instant, via Punta Arenas, advising a payment of £60 to be made to Messrs. Clarke & Cresswell, for account of Aubrey Hardy, was duly received, and has been attended to.

4. 481/3. I have to thank you for the copy of the official papers giving particulars of the subscriptions to the National Relief Fund. These have been read with interest.

5. 481/4. In connection with the steel lighters now ready for delivery by Messrs. Crichton & Co., we would draw your attention to the copies of correspondence with the Admiralty enclosed. From this you will see, that, emphasizing the national importance of completing the erection of the Wireless Station as quickly as possible, they have urged on us the necessity of assisting the work, by providing

W. A. Harding, Esq.,

Manager,

Port Stanley.

1145. 19/2/15.

all the lighterage facilities possible.

To enable us to help forward the work to the utmost, they have agreed to convey these lighters from Chester to Port Stanley free of charge, to provide free passages for as many riveters as we can obtain, and to pay the whole cost entailed in assembling them as quickly as possible, in Stanley, ready for use. In return for this, we have undertaken to provide, free of charge, full use of these - when ready - and your existing lighters, subject to your requirements for dealing with the Mail steamers.

Owing to extreme pressure on Admiralty work, in all the private and Government Shipyards in the country, where work has been carried on day and night and Sundays continuously, it has been found impossible to obtain the services of more than two riveters, and we look to you to provide all the additional help possible to ensure the quick erection of the lighters. The time of men so employed being for Admiralty account. One of the above men going out, will be thoroughly conversant with the work of erection under much the same conditions that obtain in Port Stanley, and we think that many of the difficulties you foresee may disappear when he brings his experience to bear on the job. As a further assistance in this work, we are sending you in this steamer three portable forges. They are comparatively cheap at 38/- each, and can perhaps be disposed of when the job is finished..

Shipment of the lighters is being effected by the s.s. "Freshfield", a prize ship we understand, now being employed as a second vessel carrying the wireless plant, etc; she is to leave Liverpool on the 28th instant. The s.s. "Ismailia", the first vessel with this material, is leaving London about the 24th instant. The riveters will also sail on the "Freshfield".

6. 481/6. Your remarks with regard to stocks of stores have been read with interest, and we are glad to again have your assurance that the matter has your close attention. Your argument with regard to sending unsaleable goods to the Coast, certainly seems unanswerable, and the only safe course therefore, is to be extremely careful to see

1145. 19/2/15.

that only a nominal valuation is placed on such goods when stock-taking. Your suggestion of rendering separate returns of stock is certainly a good one, but it must be left to you to place only such value on them, as their condition and probable sale value, irrespective of cost, will warrant. Then, with the assistance of your covering remarks, the Board can decide whether or no, it is advisable to make any further reduction.

7. 481/7. When writing our 1141, par.13, the intention was to only capitalize the c.i.f. cost of the materials, leaving you to charge the Farm a/c with any additional materials supplied, plus wages employed in the erection. The matter was further discussed at the last Board, and it was agreed to charge the entire cost to Farm a/c, with the exception of say £100 on each building, which we will capitalize, and so keep a record of the erection and existence of each structure.

8. 481/8 & 482/3. The smallness of the shipment by the s.s. "Sorata" certainly was somewhat disappointing, but the combination of circumstances as fully detailed in your despatches, quite explains the matter. We can only congratulate ourselves, that thanks to Capt.Jenkins, the shipment was not even less. The particulars of the "Orissa" cargo are to hand, and we hope that with the sailing of the "Corcovado", which we understand is fixed to leave Stanley about the 20th instant, our full quantities of produce will be on the way.

9. Prices for all produce remain at a high level. Our wool is expected by the Brokers to touch, perhaps, $1\frac{s}{3}$ per lb. Skins are making about 10d.per lb., tallow of our first quality 43/- per cwt, and any boiled mutton available could be sold at 50/-.

10. We will adjust the matter of commission to Mr.Miller on orders to Messrs.J & F.Howard placed by us, but we shall be glad if you will draw attention to any direct purchases by others that may be brought to your notice, so that we can claim proper credit on his a/c.

11. It is very satisfactory to hear that all the New Zealand rams were delivered safely by the "Orissa".

1145. 19/2/15.

12. Following up remarks in my last despatch, par.17, I have advised in a preceding paragraph the arrangements made by the Admiralty for forwarding the material for the new Wireless Station. The matter was the subject of consideration at the last Board, and, with a desire to recognise the services rendered to the Colony by the Navy, it was decided to place, free of all cost, at the disposal of the Admiralty during the progress of the work, all the resources of the Company in Port Stanley, and I was accordingly instructed to write them as per copy of my letter of the 15th instant enclosed. It is scarcely necessary to say, that in this matter, the Directors feel that they can rely on your hearty co-operation.

13. I enclose copy of letter from Messrs. J. Lovegrove Waldron, Ltd., dated 17th February, asking that in the event of any moneys being received on their account from Messrs. Buzzi & Co., that the balance remaining to their credit, after its receipt, may be remitted home to them as soon as possible.

14. I would call your attention to the advantage which we, in common with our clients, are now enjoying as the result of our five years contract with the Pacific Steam Navigation Co., for the conveyance of our produce. As you are aware, when this was entered into, freights were at a very high level, and in agreeing to 60/- weight and 20/- measurement, we were for the first time given the same rates as shippers from Punta Arenas. Owing to many causes, mostly incident on the War, freights have advanced quite 50%, and we hear that the rates now fixed from Punta Arenas are 90/- weight and 60/- measurement. Incidentally, I may mention that the P.S.N.Co. have expressed themselves as rather "sore" on the point, and which is perhaps not surprising. It is therefore the more satisfactory to know that they have loyally done their best to lift our tonnage, notwithstanding the fact that their steamers could have been filled from the Coast at higher rates. It would be just as well if the present position could be brought home to those clients who were disposed to consider the contract rates excessive.

15. Since writing the foregoing, we have heard from Messrs. J.

1145. 19/2/15.

Crichton & Co., that they will probably be able to secure three, and perhaps four, riveters to go out in the "Freshfield". If therefore you are able to supply each with a labourer as "holder up"; and a rivet boy or two, it looks as though, with McNicoll, you may be able to start the work with four or five gangs. All the riveting possible has been done on this side, so that you should be able to make rapid strides with the completion of the work.

16. Owing to labour difficulties in Liverpool, the sailing of the "Orita" has been postponed from Thursday to Saturday, the 20th instant. She will therefore probably be at least two days late at your port.

17. Some inconvenience has been caused by the non-receipt of specifications for tallow made at Goose Green last year. Mr. Allan advises that he forwarded them to you in June last, but we can find no trace of your enclosing them to us. Please let us have copy by return. They are not only required when the tallow comes forward for sale, but as early as possible for statistical purposes.

18. So far, the dates for the commencement of future Wool Sales, after those beginning on the 16th March, are not fixed, so that no definite information can be given you on the point. The feeling of the Brokers, and the Trade generally, is, that Sales will be held at more frequent intervals than has been customary; probably at not great periods than one month.

I am, Sir,

your obedient servant,

C. B. Southack

Secretary.

DESPATCH NO.1145, PER "ORITA", 19TH FEBRUARY, 1915.

Precis of Subjects.

1. Acknowledges despatches No.481/2, letters 2nd, 6th and 10th Jan.
2. Acknowledges cables of 26th Jan.and 11th Feb. advising shipments.
3. Acknowledges cable of 7th Feb. to pay Messrs.Clarke & Cresswell £60.
4. Acknowledges receipt of official papers re subscriptions to National Relief Fund.
5. Refers to Steel Lighters and arrangement made with Admiralty.
6. Refers to stocks, and valuation of. *
7. re capitalizing cost of buildings erected.
8. Acknowledges explanation of small shipment of produce per "Sorata".
9. Advises present prices of produce.
10. re J & F.Howards' commission to Mr.Miller.
11. re safe landing of New Zealand rams per "Orissa".
12. Advises offer of Board to place all resources at Stanley at disposal of Admiralty free.
13. Enclosing copy of letter J.L.Waldron,Ltd., re remitting cash.
14. Calls attention to present advantage of 5 years contract with P.S.N.Co.
15. Refers to riveters going with barges.
16. Asks for specifications of tallow, 1914 season.
17. Arrangements for future wool sales.

Enclosures via Liverpool.

"Originals.

- 1 Copy of telegram received dated 11th February.
- 2 DuCroz Doxat & Co's wool market report.
- 3 Copy of letter from J.W.Brooke & Co.,Ltd.dated 21st Jan
- 4 Copy of letter from King Bray & Co.dated 26th Jany.,
with enclosure.
- 5 Precis of Subjects - despatch No.1144.
- 6 B/L. Sugar shipped by Burnett Brothers & Sons.
- 7 Copy of correspondence with the Admiralty from them
of 3rd 8th & 13th & our replies of 5th.12th.& 15th
- 8 Copy of invoice for Films sent by post to the Rev.
L.M.Migone by the Artograph Film Co.
- 9 Photo of Wasp in process of building.
- 10 Copy of letter from J.L.Waldron,Ltd.dated 17th Febry.
- 11 Account Current dated 17th Febry.& vouchers.
- 12 Remarks on Accounts.
- 13 Remarks on Stores.
- 14 List of Parcels.
- 15 Sight Draft on J.Kirwan for £46 . 5 . 5 invoice attached
received
- 16 Copy of letters (2) dated 18th February from the
Admiralty .

Letters for the following:-

W.A.Harding	(3)
Vere Packe	(4)
A.L.Allan	(2)
W.C.Girling	(1)

London 19th February, 1915

Received

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

61, Gracechurch Street,

Per "Ismailia" @ Newport, Mon.

N^o 1146

London, E.C. 5th March, 1915.

Sir,

Since I wrote you last on the 19th ulto., no further despatches or letters have been received from you.

The Pacific Steam Navigation Company have advised us that the "Orita", bringing the next Falkland Mail, is due on the 7th inst.

2. Advantage is being taken of the sailing of the "Ismailia", with plant and machinery for the new Admiralty Wireless Station, to forward you this despatch.

3. Following my remarks in pars. 5 & 15 of last despatch, with reference to the steel lighters, I am now able to advise that Messrs. Crichton & Co., have secured the services of one J. Parkes - who goes out in charge of the erection - and five other men, all first class riveters. This should ensure good progress being made with the work. As previously advised, passages are being provided for them in the "Freshfield", and that vessel is expected to sail from London within a week.

Enclosed you will find a duplicate set of re-erecting plans, a schedule giving the names of the men we have engaged, and copies of their agreement. You will observe that board and lodging has to be provided by us, and the cost of this, together with their wages, must be carefully kept and rendered to us on completion of the work, as the amount has to be recovered from the Admiralty later. The foreman, J. Parkes, has been given to understand that if he carries through the job expeditiously and well, you will probably see fit to give him a small gratuity, and to this there is no objection.

W. A. Harding, Esq.,

Manager,

Port Stanley.

1146. 5/3/15.

4. For your information I enclose copy of letter from the Crown Agents, dated 26th February, giving particulars of the distribution amongst the several Charitable Funds, of the £1,000 recently contributed by the Company. Copies of the acknowledgments of these subscriptions are also attached.

5. Following on your cable to the Pacific Steam Navigation Company received by them on the 19th ulto., and the one from the Governor of a few days later to the Colonial Office, both on the subject of the shipment of wool by the Admiralty storeship "Crown of Arragon", we have had a considerable amount of negotiation with the Pacific Co. and the Crown Agents, and, after succeeding in obtaining the necessary assent from both to the suggested shipment being made, on the basis of a freight rate of $\frac{1}{2}$ d per lb., it is very disappointing to hear only yesterday, from the Admiralty - through the Crown Agents - that the steamer sailed from Port Stanley on the 25th February. It is somewhat strange that this information was not passed on by the Admiralty to the Crown Agents before, for they have both been in close touch with regard to the matter since the 24th ulto.

From the copy of our letter to the P.S.N.Co. of the 19th February, sent herewith, you will see that we then asked them to favourably consider your suggestion, and it is unfortunate that instead of doing so ^{at} once, they did not think fit to move in the matter until the 24th February, on hearing of the Governor's cable to the Colonial Office on the same subject. The "Crown of Arragon", we now hear, left the next day, and the opportunity has been lost. It was somewhat of a relief to hear yesterday that the "Corcovado" is now loading in Stanley and is expected to bring 1,000 bales. This, so far, is good, but we calculate that if the "Falkland" has been working well, and bringing in as you anticipated, about 600 bales per week, there should still be about 1,500 bales for which tonnage will be required. It was therefore decided to cable you yesterday, "Understand Arragon sailed are other steamers available". We await your reply, and hope that perhaps

1146. 5/3/15.

an opportunity may occur for shipment by some other Admiralty storeship.

6. The bulk of the wool per "Sorata" was sold in the Public Sales on the 25th ulto., and you will see from the copies of catalogue enclosed, that most satisfactory prices were realized. The highest figure touched for the F.I.C. being $1\frac{s}{3}$, and the average for the 388 bales of that mark, $1.1\frac{s}{48}$. For the H & B wool, the highest price was $1\frac{s}{3}\frac{1}{2}$, and their average, $1.2\frac{s}{3}$. With such prices ruling, you will understand the anxiety here to get the wool home as soon as possible.

7. Enclosed please find the two forms required by the Authorities in connection with settling up the Estate of James Allen, who was drowned in Stanley Harbour.

8. Lieut. A. McLellan, R.N.V.R., the Officer appointed by the Admiralty to go out in the "Ismailia" in charge of the work of erecting the new Wireless Station, has kindly offered to convey this despatch to you, and we have given him a formal letter of introduction. He has had interviews with our Chairman with regard to local conditions, and we know that you will readily render him every assistance.

I am, Sir,

your obedient servant,

C. B. Soddard

Secretary.

DESPATCH NO.1146, PER "ISMAILIA" FROM NEWPORT, 5TH MARCH, 1915.

Precis of subjects

1. Remarks that no despatches to acknowledge.
2. Advises that this Mail goes per "Ismailia".
3. Reports six riveters being sent for erecting lighters.
4. Encloses copy of Crown Agents letter re distribution of £1,000 to Charities.
5. Refers to negotiations re "Crown of Arragon" bringing wool home.
6. Advises results of wool sales of 25th February.
7. Encloses papers for settlement of Estate of Jas. Allen.
8. Advises Lieut. A. McLellan going in charge of Admiralty work, with letter of introduction.

Enclosures via Liverpool.

Duplicates.

Despatch No. 1145 dated 19th February.

~~xxxx~~ Account Current.

Remarks on Accounts.

Remarks on Stores.

Precis of subjects of Despatch 1144.

List of General Cargo per "Orita"

List of Clients' Cargo per "Orita"

General Invoice goods per "Orita"

List of Enclosures

Second of Exchange for £ 46 . 5 . 5

Enclosures per S.S. "Ismailia" via Newport.

Originals

- 1 Copy of Cablegrams sent 25th & 26th Feby. & 4th March.
- 2 Wool market Reports.
- 3 Copy of letter to Pacific Steam Navigation Co. dated 19/2/15
- 4 Documents relating to Steel Lighters shipped per "Freshfield" as per detailed list attached.
- 5 Messrs Shorter Brothers' invoice dated 16/11/05 returned.

Clients' Reports :-

- 6 J R 33 bales Wool ex "Sorata"
- 7 B B 18 " "
- 8 J B 125 " "
- 9 L 8 " "
- 10 M & G 36 " "
- 11 Brokers' press copies reports on Co's Wool ex "Sorata"
- 12 Remarks on Accounts.
- 13 List of Short-Shipped Cargo per "Orita"
- 14 Copy of letter from the Crown Agents dated 26th February with enclosures attached.
- 15 Petition of Mrs Lucy Allen for the Estate of the late James Allen deceased.
- 16 Marked Wool Catalogues.
- 17 *Samples of wool.*
Letter for the following:-

~~Waxmarking~~ A.L.Allan, Sydney Miller & F.H.Weiss.

London 5th March, 1915

Received

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

61, Gracechurch Street.

Per "Kenuta"

N^o 1147

London, E.C. 31st March, 1915.

Sir,

The last despatch written to you, No. 1146, was dated the 5th March. I have since received your

despatch No. 483, per "Orissa", of 2nd February, and

,, 484 ,, ,, ,, 4th ,,

both delivered on the 10th instant.

2. For-mal confirmation forms, of cables exchanged between us, are enclosed herewith as usual.

3. Your wire, dated from Rio de Janeiro the 8th March, giving particulars of the shipment per "Corcovado", was very welcome, and it was satisfactory to know that you had been able to forward a further 1003 bales of wool. We wish we could hear that a vessel had been fixed to follow the "Corcovado". The P.S.N.Co. can only tell us, that so far nothing has been definitely arranged by Mr. Pearson. Following the failure of our endeavours to make use of the "Crown of Arragon", we received your cable of the 4th instant, in reply to ours, advising that no other vessel was available. We are therefore thrown back on the P.S.N.Co., and can only hope that they will be able to allot tonnage to us shortly.

The "Orissa" arrived in Liverpool on the 9th instant, and we were advised by Messrs. W. Lowden & Co. the following day, that she was the fiftyseventh steamer on turn for a discharging berth; such is the congestion of that port. The first shipment of wool coastwise, shipped from there on the 26th, consisted of 58 bales. The balance will probably arrive in small parcels during the next week or two.

W. A. Harding, Esq.,

Manager,

Port Stanley.

1147. 31.3.15.

4. I have to thank you for your cable, in reply to ours, advising the debit balance of Messrs. Packe Bros. & Co's account at the end of December last, as £973. Our message was sent at the request of Mr. Buckworth, and he has since sent us cheque for that amount.

5. 483/3. The account you give of the intercepted wireless message to the "Von der Tann" is certainly interesting, though somewhat disquieting, and it is easy to imagine that Stanley was alarmed. Nothing, so far as can be gathered from the press, has been heard of that vessel since she took part in the Scarborough raid, and we hope it will prove that she is not "at large". The news of the destruction of the "Dresden" on the 14th instant in the Pacific was a matter for considerable congratulation.

6. 483/4. I have to thank you for the details given as to the erection of the new Admiralty Wireless Station. Your remarks practically cover the same ground as our references to the matter in recent despatches which have crossed yours. The "Ismailia" sailed from Newport for Stanley on the 8th instant, and the "Freshfield", after much delay owing to engine room troubles, left the Thames on the 25th instant. The Admiralty advise that the six riveters are all on board.

7. 483/5. With regard to the flour damaged on the "Falkland", we have discussed the question with Mr. Connell, and the matter was laid before Messrs. Withers & Sons, Average Adjusters of Liverpool. From the copy of their letter enclosed, you will see they are of opinion that the amount is not recoverable from the ship.

8. 483/6. It is not surprising that you have heard nothing from Messrs. Buzzi & Co., and, having regard to the difficulties they will experience in chartering, it is very doubtful if their operations will be carried on this year in the Islands, although we understand from Messrs. Spearing & Waldron they have received a cable to the effect that a steamer would call at Port Howard about the 20th instant. On the 7th instant we received a cable

1147. 31.3.15.

requesting us to pay the balance of Messrs. Buzzi & Co's account standing at their credit to Bankers in London. We wrote them in reply to the effect that their account was kept in Stanley, and not knowing the position of it, we were unable to comply with their request. In closing their account to the end of the year, you will doubtless remember to debit the commission due from them. So far, the charge does not appear in any of the entries received to date.

9. 483/8. From interviews I have had with the Officials of the Overseas Prize Disposal Committee, I learn that it is the intention to send the "Josephina" to Buenos Aires, sell the coal there, and then load cargo home. The question therefore of our bidding for the ship and/or cargo will not arise. It was however thought to be a good opportunity of obtaining steam coal, and we submitted an offer of 40/- per ton, the labour discharging from "Josephina" to be for our account. We are informed, that provided the Admiralty ^{does} ~~do~~ not require the coal, our offer will be accepted for 300 tons. We are therefore advising you of this by cable. We hear from Liverpool that Welsh steam coal cannot be bought there today under 32/6 f.o.b., and if to this we add our contract freight rate, 22/6, it is clear that it would cost us in Stanley 55/- per ton, exclusive of insurance. Our purchase therefore at 40/- is satisfactory. A copy of letter from the Colonial Office on the subject, dated 26th March, is enclosed.

10. 483/9. I have to thank you for the full explanation of the high cash balance at 31st December last, which appears to have been due to abnormal conditions.

11. 483/11. It is satisfactory that progress is being made with stocktaking, and we look for your final accounts by the "Corcovado". The delay in forwarding accounts both out and home is, under the circumstances, unavoidable.

12. 484/. What was considered to be a judicious "extract" of your remarks, was sent to Messrs. Salvesen & Co., in the hope of satisfying them, if possible, that you were not in any way responsible for the condemnation of the "Columbus", at the

1147. 31.3.15.

instance of the Governor in Council. This appears to have had quite the desired effect, as I think you will agree on reading the enclosed copy of their letter, dated the 19th March.

13. We are sorry to hear that none of the Volunteers were released for shearing, notwithstanding the assurance received from the Colonial Office. It is fortunate that the men, not mobilized, rose so well to the occasion, and their action is fully appreciated. All will readily agree that the timely notice given by the Volunteer outpost, on Sappers Hill, must have been invaluable, but the incident hardly warrants the keeping of the whole force embodied for a year at a prospective cost of £15,000. Surely if it is only a matter of keeping a good "look-out", four policemen, at much less cost, could do so. Was not such service equally well performed at Fitzroy by a lady - Mrs. Roy Felton - when she telephoned the approach of the German colliers ?

14. The correspondence with Capt. Edwards, R.N., of the "Otranto" has been read, and the unanimous opinion is that your charge is fully justified, and that his letters are unnecessarily high handed in tone. I called at the Admiralty to discuss the matter with the official who attends to such matters, a Mr. Southgate, and he proved to be, curiously enough, an old friend of yours. He was consequently much interested in the correspondence, and readily admitted that £4 per day is quite a moderate charge under the circumstances. When the matter reaches his Department officially from Capt. Edwards, through the Admiral, I am to call and see him again.

15. Having regard to our contract, it seems a question as to whether the P.S.N.Co. are justified in inserting on our Bills of Lading the clause, "Do not accept cargo for London unless our option final discharge London". The matter is under discussion, and we are waiting to see if they intend interpreting it strictly, before raising any question. Up till now, the wool has been ordered to the London Coastwise Steamers in the usual way, without asking for any additional freight.

16. In par. 4 of your 483, you refer to the possibility of

1147. 31.3.15.

labour trouble ahead, consequent on the many changed circumstances in Stanley. This is a matter which has not been lost sight of here, it being appreciated, that with the cost of living undoubtedly increased, it would not be surprising if further demands were made. The matter was fully discussed at the last Board Meeting, and I was instructed to advise you, the Directors consider, that in the event of your getting the slightest inkling of trouble brewing in this respect, it would be far better for you to anticipate matters, and meet the men's demands, rather than allow any dissatisfaction to materialize. The Board leaves the matter in your hands to deal with as you think best. These remarks refer to the men employed in Stanley, where the increased cost of living must be more felt than by Farm hands who obtain their meat and lodgings free.

17. The question of the treatment of the "Falkland", as regards your charges for supplies and work done, was a matter also discussed by the Board. Having regard to the fact that we are half owners, and that it is in the interests of all concerned that her accounts should show, as nearly as possible, the actual cost of running, it was decided that all supplies should be charged for at a price not above landed cost at Stanley, plus 15% for profit and interest. This arrangement, so far as possible, to be retrospective. The matter arose on the charges made in accounts rendered for various goods, all of which appear to be priced on the high side. For example, we enclose a statement detailing a few items of ship's stores which have been picked out from your invoices, and against which we show a comparison of your charge, as compared with the cost in Liverpool and London.

18. A further matter on which the Board came to a decision was with regard to the replacement of the wool sheds at Walker Creek and Darwin, on modern lines, as soon as possible. It is the Directors wish, that Mr. Allan should take the earliest opportunity of visiting the most up-to-date sheds on the Coast, and that he should then submit his rough plans for the requirements at both stations, embodying any improvements he may have seen. If

1147. 31.3.15.

these plans give the dimensions and genral arrangements, the matter can then be dealt with here.

19. The Board will be glad to have from you some particulars of J.B.Luchtenborg. Is he German, or not? If he is, it seems very undesirable that he should be allowed the run of Sea Lion Island, where the new light is to be erected.

20. The Wool Brokers have pointed out what a great assistance it would be in lotting the wool bales for public sale, if the numbers of each could be taken at time of shipment, and sent home with the Bill of Lading. With such particulars before them, they could, on reference to the specification, see exactly how to arrange the catalogue, without having first to examine every bale. They also report that of late years the practice of marking each bale, Hog, Ewe or Wether has been discontinued, and this should not be. Mr.Allan's attention is being drawn to the matter.

21. The matter of securing a Doctor for the West Falkland Medical Association has not been lost sight of, and though enquiries have been made in all most likely quarters, we have, up till now, been quite unable to hear of one man willing to go out. That this is the general position, was confirmed by Mr. Grindle at the Colonial Office. At an interview I had with him a few days ago, he told me that the Colonial Office found it hopeless to try to get medical men wanted, for any other places than the front.

22. The Admiralty Shipping Agents have informed us that a crew is being sent out to bring the "Josephina" home, and that provisions for the voyage will be required. I have informed them that these will be obtainable from you, and they ask that in our charges for same, we will reciprocate the consideration they have shown us in the matter of the coal sale. If you get the coal, no doubt you will consider the matter!

1147. 31.3.15.

23. The suggestion made in one of your recent letters to the Chairman, of sending the "Falkland" to Punta Arenas with the men, after the Canning Season is over, was discussed the other day with Mr. Connell. In the absence of exact information as to the distance, and probable average speed of the vessel, we could only figure approximately the probable cost of the voyage. Mr. Connell calculated that three days steaming each way should be allowed, and his calculation as to cost was as follows:-

Coal, steaming, and in port, 52 tons, say	117. 0. 0
Portage Bill and Insurance, say	45. 0. 0
Interest, Depreciation and Outfit, 25% for one week on £12,000	<u>58. 0. 0</u>
	<u>£220. 0. 0</u>

Taking into consideration the cost of passage money from Goose Green to Stanley, and thence per P.S.N.Co. to Punta Arenas, and the number of men to be returned, you will be able to decide whether it is a paying proposition or not, and no doubt Messrs. W.Lowden & Co. will advise you if they approve of the vessel being sent on the trip. Messrs.Lowdens will also approach the P.S.N.Co. with a view to ~~their~~ obtaining their approval of our bringing timber over, and if this is granted, and you are not already over stocked, it would help the proposition.

I am, Sir,

your obedient servant,

E. B. Gorman

Secretary.

Enclosures via Liverpool.

DUPLICATES.

Despatch No. 1146 dated 5th March, 1916

Remarks on Accounts.

List of Enclosures

Particulars of Documents re two steel barges
per S.S. "Freshfield"

Letter to Mr Harding dated 5th March.

Enclosures via Liverpool.

Originals

- 1 Copy of Cablegrams sent 10th & 16th March.
- 2 Copy of letter to Vorwerk & Co. dated 23rd March.
- 3 Copy of letter to Chr. Salvesen & Co. dated 18th & their reply of 19th March.
- 4 Copy of letter from W. Lowden & Co. dated 19th March with copies of letters referred to.
- 5 Royal Insurance Co's policy No. 12665464.
- 6 Wool Market reports.
- 7 Copy of letter from Anning & Cobb dated 19th March.
- 8 Receipts for cash advanced to W. Christian (£4) C. Evans (£8) & J. Gallagher (£4).
- 9 Brokers' press copies reports on Co's Skins ex "Sorata"
Clients' Reports:-

10	J B	7	bales	Sheepskins	ex	"Sorata"
11	BB	2	,,	,,	,,	,,
12	H	4	,,	,,	,,	,,
13	M & G	2	,,	,,	,,	,,
14	H R	3	,,	,,	,,	,,
- 15 ~~Artograph Film Co's invoice for goods sent to Rev. L.M. Megoni.~~
- 16 Remarks on Accounts.
- 17 Remarks on Stores.
- 18 Account Current & vouchers.
- 19 Wool & Sheepskin priced catalogues.
- 20 Copy of letter from the Colonial Office dated 26th March.
- 21 Copy of letter from Rev. J.M. Skittery (not dated) re late Walter Shire's Estate.
- 22 Comparison of Stanley prices charged to "Falkland" with London & Liverpool prices.

- 23 Wool Market Reports.
- 24 List of Cargo per "Kenuta"
- 25 General Invoice goods per "Kenuta" (incompleted)

Letters for the following:-

W.A.Harding, F.H.Weiss & A.L.Allan.

London 1st April, 1915

DESPATCH NO.1147, PER "RENUTA", 31ST MARCH, 1915.

Precis of Subjects

1. Acknowledges despatches 483 & 484 of 2nd & 4th February.
2. Enclosing forms of confirmation of wires.
3. Refers to "Corcovado" shipment, "Crown of Arragon" & "Orissa's" arrival - future tonnage arrangements.
4. Acknowledges receipt of cable re Packe Bros.& Co's account.
5. Refers to supposed proximity of the "Van der Tann".
6. Acknowledges information re new Wireless Station.
7. re Flour damaged aboard s.s."Falkland".
8. Prospects of Messrs.Buzzi & Co. operating this year.
9. Refers to purchase of coal ex "Josephina".
10. Acknowledges explanation of high cash balance at 31.12.14.
11. Refers to annual accounts, and the unavoidable delay.
12. Extract of your letter sent Salvesen & Co. - their satisfactory reply.
13. Comments on non-release of Volunteers, and heavy cost to Colony.
14. Refers to correspondence with Capt.Edwards - "Otranto".
15. Refers to P.S.N.Co's clause on B/L taking option of final discharge in Liverpool.
16. Advocates anticipating any labour agitation in Stanley.
17. Defines basis of charges to "Falkland" for Stores, etc.
18. Decision of Board to replace W.C. & D.H. wool sheds as soon as possible on modern lines.
19. Asks for information re J.B.Luchtenborg.
20. Passing on Brokers' request for bale numbers to be taken on shipment and sent home. Why are bales not marked as per specification.
21. Doctor for West Falklands at present not procurable.
22. Request to be prepared to provision "Josephina".
23. Question of sending "Falkland" to the Coast.

referred

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street.

Per "Kenuta"

N^o 1148

London, E.C. 8th April, 1915.

Sir,

My previous despatch, dated 31st ulto., was closed in anticipation of the "Kenuta" leaving, as arranged, on the 1st instant. It was found impossible to despatch her then, in consequence of labour trouble in Liverpool, and she is now fixed to sail tomorrow. The delay enables me to acknowledge receipt of your despatch No.485, per "Corcovado", received here on the 6th instant.

2. Your cable from Monte Video, dated 6th inst., advising that the satisfactory result of last year's working shows a profit of £63072, has also been received, as well as your wireless message of the 7th, requesting a payment to be made of £50 to Messrs. Clarke & Cresswell, on account of Mrs. Hardy. This latter has received attention.

3. 485/3. The Board will be glad to hear that Mr. Waldron's indebtedness is being reduced to more reasonable proportions.

4. 485/4. It is noted that Capt. Poole was aware of the damage to the "Harry Lumdy", and this information is being passed on to Messrs. W. Lowden & Co.

5. 485/5. In view of the difficulty being experienced in obtaining a medical man for the West, it is disappointing to hear that Dr. Siddons was obliged to return home.

6. 485/6. I have to thank you for the detail way in which you have dealt with the matter of Mr. Richards's visit. Note is being taken of the information you give, and as the incident is now closed, it hardly seems that any useful purpose can be served

W. A. Harding, Esq.,

Manager,

Port Stanley.

1148. 8.4.15.

by persuading the subject further.

7. 485/8. That Mr. Nicholls should require a few days in Stanley to collect furniture seems quite reasonable, but why he should be further delayed, "until Mr. Allan has a house ready for him", cannot be understood. Writing on the 20th November, Mr. Allan stated that he had given Biggs a month's notice, and that his house would be available for Nicholls. It seems a mistake to delay his arrival in the Camp a single day, when his services there are so much needed.

8. 485/9. The information as to the practice in Stanley on settlement of mortgages, will be useful for future reference. It is noted, that in the case of Messrs. George Bonner & Co. Ltd., having regard to the large amount, and the wording of the mortgage deed, that a reconveyance is desirable.

9. 485/10. Note has been taken of Messrs. Smith & Sons' wish to pay a further sum of £1,000 off the mortgage, on 30th June next.

10. 485/13. The information obtained by Mr. Weiss as to Messrs. Buzzi & Co., is certainly interesting, and goes to confirm our belief that they will not be able to take the sheep from the Islands this year. The statement that Falkland wethers are not liked for freezing, seems difficult to understand, when one bears in mind the excellent butchered weights shown in the annual returns from the Canning Works for F.I.C. sheep. The returns of meat extract and tallow also go to show that they can hardly be said to have an undue proportion of bone.

11. 485/13. Mr. Weiss's suggestion for running the works this Season, appears very good indeed, and considerable expense would be saved if he can manage without importing the Chilians. This will dispense with the necessity of further considering the question referred to in my 1147/23 of sending the "Falkland" to Punta Arenas. This suggestion, by the way, we have since heard, met with strong disapproval from the P.S.N.Co. - vide copy of letter from Mr. Connell, dated 1st April, 1915, enclosed. That only such a small number of sheep are available for Canning, is unfortunate,

1148. 8.4.15.

but cannot, under the circumstances, be avoided until we are in a position to bring sheep from the West.

12. In anticipation of the breakdown of Messrs. Buzzi's contracts with the Stations, the Board has had under consideration the suggestion for the construction of a suitable barge to carry 1,000 sheep in three tiers. The idea is that such a craft could be towed by the "Samson" from Port Howard across the Sound.

13. ^{485/14.} I am sorry that you were inconvenienced by the large amount of coal in the "Bogota". Our old practice of regularly cabling you tonnages, via Punta Arenas or Monte Video, has not been possible, owing to the uncertainty of the sailings from those ports for Stanley. We will, however, in future cable you the information by wireless on the sailing of the vessel until normal conditions are resumed and we can revert to the old system.

14. 485/15. The "Falkland" accounts have been forwarded to the Owners, and we note that there only remains to be settled the cost of the coal and boats. This will be arranged without delay, and advice sent you.

15. 485/16. The "Corcovado" arrived safely in the Thames on the 5th instant, and we hope that her wool will be available without much undue delay.

16. 485/17. We are glad to have the information relative to the movements of the Governor and Colonial Secretary.

17. 485/21. When the "Corcovado's" cargo is finally delivered, we will bear in mind your remarks as to the discrepancy in tallying the D.H.wool.

I am, Sir,
your obedient servant,

E. B. Sowden

Secretary.

18. We are sorry to inform you that we are advised that David Smith died suddenly on the 5th inst. At the request of his Executor here, this information is being cabled to you today.

Enclosures per "Kenuta" via Liverpool.

- 1 Corrected General Invoice goods per "Kenuta"
- 2 Mackenzie's certificate of strength of the Whisky shipped
- 3 British American Tobacco Co's invoice for goods shipped per
"Kenuta" for J.H. Dean.
- 4 Copy of letter from Mr Connell to Mr Goddard dated 1st April
re "Falkland" trip to P.A.
- 5 Precis of Subjects - Despatch No.1147 dated 31st March.
- 6 Remarks on Accounts.
- 7 Remarks on Stores.
- 8 Copy of Cablegram dated 8th April.

London 8th April, 1915

Received

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street.

Per "Ortega"

N^o 1149.

London, E.C. 14th April, 1915.

Sir,

The sailing of the "Ortega" so soon after the "Kenuta", leaves little to be dealt with in this despatch, but the opportunity will be availed of to send you duplicates of my last, and also to refer to one or two matters that have since arisen.

2. The death of David Smith brings to life the question of the lease of Great and Ruggles Islands, and the matter was discussed by the Board at the last meeting. The term of the lease, as granted, was for the life of David Smith, and therefore there is no liability on the part of the Company to continue it to his son James. The Board therefore asks that you will obtain from Mr. Allan his views as to the possibility of the Company taking the land over and working it. Does he think that could be done with sufficiently profitable results to warrant our doing so? If he does not, then the Board will be glad to hear from you what you consider would be a fair rental to ask.

3. Arising on the reported outbreak of ophthalmia among the sheep, said to be caused by the blue bottle flies, and referred to in Mr. Blake's correspondence with Mr. Allan, the Board will be glad to know if you could get up a strong petition to the Government, signed by many farmers, appealing to make the destruction of all offal and breeding places for flies compulsory. If a small enactment to this effect could be passed, and the regulation was carried out as far as possible, there is no doubt that the fly pest would be very materially reduced.

W. A. Harding, Esq.,
Manager,

Port Stanley.

1149. 14.4.15.

4. Mr. Blake has drawn attention to the hardship entailed on many Station hands, through the present regulation requiring that each member of a Rifle Club, unless he be a Volunteer, should take out a gun licence for his miniature rifle. An appeal was made to the National Rifle Association to use its powerful influence to obtain some mitigation, and copy of the correspondence is enclosed. From the Colonial Office letter it is clear that the matter can only be arranged on your side, and it is hoped that the new Governor may show some disposition to meet the clubs in the matter.

I am, Sir,

your obedient servant,

E. B. Goddard

Secretary.

(5)

DESPATCH NO. 1148, per "KENUTA", 8TH APRIL, 1915

Precis of Subjects

1. Explains "Kenuta", with previous despatch, delayed.
2. Cables from Stanley, re Annual Profit, etc.
3. Mr. Henry Waldron's account.
4. re damage to "Harry Lundy".
5. Doctor for the West.
6. Mr. Richards mission to Islands.
7. Discusses Mr. Nicholls delay in getting to Camp.
8. Question of reconveyances in settlement of Mortgages.
9. Messrs. Smith & Sons' notice to pay £1000 off Mortgage noted.
10. Mr. Weiss - information obtained on Coast - Buzzi & Co.
11. Mr. Weiss's proposal for running without Chilians.
Question sending "Falkland" to Punta Arenas.
12. Board considering sheep barge in connection with Canning and Stations on the West.
13. Tonnage of shipments will be cabled by wireless on sailing in future.
14. "Falkland" accounts forwarded to Owners.
15. Advises "Corcovado's" arrival.
16. Movements of Governor and Colonial Secretary.
17. "Corcovado", discrepancy in tally of wool.
18. Reports death of David Smith.

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Duplicates via Liverpool.

Despatch No. 1147 dated 31st March.

List of Enclosures.

Incompleted General Invoice goods per "Kenuta"

List of Cargo per "Kenuta"

Account Current dated 31st March.

Remarks on Accounts.

Remarks on Stores.

List of Parcels.

List of Clients' Cargo per "Kenuta"

List of Enclosures per Consignees' Letter.

Clients A/sales:-

J.B.	125	bales	Wool	ex	Sorata"
B B	18		„		„
L	8		„		„
M & G	36		„		„
J R	33		„		„

Comparison of Stanley prices with London & Liverpool

Clients' Reports on :-

M & G	2	bales	Sheepskins	ex	"Sorata"
J R	3		„		„
H	4		„		„
J B	7		„		„

Clients Invoice goods per "Bogota"

Enclosures via Liverpool.

Originals.

- 1 Corrected General Invoice goods per "Kenuta"
- 2 Clients' Invoices goods per "Kenuta"
- 3 Copy of letter from Ellen Clarke dated 9th April.
- 4 Copy of letter to the National Rifle Association dated 18th March & reply dated 9th April together with copy of letter from Colonial Office to National Rifle Association of 3rd April
- 5 Precis of Subjects - Despatch No.1148
- 6 Bills of Lading General Cargo per "Kenuta"
- 7 Remarks on Accounts.

Letters for :-

W.A.Harding, Esq. (2)

A.L.Allan, Esq.

LONDON 14th April, 1916

insert

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street.

Per "Oriana"

N^o 1150.

London, E.C. 12th May, 1915.

Sir,

I wrote you last on the 14th ulto., and have since received from you the following:-

Despatch No.486,	dated 9th March 1915,	received 21st April.
" 487	" 29th " "	" 30th "
" 488	" 29th " "	" 30th "
" 489	" 11th April '1915	" 12th May.

and cables of the 7th, 22nd, 28th, 29th April, the 3rd and 8th May, confirmation forms for which are enclosed.

2. 486/3 & 487/19. The uncertainty of the position, at the date of your letter, with regard to Buzzi & Co. taking sheep, ^{is} is noted. This, to some extent, cleared up by a cable received from that firm on the 26th April, reading as follows:-

"Falkland contracts transferred to Llanzo Roy
"will pay cash gold sheep against delivery oblige
"advise Harding cable transfer our credit balance
"to Llanzo Roy Port Stanley steamer sails today"

to which we replied:-

"Please wire instructions to Harding direct".

A copy of letter confirming these cables is sent herewith.

3. 486/4. In view of the reduced number of sheep available for canning this year, we are glad to hear that Mr.Allan has arranged to buy 1,000 from Mr.Packe. It is to be hoped that later he was able to arrange for more from other Stations, for I can hardly think that the terms of Buzzi & Co's contract with the farmers is so worded that they are bound to recognise the transfer of same to Roy.

4. 486/4. The arrangements you have made to secure an Engineer - Mr.Challis - from Buenos Aires for Goose Green, are approved.

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

1150. 12.5.15.

5. 486/5. As advised in previous despatches, the tonnages of outward cargoes will be cabled to you promptly in every case in future, either by Monte Video, Punta Arenas, or wireless, if necessary.

6. 486/6 & 487/9. It was interesting to hear that the Company's offer to assist the Admiralty had reached the Governor. It was absurd that they should imagine it possible for you to shift 2,000 tons of shingle in such a limited time, especially as it was made quite clear to the Officers in charge here, that no floating labour was obtainable in Stanley. Your ideas with regard to the necessity of a jetty at head of bay, are exactly in line with the Chairman's recommendations to Lieut. McLellan, but he rather leaned to the plan of conveying everything from Navy Point by the light railway to be laid.

The fact that the "Tilton" was no longer serviceable had been overlooked, and we note therefore that only three lighters are available, until the two steel ones per "Freshfield" are at work.

7. 487/4. I am obliged for your explanation of the apportionment of the wages for Canning Season 1913.

8. 487/6. The claim for the bale of sheepskins referred to, was collected from Underwriters, and credited in account on the 26th April.

9. 487/8. The reduction of Mr. Henry Waldron's debit balance is noted with satisfaction.

10. 487/11. It is satisfactory to hear that you keep before our Clients the advantage of our 5 years freight contract with the P.S.N.Co. In despatch No. 1145 - par. 14 - reference was made to a "soreness" shown by that Company at the existence of the arrangement, in view of the much higher freight rates now current from the Coast and elsewhere. Although we knew this to be the position, it was somewhat surprising to receive the enclosed letter from them, dated

1150. 12.5.15.

4th May, calmly suggesting that the contract, on account of its unprofitable nature - to them -, should be mutually cancelled. Our reply to this letter is also attached, and has, so far, settled the matter, for nothing further on the subject has been received. It is, in a way, satisfactory to have heard, privately, that their councils were somewhat divided as to the propriety of making such a proposal, the Assistant Manager being strongly averse.

11. 487/11. Following on the break down of the "Crown of Arragon" negotiations, we were getting very anxious to hear that arrangements had been made to lift your ~~want~~ accumulated produce. Cables were sent to Valparaiso, enquiring when the next vessel was fixed to call, but no information could be obtained. Your wireless message of the 28th April came as a relief, for to hear that the "Orita" was reserving 1400 tons of space for Stanley was most satisfactory. Since that date, your message of the 8th May has come to hand, advising the shipment by the "Orita" of 798 bales in all, which, after making allowance for any outsiders' parcels, looks very much as though the space intended for you had again been poached in Punta Arenas.

12. 487/13. The information with regard to the s.s. "Bangor" is most interesting, and we shall look for your further advices as to her fate.

13. 487/14. Your remarks are noted. Following on your cable of the 28th April, advising that you have sold the 300 tons of coal bought ex "Josephine", and asking for more, we succeeded in buying a further 300 tons at the same price, viz:- 40/-, and a wireless message to this effect was sent you on the 30th April. Your cable of the 3rd May followed, asking for more, and that you intended bringing the "Garland" to Stanley if we were successful. The result of our negotiations is, that, declining to sell more at the same price, the Prize Committee have accepted 45/- per ton for about 600 tons,

1150. 12.5.15. 25

provided that at least 450 tons are left aboard by way of stiffening. We accordingly cabled you this information last evening. It is noted with satisfaction that you intend bringing the "Garland" to Stanley to store same, for the opinion has long been held that the vessel is being wasted at Goose Green.

14. 487/15. It is indeed good news that there is now a prospect of some of the Volunteers being allowed to return to the Camp, and so save a portion of the anticipated heavy expenditure. We gather however from your despatch, received this morning, No.489 - par.4 - that little in this direction will be done until the arrival of the new Governor.

15. 487/16. The movements of the new Governor and Colonial Secretary are noted with interest.

16. 487/17. We are glad to have your explanation of why certain clients' wool was shipped per "Corcovado", and not others; it enables us to answer any complaints that may arise.

17. 487/19 & 489/19. Referring again to the Buzzi and Roy business dealt with by you in the above, it is indeed very difficult to decide "who is who" in the matter. It is clear that they are not reliable people, and your ideas as to taking no financial liability on their account is quite sound and proper. Further it is the strong desire of the Board, that if means of transport can be provided, it is most desirable that we should secure for the Canning works all the sheep that are available in the Islands. If the farmers are not bound by the contracts to transfer to Roy, it would appear that this is the Company's chance of securing the trade. We shall be glad to have your promised views as to fitting out the "Falkland" for carrying the sheep, although when the matter has been discussed here, it has been generally considered that if the steamer has to be in Stanley every fortnight, in connection with mail work, she must be ruled out of consideration, for it would never pay, once her sheep fittings are erected, to remove them until the sheep carrying work is completed. It was this consideration that gave birth to the barge idea referred to in my 1148, par 12.

1150. 12.5.15.

From a copy of Messrs.J.Crichton & Co's letter of the 13th March enclosed, you will see that such a craft would cost about £1450, and she would be a thoroughly good sea-going vessel.

18. 488. ANNUAL ACCOUNTS. We were glad to receive this despatch enclosing final accounts for the year 1914, which are most satisfactory. I have to thank you for your full remarks on the various accounts, and also for the useful statements of abstract and comparison of Farm Account, etc. Detail comments, if any, must be deferred to a later despatch, but for your information, I may ^{say} that it was not considered desirable to carry to 1915 accounts any sum representing the sheep taken in 1914. The profits for 1915, if prices remain at present level, seem likely to be large enough to take care of themselves.

STORE. With regard to store values, your figures are being adopted as they stand, as the lower basis of valuing referred to, lessens the necessity of writing off any further special depreciation, especially in view of the fact that any amendment of your closed accounts, leads to considerable confusion in the books.

"SAMSON". The loss incurred is unfortunate, but not surprising, in view of the fact that no salvage has come to her credit during the year.

NEW BUILDINGS. The statement of amounts charged to revenue, and capitalized, is useful, and the course adopted makes for strengthening our financial position.

19. I have the pleasure to inform you that at the Meeting held on the 10th instant, when the Annual Accounts for 1914 were considered, the Board decided to grant a Bonus of 12½% to the Company's staff on the same lines as last year. Please note that the remarks in Mr.F.E.Cobb's letter to you of the 29th May, 1914, on the subject of Bonus distribution, equally apply in this case. It should be explained to all that the increase of 2½% is in recognition of the loyal and excellent work performed by the staff during periods of great anxiety

1150. 12.5.15.

in the latter part of last year.

20. Your attention is drawn to correspondence with the P.S.N.Co. - copies enclosed - on the subject of our claim for 25 cases Mutton short delivered per "Sorata". You will see the monstrous position they at first took up, declining responsibility and arguing that because the cases were not forthcoming from the ship in London or Liverpool, they could not have been shipped in Stanley. Our last letter brought them to their senses, and our claim is passed, but we shall be glad to hear from you if their story of the cases being sent aboard on a shipping note for London is correct.

21. Your cable of the 22nd April, advising that you recommended purchasing a motor boat offered you for £340 was duly received, and I confirm our message in reply, despatched to you the same day, authorising you to use your discretion in the matter.

22. Your advice to the effect that Mr. Packe wished his effects per "Orita" insured against all risks for £1250 was received, and duly attended to.

23. At the request, and expense of, Mr. I. Van Gelder, a cable was sent you on the 29th April, asking when the Guano would be shipped. On receipt of your reply to the effect that it required rebagging, we sent you a further message reading - "rebag" - from which you would doubtless gather that it must be rebagged at owners expense.

I am,

Sir,

Your obedient servant,

C. B. Goddard

Secretary.

Precis of Subjects

1. Acknowledges despatches Nos.486/489, and cables.
2. Messrs.Buzzi & Co's prospects of trading etc.
3. Canning - prospects of obtaining sheep.
4. re Engineer - Mr.Challis - from Buenos Aires.
5. Tonnages of outward cargo will be cabled.
6. Admiralty - wireless work in Stanley.
7. Acknowledges particulars of Canning Wages 1913.
8. Claim for 1 bale Sheep skins credited.
9. Mr.H.Waldron's debit balance.
10. P.S.N.Co's freight contract - proposal to cancel.
11. re shipment of produce.
12. Refers to s.s."Bangor" - prize ship in Stanley.
13. Coal purchased ex "Josephine".
14. Probability of Volunteers being disbanded.
15. Movements of new Governor and Colonial Secretary.
16. Shipment of wool per "Corcovado" - acknowledges information re clients wool sent.
17. Messrs.Buzzi & Co. - question of conveying sheep from West - barge for same.
18. Annual Accounts.
19. Advises bonus to all employees.
20. Correspondence with P.S.N. re claim for 25 cases Meats.
21. re Motor Boat offering in Stanley.
22. Insurance of Mr.Vere Packe's effects.
23. re shipment of Van Gelder's Guano.

Enclosures per "Oriana" via Liverpool

Duplicates.

Despatch No.1149 dated 14th April.

Precis of Subjects Despatch No.1148

General Invoice goods per "Kenuta"

List of Enclosures.

Remarks on Accounts.

London 12th May, 1915

Enclosures via Liverpool per "Oriana"

"Originals"

- 1 Wool market reports.
- 2 Copies of Cablegrams received
- 3 Copies of Cablegrams sent.
- Clients' Reports:-
- 4 S I 10 bales Sheepskins ex "Orissa"
- 5 S 4 ,, ,, ,,
- 6 J B 202 ,, Wool ex "Corcovado".
- 7 W C 3 ,, Sheepskins ex "Orissa" (Company)
- 8 Copy of letter to Tomas Buzzi & Co. dated 26th April.
- 9 Copy of letter from W Lowden & Co. dated 27th April re
Falkland Account.
- 10 Copy of letter from Pacific Steam Navigation Co. dated 4th
& our reply of 5th May.
- 11 Copy of letter from Chr. Salvesen & Co. dated 30th April &
our reply of 5th May.
- 12 Copy of letter from Pacific Steam Navigation Co. dated 5th
and our reply of the 7th May re claim.
- 13 Copy of letter from Chr. Salvesen & Co. dated 6th & our
reply of the 7th May.
- 14 Anning & Cobb's priced Sheepskin Catalogue.
- 15 Copy of letter from Crichton & Co. dated 13th March.
- 16 Remarks on Accounts.
- 17 Remarks on Stores .
- 18 Account Current & Vouchers.
- 19 Sight drafts on J. Kirwan for £53.19.7 & Mrs W. R. Hardy £14.19
Letters for the following:-

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

S. Miller & G. Goddard

Refered to the Coal

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

Per "Orita"

N^o 1151

London, E.C. 9th June, 1915.

Sir,

Since writing you last on the 12th May, I have received your -

despatch No.490, dated 26th April, delivered on 1st June,
and No.491, 4th May,

Your cables of the 24th & 26th May, 3rd & 9th June, as per confirmation forms enclosed, have also come to hand.

2. It is pleasing to be able to report the safe arrival of "Orita" in Liverpool, on the 31st ulto., as the activity of the enemy's submarines around the coast is still the cause of some anxiety and loss.

3. 490/3. Following remarks in our No.1150/11, we have been in correspondence with the P.S.N.Co. - copies of letters are enclosed - with a view to obtaining some explanation of the large difference between the 1400 tons of space promised in the "Orita", and the 620 tons (approximately) available. You will see that the statement is made that Mr.Pearson had no knowledge on the 17th April of the tonnage awaiting shipment in Stanley, but this is no explanation whatever of the failure to give you the space - 1400 tons - promised in their cable of the 26th April replying to yours of the 19th of that month giving full information. In future would it not be well for you during the wool season to cable Valparaiso regularly, say every three weeks or so, stating exactly the quantity of cargo awaiting

W. A. Harding, Esq.,

Manager,

Port Stanley.

1151. 9.6.15.

shipment? They could then never make such an excuse. If a short code were drawn up between you for the purpose, the expense would be trivial.

4. I confirm cables exchanged between us on the subject of chartering the "Josephina" homeward. On approaching the Prize Disposal Committee they would not for a moment entertain the idea of the $\frac{1}{2}$ d per lb. freight, as suggested in the case of the "Crown of Arragon", but ultimately came to an agreement on the basis of 60/- weight for wool and skins. When however discussing rates of our tallow and case meats, they absolutely refused to carry them at the P.S.N.Co's rates of 45/- and 40/- respectively, and finally they decided to withdraw the vessel and send her to the Plate where considerably higher freights can be earned. I therefore cabled you yesterday that the vessel is not available, and asking you to advise Valparaiso promptly of the tonnage awaiting shipment, and trust soon to hear that arrangements have been made for a cargo boat to call. The P.S.N.Co. here, cabled to Valparaiso on the 3rd instant, urging the necessity of arranging this promptly.

After all, the shipment of wool in a coal hold would be attended with some risk of coal dust damage, and further, on a full cargo, the marine insurance would be quite £450 more than per P.S.N. steamers.

5. 490/5. Your sale of coal ex "Josephina" at 57/6 per ton is very satisfactory.

6. 490/6. I note you are in want of beans and potatoes, and we see from Mealean & Stapledon's account that you have since received supplies of the former from them. It is to be hoped that you will also be able to get the potatoes, as shipments cannot be made from this side with any hope of a good outturn, for at least two months.

With regard to a purchasing Agent in Valparaiso, we would recommend you to Messrs. Gibbs & Co. with whom we will arrange terms here and advise you.

1151. 9.6.15.

7. 490/7. Motor Boat and Water Boat. The approval of your purchase was conveyed to you in par.21 of my last despatch. The further particulars sent are noted with interest, and it is to be hoped that both will prove thoroughly satisfactory and useful to you. It certainly would be wise to metal the motor boat, and when this is done, you will doubtless mention it.

8. 490/10. I much regret to note the trouble caused in Stanley by the "Ismailia's" men, and trust that the reshipment home of the 36 ringleaders will have a steadying effect. One cannot help feeling there is some danger of such discontent spreading to our employees. We trust however that our recent remarks (1147/16) conveying the Board's wishes with regard to the matter, will have enabled you to adopt a course which will forestall any real difficulty.

9. 491/3. Your views with regard to the "Falkland's" suggested trip to South Georgia are welcome, and no doubt there is much force in the arguments you use against the venture.

10. 491/4. I note that at the date of your letter, nothing had been seen of Mr.Roy or the "Neuquen".

Following on remarks in my 1150/17, the question of securing all possible sheep from the West next year, has been under further consideration. The new suggestion has been made, that if a provision were inserted in the new Mail Contract, exempting the "Falkland" from carrying the Mails for say one month in the year, it might then be possible to employ her exclusively for the purpose, instead of following up the barge proposal. It has been suggested, that provided Mr.Allan sees no objection to the longer drive, New Haven would be a favourable place to erect a jetty and discharge the sheep loaded from the West at Port Howard. This would be a very short run for the steamer, and ought, with proper organization, lessen considerably the time required by the "Falkland" to complete the whole work. In connection with this, we are writing Mr.Allan as to the practicability of that port. We shall be glad to have by

1151. 9.6.15.

return your views on the following points:-

(a) After closely measuring the "Falkland", how many sheep do you calculate she could carry in her present condition without fittings ?

(b) Do you consider her hold arrangements are such that fittings could be erected to enable a double tier to be carried ?

(c) If so, what would be the approximate cost of same, and how many sheep do you consider she could then carry ?

It is felt strongly, that if we are to secure the business next year, no time should be lost in having all these matters settled.

11. 491/5. It is very satisfactory to note that the quantity of sheep canned will be more than at one time was considered possible.

12. 491/6. From your cable received this morning, it is evident that instead of bringing the "Garland" to Stanley, as referred to in above paragraph, the "Josephina" has gone to Darwin to discharge the 600 tons of coal last bought. No doubt this course has been necessary on account of labour difficulty in Stanley, and it means that the "Garland" will remain for the present where she is. As previously advised you, the opinion held here, is, that she would be more usefully employed at Stanley.

13. With regard to the Hill Cove hay purchased last year, and this, please advise on what terms it was bought, f.o.b. Hill Cove, or d/d Stanley, and also the rate of freight credited thereon to the "Falkland". The Managers of that vessel have asked the question, and we are unable to trace the details from the accounts.

14. As usual, we send you herewith a copy of the printed Balance Sheet and Report &c. for 1914, and also a copy of the more detailed statement.

15. Your cable of today's date has just come in. It

1151. 9.6.15.

has evidently crossed ~~mine~~ ours of yesterday, advising that the "Josephina" had been withdrawn, therefore further comment on your questions, with regard to her intended loading, are useless.

16. From the accounts, you will see that your cable request to pay Messrs. Rylands & Sons £70 on account of Mr. Hardy, has received attention, and in our cable in reply, we advised that the beer was shipped per "Oriana".

17. At the request of his Father, we asked you to inform the man Venner of North Arm to return home at once, and from your wireless message of today, we note he is sailing in the "Ortega". This information we will pass on to his relations.

18. In accordance with your cable of the 3rd instant, the Artograph Film Co. have been instructed, that their films being unsatisfactory, no further shipments will be accepted. A copy of their letter of the 3rd instant is enclosed.

19. On receipt of the above mentioned wire, we at once sent to Messrs. Scheel & Bruenech, Christiania, a request for them to establish a credit in our favour for £200. So far we are without any reply from them.

20. From your cable of today, we also note that the Girlings are returning by the "Ortega", and your requests with regard to insurance have received attention.

21. From the Account Sales enclosed, you will see that prices for our wool remain at a very satisfactory figure, and there appears every prospect of values continuing firm for some time.

I am, Sir,

your obedient servant,

E. B. Soddard

Secretary.

Enclosures via Liverpool.

DUPLICATES.

Despatch No. 1150 dated 12th May,

Remarks on Accounts.

Remarks on Stores

List of Enclosures

Second of Exchange for £14 . 19 . 3 on W.R.Hardy.

Account Current

List of Parcels .

List of Clients' Cargo per "Oriana"

Clients' Reports:-

S	4 bales Sheepskins ex "Orissa"	
SI 10	do.	do.

Clients' A/sales:-

H	4 bales Sheepskins ex "Sorata"	
J R	3 do.	,"
M & G	2 do.	,"
B B	2 do.	,"
J B	7 do.	,"

Enclosures per "Orita" via Liverpool.

"Originals.

- 1 Copies of Cablegrams sent.
- 2 Copies of Cablegrams received.
- 3 Wool market Reports.
- 4 Duplicates of Stock Returns for 1914 returned as requested
- 5 Priced Wool Catalogues of 15th & 20th May sales.
- 6 Bills of Lading Cargo per "Oriana"
- 7 General Invoice goods per "Oriana"
- 8 Copy of letter from King Bray & Co. dated 12th May re
Evenrude Motors.
- 9 List of General Cargo per "Oriana"
- "Clients' Reports :-
 - 10 AP 17 bales Wool ex "Orissa"
 - 11 H 70 ,, ,,
 - 12 S I 54 ,, ,,
 - 13 H & B 200 ,, ,,
 - 14 F 104 ,, ,,
 - 15 S 120 ,, ,,
 - 16 Brokers' press copies Company's Wool &c. per "Orissa" &
"Corcovado".
 - 17 Neale & Wilkinson Draft on J. Kirwan for £ 78 . 15 . 10
B/L attached .
 - 18 Copies of letters to the Pacific of 25th, 29th May & 3rd
June & their replies of 1st & 4th June.
 - 19 Remarks on Stores
 - 20 Remarks on Accounts.
 - 21 Account Current & vouchers.
 - 22 Copy of letter from Artograph Film Co. dated 3rd June.

- 23 Detailed copy of Balance Sheet & Profit & Loss Statement
for 1914.
- 24 Printed Balance Sheet for 1914.
- 25 Letters for the following:-
- W.A.Harding (2)
 - A.L.Allan. (2)

London 9th June, 1915

DESPATCH NO.1151, per "ORITA", 9TH JUNE, 1915.

Precis of Subjects

1. Acknowledges despatches 490 & 491, and cables.
2. Reports arrival of "Orita".
3. Correspondence with P.S.N. re shortage of tonnage per "Orita"
4. Negotiations to charter "Josephina".
5. Sale of coal ex "Josephina" noted.
6. Want of beans and potatoes noted - re purchasing Agent at Valparaiso.
7. re Motor and Water boats bought.
8. Refers to labour trouble with "Ismailia" men etc.
9. re "Falkland's suggested trip to South Georgia.
10. Buzzi & Co. - re "Falkland" bringing sheep from West.
11. Quantity of sheep for Canning noted.
12. re "Garland" and bringing her to Stanley.
13. re purchase of, and freight on Hill Cove Hay.
14. Balance Sheet and Report and accounts enclosed.
15. re "Josephina" - withdrawn.
16. Payment to Rylands & Sons a/c Mr.Hardy.
17. re Venner returning at request of parents.
18. Artograph Film shipments to Rev.M.L.Migone stopped.
19. Scheel & Bruenech, Christiania, asked for credit.
20. Girling family returning per "Ortega" noted.
21. Price of wool.

Advised

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)
REGISTERED 1902.

61. Gracechurch Street.

Per "Orissa"

No 1152

London. E.C. 7th July, 1915.

Sir,

My last despatch was dated 9th June, and I have since received - on the 6th instant - your No.492 of the 14th May.

2. The usual forms are enclosed in confirmation of cables exchanged.

3. The cable sent you on the 12th June, enquiring the probable sailing date of the "Ismailia", was sent on behalf of the owners, and I have to thank you for your reply, dated 15th ulto., to the effect that she was expected to leave in about a week.

4. Following remarks in par.19 of last despatch, we received from Messrs.Scheel & Bruenech's Bankers here on the 14th June the £200 asked for in your message of the 3rd, and I advised you of this fact by cable on the same day.

5. Referring to your message of 29th June, asking if butter had been shipped, we cabled you in reply, on the 1st instant, that it was leaving in the "Oronsa" sailing on the 8th.

6. With regard to future arrangements for the collection of produce, the only result of our continued pressure on the P.S.N.Co., is that they wrote as follows on the 21st June:-

"We now beg to inform you that Mr.Pearson cables us he "expects to lift part of your shipment by the "Potosi". We "expect that this steamer will be at the Falklands some time "in August."

This long delay is most unsatisfactory, and unfortunately we fail to see what more we can do in the matter.

We were glad to receive your cable of the 29th June suggesting that the Admiralty should be approached in connection with the "Freshfield", for we read into this message, that the original

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

1152. 7.7.15.

idea of the Authorities, to leave her in Stanley for the accommodation of the men, was likely to be departed from. This proves to be the case, for we learn from the Admiralty that they have no further use for her, and have asked Messrs. Furness Withy & Co., the Managers of the vessel, if they are agreeable to accept cancellation of the Charter at once. Our offer of tonnage has been transferred to that firm, and Messrs. Furness Withy & Co. called on us yesterday when we laid before them the P.S.N.Co's contract rates of freight, which we would be prepared to pay. We are now waiting to hear if they entertain the proposal, but think it more than probable that the higher freights offering from the Plate, will prove to them more attractive.

7. Following up my remarks in par.6 of last despatch, Messrs. Anthony Gibbs & Sons here, have little doubt but that their Valparaiso House, - Messrs. Gibbs & Co. - will be very pleased to act as our buying Agents there, on the same terms as hitherto granted to Vorwek & Co. They have written to Valparaiso asking them, if they agree, to forward you direct their acceptance of the proposal. On receipt of their communication you can confirm the arrangement.

8. The Sixty third Annual Meeting of the Company was held on the 14th June, and I have the pleasure to enclose copies of a resolution passed by the Shareholders, expressing appreciation and thanks to the Officers and Staff for the loyal assistance given by them during the past year. You may deem it wise to exhibit this in some prominent place where it can be seen by the men, and probably Mr. Allan would like to take a similar course at Goose Green and Darwin. For this purpose the additional copies are sent.

9. The request contained in your cable of the 29th ulto., re the insurance of Dr. Pearce's effects per "Ortega" has received attention.

10. 492/2. The circumstances under which the discrepancies in tallying the "Orita" produce arose are noted. Following your cable request, we made arrangements to have the outturn

1152. 7.7.15.

carefully checked in Liverpool, and this necessitated the employment of a special tally clerk, and as the steamer's discharge extended over 20 days, it has proved somewhat expensive, the cost amounting to £9.16.0; copy of the account for this is enclosed. As the result of this tally, it was found that whereas the total quantity of bales discharged agreed with your Bills of Lading, there is considerable difference in the outturn of the various marks, vide copy of letter, dated 3rd instant, to Messrs. Du Croz Doxat & Co. herewith.

11. 492/3. Your remarks with regard to the movements of the s.s. "Neuquen" and Mr. Roy's operations have been read with interest, and the line you have taken to discourage the hope entertained that wool would be obtainable, is quite approved, for, there is no doubt that the freight contract entered into by the Farmers binds them to ship their produce home. It is only natural that some may feel sore at the long delay in getting their wool away, and the only satisfactory consideration on the other side is, that prices continue to advance. Our wool for instance, would sell today at 1½ to 2d per lb. more than realized in the Sales. It is to be hoped, that the steps you are now authorized to take to buy sheep and transport them from the West, referred to in the following paragraph, will result in our securing all available sheep in future to the exclusion of Mr. Roy and his friends.

12. 492/5. The copy of correspondence with the Registrar of the Supreme Court with regard to the release of coal brought from the "Josephina", has been read with interest. With regard to the charges, we are quite in agreement with you; they are no concern whatever of ours, we having bought the coal from the Prize Disposal Committee as an ordinary business transaction. There is very little doubt that we shall obtain a refund of the £6.10.0 referred to.

On again reading the cables exchanged between us, I cannot see why you should have been in any doubt as to the exact quantity of coal purchased. To epitomize;- We cabled you on the 16th March,

1152. 7.7.15.

"Have bought 300 tons coal "Josephina". On the 28th April, your message read, "have sold 300 tons &c., can you buy any more", to which we replied on 30th April, "have bought 300 tons can you take more". Your message of 3rd May read, "buy as much as you can", and this was followed by ours of 11th May "bought 600 tons at 45/- subject to 450 tons remaining on board". This clearly indicates a total of 1200 tons bought.

13. 492/6. Note is taken of your correspondence with Messrs. Vorwerk & Co. on the subject of their unpaid draft for £182.17.5. The accepted bill, is, we presume, still in the hands of Messrs. J.H. Schroder & Co., and as you say will no doubt have to be paid at the end of the war. In the meantime, we are considering paying the amount to the Public Trustee with an explanation of the circumstances.

14. It is satisfactory to hear that work in connection with the "Ismailia" is moving more smoothly, and trust this also refers to the work of erecting the wireless plant generally.

15. Referring to your letter of the 15th May, note is taken that Messrs. M.A. Smith & Sons have given notice to pay off their Mortgage on 31st December next, the sum £1000, thus completing the repayment.

16. Alluding to remarks in par. 10 of my 1151, the question of the next Canning Season was again discussed at the last meeting of the Board. Following the discussion, it was decided to authorize you to at once enter into contracts for the purchase of all sheep available for next season on the East and West, provided, as regards the latter, that you can see your way to freighting from Port Howard to New Haven, or the Boca, in the s.s. "Falkland", and discharging at a suitable jetty to be erected. As regards the basis of buying, I would refer you to par. 18 of my 1139, where-in you were authorized to pay, if necessary, up to 2½ per lb. for wethers and ewes down to 45 lbs. Below that weight they are of no value except for the skins and tallow, and the price must be left to you to arrange to the best advantage.

1152. 7.7.15.

It must also be borne in mind that at the date of the despatch quoted, extract was selling at 6/3 per lb. (producing per sheep 2/4 gross), whereas it is now worth only 4/- per lb. The mutton and other products look like making late prices. Having regard to the fact that Messrs. Buzzi & Co. have proved unreliable as regards their ability to clear the sheep from the Stations to the promised dates, we hope that it will be found possible to buy ^{on} better terms than 2½d per lb, approximating more closely to the figure Farmers were pleased to accept from Buzzi. I assume you will make your price "delivered in Lafonia", leaving in the case of sheep from the West, the farmer to pay the freight, or deducting it from the price to be paid him.

For your information statements are enclosed, showing as nearly as it is possible to arrive at it, the actual result of treating sheep and cattle in the 1914 Season. Please note that the Board does not approve of the per head basis of buying sheep adopted by Mr. Allan this year, and considers that weight alone should determine the price paid. If it is found impossible to weigh every sheep in a flock, the plan of weighing ^{each day} say 20% or 10% for average, can be adopted. This plan is found to work satisfactory on the Coast.

17. With regard to the probable development of the sheep trade from the West, the Board considered it would be advisable, in view of the possibility of Messrs. Waldron & Co. endeavouring to impose any undue charge per head, for wharfage etc. at Port Howard, that it is desirable for you to approach the Government to ascertain whether, if necessary, it would move in the direction of granting sufficient land there for the erection of a suitable public jetty; such jetty and shipping facilities to be available for all on the West at a moderate charge.

I am, Sir,

your obedient servant,

C. B. Goddard

Secretary.

DESPATCH NO.1152, per "ORISSA", 7TH JULY, 1915.

Precis of Subjects

1. Acknowledges despatch No.492 of 14th May, 1915.
2. Enclosing confirmation of cables.
3. Explains cable sent asking sailing date of "Ismailia".
4. Reports receipt of £200 from Messrs.Scheel & Bruenech.
5. Refers to butter shipment.
6. Refers to shipment of produce matters - "Freshfield" &c.
7. Refers to Gibb & Co., as buying Agents at Valparaiso.
8. Conveys Shareholders resolution of appreciation of assistance rendered by Officers and Staff.
9. Insurance of Dr.Pearce's effects.
10. Tally taken of "Orita's" outturn of wool .
11. Refers to Mr.Roy's efforts to buy wool and sheep.
12. "Josephina"- Registrar's charges, and quantity of coal.
13. Vorwerk & Co's unpaid draft.
14. Notes better working on "Ismailia".
15. Messrs .M.A.Smith & Sons notice to pay £1000 off Mortgage noted.
16. Authorises contracting at once for sheep.
17. Refers to Public Jetty at Port Howard.

Enclosures via Liverpool.

Duplicates

Despatch No. 1151 dated 9th June, 1915

List of Enclosures.

Remarks on Stores

Account Current dated 9th June.

List of Parcels.

List of Clients' Cargo per "Orita"

Sight draft for £ 78 . 15 . 10 and B/L attached.

Remarks on Accounts.

General Invoice goods per "Oriana"

List of General Cargo p r "Oriana"

Clients' A/sales:-

H & B	200	bales	Wool	ex	"Orissa"	
J B	202				"Corcovado"	
F	104				"Orissa"	& report
S	120				"	"
H	70				"	"
AP	17				"	"

Clients' Invoices-goods shipped per "Oriana"

Enclosures via Liverpool.

"Originals

- 1 Copy of Cablegrams sent.
 - 2 Copy of Cablegrams received.
 - 3 Wool market reports
 - 4 Bills of Lading (2) Cargo per "Orita"
 - 5 List of General Cargo per "Orita"
 - Clients reports:-
 - 6 AP 4 bales Sheepskins ex "Orissa"
 - 7 HP 3 ,, ,,
 - 8 Z 13 ,, ,,
 - 9 Copy of letter from W.Lowden & Co., dated 18th June and
account referred to attached.
 - 10 Copy of letter from Haldor Virik dated 25th June and our
reply of 1st July.
 - 11 Press copy of Brokers report on Skins &c. ex "Orissa"
& sale contract for Wool ex "Corcovado"
 - 12 Spring for Typewriter from Smith Premier Co.
 - 13 Copy of Resolution passed at General Meeting expressing
thanks to the Officers & Staff.
 - 14 Wool & Sheepskin Catalogues
 - 15 Remarks on Stores.
 - 16 Remarks on Accounts.
 - 17 Account Current and vouchers.
 - 18 Copy of letter to DuCroz Doxat & Co. dated 3rd July re Wool
out-turn ex "Orita"
 - 19 Results of Canning Season for 1914.
- Letters for the following:-
W.A. Harding (3) A.L. Allan, W.H. Luxton, Mrs Dean, Mrs Scott
G. Greenshields, J.C. Felton, H. Waldron, A.E. Falton, Morrison
& Grant, Mrs Hansen.

London 7th July, 1915

Addressed

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851
REGISTERED 1902.

61, Gracechurch Street.

Per "ORONSA"

N^o 1153

London, E.C. 4th August, 1915.

Sir,

I wrote you last on the 7th July, and have since received your:-

despatch No.493, and letters of the 21st, 23rd, 24th and 28th June,

all delivered here on the 27th ultimo.

2. In confirmation of cables exchanged between us, the usual forms are enclosed.

3. Par.2. Your anxiety with regard to the increasing accumulation of produce in Stanley, has been fully shared here, and we must consider ourselves very fortunate, that final arrangements have at length been made, whereby the s.s. "Freshfield" becomes available for a full cargo. From your cables, we gather that her capacity is such, that, if filled, Stanley will be cleared of nearly every bale on hand. The position of the steamer is as follows:- She was under time charter to the Admiralty, according to the conditions of which, delivery to Owners was to be made in the U.K., with all Admiralty fittings removed. The decision, having been unexpectedly come to, to discontinue her employment in Stanley as a Depot ship, the Authorities asked the Managing Owners, - Messrs. Furness Withy & Co., - to accept cancelment of the Charter there. Having regard however to the fact that her bunkers were practically empty, and the Admiralty were asking 84/- per ton for their coal, the voyage home, even with our freight, was certain to show a heavy deficit. The Owners then made the alternative suggestion, which was

W. A. Harding, Esq.,
Manager,

Port Stanley.

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accepted, that they should work the vessel home, utilizing our cargo, and then accept cancelment here. We were thus able to cable you on the 26th ulto., that the vessel was definitely fixed for London, at our contract rates with the P.S.N.Co., and that Bills of Lading were to be made out accordingly. At the request of Messrs. Furness Withy & Co., we asked the question if you could supply sufficient steam coal for the voyage to Las Palmas, @ 60/- per ton. Since the voyage home, is, after all, on Admiralty account, we fail to see the object of this enquiry, and we were not sorry to hear later, through the Admiralty, that the steamer was actually coaling in Stanley, presumably from their supplies. It is pleasing to be able to say, that the Pacific Co., have most readily agreed to the loading of this vessel, realizing as they do, that the chance of lifting our produce in their steamers, is, for the present, remote. We have arranged to collect the coastal freight here direct from the consignees of the outside marks, and also for the usual commission to us of 5% on the total freight.

4. Par.3. I am obliged for the copy of correspondence with Buzzzi & Co., and note the calling of the "Neuquen" at Port Howard for sheep.

5. Par.4. The information given, as to the quantity of coal delivered at Darwin by the "Josephina",-- 350 tons - confirms the advice received here from the Crown Agents. The debit for this has been passed out to you in account, as well as that for the previous two lots of 300 tons each.

6. Par.5. We are glad to hear that all our men have been released from the Defence Force, and trust that the partial disbandment of the Volunteers will mean a considerable reduction in the figure originally put forward by the Government to cover the cost of defensive measures. The copy of your letter to the Colonial Secretary, dated 16th June, 1915, recounting the services rendered by the Company, and others, has been read with much interest, and will, I feel sure, be highly approved of by the

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Board. It was an excellent step to seize the favourable opportunity of placing the matter on record, and should serve to remove any wrong impressions the new Governor may have formed.

7. Par.6. The draft on the Admiralty for £129.18.11, came duly to hand. So far, nothing further has been heard with regard to our claim in connection with the "Otranto's" previous visit; the reply from the Admiral of the Station on the matter has evidently not yet been received.

8. Par.7. It is very satisfactory to hear you have had no trouble in Stanley with the men on the score of wages, and it will be pleasing to the Board to know, that the increased rate of Bonus is so much appreciated.

9. Par.8. Your remarks with regard to prices for goods supplied to the s.s."Falkland" are noted. It was scarcely intended that you should be put to the trouble of furnishing all accounts anew, but that the broad principle should be followed, of basing your charges in such a way, that we received, say, 15% over the delivered cost in Stanley. Of course, such special circumstances as those detailed in connection with orders for flexible wire, where, for instance, you are left with unsaleable lengths on hand, must be taken into consideration, and prices fixed accordingly. Such cases make it clear that no fixed percentage rate of increase on landed cost will work out correctly. It must therefore be left to you to endeavour to meet the Board's wishes in the matter, as best you can. If you consider that the all round discount of 12½% meets the case, you can adjust past, and charge future accounts accordingly.

10. Par.11. The Colony is indeed in a bad way as regards Medical service. So far as the West is concerned, the Doctor of the "Ortega", Dr.Henry, called here on his arrival, with a letter from Mr.Luxton, asking that he be appointed on behalf of the Farmers Association, if he agreed to the proposed agreement. The only difficulty he has raised is with regard to supplying furniture for the house. He asks that four rooms, two bed, one

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sitting, and a kitchen should be furnished by the Association. I have accordingly addressed all representatives of the West Farms here, asking if they approve of this suggestion, and if they are prepared to meet their share of the expense. Should they agree, Dr. Henry, if still willing, will be appointed, and will leave by the 2nd September sailing.

11. Par.12. With regard to the difficulties you foresee in connection with the supply of Chilians for next season's increased Canning operations, I think, that if there is then no opportunity of bringing them by the P.S.N. steamer from the Coast, as heretofore, in time for the work at Goose Green, that Company will not unreasonably withhold its consent for the "Falkland" to make a special trip, should it be desirable.

12. Par.13. I am obliged for your explanation with regard to Nicholls. Mr. Allan's letter, which caused our comment, was worded in such a way that it appeared as though Nicholls had been detained in Stanley, merely waiting for his house.

13. Par.14. I quite agree with your remarks as to the desirability of employing the "Falkland" in the sheep trade from the West, and look forward to receiving your further promised report as to her capacity, with, and without fittings. In connection with remarks in par.17 of my no.1152, in order to save time, I have discussed with the Secretary of Messrs. J.L. Waldron, Ltd., the question of wharf charges to be made on sheep loaded at Port Howard, intimating that a suggestion has been made by representatives of the West that the Government should be approached, if necessary, to provide a suitable public jetty there. It is probable that the result will be, that they will agree to a reasonable charge per head, and so render any application on your part to the Government unnecessary.

14. Par.15. I have to thank you for your very full memorandum on the question of renewing leases of the Company's Islands, which has been read with much interest. It is somewhat strange, and worthy of note, that the many arguments you use for and

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against, are ^{almost} ~~about~~ word for word, those put forward by the Chairman at the last Board, before the receipt of your last despatch. The conclusion the Directors then came to, was, that present tenants would not be disturbed, if they were agreeable to renew their leases, at an increased rental, to be hereafter fixed by the Board. In this connection therefore, I shall be glad to have your views as to a fair rental to be charged in future for Great Island.

15. Par.20. It is very satisfactory to hear that the Motor boat, bought from the Normanna Co., is doing such good work. The Bolinder engine, with which she is fitted, is well known to us, and is considered one of the most simple and reliable of the hot bulb type.

16. Par.22. The correspondence with Messrs.Houlder Bros., is to hand, and we will take up with them direct, if necessary, the point referred to.

17. Par.24. I have to thank you for your account of your interview with Governor Young, in connection with his desire to recommend you as Unofficial Member of the Executive Council, and it is noted that he considers, that the Consular appointments you hold, present some difficulty. No doubt the matter will be referred to again after he has been in correspondence with the Colonial Office.

18. Par.25. I quite follow, from your remarks, that it will be almost impossible to base a through rate on stores from Liverpool, on the assumption that they can be transferred direct from the P.S.N.Co's steamers to the "Falkland". In the case of the shipment by the "Kenuta", we have asked Mr.Connell to take the matter up with the P.S.N.Co., and have little doubt he will succeed in obtaining 5/- per ton, for your account, to cover the expenses incurred.

19. Par.26. It is clear that the arrival, so near together, of the heavy shipments referred to, must have taxed your resources considerably, but it is hardly likely that this will occur again for some time to come.

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20. Par.27. I am obliged for the copy of W.Shire's account, and note the effects of the men drowned in Stanley will be forwarded later. The Rev.Skittery writes us that your explanation of the matter is entirely satisfactory.

21. Par.28. Your requirements of house coal are noted, but until another cargo boat is given us by the P.S.N.Co., we cannot see an opportunity of shipping it. In any case, having regard to the present high price of house coal, it would undoubtedly be cheaper to use, for house purposes, your steam coal, bought ex "Josephina" at 40/- and 45/- per ton.

22. ^{Par.29} It is unfortunatate that the storage of the lighter frames in the "Freshfield", has prevented you making progress with their erection, and it is satisfactory to know that the riveters have been usefully employed.

23. ^{Par.30} Your account of the capture of the schooner "Pax", has been read with interest. Advice of this having been sent to the Admiralty by cable, we were approached by the Brokers, in whose hands her future employment had been placed, offering her for a cargo of tallow. I accordingly cabled you on the 29th ulto., informing you of the fact, and asking if you could fill her, in addition to the "Freshfield". I have since received your message of the 1st instant, from which I gather you can find a full cargo for both vessels, subject to there being no objection to your shipping the skins ^{meats} and guano with the tallow. With regard to the skins, there should be no risk of damage from tallow if the cases of meats are used to properly separate the two, and in any case, the holds of a sailing vessel are not subject to the heat met with in those of a steamer. Our Brokers also inform us that there can be no objection to the guano. We shall not however definitely fix the "Pax" until we know for certain you have sufficient cargo to fill both vessels.

24. Referring to par.10, since the above was written, I have received the assent from all representatives of the West Falkland Farms here to Dr.Henry's request as to furnishing four

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rooms. I shall therefore write him today, and hope to secure his services.

25. Adverting to my remarks in par.13, I have today received a letter from Messrs.J.L.Waldron,Ltd., intimating that their charge at Port Howard would be, "for ~~the~~ paddocking, use of pens and jetty for shipping, use of telephone as required, and one man in charge, 3d.per head". This appears to be such a reasonable charge, that it will not be necessary to approach the Government in the matter. The mere suggestion of this course has proved a very useful lever.

26. By the "Jumin", sailed 14th October last, there were shipped several ploughs, harrows and other implements, to enable Mr.Allan to carry out the agricultural developments the Directors so strongly wish to see started. It is very disappointing now to read, in Mr.Allan's letter to Mr.Blake, dated 17th June,1915, more than six months after this shipment should have reached him,

"I cannot attempt the ploughing yet as I have not got the ploughs, for ~~the~~ one thing we have not had the steamer here since the 2nd March and believe the ploughs etc. have gone to Hill Cove as they were addressed to Miller".

The statement that the goods were addressed to Mr.Miller, is pure imagination, for our advices from the manufacturers, show that the Company's cases were all marked ^{F.I.C.} Darwin, whereas, those for Hill Cove, were marked for that port. I shall be glad to know what explanation there is for this long delay.

I am, Sir,

your obedient servant,

C. B. Gosdard

Secretary.

P. T. O.

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27. With reference to Mr.Allan's remarks in his letter to me of the 16th June, in which he writes:-

"As to my not recognizing the value of Nicholls, I
"may say that if I had a dozen carpenters for him to
"direct, I cannot obtain the timber and material for them
"to work with."

I shall be glad to know, for the information of the Directors, what justification there is for this remark, as we feel sure that you appreciate that in Nicholls we have sent out a very skilled man, and are paying him a high salary accordingly, and that it is of the utmost importance that his best services should at all times be utilized to the full, and we ^{know we} can rely on you ~~using~~ seeing that he is never stopped for the want of materials.

E.B.G.

Precis of Contents.

1. Acknowledges despatch 493, and letters of 21st, 23rd, 24th and 28th June.
2. Enclosing confirmation of cable.
3. Accumulation of produce -- shipment of, "Freshfield" fixed.
4. Acknowledges copy of correspondence with Buzzi & Co.
5. Coal ex "Josephina".
6. Release of Company's Volunteers.
7. Draft on Admiralty acknowledged -- our claim re "Otranto".
8. Satisfactory condition of Stanley labour -- Bonus.
9. Prices to be charged "Falkland" for stores etc.
10. Colonial Medical service, condition, Dr. for the West.
11. The shipment next season of Chilians.
12. Explanation of Nicholls delay in Stanley.
13. Sheep from the West -- Port Howard charges.
14. Decision of Board re renewing leases of Islands.
15. Motor ex "Normanna" working well.
16. Acknowledges correspondence with Houlder Bros.
17. re Governor Young -- Mr Harding on Executive Council -- Consular appointments.
18. re through rates on stores from Liverpool.
19. Heavy arrivals of stores.
20. W.Shire's account of wages.
21. re House Coal.
22. Delay in erecting lighters noted.
23. re Prize "Pax" offered us for tallow etc.
24. Dr.Henry for the West Falklands Medical Association.
25. Port Howard charges for loading sheep.
26. Enquiry as to delay in ploughs for Darwin.
27. Enquiry as to building materials for Allan.

Enclosures via Liverpool.

Duplicates:-

Despatch No. 1152 dated 7th July.

List of Enclosures

Account Current.

Remarks on Accounts.

Remarks on Stores.

List of Clients Cargo per "Orissa"

List of Parcels.

Second Exchange Bills on Estate of Louis Williams for

No. 1708 60 days 149 . 15 . 3

No. 1707 30 days 100 . - . -

No. 1706 sight 100 . - . -

Enclosures via Liverpool

Originals

- 1 Copy of Cablegrams sent 14th, 21st, 26th, 27th & 29th July
- 2 Copy of Cablegrams received 29th June, 14th & 23rd July,
& 3rd August.
- 3 Bills of Lading Cargo per "Orissa"
- 4 Sight Draft on J. Kirwan for £ 15 . 19 . 3 for collection
B/L attached.
- 5 List of General Cargo per "Orissa"
- 6 General Invoice goods per "Orissa"
- 7 Copy of letter from Neale & Wilkinson, Ltd., dated
23rd July.
- 8 F.I. Government Note for £ 5 for collection and credit
for New Whaling Co.
- 9 Wool Market Reports.
- 10 Account Current and vouchers.
- 11 Remarks on Accounts.
- 12 Remarks on Stores.
- 13 Sundry Manufacturers Notices re advance in prices.
- 14 Copy of letter from J. L. Waldron, Ltd. dated 3rd August.
- 15 Copy of letter to Haldor Virik dated 23rd July.

Letters for the following:-

A. L. Allan, Esq.

James Houston, Esq. (3)

W. A. Harding, Esq.

London 4th August, 1915

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per "Oriana"

N^o 1154

London, E.C. 1st September, 1915.

Sir,

My last despatch was dated 4th August, since when I have to acknowledge the receipt from you of the following:-

Despatch No. 494	}	received 9th August.
Letter of 7th July		
Despatch No. 495	}	" 20th "
Letter of 23rd July		

2. Cables have passed between us, as per confirmation forms enclosed.

3. 494. par.2. I am obliged for your remarks and further information and suggestions with regard to Island Leases. The matter was again considered at the last Board Meeting, when it was decided to defer the discussion to the next meeting before coming to a decision.

4. 494. par.5. Having regard to your remarks, the Board is of opinion that a tally clerk is a necessity. On this side, men so employed are almost invariably taken from the more intelligent workmen, it seems unnecessary to go to the expense of sending one from here. Have you not among your navy gang one whom you could select for this work? With very little experience he should soon be quite reliable, and during the time he is so employed, you could give him extra remuneration, and when no tallying was to be done, he could rejoin the gang. I may mention, it will be almost impossible, while the war lasts, to obtain a single man here for any purpose whatever.

W. A. Harding, Esq.,

Manager,

Port Stanley.

Received

*2 months later
two copies
arrived*

1154. 1.9.15.

5. 494. par.6. Enclosed I send you a copy of the agreement entered into with Dr.Henry on behalf of the West Falkland Medical Association. He goes out by this Mail, and I hope will prove satisfactory in every way. Please note that the West Falkland Farmers on this side have assented to pay their share of the expense of furnishing, in a simple way, two bed and one sitting rooms, and the kitchen. The necessaries for this can be bought in Stanley.

6. 494. par 7. The force of your remarks, with regard to increasing Balharrie's pay, are recognized, and the matter is left to you to arrange as you think best.

7. 494. par 8. The position of this account is noted; should the owners of the s.s."Ismailia" apply for a refund in respect of the water overcharged, we shall know that their claim is in order.

8. 494. par.9. With regard to the man required to drive the "Samson", it is again hopeless, while the war lasts, to expect to get one from this side. Any such handy man can now obtain here very high wages on munition work, and with as much overtime as he cares to earn. Is there no prospect of finding someone suitable from among all the many hands now employed on the wireless installation ?

9. 494. pars.12 & 13. Your remarks with regard to the arrangements made for expediting the discharge of the "Freshfield", have been read with much interest. It is pleasing to know that Capt.Evans is assisting your arrangements generally, and I note that, to him is due, some of the credit for fixing the "Freshfield" homeward for our produce.

10. 494. par.15. The action taken by the Authorities in the case of the "Seattle" (late "Bangor") is inexplicable. 495. par.11. With regard to the account, you will have since seen that the credit of £200 first asked for, was established by the payment to us of that sum on the 14th June. As this covers your first draft for £199.10.9, we have naturally not presented it.

1154. 1.9.15.

The second draft for £241.1.8 has been forwarded through our Bankers for acceptance.

11. 495. par.2. Your correspondence with Valparaiso, as to providing tonnage for produce, is duly noted, and need not be referred to further, now that the "Freshfield" and "Pax" being both secured, your accumulation for shipment will be practically cleared out. With regard to the schooner, you will have gathered from cables sent, that having guaranteed a full cargo to the "Freshfield", we could not undertake to fill the "Pax", until receiving your assurance that you had sufficient cargo on hand. On receipt of your cable of the 10th of August, advising that this was the position, the charter was signed, as per copy enclosed. You will have learned that Bills of Lading are to be made out at Pacific Co's rates, for London, we having arranged to collect the coastal freight here direct. As the Government Insurance Office will only cover risks taken out within 48 hours of the vessel leaving port, we asked you to cable promptly the totals separately of Company's, Clients, and outsiders' cargo. The latter item of information, is required to enable the interested parties to cover their war risk. You will no doubt have understood the advice to proceed with the loading. This was sent at the request of the Prize Committee, to ensure as little delay as possible in the vessel leaving, after the arrival of the Captain and crew in Stanley.

12. 495. par.5. It is particularly gratifying that you have no trouble so far with the men, on the score of wages, and that the additional bonus was so appreciated. With regard to the carpenters, you are at liberty, under the authority recently sent you, to deal with the matter as you think best.

13. 495. par.6. I have to thank you for the full information with regard to developing the sheep trade from the West, and for details as to the "Falkland's" capacity. On

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one point, however, I would correct a misapprehension under which you appear to labour. The explanation of Messrs. Lowden & Co., writing to Capt. Saanum to the effect that the sheep would be carried on the floor of the hold, lies in the fact that on examination of the plans of the vessel here, it did not appear possible to erect an additional tier. That the contrary is the case, I am sure they will be glad to hear, for they fully appreciate that it will be necessary for the steamer to complete the work as quickly as she can, and to do this, she should carry as many sheep as possible each trip. We are glad to hear such good reports of Egg Harbour as a port of discharge, and will look forward with interest to Capt. Saanum's report thereon after his next call there. The contracts for sheep reported are quite approved, and no doubt if others are obtainable, you will make further purchases as soon as possible.

14. In connection with the foregoing remarks, Mr. Allan has asked for 20 miles of iron posted telephone outfit, to connect Egg Harbour to Darwin. The matter was fully discussed by the Board, and it is quite prepared to fall in with the suggestion. It was, however, decided not to act hurriedly, but to consider the line in connection with a much larger scheme, linking up the other important sections, North Arm and Walker Creek. The Board will be glad if you will discuss the matter with Mr. Allan, and then send a tracing of the routes these lines would best follow, and the distances, taking into consideration the proposed Egg Harbour connection.

15. 495. par.8. The report on the Babcock boiler at Goose Green is very satisfactory, and your action in sending Mr. Donald to inspect it is highly approved.

16. 495. par.10. It is pleasing to learn that progress is at length being made with the erection of the first lighter, and we hope that Mr. Parkes' ideas as to completion will be realized.

17. 495. par.12. The Board have read your account of the

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sinking of the "J.P.Smith" with much regret. Not only is it concerned on account of the great loss which will be entailed by reason of the deterioration of the coal, following on its immersion in the sea, but the circumstances as reported, point conclusively to a serious neglect of the instructions, repeatedly sent out from the Board, to the effect that the property of the Company, both ashore and afloat, must be kept in a thorough state of repair. In this instance, it feels strongly that Capt. Thomas is solely responsible, for it was distinctly laid down by Mr. Cobb and Mr. Blake, when in Stanley in 1910, that as Marine Superintendent, it was his special duty to see that all vessels and hulks were maintained in good condition, and now we hear that this craft, - with a most valuable cargo on board, - has sunk in consequence of the timber posts "not having been caulked for years", no other conclusion can be come to, than that he has directly neglected this special duty. The Board would like to know what explanation he has to offer, and to hear from you whether or no he has, during recent years, drawn your attention to the condition of this hulk, or for the matter of that, any other.

18. The disaster referred to above, has again directed the attention of the Board to the matter of upkeeping the various classes of property, and I am instructed to ask you to obtain, and forward for the information of the Board, once at least in every year from the Marine Superintendent, a detailed survey reports on every vessel and hulk, epitomizing the work that has been done during the year, and certifying that the vessel has been inspected, and is in thorough order and repair, ^{or} failing that, giving some explanation why it is not. A similar report is also required from the Engineer, relative to the machinery and boilers of the tug and launch, and of the other principle machines in Stanley, such as, for instance, the sawing plant, etc., and also particulars with regard to the Canning machinery, and the wool pressing plant at the three stations, Darwin,

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North Arm and Walker Creek, where, it is feared, the chances of neglect are greater than in Stanley. Please note these certificates, or reports, must be sent once at least in every year, preferably with the closed accounts, but if you consider that another time would be more convenient, you are at liberty to arrange accordingly. I may say here that this incident somewhat confirms the feeling which has existed on the Board for some time past that Capt. Thomas does not lend you all the assistance he should in these matters, and it is to be hoped that the above steps will make him feel, that the thorough up-keep of everything afloat, is, - under you, - entirely his responsibility.

19. 495. par.13. We are endeavouring to get the PSNC to put on a cargo boat, and if this is arranged, a shipment of house coal will be sent you. This morning we hear that the "Kenuta" will probably be available, leaving Liverpool about the 8th October.

20. 495. par.15. Your remarks in this paragraph, were duly passed on to Messrs.W.Lowden & Co.

21. Referring to par.8 of your No.471, reporting the loss overboard when loading the "Sorata" of 1 bale of wool, and 1 bale of skins, both believed to be W.E.D. mark, we enclose a copy of our cargo adjustment book, from which you will see the Weddell produce has turned out correctly as regards both specifications and bills of lading quantities.

The Club mark by the same steamer however, turned out one bale wool and one of skins short of bills of lading, and against this the Docks have paid for the bale of wool, and will we understand, pass our claim for the ~~walk~~ skins. Looking at the whole outturn for the year, the only other discrepancies are in respect of ^{DS} GI, and Z marks, the bills of lading for which were made out for one bale, in each case, in excess of specification quantities, and as both bills were

1154. 1.9.15.

cluded "One bale in dispute", no claim will attach to the ship in respect of either.

22. Your cable of the 21st August, advising that Barry Girling had left you, and asking for a substitute, came as a surprise, for we thought that he would remain in Stanley for some time. Mr. Roper, - late Government Clerk, - having been strongly recommended to Mr. Cobb, we cabled asking if you would like him, and we have your reply to the effect that you do not consider it advisable. We are now in touch with a Mr. Gresham, in the Bank of England, who is a friend of Mr. Houston's, and appears to be a very desirable man. From his eight years experience in the Bank, he should prove a greater help to you than a junior. He is willing to go out, but having signed on for Bank War Service, he must first obtain his release. When everything is settled, I will cable you.

23. From the enclose copy of correspondence with the Prize Disposal Committee, you will see that the matter of our claim, for refund of Court Fees, £10.10.0, is being referred to the Governor before being passed.

24. The P.S.N.Co. have now agreed to pay us 5/- per Bill of Lading ton, on the cargo booked at a through rate per "Kenuta". A credit will be passed out in due course.

I am, Sir,

Your obedient servant,

E. B. S. S. S.

Secretary.

Enclosures via Liverpool.

Duplicates.

- Despatch No. 1153 dated 4th August.
- Remarks on Accounts.
- Account Current .
- Remarks on Stores.
- List of Clients' Cargo per "Oronsa"
- List of Parcels.
- List of Enclosures.
- General Invoice goods per "Orita" & "Orissa"
- List of General Cargo per "Orissa"
- Clients' A/sales :-

SI	10	bales	Sucepskins	ex	"Orissa"
S	4				"
AP	4				"
IP	3				"
Z	13				"

Second of Exchange on J. Kirwan for £ 15 . 19 . 3

Clients Invoices goods per "Orissa"

M.F. Cobb	£ 10 . 18 . 10
Speedwell Co.	25 . 12 . 6
H. & U. Cobb	33 . 10 . 2
Were Parke	3 . 11 . 9

Enclosures via Liverpool.

- 1 Copy of Cablegrams sent dated 6th, 16th, 23rd & 24th August.
- 2 Copy of Cablegrams received dated 10th, 21st, 24th & 25th August.
- 3 Particulars of Wool & Sheepskins shipped in 1914
- 4 General Invoice goods per "Oronsa"
- 5 Bills of Lading cargo per "Oronsa"
- 6 List of General Cargo per "Oronsa"
- 7 Wool Sweeping Returns for 1914
- 8 Copy of letter from W. Lowden & Co. dated 9th, 12th & 14th August.
- 9 Copy of letter from Waldor Virik dated 6th and our reply of 11th August.
- 10 Copy of letter from Bass & Co. dated 17th August.
- 11 Copy of letter from the Colonial Office dated 12th August.
- 12 Copy of letter from John Wallace & Sons dated 29th July with enclosures as stated.
- 13 Copy of letter from the Crown Agents dated 4th August with enclosure as stated.
- 14 Copy of letter from J. Fredriksen dated 13th August.
- 15 Dr Henry's agreement.
- 16 Copy of Charter Party schooner "Pax"

Clients' reports:-

17	S I	52	Bales Wool ex "Orita"
18	S	6	" "
19	F B	106	" "
20	AP	63	" "

- 21 Brokers' press copy Company's Wool ex "Orita"
 - 22 Account Current & vouchers.
 - 23 Remarks on Accounts.
 - 24 Remarks ob Stores.
 - 25 Sikes' Hydrometer Tables.
 - 26 Copy of letter ~~from~~ to T.H. Hoff dated 29th July re coal.
 - 27 Copy of letter from G. McLachlan & Co. dated 31st August with documents attached.
 - 28 Copy of Mr H. Clement's letter to W. Macmillan & Co. of 8st May
- Letters for W.A. Harding & A.L. Allan.

London 1st September, 1915

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DESPATCH No.1154., per "Oriana", 1st September, 1915.

Precis of Subjects

1. Acknowledges despatches 494 & 495 of 9th & 20th August.
2. Confirming cables.
3. Island Leases.
4. Tally Clerk for Stanley approved.
5. Encloses agreement with Dr. Henry for West Falklands.
6. Increase of Assistant Blacksmith's pay sanctioned.
7. Water overcharged s.s. "Ismailia".
8. Man required to drive "Samson".
9. s.s. "Freshfield's" discharge.
10. re Bills for "Seattle" ("Bangor") account.
11. Fixing of "Freshfield" & "Pax" - shipments to be cabled.
12. Carpenters' pay left to Mr. Harding.
13. Sheep trade with West - "Falkland's" capacity.
14. Suggested telephone to Egg Harbour and sections.
15. Report on Babcock boiler satisfactory.
16. Progress of lighter construction satisfactory.
17. Sinking of "J.P. Smith" - Marine Superintendent blamed.
18. Annual report from Marine Supt. and Engineer called for.
19. Cargo boat probable for early October.
20. Remarks forwarded W. Lowden & Co.
21. Outturn of cargo for 1914 - statement sent.
22. Junior Clerk for Stanley.
23. Claim for refund of Court Fees per "Josephina".
24. P.S.N. Co. paying 5/- per ton on cargo booked at through rate.

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61. Gracechurch Street.

Per "Orita"

N^o 1155.

London, E.C. 29th September, 1915.

Sir,

Since writing you last on the 1st instant, I have received your despatch No. 496, and letter of the 17th August, both delivered here on the 16th instant.

2. Confirmation forms for cables exchanged are enclosed.

3. par. 5. The steps taken for the purchase of sheep are duly noted. With regard to Mr. Evans's attitude, it is not altogether surprising, in view of the high prices our competitors are willing to offer, that he has declined to sell by weight on a 2d. per lb basis. Did you offer him 2½d? It was with a view, to rather tempting owners to sell, and so close the business up quickly, to the exclusion of other possible buyers, that the Board authorized 2½d per lb to be paid. However, we have taken the matter up with Messrs. Waldrons, and hope to be able to advise before the mail closes, that a satisfactory arrangement has been come to, on the basis of 2½d for all sheep down to 45 lbs. It has been agreed by the Board that the price we finally arrange to pay Messrs. Waldrons, will have to be given to all other farms on the West. Mr. Buckworth has agreed with us to sell his surplus at that figure.

We have discussed with Messrs. Lowden the question of the freight to be charged by the "Falkland", and in view of the uncertainty of the number of sheep to be carried, and the consequent doubtful expenditure in fittings, etc., we have agreed that 1/- a head will be fair in the first instance, they agreeing that when the results of the venture are known,

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

1155. 29.9.15.

to consider making us a rebate, should the profits be larger than expected.

4. par.6. Since writing your despatch, now being acknowledged, you will have learnt from par.25 of my No.1153, that it will not now be necessary to approach the Government on the subject of a jetty at Port Howard. Messrs Waldrons charges of three pence per head, are considered quite reasonable.

5. par.7. I have to thank you for the particulars of the estimated cost of fitting the "Falkland" to carry sheep, and the only thing that strikes us is, that £210 for tiers, seems a high figure. It is clear that the loading gangway will be a necessity in any case, but with regard to the tiers, it appears to be a question of the number of sheep you ultimately contract for. Should this not exceed, say 10 to 12 thousand, the steamer, without tiers, could complete the work in a little over 14 working days, so that the additional outlay would scarcely be warranted. If on the other hand you get say 20,000, it would probably be worth the expense. In any case, it is a question for the Managers of the vessel, and they will be writing you direct on the subject. I am obliged for the plan of Egg Harbour, showing the position of the proposed jetty.

6. par.8. The refloating of the "J.P. Smith" was noted with satisfaction by the Board, but it is considered that the further information you give, does not in any way lessen the responsibility attaching to Capt. Thomas. It would appear that his watchfulness of the floating property, was very conspicuous by its absence in this case, other-wise, such a hole in the bows, as you describe, would have been reported to you.

I must, to some extent, correct what was written in par.17 of last despatch, as to deterioration of the coal by immersion in the sea. We have since learnt, that the re-

1155. 29.9.15.

sults of careful experiments, carried out by the Admiralty some time ago, proved, that for say six months after immersion, the combustible properties of the coal are rather improved than otherwise, but that there was always considerable risk of spontaneous combustion.

We are glad to note that you have repaid the "Falkland" for supplies of her coal taken for house purposes.

7. par.9. Messrs. Bischoff & Co., are preparing a form of lease to be used when reletting the "Stanley Arms", and this will be sent you next mail.

8. par.10. We are glad to know of the issue of the revised edition of Consolidated Ordinances. A copy has been obtained, and it should prove most useful for reference.

9. par.11. The Board learnt with much pleasure of your appointment to the Executive Council. This step, on the part of the new Governor augurs well for your future relationship with him. Moreover, it is naturally pleasing that the Company's Manager should have attained to the highest possible position in the Government of the Colony. There is no doubt that your long experience in the Islands will prove of great assistance.

10. par.12. The payment of £900 to the Admiralty has been duly made for the stores taken over from the Naval Depot.

11. par.13. The freight on Hill Gate hay is as previously advised, 2/6 per bale. That is, the bale of 1 cwt, as carried by the coasting steamer.

12. par.14. The particulars given of the Colony's excess expenditure and revenue, have been read with interest.

13. par.15. It is satisfactory to hear that the expensive Town Hall is likely to be turned to a useful purpose at last.

14. par.17. I am pleased to inform you that the Board has agreed to accede to your request, in the matter of

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making the advances required by Father Migone in connection with his cinematograph, and further, that in recognition of the good work he is doing, you are authorised to contribute to him towards the expenses, the sum of £25.

I am in communication with the Engineer, and will endeavour to obtain the lowest possible price for the apparatus required.

15. par.18. You will have learnt from my cable of the 10th instant, the Mr.Gresham,- referred to in par.22 of my last despatch, - has been engaged as Clerk, and was sailing in the "Orissa" on the 28th October. Mr.Gresham is a married man with one child, and he has been promised the use of Mr. Girling's house. He has had some eight years experience in Bank of England, and is, we feel sure, one whom you will appreciate. With Messrs.Houston, Oswald, and Gresham, you should have in the near future, more effective support in the office than previously.

Now we should be long

16. par.21. The terms, and the more simple form, of the proposed new Mail Contract, are very satisfactory, and the Board is pleased that the matter is now likely to be settled. Your notes on the subject have been read with interest.

17. On the 3rd instant, the P.S.N.Co., advised us that they had no cargo steamer in position to send into Stanley to lift produce for some time to come, and asked if we would agree to ship by the "Bogota" on her outward voyage to Valparaiso, returning to U.K. via Panama. To this we agreed, and wired you accordingly on the 18th instant. We are pleased to have received your cable of the 27th instant, advising the shipment and sailing of that vessel, and also of the schooner "Kelp"(which we hear from the Colonial Office is the new name for the "Pax") with the Tallow, Hides, etc.

18. On the 1st instant, we received a call from the

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Secretary of the Western Telegraph Company, advising us of the completion of the Admiralty cable from Montevideo to Stanley, and asking us to receive £500 against payments to be made by you to their Mr.Kibbey. To this we agreed, and wired you as per copy enclosed, at the Telegraph Co's expense.

In your recent despatch, mention was made of the cable station house being erected on the site of the old Assembly Rooms, and we presume that the explanation of your not referring further to the matter is, that you were probably tied to silence. So far, the Admiralty has not sanctioned the use of the cable for commercial purposes. Have you heard if there is any probability of their doing so ?

19. At the last Board Meeting the suggested telephone line from Goose Green to Egg Harbour was approved, and we are endeavouring to ship the material to you by the cargo steamer "Inca", fixed to leave Liverpool on the 15th October, and London on the 20th.

20. With reference to recent correspondence on the subject, the policy to be followed by the Company in connection with renewing existing leases of Islands, as they fall in, has recently received much consideration by the Board. The general feeling has been in line with the opinion expressed in the special notes on the subject enclosed with your 493. It has now been decided that the new leases will be granted, for not more than seven years, at the following figures:-

Great Island	£ 75 per annum.
Lively ..	£100 ..
Speedwell, ..	£100 ..

It was further agreed to insert a clause in new leases regarding agreeing to compensate the tenant for improvements, in the event of non-renewal. In the case of Great Island, the above rental will of course apply as from the death of David Smith.

21. Since writing the foregoing, Messrs. Waldrons have advised us that they are agreeable to sell their surplus sheep on the basis of $2\frac{1}{4}$ d per lb, but ask that this should apply to weights down to 40 lbs. We are making them a counter offer of $2\frac{1}{4}$ d down to 45 lbs, $1\frac{1}{2}$ d under 45, to 40 lbs, and under that, $3/6$ each.

They also wish to make it a condition that their sheep should be cleared from Port Howard by 31st *March* August, but before we can agree to this, we must communicate with you by cable. Another condition is, that their sheep shall be the first shipped from the West, so as to clear their paddocks for others. This seems reasonable.

In par.5, you say no agreements have been made with the farms specified. With a view to effectively blocking any would-be competitors, it would be more satisfactory if letters were exchanged recording the arrangements made, to sell us "all their surplus sheep". It is not necessary to state quantities.

22. A carpenter - S.A. Griffiths - recently employed by the Government in Stanley, has been engaged for Darwin. A copy of his agreement is enclosed, and he travels out by this Mail. It is probable that we shall secure another, and if so, he will sail in the "Inca", from London on the 20th prox.

23. We are arranging to ship to you 500 tons of House coal by the "Inca", also the Motor Barge for Darwin.

I am, Sir,

Your obedient servant,

E. B. Soudan

Secretary.

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DESPATCH No.1155., per "ORITA", 29th September, 1915.

Precis of Subjects

1. Acknowledges despatch No.496 and letter of 17th August.
2. Confirms cables.
3. re purchase of sheep from West - J.L.Waldron,Ltd - freight per "Falkland".
4. Port Howard Jetty.
5. re sheep fittings for "Falkland".
6. Refloating of "J.P.Smith".
7. Lease of Stanley Arms.
8. Consolidated Ordinances.
9. Mr.Harding's appointment to Executive Council.
10. £900 paid Admiralty for stores.
11. Freight on Hill Cove hay.
12. Colony's excess expenditure.
13. Stanley Town Hall.
14. Advance and contribution to Father Migone approved.
15. Mr.Gresham appointed as clerk.
16. Mail Contract.
17. Shipment of produce per "Bogota" via Panama.
18. Admiralty cable Monte Video to Stanley.
19. Telephone Goose Green to Egg Harbour approved.
20. Defines new rentals for Islands.
21. Negotiations with J.L.Waldron,Ltd., for sheep.
22. Carpenter - S.A.Griffiths going out.
23. House coal being shipped per "Inca".

Enclosures via Liverpool.

Despatch No. 1154 dated 1st September.

Remarks on Accounts.

Remarks on Stores

Account Current

List of Parcels.

List of Enclosures.

General Invoice goods per "Oronsa"

Clients Reports:-

S.I. 53 bales Wool ex "Orita"

AP 63 ,, ,,

F B 106 ,, ,,

S 6 ,, ,,

Clients' Invoices goods per "Oronsa"

Speedwell Isld.Co. 13/4

H. & G. Cobb 13/4

Vere Packe £ 57 .13 .7

ENCLOSURES VIA LIVERPOOLOriginals.

1. Copies of cables sent of the 10th, 18th & 20th September.
2. ,, ,, received 2th, 15th & 27th September.
3. B/L of cargo per "Oriana".
4. Wool Market Reports.
5. Copy of letter from E. Bazell.
6. Sight draft on A. Kiddle for £5.10.3.
7. List of shut out cargo per "Oriana".
8. List of General cargo per "Oriana".
9. List of Clients ,, ,,
10. Copies of letters from Glanrhyd TinPlate Co. 6th & 9th Sept.
11. Copy of letter from H. Fredriksen, dated 7th September.
12. Copy of account from Fleming & Haxton of 20th October, 1914.
13. Copy of letter from J.L. Waldron, Ltd., dated 2nd Sept.
14. Copies of letters from P.S.N. Co., dated 3rd & 20th Sept.
15. Copy of Agreement with S.A. Griffiths - Carpenter.
16. Copy of letter from Babcock & Wilcox, Ltd. of 22nd Sept.
17. Account Current with vouchers.
18. Remarks on Accounts.
19. Gramophone Spring.
20. Packet of Button from R. Clarke & Co.
21. Price lists from A. Sanderson & Sons, Ltd.
22. Wool Catalogue.

Letters for the following:-

W.A. Harding	(2)
A.L. Allan	1
Father Migone	1

London, 29th September, 1915.

Received

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851

REGISTERED 1902

61, Gracechurch Street.

Per "Orissa"

N^o 1156

London, E.C. 27th October, 1915.

Sir,

I wrote you last on the 29th September, and I have since received from you, -

Despatch No.497,	dated 30th August,	delivered on 4th Octr.
498,	dated 1st September,	,, ,,
499,	dated 14th September,	,, ,, 14th Octr.
Letter	dated 15th September,	,, ,,

2. Cables have passed between us, as per confirmation forms enclosed.

3. 497. par.1. The news of the completion of the cable to your port, from Montevideo, is interesting, and agrees with what we have been told by the Western Telegraph Co. The position however with regard to its use commercially, is certainly peculiar. We are informed that the Cable Companies are not permitted to make public the existence of the line, but they told us privately, that messages would be sent over it, unless specially marked "by wireless". Code words are not permitted, and the full wireless rate of 3/11^{s d} per word is charged. We shall be interested to hear the conditions obtaining at your end.

4. 497. par.27.
 498. " 5. The s.s."Freshfield" arrived safely in
 499. " 23. the river on the 11th instant, and has now discharged her cargo. Her wool cannot be put up in the Sales before December, as the lists for the series commencing 26th October have been closed for some time. The many discrepancies in tallying her cargo are noted, and will we fear cause much trouble later on. We fail to understand how it comes about that a simple tally of

W. A. Harding, Esq.,

Manager,

Port Stanley.

1156. 27.10.15.

*to be kept
with
some slight*

the goods as they are passed to the ship cannot be correctly taken. In all the ports in the Kingdom this is done over and over again with perfect accuracy by men of the better working class, and we hope to hear that following on recent correspondence on the subject, you have made some arrangements to have this most important work thoroughly well done in future. We rather gather from your remarks that you rely on correctly counting the packages remaining in the hulks to arrive at the quantity shipped. If this is so, it is entirely irregular, and must be rectified, as such a method is not a tally, and Bill of Lading quantities so arrived at, would not be accepted in a Court of Law for a moment.

Ref!

5. 498. par. 2. The matter of the claims on the P.S.N.Co., for damaged cargo, etc., to which you refer, has not been lost sight of; it has been hung up through the impossibility of inducing that Company to view the matter in a fair and reasonable way. To guard against instructing you to take up a position not legally sound, we have laid the several cases before our Solicitors, Messrs. Ince, Colt, Ince & Roscoe, and enclosed herewith is a copy of their letter of the 8th October in reply. From this it is clear that the Shipowners can shelter themselves under the clauses of the Bill of Lading for our loss for pilferage and damage in discharging, and this they do. The alternative is, to insure every shipment against "all risks", but the extra premium, on say £30,000 worth of stores shipped annually, would amount to about £100. As our claims appear to fall considerably short of that sum, the additional expense would not be worth incurring.

6. 498. par. 3. It is considered that your arguments against the suggested employment of Mr. Roper are thoroughly sound, and we are glad that the matter was referred to you before making him any definite offer.

7. 498. par. 4. Your suggestion with regard to marking wool bales, has been submitted to the Brokers, and they have

1156. 27.10.15.

written us as follows:- "We think the branding of both ends of bales an excellent idea. It will facilitate the tallying here very much, and will be a great help to the Warehousekeepers".

8. 499. 3. There should be no difficulty in arranging for the "Falkland" to take back the Chilean labourers after the Canning Season is finished. The advantages of so doing are clear from your remarks, and we will refer to the matter later. I cannot see that it is a matter for which we are bound to ask the permission of the P.S.N.Co., but it may be diplomatic to consult them.

9. 499. par. 6. By this opportunity we are sending you 500 tons of North Stafford House Coal. Your suggestion with regard to shipping Brynkinalt in future, for both steam and house purposes, was not received in time to be acted on by the "Inca". We will make enquiries, and if there are no unforeseen objections, will give effect to your wishes.

10. 499. par. 7. It is good news that one of the steel lighters has been erected and launched, and we shall be interested to have your opinion of them as a type, after they have been in use. The second rubbing strake appears to be a good suggestion.

11. 499. par. 9. The wrong marking of the ploughs etc., for Darwin, has now been traced to the bottom. The Makers advised on their invoice that they were correctly marked for that place, and the P.S.N.Co., also entered them on the Bill of Lading as being so marked. It now turns out that Messrs. Howards advised Messrs. Lowden that nine of the packages had left their Works wrongly marked "Hill Cove", and we have seen copy of Lowdens letter of 25th September, 1914, to Howards, undertaking to re-mark the packages; it is now evident, they omitted to do so.

12. 499. par. 10. Your remarks are noted. The shortage of carpenters at Darwin will, to some extent, now be rectified, as we are sending you by this Mail two carpenters, S.A. Griffiths

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and William Craig. Both are strong young single men, and ought to prove good workmen. Please note they both understand they are engaged for Darwin and the Camp. Griffiths was taken ill and unable to sail, as previously advised by last Mail. Craig's agreement is enclosed.

With regard to supplies of timber and other material at Darwin, we feel quite sure that delay will never arise there through your failing to send along the necessaries.

13. 499. par.11. I appreciate your point with regard to valuing the "Heart" mark wool and skins for Probate of Will of the late Mr.E.F.Baillon, and will send you with the Account Sales, certificates from the Brokers declaring the values as at the 12th March, 1915.

The question of your suggested charge for work done in connection with the Estate is approved, the Board deciding that such fees can be considered as for your private account.

14. 499. par.12. A claim on the Underwriters for the lighter plate lost overboard has been sent in, and will be recovered in due course.

15. 499. par.13. Since writing you last, the landslide in the Panama Canal has necessitated the ordering of the "Bogota" to return to the U.K. via the Straits of Magellan. The insurance cover has been altered accordingly.

16. 499. par.14. Mr.Gresham sails by this Mail, and a copy of his agreement is enclosed.

17. 499. par.16. Capt.Thomas's application for an increase of salary was considered at the last Board Meeting. It was decided that having regard to the fact that the employment of the "Samson" in connection with the calls, and possible salvage of sailing ships, is much less than in past years, and is never likely to be the same again, the increase asked for, could not be granted. Moreover, it is felt, that as recently stated in connection with the sinking of the "J.P.Smith", he, as Marine Superintendent, has not risen to the responsibilities and

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duties attaching to that office.

18. 499. par.17. I have to thank you for the receipt for cargo per "Ismailia", signed by Lieut.J.R.Crawford; this has been sent to Messrs.Arthur Holland & Co., the Owners.

19. The freight account for the "Orita" from Stanley in May last, was only received from the P.S.N.Co., at the end of last month, and we were much astonished to see that they were endeavouring to charge us with the Coastal freight, Liverpool to London, @ 26/1 per ton, amounting to a sum of about £350. We immediately protested, and it appears that, taking advantage of the fact that the Bills of Lading instead of being made out, as in all previous shipments for years past, "London via Liverpool", read, "Liverpool for London". The matter has led to much annoyance, and endless correspondence and interviews between Mr.Connell and the Company, and it is now practically settled that they will waive their demand. Most unfortunately the "Orissa" has since arrived, with Bills of Lading reading simply, "for Liverpool", without any explanation from you, or any evidence in the correspondence with the Valparaiso Agent of a protest from you that the produce was so shipped in obedience to instructions contained in his letter to you dated 27th January, which, after all, had special reference to the "Orissa" from Stanley in February. If this is the explanation, you certainly should have lodged a strong protest. The position at the moment is that they have the audacity to say that it is evident from the Bills of Lading that it was the intention of the Shipper to take delivery in Liverpool, and that we must pay the coastal freight. We trust however that the negotiations which are proceeding will result in their seeing the iniquity of their action, and that they will not persist with their claim, although in a strictly legal sense, in the face of our Bills of Lading, we are on very poor ground. A copy of the whole correspondence is enclosed, as well as the letter to the P.S.N.Co., dated 21st October, drafted by the

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Chairman, which, for the present, from motives of diplomacy, is held in abeyance, and has not so far been sent them.

We shall be glad to have your clear explanation of the matter, and have little doubt we shall hear that the Bills were so drawn on the direct instructions of the Valparaiso Agent.

20. We have now concluded agreements for the purchase of all surplus sheep from:-

Messrs.J.L.Waldron, Ltd.
 Messrs.Holmsted & Blake, Ltd.
 Messrs.Packe Bros.& Co.
 Mr.John H.Dean.
 Mr.W.Keith Cameron.
 Mr.Vere Packe.

Copies of the contracts are enclosed. You will note that in the case of Waldrons that payment at 90 days sight is waived, and also that we have undertaken to lift their sheep by the 1st March, as per your cable of ~~26th~~^{2nd} October. These slight concessions were made from a desire to get the business started, and secure them to us, as there is no doubt they are better placed than others to encourage competition in the sheep buying business.

It has been decided that the same price must be paid to all Stations, so that you are at liberty to amend the arrangements already made accordingly. In the case of sheep from the West, we shall pay the freight, so that they will cost a 1/- per head more than those from the East. A supply of contract forms is enclosed, and it is very desirable that you should get them completed with all Stations as soon as possible, so that in the event of Farmers being approached by buyers, they can say definitely that they are committed to us. Also please note that instructions are being sent to Mr.Allan that every sheep must be weighed. On the Coast this has proved to be the only satisfactory plan. A form used there for tallying the weights is enclosed, which will greatly facilitate the operation.

21. Referring to par.14 of your No.496, the question

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of future taxation to meet increased expenditure was discussed at the last Board Meeting. For your information, and guidance, when the matter comes up for consideration in Council, I am instructed to inform you that the opinion unanimously held by the Directors, is that any increase of the export tax is for many reasons much to be deprecated. Chiefly, because it bears unfairly on some Stations, penalizing the good farmer, and is encouraging the bad one. It is considered that the only equitable basis of increased taxation is on the acreage held.

22. By the s.s. "Inca" we have shipped the Motor Boat for Darwin, and trust that she will prove in every way satisfactory.

The trial trip was attended by the Chairman, and I enclose a copy of his letter thereon as it contains criticisms, and recommendations, which possibly you may think fit, later on, to carry out. The Engineers' final report, as to speed, etc., is also sent. Instructions with regard to the engine are in the boat, and we send you herewith further literature issued by the Makers, dealing with the running and upkeep.

We have arranged with Capt. Mander of the "Inca" to give the boat, on the voyage out, a coat of anti-corrosive, and a coat of anti-fouling composition, and for this purpose, have put on board 10 gallons of each from the British Anti-Fouling Paint & Composition Co. There should be a considerable quantity to deliver to you.

23. Enclosed please find copy of a letter from Mr. W.E. Baillon, enquiring with regard to a plot of land in the Stanley Cemetery. Kindly let us have the necessary information to reply to his letter.

I am, Sir,

your obedient servant,

E. B. Soudard

Secretary.

Despatch No. 1156, per "Orissa", 27TH OCTOBER, 1915.

Precis of Subjects

1. Acknowledges despatches 497/9, and letter of 15th Sept.
2. Confirms cables.
3. Refers to new cable, Montevideo to Stanley.
4. "Freshfield" arrived - Errors in tally of cargo shipped.
5. Claim on P.S.N.Co. for short & Damaged cargo outwards.
6. re Mr.Roper.
7. Marking wool bales on ends approved.
8. re "Falkland" taking back Chileans to Coast.
9. re House Coal shipped per "Inca".
10. Steel Lighters.
11. Ploughs for Darwin - wrong marking.
12. Two carpenters for Darwin going out.
13. Certificates of value of "Heart" mark produce to follow.
14. Claim on Underwriters for lighter plate.
15. "Bogota" returning via Sandy Point.
16. Mr.Gresham sailing this Mail.
17. Capt.Thomas's application for increase not approved.
18. Acknowledges receipt for Admiralty's cargo per "Ismailia".
19. Bills of Lading made out for Liverpool causes P.S.N.Co's claim for Coastal freight.
20. Contracts for sheep purchase concluded.
21. Increase of taxation, acreage only equitable basis.
22. Motor boat for Darwin shipped per "Inca".
23. Letter from Mr.Baillon re land in Stanley Cemetery.

Enclosures via Liverpool

Duplicates.

Despatch No. 1155 dated 29th September, 15

Account Current.

Remarks on Accounts.

Second of Exchange for £ 5 . 10 . 3 with B/L &c. attached

List of Cargo short shipped per "Oriana"

List of Enclosures

List of General Cargo per "Oriana"

List of Clients' Cargo per "Oriana"

General Invoice goods per "Oriana"

Clients' Invoices - goods per "Oriana"

Vere Packe 6 . 7 . 7

Dean & Anson 244 . 4 . 9

Dean & Anson's A/sale for 156 bales Wool ex "Orita"

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Enclosures via Liverpool

- 1 Wool Market Reports
- 2 Copy of Cablegrams sent dated 30th Sept. 15th & 21st Oct.
- 3 Copy of Cablegram received dated 21st October.
- 4 B/L cargo per S.S. "Orita"
- 5 List of General Cargo per S.S. "Orita"
- 6 List of Clients' Cargo per S.S. "Orita"
- 7 List of Cargo short shipped per S.S. "Orita"
- 3 General Invoice Goods per S.S. "Orita"
- 9 Copy of letter from H. Fredricksen dated 25th Sept. & list of Shareholders attached.
- 10 Copy of letter from J. Crichton & Co. dated 12th October & specification of fittings re Motor Barge.
- 11 Blue print of Telephone Poles supplied and shipped by W. Bain & Co. per S.S. "Inca"
- 12 Precis of Subjects - Despatch No. 1155 dated 29th Sept.
- 13 Remarks on Accounts
- 14 Remarks on Stores
- 15 Mr Gresham's agreement.
- 16 William Graig's agreement and receipt for £ 3 for cash advanced against wages.
- ~~17~~ ~~Copy of letter from W. Lowden & Co. dated 22nd October.~~
- 13 General Invoice goods per S.S. "Inca"
- 19 Contract Forms for Sale of Sheep for Canning.
- 20 Sight draft on J. Kirwan for £ 150 . 15 . 7 with B/L attached
- 21 Correspondence with P.S.N. Co. & R.L. Connell with reference to Coastal freight-Liverpool to London .
- 22 Copy of letter from Armour & Casebourne to Irvine & Casebourne dated 8th October re Motor Barge.
- 23 Printed Instructions for "Gardner" Engine pressure feed burner re Motor Barge for Darwin.

- 24 Plans and Instructions re Gardner Engine on board Motor
Barge for Darwin.
- 25 Copy of letter from Capel & Co. dated 19th October to Rev.
L.S. Migone with estimate attached.
- 26 Account Current and vouchers.
- 27 Copy of letter from W.E. Baillon dated 15th October.
- 23 Extract of letter from Mr Cobb, dated 3th October re Motor Barge
- 29 Copy of letter from Ince, Colt, Ince & Foscoe dated 3th Oct.
re damaged cargo .
- 30 Signed contracts for the sale of Sheep for 1916
J.L. Waldron, Packe Bros. & Co. W.K. Cameron
J.H. Dean.

Letter for the following:-

W.A. Harding (2)

A.L. Allan (2)

Rev. L.S. Migone

Howard Clement.

R. H. Wace

London 27th October, 1915

Enclosures per Consignees' Letter per "INCA"

- 1 Bills of Lading cargo per "Inca" From Liverpool
- 2 List of General Cargo per "Inca" from Liverpool
- 3 List of Cargo per "Inca" from London.
- 4 Clients' Cargo per Inca from Liverpool
- 5 List of Parcels.
- 6 List of short shipped cargo ex "Inca"
- 7 Certificates of strength Whisky &c shipped per "Inca"
- 8 Suppliers detailed Invoices goods per "Inca"

London 22nd October, 1915

Indexed

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street,

Per "Oronsa"

N^o 1157

London, E.C. 24th November, 1915.

Sir,

Since writing you last on the 27th ulto., I have received your,

despatch No.500, dated 11th October, 1915.
letter " " 13th " " "

2. Cables which have passed between us are confirmed, as per the usual forms enclosed.

3. par.5. You will have seen by our account current, dated 29th September, that the draft on account of the "Bangor" was duly received on the 8th of that month.

4. par.6. Your remarks with regard to the loading of the "Kelp", have been read with interest. The vessel is some fiftyeight days out, and her arrival can therefore be expected any day now.

Your draft for £249.16.4, on Messrs.Fisher Alimonda & Co., has been withdrawn, as under the terms of the Charter Party, the cash advanced for ship's disbursements, was to be deducted from the freight payable here, free of commission. This however would not have been known to you at the time, as the "Kelp" appears to have sailed a day or two before you received the copy of Charter. The amount recoverable against your account will therefore be £237.18.5 only.

5. par.7. Note is taken of the increase in wages granted to carpenters, and that the old practice of paying 12/6 per day for work on local vessels is to be discontinued. This appears to be a reasonable arrangement.

6. par. 8. The doubt expressed in your despatch as to proceeding with the various work, necessary to carry out the

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

1157. 24.11.15.

sheep trade from the West, will have been dispelled by my cable of the 29th October, advising you of the several contracts entered into here. With regard to the jetty however, you mention Brenton Loch. Is this not intended to read Egg Harbour? It has been regarded as settled that the latter port was to be the place of discharge, as it offers the vitally important advantage of saving the steamer much time in the wool season. The question of putting the extra tiers in the "Falkland", has been much discussed with Messrs. Lowden, and they will no doubt be writing you on the subject.

A copy of the contract, signed by Messrs. Holmsted & Blake, Ltd., is enclosed herewith, and you will notice that in this case 1% is to be allowed by sellers for casualties. Please advise us promptly of the amounts passed to their credit for sheep bought, and payment can then be made here. This also applies to Messrs. Waldron's contract. In the case of both these contracts, should sheep die after being taken ~~over~~ over, they are to be paid for on the basis of the average weight of their class.

It may be as well to place on record, that when first negotiating with Messrs. Waldron, we expressed unwillingness to take any sheep below 40 lbs weight, but we were rather forced from this position by their wishing to have it understood, that they were to be at liberty to ^{sell} ~~take~~ their light weights elsewhere. It was seen that this would have resulted in their endeavouring to sell all their ewes in the neighbourhood of this weight to Coast firms anxious to buy, and thus competition would have arisen. It was therefore decided to make the contract for "all the surplus sheep they have for sale in the season".

7. par.9. It is satisfactory to hear that the second lighter will soon be in commission.

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8. par.13. Enclosed you will find the three copies of the deed,- duly signed and sealed,- transferring the land required by the Government for the continuation of Hebe Street; please note the Company's name requires to be filled in. We shall be glad to know why three copies are issued, and consider they should be clearly marked, original, duplicate, and triplicate, before they leave your hands.

9. par.16. I have seen the Admiralty with regard to repaying us the advances made to Lieut.Crawford, and a remittance of £8000, on account, has been promised within the next few days. It has also been arranged that Lieut. Crawford shall in future cable the advances received at the end of each month, and payment for same will be made to us a few days later.

10. par.18. The Board is much concerned to learn of the outbreak of the sickness resembling beri-beri, and trusts that it will be quickly stamped out. If it is beri-beri, it is surprising, for that disease is usually associated with sub-tropical countries only, although, as an exception to that rule, a bad outbreak occurred a few years ago in Dublin. We note that suspicion attaches to the Millenium flour, and this is to an extent confirmed by what we hear from Messrs.J.L.Waldron, to the effect that at Port Stephens, where they sent that brand in October,1914, and September last, the illness has occurred, while at their station at Port Howard, where other flour was supplied, no sickness has arisen. When the sample you shipped home by the "Oronsa" reaches us, it is the intention to have it analysed, both chemically and for bacteria, by Dr.Halliburton, of King's College Hospital, who is quite one of the leading men at such work. As regards the analyses for bacteria however, he can hardly determine that the outbreak is beri-beri, for I understand that no specific germ of the disease has so far been isolated. The details of the case were

1157. 24.11.15!

laid before Dr.Braxton Hicks, bacteriologist to Westminster Hospital, and his strong opinion is, that the fault lies in using flour too highly refined, from which he says practically all the "vitamine" or essential elements are extracted, and the nourishing properties remaining are little better than those found in rice. The prevalence of beri-beri among nations subsisting entirely on rice is common knowledge.

I have to thank you for the copies of Dr.Wace's report on the outbreak at North Arm, but it is unfortunate that the portion of his letter to the Medical Officer of Health, Port Stanley, dealing with the symptoms, was omitted, as it might have been of assistance to the ~~medical~~ analyst. There are one or two points in the report I am instructed to refer to.-

Dr.Wace condemns the building as filthy and unsanitary. Now it is clear that there is nothing inherently insanitary in a building, and that the disorder must arise from the way in which it is used, or rather misused, and his remarks point clearly to a lamentable want of supervision at that settlement, and Mr.Allan must be asked who is responsible for such a condition of things. It has been recognised for some time that the water supply was not good, and with the object of remedying matters, a mile of iron piping, at a cost of some hundreds of pounds, was shipped out in the "Kenuta", arriving in Stanley last April. In view of this fact, we shall be glad to know the explanation of Dr.Wace's concluding sentence to you, "in spite of what my predecessor and I have said about it (water supply), I hear that no improvement is to be effected yet". Please ask Dr.Wace from whom he heard ^{this}, and for any explanation he can offer. Please send a copy of this paragraph to Mr.Allan.

11. Following up remarks in par.19 of last despatch, copies of further letters exchanged with the P.S.N.Co., and Messrs.Lowden, in connection with the attempt of the former to charge us with coastal freight, are enclosed herewith.

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You will see that the position is, that their demand is held in abeyance, pending a reply from Valparaiso, ^{as to} why Bills were made out for Liverpool only. With a view to preventing similar disputes arising in future, I added to the cable message, sent you on the 29th October, the words, "ship produce London Bills only".

12. The matter of securing the early shipment of our wool this coming season, has been receiving the consideration of the Board.

It is appreciated that the Government demands on shipping tonnage at the moment are greater than at any time during the past year, and these conditions are more likely to increase than fall away during the next six months. The freights from the Coast have still further advanced, and wool is now being booked from Punta Arenas at 126/- per ton weight, against the 60/- payable under our contract. The wool market has still further advanced, and it is clear that quite unprecedented prices could be made today for our clip. It is impossible to say when the fall will come, as it undoubtedly must, and it is considered that, if without prejudice to our contract, we could get the P.S.N.Co., to guarantee sufficient tonnage in the months of December to March, or April, to lift our produce, it would be well worth paying them something extra. It would be a great pity if, for the sake of, for instance, an extra 1d per lb., which is equal to 14/- per ton, we lost 2d, and perhaps more, per lb. on our wool. The suggestion is being put forward by Mr. Connell to the P.S.N.Co., but not as coming from us. It is felt that the Company having admitted that our contract is binding on them, it would, in view of all the circumstances, be wise to make some such arrangement if it is possible. If this is accomplished, we shall probably have to cable you, so that you can work to the dates of tonnage promised, and it will also be necessary for you to obtain the assent of the various clients to the

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payment of whatever extra freight may be decided upon. If they object, their produce cannot be sent at our contract rates by the special steamers given us under this arrangement, but it is hardly likely that any would be so short sighted as to hesitate to come into line. From an interview we have had with Messrs.Waldrons, we gather there will be no hesitation in their agreeing to the proposition. A copy of letter from Mr.Connell, dated the 10th instant, on the subject, is enclosed.

13. Enclosed please find letter, with testimonials, addressed by William Jas.Biggs to Mr.Blake, on the subject of a pension. It has before been laid down that no communication from an employee in the Islands direct to a member of the Board will be considered, and that all such must pass through the hands of the Manager in Stanley, and be accompanied by his remarks. With reference to the letter, it was not correct of Mr.Allan to tell Biggs that it was by Mr. Blake's order his services were to be dispensed with. The order was passed out in my letter of the 14th October, after the matter had received the consideration of the Board, and in any case when instructions are given by Mr.Blake to Mr. Allan, they are given with the authority, and on behalf of the Board, and the employee should be advised to that effect. When Biggs's position was first considered, and Mr.Allan asked to send a record of his years of service, the fact was overlooked that he had for years, through the prime of his life, been an independant carpenter in Stanley. Owing to this, counting from the ~~regular~~ commencement of his regular services with the Company, the time does not approach the term of thirty years usually taken to be the period entitling an employee to the consideration of a pension.

Please pass the foregoing remarks on to Mr.Allan.

14. par.10. From your explanations, the Board feels that it has perhaps been a little unduly hard on Capt.Thomas, but at the same time, notwithstanding all you say as to the -

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shortage of men, there is undoubtedly a fault somewhere. It must not be forgotten that in a report on the Hulks, dated 30th September, 1910, it was clearly stated that the "J.P. Smith" could not be loaded with more than 400 tons of weight without leaking, and in view of the value of the hulk, and the cargo to be stowed in her, the matter should have received attention in preference to some shore work. Had this been done, she would not have been sunk. It is not quite correct to say that caulking can only be done in the summer. In the days of sailing ships, vessels frequently put into Stanley in the winter, and did what caulking was necessary, though undoubtedly it could have been better and more cheaply done in summer.

15. par.10. With regard to your reference to Mills's report on machinery, it is appreciated that this can only be done at some inconvenience, and perhaps delay to other work on hand, but the Board considers it of great importance that he should regularly visit, and specially report on all machinery, particularly in outlying places, like North Arm and Walker Creek, as a safeguard against it being allowed to deteriorate, as it undoubtedly will if not properly cared for by those in charge.

16. Referring to the unpleasant correspondence between yourself and Capt. Edwards of the "Otranto", with regard to your charge for hire of the "Plym", etc., I am pleased to inform you that we have now obtained payment from the Admiralty, in full, for the amount of your account, £94. That they considered his action unreasonable, is clearly indicated by the fact that they have made no charge whatever for the work done by his boiler makers, for which he rendered his account to you for £40.

17. The Board will be glad to know what precautions, if any, are adopted in our various stores in Stanley to guard against, or minimise, the effect of any outbreak of

1157. 24.11.15.

fire which may occur. Have you a supply of fire extinguishers of any type, and how, approximately, are they distributed? Any suggestions you may have to make on the subject will be welcomed.

I am,

Sir,

your obedient servant,

E. B. Soddard.

Secretary.

DESPATCH NO.1157, per "ORONSA", 24th November, 1915.

Precis of subjects

1. Acknowledges despatch No.500 of 11th October.
2. Confirms cables.
3. Refer to payment of draft on "Bangor".
4. Refers to "Kelp" and withdrawal of draft for disbursements.
5. Increase of carpenters wages noted.
6. Sheep trade from the West next season.
7. Approaching completion of second lighter noted.
8. Enclosed sealed copies of deed transferring land to Government in Stanley.
9. Position regarding repayment of cash advanced to Lieut. Crawford.
10. Refers to outbreak of beri-beri, and insanitary conditions at North Arm.
11. P.S.N.Co., and demand for coastal freight.
12. Suggestion to make special arrangement with P.S.N., for lifting wool early next season.
13. re William J. Biggs - pension and letter to Mr. Blake.
14. Capt. Thomas, and sinking of "J.P. Smith".
15. re Engineer's reports on machinery.
16. Advises settlement of account on "Otranto" for "Plym", etc.
17. Asks for information as to measures in Stanley taken as precaution against fire.

Enclosures via Liverpool

Despatch No.1156 dated 27th October.

Precis of Subjects - despatch No.1155

List of Enclosures

List of Clients' Cargo per "Orita"

Parcel in case No.1676

Remarks on Stores.

Account Current.

Remarks on Accounts.

List of Clients' Cargo per "Orissa"

General Invoice goods per "Inca"

List of Cargo per "Inca"

List of Cargo per "Oronsa"

General Invoice goods per Orita

List of General Cargo per "Orita"

List of Clients' Cargo per "Orita"

List of short shipped cargo per "Orita"

Printed Instructions for Gardner Pressure Feed Burners.

Enclosures via Liverpool.

"Originals"

- 1 Wool Market Reports.
- 2 Copy of Cablegram sent dated 29th October.
- 3 Copy of letter from Bischoff & Co. dated 5th November
& draft of a lease for Stanley Arms attached.
- 4 Copy of letter to W. Lowden & Co. dated 28th October (2)
& Co.
- 5 Copy of letters from W. Lowden dated 26th Oct. & 2nd Nov.
- 6 Copy of letter from R. L. Connell to Mr Cobb dated 2nd Nov
- 7 Copy of letters from I. Van Gelder dated 12 & 13th Nov.
& our reply of same date.
- 3 Copy of letter from H. Fredericksen dated 2nd November
& list of Shareholders attached.
- 9 General Invoice goods per "Orissa"
- 10 List of General Cargo per "Orissa"
- 11 List of Shut-out cargo per "Orissa"
- 12 Vere Packe & G. Bonner's signed agreements for the sale
of sheep to Company.
- 13 Signed & sealed grant for the sale of Land in Section 2
from F. I. Co. to Governor W. D. Young.
- 14 Sailing Ship Bills of Lading Forms.
- 15 Arning & Cobb's priced Sheepskin catalogue.
- 16 Sight Draft on J. Kirwan for £ 73 . 1 . 11 with B/L attached
- 17 Copy of letter from the Pacific Steam Navigation Co.
dated 26th October.
- 18 Account Current and vouchers.
- 19 Remarks on Accounts
- 20 Remarks on Stores.

Letters for the following:-

W. A. Harding, James Houston, A. L. Allan, Father Migone,

Dr Wace.

London 24th November, 1915

Handwritten

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902

61, Gracechurch Street.

Per "Oriana"

N^o 1158

London, E.C. 22nd December, 1915.

Sir,

I wrote you last on the 24th ultimo, and have since received from you, -

despatch No.501, dated 9th November, 1915

.. 502, .. 10th ..

both delivered on the 7th instant.

2. Cables which have passed between us are confirmed on the forms enclosed. It is worthy of note, that your reply to our message despatched at 6 p.m. on the 14th instant, was received before 2 p.m. on the following day, i.e., under eighteen hours.

3. 501. 3. This matter was dealt with in par.14 of my last despatch.

4. 501. par.6. The Board was pleased to learn that the leases of the Government Reserves had been renewed, though the period of three years is but a short one. It is hoped that the better relationships now existing with the Government may give you an opportunity later of renewing for a longer period, say twentyone years, or even more.

5. 501. par.7. We hear from Messrs.Crichton & Co., that the riveters have all returned, and we are waiting for their promised account of their wages earned, before we can finally square up with them.

6. 501. par.8. The Board was interested to read of your trip around the West, and to the various sections of the Farm

W. A. Harding, Esq.,

Manager,

Port Stanley.

1158. 22.12.15.

with Mr.Allan; and the knowledge you will have thereby obtained should be valuable. We look forward to receiving the plans of the proposed wool sheds being drawn up by Mr. Mills.

7. 501. par.10. Your recommendations with regard to extending the telephone system to the different sections of the Farm, have been read with interest. The matter was fully discussed at the last Board, and the suggestion to run the Egg Harbour line via Orqueta was approved. The question of supplying the other extensions is not yet decided, the opinion being, with regard to Walker Creek especially, that it would be of the nature of an expensive luxury. It is considered that the new motor boat at Darwin should provide sufficiently rapid means of communication for all ordinary purposes. Referring to your remarks, Mr.W.M.Dean has written as follows:- "With regard to the proposal to erect a portion of the telephone above an existing fence. On the Coast we tried this, and it proved a failure owing to the fact that if the wire becomes dislodged from the insulators, it falls across the fence and is at once earthed. If it only falls on the ground on the open camp the phone can be used, unless the wire has fallen into water. Once the wire is earthed on a single wire system, there is no communication."

8. 501.par.10. It is satisfactory to hear that such good progress is being made with the North Arm jetty.

9. 501.par.11. In Mr.Blake's letter to Mr.Allan, he is referring to the proposed new site for eating and dwelling house at North Arm. In the absence of any mention in your despatch of further cases of beri-beri, we assume that its progress has been stayed, and trust that this is so. The sample of flour returned for analysis has been hung up in Liverpool, owing to Railway congestion, but is expected daily.

10. 501.par.12.
502.par. 2. Your remarks with regard to the necessity for fresh water supplies to the "Falkland" at Port

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Howard are duly noted. In view of the emphasis you attach to the vital importance of the piping being sent out by this mail, the order, as detailed in Mr. Evans's note, was placed immediately, in fact the day the Mail arrived. It was promptly forwarded to the "Oriana", and every endeavour will be made to effect shipment. The question of who shall pay for this, - about £35,- was discussed with Messrs. Spearing & Waldron, and their proposal, as follows, has been accepted. That we shall bear the cost of materials, and they will do the fitting free, and make no charge for the water supplied. The piping to remain our property, and to be removable at any time at our option. The owners of the steamer and ourselves are quite at a loss to understand why such a quantity as 600/1000 gallons will be required daily, and your explanation will be valued. Seeing that the vessel is constantly away from Stanley from ten to fourteen days, it is assumed that she then draws on her water ballast tanks for daily requirements. Is that so? It has also occurred to us, that as you will not be putting in the more extensive fittings, tiers, etc., you may decide to bring her back to Stanley with a load of wool after working for say a fortnight and clearing Port Howard sheep. Until the steamer returns to the sheep trade, the Canning Works could be kept going with sheep from the East. This plan would give you the opportunity of putting aboard in Stanley the necessary supplies of coal and water. This is merely a suggestion, and no doubt the plan has already received your consideration.

11. 501.par.13. It is to be hoped that your efforts to obtain men from Punta Arenas for tin making will be successful. I note that an appeal is being made for men for the front by the Governor, and that some will probably want to go; your labour difficulties will be increased accordingly.

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12. 501.par.14. The Board has carefully considered your suggestions as to improving the means of communication between the sections of the Farm, and is of opinion that however desirable and expedient the proposed roads may be, the present time, faced as you are with such a shortage of labour, and no probability of supplementing it, and so much necessary and important work to be dealt with, such as wool sheds, jetties, and telephone, it is not an opportune moment to take the matter in hand. Apart from ploughing the track, would not a great amount of labour be entailed in the bridging of streams, etc. ?

13. 501.par.15. The Board fully approves of supplying the labour saving carpenters' machine tools referred to, and I await details of your requirements promised by next Mail.

14. 502.par.3. We had dealings with Mr.Panting in 1912, when he purchased 42 casks of casings, shipped home in the s.s."Orissa" 1911. Our experience was not satisfactory, as he was undoubtedly then short of cash, and it took him some six months to take delivery of the small parcel, paying sums of £3 to £5 weekly against delivery of the goods. Under these circumstances, we are advising you by cable to arrange the sale of your casings locally, if possible, and to fully protect yourselves as regards payment if you have to deal with Panting.

15. We have had much trouble to obtain a settlement from Mr.Van Gelder of your account amounting to £45.17.4., for recasking his guano, and have only now been successful by placing the matter in the hands of our Solicitors. Mr. Van Gelder is a person of no standing in the City, and there is every probability that once he obtained delivery of his goods, we should have little chance of obtaining a settlement from him. It was a mistake to have sent him the Bill of Lading direct. It should have been forwarded to us to hand to him in exchange for his cheque. The correspondence to ^{date} a

1158. 22.12.15.

was sent you last Mail. Copies of remaining letters exchanged are enclosed. You will see we have promised to make him a refund, if, after reference to you, we learn that any mistake in the account has been made. Please advise us on this point.

Autres

16. In connection with Mr. Hobley's account in your ledger, it is noted with some surprise, that although it was expressly laid down in Remarks on Accounts, 16th September, 1914, that cheques drawn by persons having no credit with us, must on no account be met, these instructions have not been adhered to. Notwithstanding that Mr. Hobley was in debt to us on the 1st January, 1915, to the extent of £4.16.9, a further £56.2.0 was paid to him during that same month, and sundry other cash advances each succeeding month, until at the 30th September the balance against him was £180.18.9. Please note this account must be closed forthwith, and if you have not already paid over the Company's contribution to the Sustentation Fund, the balance owing by Mr. Hobley should be deducted before doing so. The cheque book issued to Mr. Hobley should be called in, and please note the Board does not approve of cheque books being given to persons who have no credit in hands against which to draw. If the Dean chooses to finance Mr. Hobley, it is quite open for him to do so, but it is no part of the Company's province to make these advances, and they must be discontinued.

book of account

17. Following up my remarks in par. 12 of last despatch, the negotiations with the P.S.N.Co., for the early collection of our wool, have so far advanced that it is practically agreed that in consideration of our paying them an additional amount of 30/- per ton weight, they will make a point of lifting our produce in the first cargo steamers of the year they have available. Unfortunately they have not one to send until the "Corcovado", due in Stanley about the 9th February, and space in her is to be reserved to stow

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all the wool you then have on hand. We are doing our utmost to induce them to send in a Mail boat before the "Corcovado", and we still hope it may be arranged. The "Corcovado" is to be followed by a boat in April to lift all you have to that date, and the balance to be shipped before the end of June.

Please note it is arranged to make the through rate $\frac{13}{16}$ thsd. per lb., that is $\frac{3}{16}$ ths additional. This $\frac{3}{16}$ ths will produce 35/- per ton weight, of which the P.S.N.Co. will receive 30/-, and the 5/- remaining will go to the "Falkland", less the $\frac{1}{6}$ th deducted as usual for hulkage, etc. Messrs. Holmsted & Blake, Ltd., J.L. Waldron, Ltd., Vere Packe, Russell H. Buckworth, and John Hoare & Co., on behalf of marks they handle, have already agreed to pay the $\frac{13}{16}$ ths through rate, and we have little doubt that all others here will readily agree. Should they not do so, we will cable you. It will be necessary for you to obtain similar consent from your local Farmers, as referred to in par.12 of my last despatch.

The Admiralty informed us that it might suit them to send the "Intaba", homeward bound from the Coast, into Stanley for all the cargo we could give, and this explains our cable of the 14th instant. They have since advised us, that having regard to the small quantity - 1200 bales - likely to be available at 31st December, it will not suit them to detain the vessel by calling at the Falklands. The matter is therefore "off". Copies of correspondence with Messrs. W. Lowden & Co., enclosed, will acquaint you of the progress of negotiations with the P.S.N.Co.

18. Enclosed please find copy of letter from the Colonial Office, advising that your Government have authorised the repayment of the Court Fees, £10, charged in connection with the purchase of coal ex the prize "Josephina".

19. From the cable sent you on the 10th instant, and the catalogues herewith, you will learn of the excellent prices being made for our wool, the top price for F.I.C. being

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^{s d} 1/6¹/₂, and an average of ^{s d} 1/4 for the parcel. You will also notice that Roy Cove and "Z" marks touched ^{s d} 1/7¹/₂, while "J.G." recorded ^{s d} 1/7. It was considered prudent to let you have this information by cable, so as to pacify clients in the event of offers being made on the spot. In this connection your previous despatches were turned up, and it was noted with satisfaction that you were alive to the binding nature of our agreement with the P.S.N.Co. This must always be used as a preventative measure to stop sales on the spot. In any case, from an interview with Mr. Grindle at the Colonial Office, we gather that the export of wool from the Islands is prohibited to any other place than the U.K.

In view of the high wool prices ruling, we are naturally doing our utmost to secure the early shipment of as large a quantity as possible, and I may explain, with reference to words in my cable referred to above, that to give effect to our wishes in this respect, the owners of the "Falkland" readily agree to any necessary overtime being incurred on that vessel, it being appreciated that the wool collection will be somewhat interfered with by her employment in carrying ^{sheep} to Egg Harbour.

20. Since writing par.17, the Admiralty have telephoned us this afternoon that they are agreeable to send the "Intaba", due at Punta Arenas on the 24th instant, into Port Stanley, and we are cabling you tonight to ship in her all possible wool and skins. The vessel is to proceed to Devonport, and there tranship the cargo into one of their London steamers, and it is arranged that the through freight shall be 90/- per ton of 20 cwts, net. The Bills of Lading, you will have gathered from our cable, must be made out for London via Devonport.

I am, Sir,

your obedient servant,

E. B. Soddard

Secretary.

21. Various claims on the P.S.N.Co., in connection with stores outwards have been referred to in recent despatches, and we informed you that we were advised that we had no legal claim, but nevertheless, the P.S.N.Co., have at length met us reasonably, and have paid £16.10.3 in settlement of the outstandings. A copy of their letter of the 4th instant is enclosed.

E.P.G.

DESPATCH NO.1158, per "ORIANA", 22nd DECEMBER, 1915.

Precis of Subjects.

1. Acknowledges despatches 501/2 of 9th & 10th November.
2. Confirms cables exchanged.
3. Refers to sinking of J.P.Smith.
4. Renewal of leases of Government Reserves.
5. Riveters have returned - wages account wanted.
6. Mr.Harding's trip to West noted.
7. re proposed extension of telephone to Farm sections.
8. Progress with North Arm jetty noted.
9. Cookhouse at North Arm. Beri-beri outbreak apparently stayed.
10. Fresh water requirements for "Falkland" at Port Howard.
11. Efforts to obtain men for tin making from Coast noted.
12. Suggested roads on the Farm - records Board's opinion.
13. Carpenters' machine tools approved.
14. refers to Mr.Panting and casings.
15. Refers to Mr.Van Gelder's account.
16. Mr.Hobley's account to be closed.
17. Refers to negotiations with P.S.N.Co., re wool shipments.
18. Court Fees re "Josephina" coal - repayment authorised.
19. Refers to present wool prices.
20. Admiralty steamer "Intaba" to call for wool.
21. Sundry claims for stores on P.S.N.Co., settled.

ENCLOSURES via LIVERPOOL

"ORIGINALS."

- 1 Copy of Cablegram sent on the 24th December.
- 2 DuCroz Doxat & Co's Wool Catalogue of F.I.Wool sold on the 23rd December.
- 3 Wool Market Reports.
- 4 Suppliers' Invoices goods shipped per S.S. "Victoria"
- 5 Letters for W.A. Harding, Esq. & J. Houston, Esq.
- 6 Copies of Brkers' A/sales due 23rd & 28th December as per detailed list.

LONDON 29th December, 1915

ENCLOSURES VIA LIVERPOOL.

ORIGINALS:-

- 1 Copy of Cablegram s sent and received.
- 2 General Invoice Goods per "Oronsa"
- 3 Bills of Lading cargo per "Oronsa"
- 4 Holmsted & Blake's contract for the sale of Sheep to Canning Works.
- 5 General List of Cargo per "Oronsa"
- 6 List of Short shipped cargo ex "Oronsa"
- 7 Brokers' Wool Market Reports.
- 8 Copy of letter from H. Fredriksen dated 26th November and our reply of 2nd December.
- 9 Sight Draft on J. Kirwan for £ 28 . 8 . 4 for collection B/L attached.
- 9A Clients' Reports:-

P H	75	bales Wool ex "Freshfield"		
Heart	164		,"	,"
Z	214		,"	,"
D H	93		,"	,"
Club	148		,"	,"
HP	159		,"	,"
H & B	14		,"	,"
W E D	166		,"	,"
B	72		,"	,"
S	130		,"	,"
D S	67		,"	,"
G I				
J R	34		,"	,"
H	76		,"	,"
F B	4		,"	,"
- 23 Press copy of Brokers' report on Co's Wool ex "Freshfield"
- 24 Copy of letter from the Colonial Office dated 14th December.
- 25 Copy of letter from Chr. Salvesen & Co. dated 1st December.
- 26 Copy of letter from the P.S.N.Co. dated 4th and our reply of the 8th December.
- 27 Copy of letters to W. Lowden & Co. of 3rd ,6th ,15th & 17th & theirs of 16th December.
- 28 Copy of letter from J.L. Waldron, Ltd. dated 16th & our reply of 17th December,
- 29 Copy of letter from I Vah Gelder of 27th 30th Nov. 3rd 4th & 7th Dec. and our replies of 29th Nov. 2nd 3rd & 6th Dec.
- 30 Remarks on Stores.
- 31 Account Current & vouchers.
- 32 Remarks on Accounts.
- 33 Letters for the following:-

W.A. Harding, J. Houston, Rev. Migone, A.L. Allan

LONDON 22nd December, 1915

Enclosures via Liverpool.

Duplicates.

Despatch No. 1157 dated 24th November, 15

Account Current.

Remarks on Accounts.

Remarks on Stores.

List of Clients' Cargo per "Oronsa"

List of Enclosures.

List of Parcel.

Second of Exchange on J. Kirwan for £ 73 . 1 . 11.

B/L for Household Effects &c per "Inca"

General Invoice goods per "Orissa"

List of General Cargo per "Orissa"

List of Shut-out cargo ..

Clients' Account Sales :-

S	6 Sales Wool ex "Orita"		
F B	98	..	..
AP	67	..	..

Maced

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851

REGISTERED 1902.

61, Gracechurch Street.

Per "Victoria"

N^o 1159

London, E.C. 29th December, 1915.

Sir,

On the 23rd instant, the day following the close of my last despatch, which was written for conveyance per the "Oriana", we were informed by the P.S.N.Co., that in consequence of further requisitioning of their steamers by the Government, that vessel would not sail, and that her place was being taken by the "Victoria", to leave Liverpool tomorrow. This delay gives me an opportunity of writing you a short supplementary despatch.

2. On the 24th instant the Admiralty telephoned us that the steamer "Intaba" was later arriving at Punta Arenas than had been expected, and that she could not be at Port Stanley until about the 4th January. I accordingly advised you of this by cable on the same day, in the hope that the extension of time would enable you to perhaps arrange for an additional trip of the "Falkland" for wool.

3. The Western Telegraph Co., having paid us the sum of £500 on the 24th instant, for the credit of their Mr. Kirby in Stanley, advice of same was sent you the same day by cable through that Company, free of charge, in the form of a service message. The opportunity so afforded was made use of, with their permission, to wish you all the compliments of the season.

W. A. Harding, Esq.,

Manager,

Port Stanley.

4. Referring to par.17 of my last despatch, on the subject of the payment of an increased freight to the P.S.N.Co., I have now received the ready assent to the proposal from the following, in addition to those previously mentioned. C.G.A.Anson, L.Stickney, Capt.B.M.Chambers, R.N., for Bertrand & Felton, Geo.Bonner, H.J.Pitaluga, and W.K. Cameron.

In laying the matter before Clients, you will no doubt merely inform them that the arrangement has been come to on the basis of a through rate of $13/16$ ^dths, which we are prepared to pay ourselves to secure the early shipment. It will not be necessary to go into ~~such~~ details of the division of the freight as between the P.S.N.Co., the "Falkland", and the Company, although the slight increase to the coasting steamer and ourselves can be amply justified by the overtime that will have to be incurred to complete the early collection of produce.

5. Owing to the great labour difficulties, ~~the~~ Shipowners have not yet been able to render us the freight account for the wool ex "Freshfield", which was prompt on the 23rd and 28th instant, and this prevents us enclosing the Account Sales. For your information however we append a list of the marks sold, and the net amounts realized by the Brokers.

6. It is with much regret that I have to advise you of the death on the 24th instant of Mr.George Cobb. He had been ailing for some few weeks, but his sudden demise came as a great shock to all.

I am, Sir,

your obedient servant,

E. B. Soddard

Secretary.

DESPATCH NO.1159, per "VICTORIA", 29TH DECEMBER, 1915.

Precis of Subjects

1. Explains sailing of the "Victoria" in place of the "Oriana".
2. Confirms advice of due date of "Intaba" at Stanley.
3. £500 received from Western Telegraph Co., for credit of Mr.Kirby.
4. Agreement with P.S.N.Co., re extra freight - assent of Clients.
5. Why Account Sales for wool per "Freshfield" are not enclosed.
6. Advising the death on the 24th instant of Mr.George Cobb.

Addressed

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

61, Gracechurch Street.

Per "Orissa"

N^o 1160

London, E.C. 24th January, 1916.

Sir,

My last despatch was dated the 29th ultimo, since when I have received your

Nos. 503/4 of the 6th and 9th December.

2. Cables which have been exchanged between us are confirmed as per forms enclosed.

3. 503. par.2. The conditions under which you are permitted to use the new Admiralty cable are noted with interest.

4. 503. par.3. Having regard to the many difficulties you describe, we can but hope that your plan of marking the bales on the ends, will in future enable the tally to be more accurately taken. Cannot the ~~stations~~ Stations be induced to follow some system in marking their bales whereby such marks as EWE, &c., are placed below the leading mark? If this was done in every case, it is hard to see how such mistakes as you describe could be made.

5. 503. par.6. The P.S.N.Co., have raised no question as to the discharge of the "Inca" at Stanley. Should any reference be made to the matter later, we shall be pleased to be able to refer to your remarks, detailing the excellent work done.

6. 503. par.7. Nothing more has been heard from the P.S.N.Co., with regard to their claim for coasting freight on produce per "Orissa", and we hope the subject has been dropped. Should it arise again, I think your explanations

W. A. Harding, Esq.,

Manager,

Port Stanley.

1160. 24.1.16.

are ample to enable us to disprove their contention, viz., that the final destination was intended to be Liverpool.

7. 503. par.8. It is very satisfactory to hear that the export of sheep to other places than the U.K. has been prohibited by the Government.

8. 503. par.12. The whole question of taxation was fully considered by the Board at its last Meeting; your remarks on the subject being duly noted. Following on this discussion, the Chairman, at the wish of the Board, called on Mr.Grindle at the Colonial Office, and laid before him fully the views held on the subject, pointing out what is considered to be the advantage, fairness, and simplicity of taxing the land acreage, in preference to the complicated plan of taxing exports. On many points Mr.Grindle appeared to agree with the Chairman's views, and we can only hope that the interview will be productive of some good later.

9. 503. par.13. The arrival of the Darwin Motor Boat in such good order and condition is noted with pleasure.

10. 503. par.14. The information you gave was passed on to Mr.W.E.Baillon, and he now writes that he does not propose to take any further steps in the matter of realizing the vacant cemetery plots.

11. 503. par.15. I am afraid you will have been disappointed at the non-receipt by the "Victoria" of the water piping intended for Port Howard. It was short shipped in Liverpool in spite of all the special efforts made to get it away. The congested and chaotic state of that port has been a by-word for some time past, and the continued fresh demands for men for the front have necessarily made matters worse. In addition to this, you will remember, that just before the "Oriana" was to sail with the last Mail, the Admiralty requisitioned her, her cargo being turned out and reloaded in the "Victoria". It is not therefore surprising that the

1160. 24.1.16.

pipng was not shipped. Messrs.W.Lowden & Co., were asked to give the matter their special attention from the first, but we know they are so short handed, and it is only with the greatest difficulty they can get through their work. I heard on the 18th instant that it is actually shipped by the "Orita", taking this Mail. This information was included in a cable sent to you the same day, so that any preliminary work can be got on with. The actual connecting up of the pipes should take but a short time. From an account just received from Messrs.Maclean & Stapledon, we see that the Windmill was shipped to you from Montevideo per the "Oronsa".

12. 503. par.16. The progress made with the work in connection with the Egg Harbour jetty, and telephone extension, is noted with satisfaction.

13. 503. pars.5 & 17.
504. par. 1. It is fortunate that Mr.Weiss was able to secure the Chileans for the Canning Season, and this should enable him to get well ahead with his can making, and other work. I am pleased to say that although the P.S.N.Co., were inclined at first to raise difficulties, it has now been amicably arranged between them and the Owners of the "Falkland" for that vessel to take the men direct from Goose Green to the Coast as you suggested, provided it is impossible to arrange shipment by the P.S.N.Co., without housing them in Stanley. Although it is more satisfactory to arrange this matter thus, in a friendly way, I cannot trace any clause in our contract which gives them any power to control such a voyage as is proposed for the "Falkland".

14. 503. par.18. The order for the carpenters' appliances asked for by Nicholls has been placed, and they will be shipped as soon as possible.

15. 503. par.20. The excellent drawings, by Mills, of the proposed new wool sheds were before the Board at their last Meeting, but nothing can be definitely settled until the

1160. 24.1.16.

matter has been fully considered. Meanwhile, although the advantages of iron buildings are appreciated, it cannot be lost sight of that they would cost today from 75 to 100% more than in normal times. Moreover, it is highly improbable, having regard to the fact that most factories turning out such work are Government Controlled establishments, concentrating on the output of munitions, that we could find a firm prepared to undertake the work for some time to come. On the other hand, it is realized, that with our cheap wood ex "Lady Elizabeth", we are in a most favourable position to erect the sheds of that material at a very low cost. Blue prints of the drawings are sent you herewith, in duplicate, so that Mr. Allan can be supplied with copies.

16. 504. par.2. The exact measurements and weights of the "Orita" cargo will be sent you when ascertained. As a matter of fact, these statistics have been regularly forwarded for all shipments for some time past.

17. Your cable of the 17th instant, advising the sailing of the "Intaba", with such an excellent shipment, arrived next day, and was a particularly pleasing surprise. It is most satisfactory that you were able to collect and despatch so much. We are now asking the P.S.N.Co., to let us have, at the earliest moment, a close indication of when the promised "Corcovado" will reach Stanley in February. When we know this, we will cable you to state the quantities you can guarantee her, and with this information in their hands, it will be up to them to see that the tonnage promised us is really available on the vessel's arrival.

18. I regret to advise you that the schooner "Kelp" has come to an untimely end. She was driven ashore, dismasted, at Spanish Point, Mal. Bay, West Coast of Ireland, on the 6th instant, after encountering a series of ~~terrible~~ terrible gales for several days previously. Eight of her crew were landed alive, and one was drowned.

1160. 24.1.16.

The special representative of the Underwriters sent from London to the wreck reports that it will be impossible to refloat the vessel, so damaged is she, but that there is a good prospect of salving the cargo, if the reinforced, and armed Constabulary, are not again "overpowered by the Natives". The Captain's cabin had already been looted, and all chronometers, etc., "removed". There is little doubt but that our mutton also will have proved attractive to these enterprising people.

19. The sample of flour returned from Stanley duly arrived, and has been submitted in the first place to Dr. Bernard Dyer, for chemical analysis, and his report is expected daily. Should this throw no light on the trouble, it will be necessary, if the matter is to be carried further, to have it analysed for bacteria by some such person as Dr. Halliburton, of King's College Hospital. The difficulty which presents itself is, that no specific germ of beri-beri has so far been isolated, but the further analysis, especially if coupled, as it would be, with experiments on animals, might determine whether or no the cause of the trouble is in the flour.

20. The only copies of the Gazette received from you for 1915 are Nos. 5 & 6 of the 3rd May and 1st June, respectively, and the Gazette Extraordinary of 15th May. As these are frequently referred to here, kindly see that ~~as regularly as~~ ^{as regularly as issued,} ~~issued~~ they are sent, and also the missing numbers for 1915.

21. Enclosed please find the Brokers' - Messrs. John Hoare & Co. - certificate as to the value of the 214 bales, Heart mark, wool per "Freshfield", as at March last. You require this in connection with settling the Probate of the late Mr. E. F. Baillon's Estate. With regard to the skins, as there is little likelihood of the eleven bales per "Kelp" reaching London, you will have to estimate the value to the best of your ability.

1160. 24.1.16.

Not done
Sent in
L. R. J. J. J.
M. J. J. J.

22. Considerable inconvenience has again been caused through the non-receipt of specifications for tallow barrelled last year, and we have not even received the usual summary of the quantity made from Mr. Allan. You will probably remember the same thing occurred last year. Please see that both are sent us promptly, as it is impossible to compile certain statistics without them.

23. On receipt of your cable of 30th November, Messrs. Avery were advised of your acceptance of the first of their three suggestions for alteration to the weighing machine at Goose Green, to enable it to be the more conveniently erected where required. The case containing the new parts is on board the "Orita", and we enclose full particulars from the makers for fitting and adjusting same. As the Board has decided that every sheep must be weighed, there is no necessity to make any alteration to the dial. Properly erected, on any part of the rail run, the weighing can be done continuously, without the slightest manipulation of the machine, as fast as the carcasses are pushed along the rail, and no time whatever could be saved by weighing several at one time.

24. You will have seen from the "Times" that the latest form of War Loan is an issue of Exchequer Bonds. These are issued at par, for £5, £20 or £50, bearing interest at 5 %, payable half yearly on the 1st June and 1st December, and are repayable at par on 1st December, 1920. It is thought that possibly there are some of the Company's employees or friends in the Islands who would be glad of an opportunity of doing a little in the way of supporting the National cause, and at the same time, secure a safe and profitable investment. I therefore enclose a number of forms which can be filled up by those wishing to subscribe, and they must be careful to fill in the Falkland Island address, as residents abroad will be paid the interest without deduction of income tax. I wrote to the Postmaster General a fortnight ago, asking if he could inform

1160. 24.1.16.

me if your local Postal Authorities have been supplied with these forms, and were to accept subscriptions. So far, I have had no reply; therefore if this course is not open locally, the completed forms can be returned to us with your authority to make the relative payments. You should also inform us if the subscribers wish to have the Bonds:-

- a. sent to them direct
- b. left in the custody of the Post Office.

If the latter course is chosen, the Exchequer Bond Deposit Book referred to in the circulars herewith, will, I presume, be sent to the subscriber direct.

25. It is very disappointing to hear from Liverpool this morning, that Mr. Pearson's advice to the P.S.N.Co., received yesterday, is to the effect that the "Corcovado" is meeting with such delays that she will not be in Stanley before the 10th of March. I will pass this information on to you at once by cable so that you can give Valparaiso Agent timely notice of the tonnage which you expect to have available for shipment by that date. An endeavour will also be made to induce them to send in a Mail steamer, to which course they certainly should not hesitate to agree, seeing that in paying them an extra 30/- a ton, we are practically meeting the expense of coastal freight, Liverpool to London.

26. The "Orita", carrying this Mail, was originally fixed to sail on the 20th instant, - her correct date, - but on the 18th, the Post Office issued notices to the effect that the Mail would not close in London until the 25th instant, the vessel leaving the following day. So far we have no explanation of this postponement. I am, Sir,

Your obedient servant,

C. B. Goddard

Secretary.

Enclosures via Liverpool

DUPLICATES

Despatch No. 1153 dated 22nd December, 1915

Account Current dated 22nd December.

Remarks on Accounts.

Remarks on Stores

List of Clients' Cargo per "Oriana

List of Parcels.

Second of Exchange for £ 23 . 3 . 4 on J. Kirwan

General Invoice goods per "Oronsa

List of Shut-out cargo ex "Oronsa

List of Cargo per "Oronsa

List of Enclosures

Clients' A/sales:-

McG	25	bales	Sheepskins	ex "Freshfield"
W P	6	"	"	"
B	18	"	"	"
D S				
G I	4	"	"	"
W E D	18	"	"	"
Club	3	"	"	"
H S C	1	"	"	"
Z	2	"	"	"

Clients' Reports:-

Heart	214	bales	Wool	ex "Freshfield"
Z	164	"	"	"
J R	34	"	"	"
H	76	"	"	"
B	72	"	"	"
D S				
G I	67	"	"	"
F B	4	"	"	"
H & B	14	"	"	"
W E D	166	"	"	"
D H	93	"	"	"
H P	159	"	"	"

9

ENCLOSURES via LIVERPOOL.

ORIGINALS.

- 1 Copies of Cablegrams sent dated 8th & 13th January.
- 2 Copies of Cablegrams received dated 8th, 17th & 19th Jany.
- 3 Annual Wool Reports for 1915
- 4 List of Cargo per S.S. "Victoria"
- 5 General Invoice goods per S.S. "Victoria"
- 6 Anning & Cobb & Hoare's Catalogues Skins sold 13th & 14th
January.
- 7 Copy of letter from P. Bogen dated 5th January.
- 8 Bills of Lading Cargo per S.S. "Victoria"
- 9 Account Currents and vouchers.
- 10 Remarks on Accounts.
- 11 Remarks on Stores.
- 12 J. Hoare & Co's certificate re Baillon & Stickney's
Wool ex "Freshfield"
- 13 Wool market reports (opening series 1916)
- 14 Copy of letter from W. Lowden & Co. dated 18th January.
- 15 Copy of letter to J. H. Cobb dated 18th January re
G. A. Cobb's Estate.
- 16 Sight Draft on J. Kirwan for £ 67. 12. 11 with B/L attached
- 17 Copy of letter from W. & T. Avery, Ltd. dated 23rd Jany.
re clock spring for G. G. Weighing Machine.
- 18 Spring for the Avery Machine at Goose Green.
- 19 Copy of the following Accounts:- (see remarks)
Royal Insurance Co., Ltd.
W. A. Harding.
Interest & Commission
Mail Agency.
- 20 Application forms for Exchequer Bonds for £5, £20 & £50.
Letters for the following:-
W. A. Harding (2), A. L. Allan (2) J. Houston (1)

LONDON 25TH JANUARY, 1916

DESPATCH NO.1160, PER "ORITA", 25TH JANUARY, 1916.

Precis of Subjects

1. Acknowledges despatches 503/4 of 6th & 9th December.
2. Confirms cables.
3. Conditions covering use of cable noted.
4. Refers to question of tallying in Stanley.
5. Satisfactory discharge of "Inca" noted.
6. Refers to P.S.N.Co's claim for coasting freight per "Orissa".
7. Prohibition of export of sheep noted.
8. Taxation. Reports interview between Chairman & Mr.Grindle.
9. Satisfactory report on Darwin Motor Boat noted.
10. Mr.Baillon's cemetery plot.
11. Water piping for Port Howard going this Mail.
12. Progress with Egg Harbour jetty and telephone noted.
13. Chileans for Canning - proposed trip of "Falkland" approved.
14. Carpenters' appliances ordered.
15. Drawings of proposed wool sheds under consideration - question of wood or iron discussed.
16. Measurement & weight statistics of "Orita" cargo to be sent.
17. Acknowledges receipt of advice of "Intaba's" sailing.
18. Reports loss of "Kelp" off Irish Coast.
19. Flour for analysis - reports position of.
20. Missing copies of Gazette wanted.
21. Brokers' certificate of value of "Heart" mark wool.
22. Last year's tallow specifications not sent.
23. Parts for Avery dial weighing machine go by this Mail.
24. re issue of Exchequer Bonds @ £5%.
25. "Corcovado" not to be in Stanley until 10th March.
26. Explains postponement of the Mail.

index

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street.

Per "Mexico"

N^o 1161

London, E.C. 16th February, 1916.

Sir,

My last despatch, No. 1160, was dated the 24th ulto., and on the 7th instant I received your letter of the 5th January, enclosing copies of your despatch No. 505, etc. The other portion of your Mail by the "Orissa" has not yet come to hand, and what has become of it, is so far a complete mystery. That steamer got ashore at St. Nazaire, with the result that she is detained there in dry dock undergoing repairs. The Mails were handed to the French Authorities for conveyance overland, but the Postmaster General here can give us no explanation for the non-delivery of our expected registered package. The P.S.N.Co. are of opinion that it is delayed by the French Censor, and have cabled the Captain for information, but up to the present his reply has not been received. The letters so far delivered have certainly not been opened, and it is difficult to understand why the Censor should make any exception in the case of the Registered Mail. Meanwhile, cheques are being presented for which we have no advice from you, and this is not desirable.

2. Cables exchanged between us are confirmed, as per enclosed forms.

3. Please note it is necessary for all War Risk Insurances to be effected within forty-eight hours of the vessel leaving port, and for this reason a cable was sent you on the

W. A. Harding, Esq.,

Manager,

Port Stanley.

1161. 16.2.16.

18th ultimo, asking particulars of outside^{rs} produce shipped in the "Intaba", so that they could protect their interests. We thank you for your reply, and have recovered the expenses entailed from the respective parties. While the war lasts you had better give this information in each cable advising shipments.

4. On the 25th ultimo we were informed that Mr. Pearson had advised the P.S.N.Co., that owing to unforeseen delays, the "Corcovado" could not reach Stanley before the 10th March. A cable was sent to you, on the following day, giving this information, and asking you to inform Valparaiso promptly the tonnage space you would require reserved. No doubt you would have done this, for it is desirable that the P.S.N.Co., should have no excuse later, in the event of their failing to provide all the space required.

5. 505. par.6. Dr. Bernard Dyer's report and analysis of the flour has now been received, and copy is enclosed herewith. You will note it takes the matter very little further, and the Board has decided to get Dr. Halliburton, - referred to in par.19 - 1160, - to carry out the more extensive investigation; copy of his letter of the 25th December is enclosed. Before putting the matter in his hands, I am awaiting the delayed registered package, enclosing Dr. Wace's further report, referred to in the copy of your despatch.

6. par.7. As the copy of your circular letter to clients, relative to the extra freight to be paid the P.S.N.Co., has not reached us, it is not possible to comment thereon, but the lines on which you have drafted it, as indicated by your remarks, are approved.

The difficulties you are experiencing with the "Falkland's" crew are appreciated, but every confidence is felt that your usual tact will result in smoothing matters over with the engineer and men.

1161. 16.2.16.

7. par.9. The particulars of the visit made by Mr. Mills to the sections of the Farm are noted with interest, and the Board will value his report on the condition etc., of the machinery inspected.

8. par.12. It is very satisfactory to hear that the Darwin Motor Boat was delivered safely at her destination.

9. par.14. The question of Dettleff's position was considered at the last Board Meeting, though, for reasons already explained, his letter was not to hand. Your suggestion to increase his pay to £180 was approved, and this can date as from the 1st January.

No objection is raised to your proposal to give the Saturday half holiday throughout the year. It is a detail, the expediency of which you must be the best judge.

10. par.14. With regard to McNicoll, in whom the Board recognize it has a valuable servant, it was decided to authorize you to renew his five years' agreement with the additional undertaking to provide him with four second class passages home on its expiry.

11. par.15. The Admiralty have informed us that the "Intaba" is calling at Sierra Leone, where she was due on the 13th instant, and that after a short delay there, she will sail for London, probably calling for a few hours only at Devonport en route. The details given in your despatch of the "hustling" of the "Falkland", to collect the very satisfactory quantities shipped, are noted with interest.

12. Since writing you last, the whole of the cargo in the "Kelp" has been salvaged from the wreck, all more or less in a damaged condition. The tallow appears to have suffered the most, many of the casks being badly broken, and a quantity had to be gathered together and landed in bags. The difficulties of bringing the produce to its final destination were such, that Underwriters, with our assent, have paid us a "total loss" on the cargo. The accounts for the various marks, made up on the

1161. 16.2.16.

basis of insured value recovered, are being completed, and will be sent you next Mail. In a way it is fortunate this arrangement was come to, for had the produce been brought here, and sold in the damaged condition, it would have been impossible to credit many of the marks concerned with the correct proportion of the realized value, owing to the absence of so many specifications giving the original weight. In the case of a quantity of tallow landed loose, without some knowledge of the shipping weight, how would it have been possible to make a correct apportionment? The list enclosed will show you what a number of specifications are missing. Would it not be possible to inform clients that in future their produce cannot be collected unless accompanied with these details? The coastal freight earned by the "Falkland" has to be charged against each mark, and where details are missing, the only way we can see of doing this, will be to base weights on the average of previous parcels, adding a percentage to be sure of our being on the right side. You will appreciate what an unsatisfactory method this is.

13. Mr. Barry Girling, when calling here recently, referred to the question of any increase of pay that might be granted him as from 1st January last year to the date of his leaving on 27th August. Mention of this matter was made in one of your private letters to the Chairman at the time, but was not referred to in a despatch. However, the Board has decided that he is fairly entitled to something, and has sanctioned the payment to him of the difference between his salary during that period, at £108 per annum, and £150. The debit for this appears in accounts herewith.

14. We yesterday received from Mr. H. Fredriksen the sum of £4034.15.8., being the equivalent of kroners 69,600, which amount, representing refund of capital, on sale of their steamers, is for distribution amongst the shareholders of the Rethval & Thule Whaling Companies resident in the Islands. A copy of Mr. Fredriksen's letter on the subject, dated the 9th instant,

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is enclosed for your guidance.

15. You will be interested to hear that the P.S.N.Co., returned to the charge in the matter of their claim for coastal freight on cargo shipped by the "Orissa" in September last. The argument put forward being, that you, knowing the "Bogota" was to call on her outward voyage, improperly diverted to the "Orissa" shipments which should have been kept for the "Bogota". The reduced tonnage thus shipped by the latter steamer making it an unpayable proposition to send her to London, they were consequently faced with having to pay coastal freights from Liverpool on both shipments. From copies of our correspondence on the matter, through Messrs.W.Lowden & Co., you will see that we were able to establish the fact that the "Orissa" had actually left Stanley four days before they finally decided to send in the "Bogota". It is surprising that these facts were not ascertained by the zealous Departmental Manager before putting forward such an absurd statement.

16. Since writing you last - par.22. 1160 - I am glad to say the missing tallow specification, and returns for last year, have been found in your bundle of duplicates of the "Orita" Mail of 17th August last. This arrived with your following despatch, No.497 of 30th August per "Colonia". It will be better to adhere to your usual practice, and not include any original documents in your packet of duplicates.

I am, Sir,

your obedient servant,



Secretary.

DESPATCH NO.1161, PER "MEXICO", 16TH FEBRUARY, 1916.

Precis of Subjects

1. Acknowledges letter of 5th January, and advises the non-receipt of the registered portion of the Mail.
2. Confirms cables.
3. Particulars of outsiders shipments to be cabled.
4. re "Corcovado" due Stanley 10th March, and cabling Pearson tonnage.
5. Dr. Bernard Dyer's report on flour enclosed.
6. Acknowledges arrangement with Clients re extra freight.
7. Mr. Mills's inspection of machinery - Report awaited.
8. Arrival of Darwin Motor Boat at destination noted.
9. Approves of Dettleff's pay being £180 per annum. Saturday half holiday.
10. Approves renewal of McNicoll's agreement granting four passages home.
11. Reports position of "Intaba".
12. " " " " "Kelp" cargo, and draws attention to absence of specifications.
13. Reports additional salary paid Barry Girling.
14. Advises the receipt from H. Fredriksen of £4034.15.8 for Rethval & Thule Shareholders.
15. Reports P.S.N.Co's renewed effort to charge coastal freight.
16. Reports the finding of last year's tallow specification.

Enclosures via Liverpool

DUPLICATES.

Despatch No. 1160 dated 24th January.

Remarks on Accounts.

Account Current.

Remarks on Stores.

Second of Exchange for £ 67 . 12 . 11 B/L attached.

List of Cargo per "Victoria"

General Invoice goods per "Victoria"

List of Parcels.

Clients Invoices as follows:-

A.F.Cobb £ 3 . 8 . 8

Dean & Anson 22 . 2 . 0

List of Enclosures.

List of Clients Cargo per "Victoria"

H & B 8 bales Wool ex "Freshfield"			
S B	148	,,	,,
Z	164	,,	,,
H G C	106	,,	,,
S	130	,,	,,
E W	44	,,	,,
A F C	42	,,	,,
R B C	32	,,	,,
S & S	2	,,	,,
D S			
G I	67	,,	,,
W P	44	,,	,,
H	51	,,	,,
B	72	,,	,,
J R	34	,,	,,
S I	1	,,	,,
W E D	166	,,	,,

Enclosures via Liverpool.

Originals

- 1. Copies of Cablegrams sent dated 26th Jany. ~~6th~~ 7th Feby.
- 2 DuCroz Doxat's Wool Market Reports.
- 3 General Invoice goods per "Orita"
- 4 List of General Cargo per "Orita"
- 5 Copy of letter from the Pyrene Co. dated 27th Jany. re
sample extinguisher sent.
- 6 Bills of Lading cargo per "Orita"
- 7 Copy of letter from H.C. Boycott dated 29th Jany. re
E.F. Baillon deceased.
- 8 Sight Draft on Mrs John Davies for £ 23 . 13 . 4
Bill of Lading attached.
- 9 Sight Draft on J. Kirwan for £ 13 . 19 . 3 B/L attached.
- 10 Copy of letter from H. Fredericksen dated 9th and our
reply of 15th February.
- 11 Copy of letter to Mrs Frederica Reeves dated 13th February.
- 12 Copy of letter from Dr Bernard Dyer dated 2nd February.
- 13 Copy of correspondence with Messrs W. Lowden & Co. re the
"Bogota & Orissa" shipments.
- 14 Copy of letter from Dr. W.D. Halliburton dated 25th December.
- 15 Remarks on Stores.
- 16 Remarks on Accounts.
- 17 Account Current & vouchers.
- 18 Copy of letter to Messrs J.H. & K.R. Cobb dated 16th February.
- 19 Particulars of Specification &c relating to cargo per
schooner "Kelp"

Letters for the following:-

- W.A. Harding (2)
- A L. Allan (2)
- R.B. Baseley

W. A. Harding
 The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per "Oronsa"

N^o 1162

London, E.C. 21st March, 1916.

Sir,

I wrote you last on the 16th February, and received on the 19th ulto., the delayed registered package per "Orissa". Apparently it was not until the Captain received the cable inquiry, sent at our request, that the overlooked bag was discovered on board and forwarded.

Since writing you last the following have also come to hand:-

Your letter of 17th January, per "Intaba", received 29/2/16.

.. .. 2nd February " "Oronsa", .. 1/3/16.

.. despatch No. 506 of 1st Feb.

2. Cables. The usual forms in confirmation of cables exchanged are enclosed.

3. 506. par. 2. The "Intaba" arrived safely in Devonport on the 28th February, and in London on the 5th instant. She is now discharging her cargo, and the wool she brings will be put up in the Sales commencing 4th April.

4. 506. par. 3. It is noted that owing to abnormal pressure you had to enlist the services of the Camp Teacher, - Mr. G. Stephens, - for stocktaking and tallying, and there can be little doubt he would do this work excellently. Having regard however to the impossibility of replacing him while the war lasts, the Board considers it would not be right to keep him longer in Stanley away from his duties to the children, and that he should therefore be sent back to the Camp as soon as possible.

W. A. Harding, Esq.,

Manager,

Port Stanley.

1162. 21.3.16.

5. 506. par.4. A claim has been made on the Underwriters for the cost of reconditioning the two bales of wool dropped overboard.

6. 506. par.5. The Board has noted with satisfaction the arrangements you are making for periodically painting the new steel lighters. That this work is done frequently, is most important, otherwise there will undoubtedly be rapid deterioration. We are not aware if you have fitted cargo battens to the holds, but for your information would mention that we learn from Messrs.Crichton they have seen many instances of the life of steel barges much shortened through the neglect to lift these, so that the plate underneath can be properly painted.

7. 506. par.6. The position with regard to casings is certainly difficult, and if you are not able to bring off a sale locally, we hope that Mr.Weiss will be successful in making arrangements for cleaning and forwarding. You were quite right in not selling to Moeller. Having regard to the fact that Germany has hitherto consumed about seventy five per cent of the world's output of casings, it is highly probable that the disturbed state of that country's commercial undertakings will result in the market being a poor one. We notice from your confirmation of our cable of the 17th December that you have read the word Panting as "paying". The reference was to the firm of H.M.Panting, of Manchester, prospective buyers.

8. 506. par.7. It is unfortunate that the Canning arrangements have been upset by the delayed "Victoria". I hear today that she left Coronel on the 6th instant, and therefore could not have reached Stanley until the 13th.

9. 506. par.8. From the copies of cables exchanged with Valparaiso, it is clear there is no hope of getting an increased tonnage space reserved for Stanley in the "Corcovado" homewards. This is disappointing, and it is to be hoped that at any rate all that has been promised will be fully available. Notwithstanding the arrangement come to in December, to pay the P.S.N.Co. a

1162. 21.3.16.

premium on our contract rate provided our produce was lifted by June, it appears likely that by that date they will have carried less cargo for us than in any recent year to this date. They undertook to reserve space in the "Corcovado", then regarded as due in Stanley on the 9th February, for all produce then collected, a boat was to follow in April to lift the further accumulation, and the balance to be away by June. Through the fortunate circumstance of our securing the "Intaba", we relieved them of the responsibility of carrying some 2590 bales, and it would have been more in accord with the spirit of our arrangement if they had reserved space in the "Corcovado" sufficient to clear all accumulation to the deferred date of her arrival, say the 20th instant. We are now approaching the end of March, and so far not a bale of Falkland produce has been shipped in a P.S.N.Co. boat this year. It cannot be denied that owing to several misfortunes they are as regards available steamers in a considerably worse position today than they were three months ago. The "Flamenco" has been sunk, the "Orissa" and the "Potosi" have been ashore at St. Nazaire and the Goodwin Sands respectively, and although both are now in Liverpool, it is estimated that each will be detained there two months undergoing permanent repairs.

10. 506. par.9. Mr.C.P.Peters' application for the post of Engineer is to hand, and I will keep it before me in the event of a vacancy occurring. In the meantime the question of Mills, whose agreements expires in October was discussed. He is regarded as an exceptionally valuable servant, and having regard to the fact that it is quite impossible ~~that~~ while the war lasts to secure a successor from here, it was decided to cable you asking on what terms he would remain until the termination of the war. Following on a conversation with Mr.Connell the same inquiry was made with regard to the Mate and Engineer of the "Falkland", and your reply, received on the 16th inst., is most satisfactory as regards Mills. From this I gather

1162. 21.3.16.

he is agreeable to remain on, while the Mate of the "Falkland" insists on leaving at the end of this month, and the Engineer will wait until a substitute arrives out. Your despatch giving fuller particulars will be awaited with interest.

11. The last parcels of wool, being the balance of that shipped in the "Orita" & "Bogota", arrived in London from Liverpool only a few days ago, although these steamers reached that port in the first week of January. This will give you some idea of the delays here, consequent on shortage of coastwise tonnage and labour, resulting in general congestion of traffic.

12. The question of the grant of a pension to W.J. Biggs has again been referred to, in Mr. Allan's letter of the 31st December, and I will deal with the matter here as it is important to have it on record in despatches. His case was considered by the Board at the last Meeting, and it was decided to grant him a pension of £36 per annum from the date of his ceasing to work. I am however to explain his case is without precedent, and it must not in future be taken as such by others. It is to be clearly understood that only those men who have been in the permanent employ of the Company for 30 years or more are entitled to a pension. Biggs was an independent labourer when in Stanley, though perhaps working the greater part of his time for us. Such service will not count^{as} on the Company's permanent staff.

13. The Berkeley Sound Mortgage having now been paid off, it is necessary to put the Mortgager's title in order, that a deed of reconveyance should be executed by the Company for registration in Stanley. Messrs. Bischoff & Co., can prepare this, but the request to do so should come from Mrs. Smith's beneficiaries and Exors. under her will. You will see from copy of Messrs. Bischoff's letter enclosed, the documents and information they require.

14. The approved plan for the new wool shed for Darwin is enclosed herewith, in triplicate, with copies of notes from

1162. 21.3.16.

Mr.Blake and Mr.Arthur Waldron attached. Please send Mr.Allan and Mr.Nicholls each a copy, and request the latter to get out, with as little delay as possible, the necessary quantities of all materials required, and his working drawing, etc. When you have this information, please execute his indents for same as soon as possible. Nicholls is essentially qualified for carrying out this work.

15. The P.S.N.Co., were endeavouring to place a cargo steamer on the berth for Stanley to sail in April, and we accordingly cabled you on the 21st February to indicate your requirements of rough cargo. Your reply of the 3rd March giving necessary particulars is to hand, but unfortunately owing to the accident and delay to the "Potosi", referred to in a previous paragraph, there appears little or no prospect of a cargo boat now sailing until May or June.

16. Mr.Mills' report on the various machinery has been read with much interest, and will be filed for future reference. The condition of the "Samson" appears to call for most attention, and we shall be glad to know his opinion as to the possibility of renewing the worn parts referred to. Apparently the boiler is in fair order.

17. I would draw your attention to remarks in my letter to Mr.Allan on the subject of the Darwin Motor Boat, and shall be glad to have, for our future information, Mills' views on relative merits of the two types of engines for your local work.

I am, Sir,

Your obedient servant,

E. B. Soudard

Secretary.

over

1162. 21.3.16.

24

Secretary

18. From your cable of the 23rd February, the Board has learnt with regret of Mr. Allan's desire to retire at the end of the year, and I await your further explanation before writing him on the subject.

19. Your cable to Mr. Cobb of the 18th instant, was duly received, from which we note that the net profit shown on your Stanley account to the 31st December last, is £63,475.

EBC

DESPATCH no. 1162 per "BRONSA", 21ST MARCH, 1916.

Precis of Subjects

1. Acknowledges receipt of despatch no.506, and letters of 17th January and 2nd February.
2. Confirmation of cables.
3. Reports arrival of "Intaba".
4. Mr.G.Stephens - Camp teacher - return to Camp duties.
5. Claim made for two bales of wool dropped overboard.
6. Periodical painting of steel lighters.
7. Refers to Casings.
8. Delay in commencement of Canning noted.
9. Wool Shipments - Position re P.S.N.Co.
10. re Mills, Mate and Engineer of "Falkland" remaining on.
11. Reports delayed arrival in London of wool ex "Orita" & "Bogota".
12. Advises of grant of pension to W.J.Biggs.
13. Berkeley Sound Mortgage - Deed of Reconveyance necessary.
14. Plans of Darwin Wool Shed enclosed.
15. re Cargo boat sailing.
16. re Machinery report.
17. Mills report on respective merits of Motor Boats asked for.
18. re Mr.Allan's retirement.
19. Acknowledges receipt of cable giving net profit for 1915.

Enclosures via Liverpool.

Duplicates.

Despatch No.1161 dated 16th February,16 .

Account Current.

Remarks on Accounts.

Remarks on Stores

List of Enclosures

List of Clients' Cargo per "Mexico"

List of Parcels

List of General Cargo per "Orita"

General Invoice goods per "Orita"

Second of Exchange for £ 15 . 19 . 3 on J.Kirwan

Second of Exchange for £ 23 . 18 . 4 on Mrs J.Davies.

Invoices for goods shipped to Dean & Anson per "Orita"

Enclosures via Liverpool.

ORIGINALS

- 1 Wool Market Reports.
- 2 Copies of Cablegrams sent 3th, 21st & 24th Febr^y.
- 3 Copies of Cablegrams received 23rd Febr^y. & 2nd March.
- 4 Bills of Lading Cargo per S.S. "Mexico"
- 5 General List of Cargo per "Mexico"
- 6 Copy of letter to the Admiralty dated 2nd March.
- 7 Copy of letter from the Colonial Office dated 13th and our reply of the 25th February.
- 3 Copy of letter from T. & S. Plum dated 17th February & quotation for New Season's Butter.
- 9 Signed & sealed Grant, in triplicate, for Conveyance of Land in Stanley to Government.
- 10 Copy of letter from Anning & Cobb dated 1st March.
- 11 General Invoice goods per S.S. "Mexico"
- 12 Priced Sheepskin Catalogue of 3rd March.
- 13 Blue Print of proposed Wool Shed for Darwin
- 14 Account Current and vouchers. & supplementary Account.
- 15 Remarks on Accounts.
- 16 Remarks on Stores.
- 17 Hoare & DuCroz's Wool catalogues.
- 18 Copy of letters from P. Bogen of 31st Jan. & 13th Febr^y. and our replies of 9th Febr^y. & 23rd Febr^y.
- 19 Copy of letter from Lovell & Christmas dated 10th Mar. quoting prices for New Zealand & Argentine Butter.
- 20 Copy of letter from Bischoff & Co. dated 14th March re Mrs Smith's Mortgage.
- 21 Copy of letter from Farrar Groves & Co dated 10th March account attached
- 22 Copy of letter from E. Pinto Basto & Co. dated 6th March and copies of invoices attached.

Reports on
 23 Brokers Press Copies Co's Wool ex "Orita" & Bogota
Clients' Reports :-

24	M & G	35	bales Wool ex "Bogota"
25	S & S	135	,, ,,
26	S	66	,, ,,
27	F	170	,, ,,
28	AP	56	,, ,,
29	H	24	,, ,,
30	JH	2	,, ,,
31	F B	1	,, ,,
32	JB	2	,, ,,
33	B B	17	,, ,,
34	S I	65	,, ,,
35	T R	156	,, ,, &"Orita"
36	C C W	29	,, "Orita"
37	L	1	,, ,,
38	M V	13	,, ,,

Letters for the following:-

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

LONDON 21st March, 1916

Advised

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER (1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per "Ortega"

N^o 1163

London, E.C. 26th April, 1916.

Sir,

Since writing you last on the 21st ultimo, I have received your

despatches Nos. 507, 508 & 509 of the 9th, 8th & 13th March respectively.

The "Victoria", bringing the Mail, only arrived in Liverpool on the 19th instant, having taken thirty seven days on the voyage from Stanley. The letters were delivered here on the following day, and the Easter holidays immediately followed. There has consequently been no opportunity for the Board to consider your remarks, and very little time in which to reply, and comments on several matters may therefore have to be deferred until the next Mail.

2. Cables exchanged are confirmed, as per copies enclosed.

3. 507. par. 2. It is noted that the renewal of the leases of the Government Reserves has yet to be confirmed by the Secretary of State, and we trust that you will shortly hear that his sanction has been granted.

4. 507. pars. 3 & 11. It is clear that the water supply at Port Howard will be a great advantage as a valuable secondary source of supply, but it is remarkable that the Chief Engineer of the "Falkland" made no reference in his letter to Lowden & Co., as to his heavy daily requirements.

It is also obvious, that for the reasons given, no definite plan for working the steamer this year in the sheep trade from

W. A. Harding, Esq.,

Manager,

Port Stanley.

1163. 26.4.16.

the West, can be laid down before hand.

5. 507. par. 4. Your further remarks on road communication will receive the consideration of the Board at the next Meeting.

6. 507. par. 5. I note that no offer, "ex works", for your casings has yet been received, and if you have in the end to ship them home, we must do the best possible under the circumstances. I hear this morning from Mr. Panting of Manchester that Falkland casings have been offered him by Louis Williams of Port Stanley, and he asks if this is likely to be our output. I have replied that this is improbable, and have advised him that we may be open to deal with him later.

7. 507. par. 6. Your reply to Van Gelder is just what we expected. His guano was totally lost in the "Kelp", and he had not insured the parcel, there is very little doubt that he would never have paid us your account had we not taken such prompt action in the matter.

8. 507. par. 7. From your cable of the 3rd instant it was clear that you would send us advice immediately anything was settled by Mr. Pearson with regard to another homeward cargo steamer. Hearing ^{nothing} further from you by the 14th instant, on the subject, I asked Messrs. W. Lowden & Co. (copy of letter enclosed) to point out to the P.S.N.Co., that our undertaking on the part of ourselves and clients, to pay a premium on our freight contract, did not apply to shipments effected after the end of June. Whether this resulted in their deciding to send in the "California" it is impossible to say, but your cable of the 18th instant, advising that she was to call in early June, with space for 2500 tons measurement, was more than welcome.

9. 507. par. 12. The question of sending the "Falkland" on the proposed voyage to Punta Arenas is certainly surrounded with difficulties, and I am obliged for the copy of the complete correspondence on the subject between yourself, the P.S.N.Co., and Messrs. Lowden & Co. The whole matter will need to be

1163. 26.4.16.

considered by the Board, and probably discussed with Messrs. Lowden & Co., before anything definite can be said, for it is clear that the position now taken up by the P.S.N.Co., is not that as defined in Messrs.Lowdens letter to Mr.F.E.Cobb, dated 16th April, 1914.

10. 507. par.13. The result of the Board's consideration of your further remarks on the question of constructing the new wool sheds of iron or wood will be conveyed to you next Mail. Meanwhile, I may say, I doubt, unless you can put forward any good reason for doing^{so} that there will be any change in the decision to utilize the "Lady Elizabeth" timber which was bought at such a low figure. After all, would not a well constructed wood shed have quite as long a life in your climate as one of iron, and at the same time run far less risk of premature deterioration if neglected in any way ?

11. 507. par.17. You will have learnt from my following Mail (No.1161 par.16) that the missing tallow specifications, and Goose Green returns, had been found in a bundle of duplicate documents.

12. 507. par.18. This Company would have been pleased to assist the subscribers to the 5% War Loan in the way you suggest, but in the meantime that particular issue is closed. It has been followed by one as detailed in the accompanying circular, the conditions of which you will see make it difficult to handle on this side. It is strange, that although representations have been made to the Authorities, nothing is done by way of giving those in the Colonies an opportunity of subscribing locally.

13. 507. par.19. Your advice as to the pending strike and labour unrest, is very disquieting, and I think I am safe in saying the Board will approve of the policy you have followed throughout. The matter in all its bearing will be considered at the next Meeting.

14. 507. par.20. It is satisfactory to hear that the Wireless Station will soon be completed. It is to be hoped

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that with the return of the labourers employed, one fruitful source of dissatisfaction amongst the local hands will be removed.

15. 507. par.21. The information given of the reported coaling off the Islands of the two supposed enemy ships is most interesting.

16. 507. par.22. Alluding to my remarks in par.13, I have little doubt that the Board will approve of your action in the matter of pricing stores supplied to the men. It is clearly better to be satisfied with a little less profit, than have to increase wages all round. The decision of the Directors will be advised you next Mail.

17. 507. par.23. The question of passage rates to Brenton Loch will be discussed with Mr.Connell before next outward Mail leaves.

18. 507. par.24. I note that Mr.Greenshields and Mr. Felton were obstinate in agreeing to sell their surplus sheep by weight, and that the quantities available may in consequence be slightly reduced. So far we do not appear to have received from you any indication of the probable total quantity to be dealt with, and the figures given in Mr.Allan's letter of the 3rd March, ~~-51,000,-~~ is considerably more than we expected. I am glad to hear from your later despatch, par.2. 509, that Mr. Greenshields has come into line.

19. 507. par.25. I am glad to have the information about the prize s.s."Edna", and will communicate with the Prize Disposal Committee of the Admiralty with a view to seeing if there is any chance of her being available for cargo.

20. 509. par. 2. I am not able to give you the opinion of the Board on the question of Mills's increase of salary, but feel sure it is a matter that will be left to you to deal with. In the meantime it is not clear whether he is agreeable to remain until the termination of the war, or to enter into an agreement for a further term of years. The reservation he

1163. 26.4.16.

makes with regard to the "Samson" is noted.

21. Your despatch No.508, dealing exclusively with the Annual Accounts is to hand, together with the various supporting documents and comparative statements of the year's working, for which I am obliged. Time has not permitted of any close examination of these before the closing of the Mail, and further comment must be reserved for the next. Meanwhile I may say that great disappointment has been expressed at the omission to state separately on the debit side the expenditure incurred gratuitously by the Company on Admiralty wireless work. The outlay was specially sanctioned by the Shareholders in General Meeting last year, and if questions are asked at the coming Meeting as to the total sum expended, we are quite unable to indicate even approximately.

With regard to your credit of £9800, for estimated value of canning produce unsold, it would be of assistance to us to have a simple statement detailing the particular goods covered by the amount. The difference between the estimate and final realization could then be easily followed. Please let us have this.

22. Referring to the appointment of a successor to Mr. Allan, I now enclose copy of Mr. Blake's letter to Mr. Townson, of the 11th March, and no doubt you will have gathered in the meantime that this is the communication referred to in my cable to you of the 20th instant. Subsequent to its despatch, it was decided expedient, with a view to avoiding friction with the Governor, to ask you by cable, if he would sanction the proposal, and it is satisfactory to see from your reply of the 25th that he is agreeable.

I am, Sir,

your obedient servant,



Secretary.

Enclosures via Liverpool

Duplicates

Despatch No.1162 dated 21st March,16

Remarks on Accounts.

List of Enclosures

Remarks on Stores

Account Current

General Invoice goods per "Mexico"

List of Clients' Cargo per "Oronsa"

List of Parcel

List of General Cargo per "Mexico"

Clients Invoices goods per "Mexico"

Arthur F.Cobb	33 3 11
Dean & Anson	276.6.7

Clients Reports :-

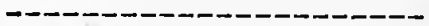
S I	65	bales Wool ex "Bogota"	
M & G	35	"	"
T R	156	"	"
B B	17	"	"
J B	9	"	"
F B	1	"	"
J	2	"	"
H	24	"	"
AP	56	"	"
F	170	"	"
S	66	"	"
M V	13	"	"
L	1	"	"
C C W	29	"	"
S & S	135	"	"

Clients' A/sales:-

AP	23	Salted Hides ex "Kelp"	
HW	45	"	"
McG	165	"	"
H	25	"	"
AFC	11	"	"
RBC	31	"	"
S&S	24	"	"
	11	"	"
HP	17	"	"
HGC	12	"	"
SI	12	"	"
JB	50	"	"
L	25	"	"
Z	15	"	"
H&B	50	"	"
F	10	"	"

continuation

AP	4	casks Tallow ex "Kelp"	
H	21	"	"
AFC	2	"	"
H W	16	"	"
RBC	9	"	"
HGC	32	"	"
S	3	"	"
Z	2	"	"
L	10	"	"
SI	21	"	"
H&B	15	"	"
	3	"	"
F	4	"	"
LW	1	bag Hair	"
HP	3	bales Sheepskins	"
HGC	10	"	"
AP	4	"	"
LW	10	"	"
S&S	10	"	"
MCG	25	"	"
M&G	1	"	"
WP	4	"	"
H	7	"	"
AFC	7	"	"
RBC	7	"	"
TR	6	"	"
JB	2	"	"
BB	1	"	"
S	12	"	"
Z	4	"	"
SI	13	"	"
	7	"	"



Enclosures via Liverpool

Originals

- 1 Copies of Cablegrams sent on 23th, 11th, 14th, 17th & 20th April.
- 2 Copies of Cablegrams received 26th Mar. 3rd, 13th & 25th April.
- 3 General Invoice Cargo per "Oronsa"
- 4 Bill of Lading cargo per "Oronsa"
- 5 List of General Cargo per ,,
- 6 Brokers' reports on third series of Colonial wool sale.
- 7 Copy of letter received from T. & S. Plum dated 17th Febry. quoting prices for New Season's Butter.
- 8 John Hoare & Co's Wool catalogue of 11th April sale.
- 9 Pacific's tariffs of local fares &c. for the West Coast.

Clients' Reports:-

- 10 S 109 bales Wool "Intaba"
- 11 H & B 130 ,, ,,
- 12 HP 34 ,, ,,
- 13 J B 163 ,, ,,
- 14 F 125 ,, ,,
- 15 L 3 ,, ,,
- 16 S & S 10 ,, ,,
- 17 AP 100 ,, ,,
- 18 T R 53 ,, ,,
- 19 Brokers' press copies Co's wool per "Intaba"
- 20 DuCroz Doxat & Co's Wool catalogue of 13th April sale.
- 21 Anning & Cobb's Skins ,, 14th April sale
- 22 Sight Draft on J. Kirwan for £ 61 . 18 . 1 and B/L attached.
- 23 Account Current and vouchers.
- 24 Remarks on Accounts.
- 25 Remarks on Stores.
- 26 Copy of letter to W. Lowden & Co. dated 14th April. re Wool shipments.
- 27 Copy of Mr Blake's letter to Mr Townson dated 11th March.

Letters for the following:-

(2) W.A. Harding (2) A.L. Allan & R.B. Baseley.

DESPATCH no.1162, per "ORTEGA", 26TH APRIL, 1916.

Precis of Subjects

1. Acknowledges despatches 507/9, and refers to late arrival of Mail per "Victoria".
2. Confirms cables.
3. Notes renewal of leases of Gov. Reserves yet to be confirmed by Secretary of State.
4. Refers to Water Supply at Port Howard, and working of steamer in sheep trade from the West.
5. Acknowledges remarks on Road Communication.
6. re Casings.
7. Acknowledges reply to Van Gelder re guano.
8. Wool Shipments - premium on freight, and tonnage allotted Stanley in "California".
9. Refers to question of sending "Falkland" to P.A. with Chileans.
10. Refers to new Wool sheds.
11. 1915 Tallow specifications found.
12. Question of Islanders subscribing to War Loans.
13. re Strike pending, and labour unrest in Stanley.
14. Notes Wireless Station will soon be completed.
15. Acknowledges information re coaling off Islands of supposed enemy ships.
16. re price of Stores supplied to men. Question of increase of wages.
17. Question of Passage Rates to Brenton Loch.
18. Approximate number of sheep available for Canning.
19. Prize s.s. "Edna". Will enquire of Admiralty if she is available for cargo.
20. re Mills. Increase of salary, and continuation of agreement.
21. Annual Accounts. Regrets no particulars of expenditure on Admiralty Wireless work given.
Credit for Canning produce unsold - Asks for statement of.
22. Refers to Mr. Blake's letter to Townson re appointment as Camp Manager.

Abstract

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per "Orita"

N^o 1164.

London. E.C. 24th May. 1916.

Sir,

The last despatch to you No. 1163 was dated the 26th ultimo, and I have since received your

No. 511 of 22nd March, delivered here 5th instant.

512 .. 5th April, 13th ..

It looks as though a mistake has been made in numbering the above, as no 510 has come to hand, and in your 511 you refer to having written last on the 13th March, which was the date of your 509.

2. Cables exchanged are confirmed as per forms enclosed.

3. I am pleased to inform you, that having regard to the satisfactory trading of last year, it has been decided by the Board to grant a bonus of 15% to all employees of the Company on the same lines as previously.

4. 511. par. 2. It is very satisfactory to hear that the "Corcovado" was despatched without any real labour difficulty arising. In connection with this matter, it is hoped that the news of the above mentioned bonus, - cabled you on the 5th instant, - will effectually forestall any dissatisfaction for some time to come.

5. 511. par. 3. The position of the contract for casings is noted, and we can only trust that the buyers will be able to accept delivery in the U.K.

6. 511. par. 4. I am obliged for the copies of correspondence with the Colonial Secretary with regard to the renewal of the leases referred to.

W. A. Harding, Esq.,

Manager,

Port Stanley,

1164. 24.5.16.

7. 511. par. 7. Your remarks on the subject of the disallowed 15% discount on passages from Punta Arenas meet with entire approval, and the matter is being taken up strongly with the P.S.N.Co. here. This is only another instance of the unprincipled methods of the satellites of that Company.

8. 512. par. 4. The shortage of some 700 tons of the space promised us in the "Corcovado" is another case of most unfair treatment by the Pacific Co., and I have written to our Liverpool Agents asking them to protest in the strongest possible way. I hope this will avoid a repetition of the offence when the "California" calls early next month. I enclose copy of my letter to Lowdens on the subject.

The Admiralty Transport Department inform us they see no immediate prospect of one of their vessels being available in Stanley, and we have written to the Admiralty Prize Disposal Committee to see what ~~prospect~~^{chance} there is in that direction.

9. 512. par. 5. Having regard to the P.S.N.Co's letter to you of the 25th November last, leaving in your hands the settlement of our claim for damage to the flour, we fail to see why we should bear the loss. Since they admit the damage, why not make up our claim against them for the full amount at once? Their admission of the claim is equivalent to establishing the fact that the flour was in good order when shipped, and so we are on poor ground for claiming on the suppliers.

10. 511. par. 6.
512. " 7. I am obliged for the copies of correspondence and information sent in connection with Capt. Saanum and other members of the "Falkland's" crew. Messrs. Lowden & Co. have these matters in hand, and will doubtless be writing you on the subject. In the meantime I may add we have ^{so far} seen nothing of Mr. Peters.

11. 512. par. 12. The completion of the Admiralty Wireless Station is noted with satisfaction. I assume that our "free" services can now cease as the Company's offer of assistance

1164. 24.5.16.

was connected with the erection of the station only.

12. 512. par.13. Your remarks on the good whaling season have been read with interest, and I am glad to note that the drafts drawn on the owners are at "sight" instead of "30 days" as previously.

13. 512. par.14. One dozen Pyrene Fire Extinguishers have been ordered, but before sending more, we shall be glad to have a list of the buildings in which you propose to place them, with an indication of how many you suggest allotting to each.

14. 512. par.15. This matter has been dealt with in a separate letter.

15. 512. par.16. Your suggestions as regards the payment of future whaling dividends have been passed on to Mr. Fredriksen, together with your explanation of the difficulties, and he has been asked to follow the plan you indicate in future. Your request however was not received in time to stop the further remittance he had sent, which is being advised out by this mail.

16. 512. par.17. The excellent work carried out by the "Falkland" in shipping the sheep from the West, reflects credit on all concerned, and I understand from Messrs. Lowden & Co. that they fully appreciate Capt. Saanum's work in this connection, and I have no doubt will take into consideration his claims for special recognition.

It is much to be regretted that equally good arrangements did not exist at the Canning Works to insure putting these sheep through as rapidly as possible on arrival, and we feel that we have no excuse to offer the several farmers on the West, who, with every good reason, are complaining bitterly at the delay. In the absence of any explanation, it cannot be understood why they were not put through the works more rapidly. When it is considered that 1200 sheep per day were being landed at Egg Harbour, ^{and} only about 500 per day were being

1164. 24.5.16.

killed, it is inconceivable that they were allowed to remain over while sheep from the East were being treated. It might have been known that much dissatisfaction would follow from the course adopted, and that many complaints of "loss in weight" would be heard. The expense of the telephone to Egg Harbour was sanctioned expressly to assist the organization in getting these sheep forward as quickly as they could be handled, and the outlay so far appears to have been entirely wasted. A copy of Messrs. J.L. Waldron, Ltd., letter of the 22nd instant on this subject is enclosed. Please convey these remarks to Mr. Allan, and let us have any explanation he has to offer.

17. 512. par.18. It is not proposed to make any charge for the "Samsons" employment referred to, but it is considered that this might well terminate the free service to be rendered by the Company.

18. 512. par.19. It is the wish of the Board that Dr. Wace's house should be put in a thorough state of repair with the least possible delay, but it is not at present prepared to consider any extension or new building.

19. It is understood from your cable of the 28th ultimo, that Mr. Townson accepts the proposal made to him in Mr. Blake's letter, and that he will be free to take up his duties at the end of October. This time should suit very well, and we shall be glad to know how this falls in with Mr. Allan's arrangements. A form of agreement will be sent by next Mail.

20. From your cable of the 9th instant in reply to mine, it is noted that you estimate the cost to us of the service rendered to the Admiralty, without charge, in connection with the wireless station, to be about £1,040. Against this we have a very good set off in the large account they are meeting for the cost of erecting our two steel barges.

With regard to the advances made to Lieut. Crawford, please note that it has been agreed with the Admiralty that the

1164. 24.5.16.

account shall be debited and credited with interest at the rate of 5%.

21. Referring to cables exchanged relative to the "Falkland" making the trip to Punta Arenas, you will have gathered from mine of the 15th instant that the P.S.N.Co. have now "graciously" consented to the voyage. From the copy of Messrs. Lowdens letter of the 10th instant enclosed, you will see that they are agreeable to the trip being made as profitable as possible with cargo either way, provided that it is not carried at a lower rate than theirs. It is good news that Capt. Saanum has the Governor's sanction to make the voyage in command.

22. In connection with your remarks, par. 10. 507, the Board will be glad if you will take ^{some} steps towards getting the farmers to join with you in an appeal to the Governor on the subject of taxation. The views of the Board have been expressed in recent despatches.

23. In view of the water fiasco at the Canning Works this season, which, in the absence of more information, looks uncommonly like want of foresight, Mr. Allan is being asked by this Mail, to report what exactly ^{(2) 11} the position is there. It was understood, when the 800 yards of 4" & 6" earthenware piping was sent out in the "Gaita" in September, 1912, that it was to be used to connect the spring with the reservoir. The latter was to be cemented so that ample water could then be accumulated. The Board will be glad if you will see that a reliable and full report is sent of the position, and that steps are immediately taken to remedy the trouble before next year.

24. Please note that a contract is being placed here for English oak battens for the floor of the new wool shed to be built at Darwin.

25. With reference to your notes dated 10th April appended to Mr. Allan's, the proposal to extend the jetty at Goose Green to the Vicar of Bray is one which has been urged on Mr. Allan for some years past, and it is most desirable that the work

1164. 24.5.16.

should be pushed on without the least delay. It is assumed that the depth of water is sufficient for the "Falkland" to go alongside the "Vicar of Bray", if not, will it be possible to shift the latter ?The advantages attaching to the shipment of our large quantity of produce from a jetty or hulk would be very great to the Company as well as to the coasting steamer.

25th May.

26. Since writing the foregoing despatch, the Post Office advise that the Mail will not close until tonight. This has enabled me to send you Dr.Halliburton's letter and full report on his investigations of the suspected flour. To use his words,-"the results obtained are of a negative order",- they point to the necessity of looking in other directions for the cause of the outbreak of disease.

I am, Sir,

your obedient servant,

P. B. Soddard

Secretary.

Enclosures via Liverpool.

Duplicates

Despatch No.1162 dated 26th April.

Remarks on Accounts.

List of General Cargo per "Oronsa"

General Invoice goods per "Oronsa"

Second of Exchange for £ 61 . 13 . 1 with B/L attached.

Account Current

Remarks on Stores

List of Enclosures

List of Parcels.

List of Clients' Cargo per "Ortega"

Clients Invoices goods per "Oronsa"

Messrs Stickney Brothers £ 51. 12. 4

A.F.Cobb £ 30 . 3 . 11

Clients' Reports on Wool per "Intaba"

T R	53	bales Wool ex "Intaba"	
AP	100	"	"
S & S	10	"	"
H & B	130	"	"
J B	163	"	"
HP	34	"	"
F	125	"	"
L	3	"	"
S	109	"	"

Clients' A/sales :-

L	1	bale Wool ex "Orita"	
F E	1	"	"
C C W	29	"	"
M V	18	"	"
B	3	"	"
T R	1	"	"
B B	17	"	"Bogota"
S	63	"	"
F B	1	"	"
F	169	"	"
J B	9	"	"
Z	24	"	"
T R	154	"	"
H	18	"	"
H	1	"	"
AP	56	"	"
M & G	35	"	"
S & S	136	"	"

S & S	3	bales Sheepskins	ex "Orita"
L	3	„	„
C C W	1	„	„
M V	2	„	„
T R	3	„	„



ENCLOSURES VIA LIVERPOOL

ORIGINALS

- 1 Copies of Cablegrams sent on 6th & 15th May.
- 2 Copies of Cablegram received 9th May.
- 3 B/L cargo per "Ortega"
- 4 List of Cargo per "Ortega"
- 5 Wool market reports.
- 6 Copy of letter from the Crown Agents dated 27th April and copy of letter referred to attached.
- 7 Draft on W.Luxton for £ 2 . 6 . 0 for collection documents attached.
- 8 Draft on G.W.Royle for £ 13 . 6 . 8 for collection.
- 9 General Invoice goods per "Ortega"
- 10 Copy of letter from H.Fredriksen dated 19th and our reply of 23rd May.
- 11 Copy of letter from R.L.Connell dated 10th May.
- 12 Copy of letter to W.Lowden & Co.dated 13th May re shipments of Produce homeward.
- 13 Account Current and vouchers.
- 14 Remarks on Accounts.
- 15 Remarks on Stores.
- 16 Priced Wool catalogue of 4th May sale.
- 17 Mr Blake's remarks on Mens' Sleeping Quarters & Living Room North Arm.
- 18 Copy of letter from J.L.Waldron dated 22nd May.
- 19 Dr W.D.Halliburton's report on "Bogota" Flour dated 24th May.
- 20 Wool shipment in 1915
- 21 Damaged F.I.Stamp as received.
- 22 Sample of Philippine Mahogany, see remarks.

Letters for the following:-

W.A.Harding, A.L.Allan, L.V.Oswald, J.Houston,
(2) (2)

16 letters from Transport Co.to Island Shareholder

Precis of Subjects

1. Acknowledges receipt of despatches 511 & 512 of 5th & 13th May, 1916.
2. Confirms cables exchanged.
3. Advises Bonus to Employees of 15%.
4. Absence of labour agitation noted with satisfaction.
5. Position of contract for sale of casings noted.
6. Acknowledges receipt of correspondence with Govt. re leases.
7. Question of 15% on Chilian P/M being taken up.
8. Shortage of promised space in "Corcovado", protest lodged. No Admiralty steamer available.
9. Flour damaged. Urging that claim be made on P.S.N. at once.
10. Refers to Capt. Saanum, Mr. Peters, and crew of "Falkland".
11. Completion of Admiralty Wireless Station noted.
12. Whaling accounts settled at sight drafts noted.
13. Fire extinguishers ordered - more particulars asked for.
14. Mr. Harding's application for leave dealt with in separate letter.
15. Whaling dividends. Mr. Fredriksen to follow Mr. Harding's suggestion.
16. Excellent work of "Falkland" sheep carrying noted. Complaint at delay in treating the sheep carried.
17. "Samson's" employment by H.M.S. "Kent". Not proposed to make any charge.
18. Dr. Wace's house to be thoroughly repaired.
19. Refers to Mr. Townson's acceptance of offer.
20. Cost of services rendered Admiralty noted. Account for advances to be interested.
21. "Falkland's" trip to P.A. approved by P.S.N.
22. Asks that an appeal to the Govt. re taxation be started.
23. Asks for report on condition of Goose Green water supply.
24. Contract being placed for Oak battens for new wool shed.
25. Extension of Goose Green Jetty.
26. Dr. Halliburton's report on "Bogota" flour enclosed.

Despatch

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per "Mexico"

No 1165.

London, E.C. 16th June, 1916.

Sir,

My last despatch, No. 1164, was dated 24th May. I have since received, on the 6th instant, your No. 513 of the 4th ultimo, and your letter of the 5th May.

2. Cables which have passed between us are confirmed as per forms enclosed.

3. par. 4. When the documents covering the shipment of casings are received, they will be tendered to the National Produce Co., in accordance with your remarks.

4. par. 5. Your advice of the sailing of the "California" is now expected daily, and we hope to hear that a full shipment has been made, and that the full space promised has been available.

5. par. 8. The reports from Mr. Allan and Nicholls on the subject of the new wool shed are to hand, and I would draw your attention to the remarks on the subject in my letter to Mr. Allan.

6. par. 9. From my cable of the 5th instant, you will have learnt that a cargo steamer, - the s.s. "Galicia", - has been fixed to leave Liverpool on the 30th instant. She will afterwards come to London, sailing hence about the 7th July. I note your shortage of certain stores, and every endeavour will be made to replenish your supplies by this opportunity. The P.S.N.Co. are being urged to accept 1,000 tons of coal for ourselves and the "Falkland", but they would like to reduce this

W. A. Harding, Esq.,

Manager,

Port Stanley.

1165. 16.6.16.

to 700 tons if possible. Bearing in mind what you have previously written, it is our intention to send Brynkinalt coal on account of its suitability for ~~it will be~~ ^{either} steam or household purposes. As regards sugar, we have already advised that its export is prohibited, but so far, we have been able to obtain from the War Trade Department "permits" to ship your requirements. These permits are becoming increasingly difficult to obtain, and if you can buy sugar from Montevideo, at anything like a fair price as compared with that from the U.K., it will be wise of you to place your orders there until nominal conditions again prevail.

7. par.11. The report on the comparative merits of the Gardner and Bolinder Motor boat engines is interesting, and will be of assistance when next the question of purchasing a motor boat arises. From this report, and your remarks, I take it, that all things considered, you and Mills are of opinion that the Bolinder is the more suitable type for the Falklands.

When recently discussing the serious position which would arise in the collection of produce in the event of the "Falkland" breaking down, the question was raised as to the practicability of fitting, say a Bolinder engine of suitable power, to the "Lafonia". So fitted, she ought to be capable of clearing the near ports at any rate, and would be something to fall back on. Your opinion on this suggestion will be valued.

8. par.12. Orders are being placed immediately for the canning requirements for next year, though in the case of tinplates and cases, an ^{advance} ~~allowance~~ of 60% and 30% respectively will have to be faced in the price.

9. par.13. I am obliged for the particulars sent, and note that the expense of the fittings has been charged to the "Falkland" in account, which is correct. As regards the cost of materials used for installing the Port Howard water supply, I will advise how the same is to be dealt with after the matter

1165. 16.6.16.

has been considered.

10. par.16. A letter has been addressed to the firm of Chr.Bjelland & Co., Stavanger, asking them if they can supply us with their tinned fish. On receipt of their reply, your indent will, if possible, be placed.

11. par.17. The condition under which the skins ex "Orita" were dried and baled are noted, and your remarks are being passed to the Brokers with a view to ascertaining if there was any possibility of the damage having been caused by bad treatment after discharge from the "Orita". The matter will be referred to again when our enquiries are completed.

12. par.18. The vital importance of the early shipment of materials required for baling the wool is fully realized, in fact our contract for bagging was placed some time ago, and we are promised delivery of 10,000 yards, half our contract, in time for shipment by the s.s."Galicia". The delivery of the hoops is also being pressed forward.

13. par.19. The detailed weighing returns of sheep bought are to hand, and will prove valuable for reference. So far we have received no request from either Mr.Bonner or Mr. Cameron to settle their account for same here. As regards Messrs.J.L.Waldron, Ltd., we were not altogether surprised to receive from them a letter of the 7th instant (copy enclosed) claiming an allowance for loss of weight on their sheep, resulting,they allege, on the delay in treating them. The matter will be before the Directors at the next Board, but it is certain their claim will be difficult to combat. Mr.Allan writes,- "the sheep did not go off and the shepherd thought they had improved",- but every practical Falkland farmer here, who has discussed the matter, is of opinion, that when sheep are moved to fresh ground, even though it be better pasture, they are invariably restless and unsettled for a time, and certainly do lose in condition. However,in order that we may have as good a defence as possible, Mr.Allan must send all

1165. 16.6.16.

the evidence he can in support of his contention that they did not deteriorate. Can you obtain and send us any explanation, or good reason why, having regard to the fact that we had promised to clear these sheep by the 1st March, that sheep from other Stations on the East, to whom so far as we are aware no promise had been given, were killed first. It could not possibly be argued that the latter being on their own ground would lose condition while waiting, to anything like the extent of those from the West, paddocked as they were on strange ground. As regards the water fiasco, it is felt that we are not in possession of all the facts, and certainly of no satisfactory explanation as to why sufficient foresight was not exercised to guard against such a calamity as a shortage. In years 1913, 1914 & 1915, 54,700 sheep were treated, and it certainly would appear that this year's requirements could have been accurately gauged, and steps taken to reserve a supply accordingly. Can you say if any real difficulty prevented this being done. With the information to date, the Directors are at a loss to understand why such a general muddle has been made of the Canning operations this season, and any light you can throw on the matter will be welcome.

With regard to the 1% deducted for "drivers", we agree that in the case of sheep from the East, we are not entitled to make it. They should all be bought "delivered at Works", and the risk of the drive would be purely the owner's affair. Please return all the sheep contracts (or copies) entered into here, and on your side, last year, with any suggestions you may have to make for the improvement of the form.

14. Enclosed please find copy of a letter received, dated the 12th instant, expressing the appreciation of the Lords Commissioners of the Admiralty, of the able assistance rendered by the Company to their representative in connection with the wireless station. I am sure the Board will appreciate this testimony of the thorough way you have carried out its wishes in this matter.

1165. 16.6.16.

15. Enclosed you will find the usual detailed copies of the Annual Accounts and Profit & Loss Statement to the 31st December, 1915, and, as printed and issued to the shareholders.

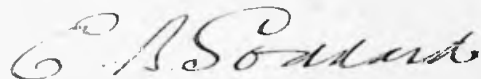
16. Mr.C.P.Peters,- referred to in par.9 of your no.506,- called here yesterday, and it has been decided to appoint him Engineer in succession to Mills when the latter leaves our service, at the termination of the war. A copy of the agreement will be sent you later. In the meantime he has agreed to take the post of Engineer to the s.s."Falkland", and Messrs.W.Lowden & Co., will no doubt write you, by this Mail, to that effect.

17. The position with regard to Luchtenborg,- par.10 of your No.493,- appears to be unsatisfactory, and the matter will probably have the Board's consideration at the next Meeting. Why we should continue to allow him to occupy our land, apparently rent free, to supply him with stores etc., or to provide the Colony without charge with a place for his internment, or isolation, is not quite clear. What are the terms and conditions of his occupation? Your last reference to the subject did not give these details.

18. Although you will no doubt receive copies direct from Messrs.W.Lowden & Co., I send herewith the Falkland Islands Transport Co.Ltd., balance sheet to the 31st March last.

I am, Sir,

your obedient servant,



Secretary.

P.S. Referring to remarks in par.11, I am now able to send,- enclosed in Mr.Allan's open letter,- the Brokers further report on the skins ex "Orita".

Enclosures via LIVERPOOL.

DUPLICATES.

Despatch No.1164 dated 24th May.

List of Parcel

Second of Exchange £ 2 . 6 . 0 on Mrs W. ~~Luxton~~ and
B/L attached.

Second of Exchange on G.W. Royle for £ 13 . 6 . 3.

General Invoice goods per "Ortega"

Remarks on Stores

Account Current dated 23rd May.

Remarks on Accounts.

List of Enclosures


Clients' A/sales:-

H	7	bales Wool ex "Bogota"	
JH	1	„	„
F	3	„	„
S	1	„	„
S I	11	„	„
Z	4	„	„
F	124	bales Wool ex "Intaba"	
AP	100	„	„
L	3	„	„
S & S	10	„	„
T R	53	„	„
HP	34	„	„
S	109	„	„
J B	168	„	„
McG	23	bales Sheepskins ex "Intaba"	
F	10	„	„
H&B	24	„	„
J B	12	„	„
S	3	„	„
HP	1	„	„

Enclosures via Liverpool

Originals

- 1 Copies of Cablegrams sent dated 2nd & 5th June.
 - 2 Copy of Cablegram received dated 6th June.
 - 3 Wool market reports.
 - 4 Sight Draft on G.M. Smith for £ 17 . 2 . 1 and Documents attached.
 - 5 Copy of letter from the Civil Service Supply Assoctn., Ltd dated 26th May.
 - 6 General Invoice goods per "Orita"
 - 7 List of General Cargo per "Orita"
 - 8 Bills of Lading cargo per "Orita"
 - 9 Camp Wages Returns for October & December, 15 & January to March, 16.
 - 10 Copy of letters from J.L. Waldron, Ltd. dated 7th & 14th & our reply of 9th June.
 - 11 Copy of letter from the Admiralty dated 12th June.
 - 12 Copy of letter from T. Smailes & Sons dated 1st June.
 - 13 Press copies of Brokers' reports on Co's wool ex "Corcovado"
- Clients' Reports:-

14		31 bales Wool ex "Corcovado"		
15	S & S	55	,,	,,
16	B	79	,,	,,
17	J B L	4	,,	,,
18	D H	30	,,	,,
19	A F C	23	,,	,,
20	H G C	77	,,	,,
21	T R	73	,,	,,
22	S	111	,,	,,
23	JH	3	,,	,,
24	L	219	,,	,,
25	H	76	,,	,,
26	H & B	146	,,	,,
27	W P	16	,,	,,
28	C C W	16	,,	,,
29	S I	56	,,	,,

- 30 Account Current and vouchers. (2)
- 31 Suppliers Invoices goods per "Mexico"
- 32 List of Cargo per "Mexico"
- 33 Falkland Islands Transport Co's Balance Sheet for year ended 31st March, 1916
- 34 F.I.Co's detailed Balance Sheet & P.& L. for 1915
- 35 Remarks on Stores.
- 36 Remarks on Accounts.
- 37 Supply of Catgut from Searles for Store.

Letters for the following:-

W.A.Harding (3) James Houston(1)

A.L.Allan (2)

London 16th June, 1916

Precis of Subjects

1. Acknowledges receipt of despatch no.1164 of 24th May, and letter of 5th.
2. Confirms cables.
3. re Casings for National Produce Co.
4. Advice of "California's" sailing expected.
5. Acknowledges reports from Mr.Allan and Nicholls re woolsheds.
6. re cargo steamer, stores and coal being sent. Recommends buying sugar at Montevideo.
7. Acknowledges report on Gardner and Bolinder engines. Asks opinion re suggestion fitting "Lafonia" with engine.
8. Order for canning requirements placed.
9. re charges for fittings to "Falkland", and Port Howard water supply.
10. Communications with Chr.Bjelland & Co., Stavanger, re fish opened.
11. Condition of "Orita's" skins being further enquired into.
12. Requirements for wool baling ordered.
13. Advising J.L.Waldron's claim for loss in weight. Asks for information re unsatisfactory management of canning operations generally last season.
14. Enclosing copy of letter of appreciation from Admiralty re assistance in erecting wireless station.
15. Enclosing copies of Annual accounts.
16. C.P.Peters to be appointed Engineer in succession to Mills.
17. Luchtenborg's unsatisfactory position,- further information wanted.
18. Accounts for Falkland Islands Transport Co. to 31st March enclosed.
19. Condition of skins ex "Orita" - Brokers' further report.

Address

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street.

Per "Oronsa"

N^o 1166.

London, E.C. 17th July, 1916.

Sir,

Since writing you last on the 16th ultimo, I have received, - on the 6th instant, - your letter, and despatch no. 514, of the 2nd and 3rd June respectively.

2. Cables exchanged are confirmed on the usual forms enclosed.

3. No meeting of the Board has been held since the arrival of the last Mail, and your letters under acknowledgment ~~not~~ have therefore been before it.

4. par. 2. Your remarks on the "Samson" will be duly noted. The previous advices have kept us acquainted with her condition, and the Board realizes that she cannot be relied on for long, but it is to be hoped that you will be able to make her "carry on" for a year or so, as there never was a more unfavourable time than the present for replacing her. The changed circumstances, to which you allude, are such that the prospect of profitable salvage cases arising are not worth considering, and therefore the work for a tug is now greatly circumscribed. We shall be glad to know, for our information, when the matter has to be seriously considered, if you think that a motor driven boat of ample power would be suitable for the present necessities. Having regard to the great saving that would be effected in the first cost of such a vessel, in addition to the economy in the cost of running, and staff, the proposition seems at any rate worth considering.

*No
Quote cost
motor driven
tugboat cost*

W. A. Harding, Esq.,

Manager,

Port Stanley.

1166. 17.7.16.

5. par. 3. I note that the attitude of the Chilians quite upset your scheme for sending the "Falkland" across. It was unfortunate after everything had been satisfactorily arranged with the P.S.N.Co., but you were clearly helpless in the matter.

6. par. 4. The receipt of the renewed leases for the Government Reserves is noted.

7. par. 5. The application for a reconveyance of the Berkeley Sound property, signed by the Smiths, is to hand, and I await the copy of the Probate of Mr. Smith's Will before passing both on to the Solicitors.

8. par. 6. The suggestion made by the National Produce Co. to charge to them direct the expenses incurred on their behalf in preparing the casings for shipment, does not appear to be as satisfactory an arrangement as making it part of the account recoverable in exchange for the shipping documents, and it is not yet clear if you have agreed to their proposal. The latter plan secures payment in full at once, the former admits of their quibbling over items. However your advices with the shipment will no doubt tell us what is settled.

9. par. 7. I note that you are keeping before you the necessity of sending the s.s. "Falkland" to Punta Arenas for an overhaul, which is now quite due. As compared with bringing the vessel home for this purpose as originally intended, the Coast trip should save fully £1,000, and would entail the boat being out of Mail service a comparatively short time. Having regard to the importance of the matter, surely the Governor will meet you as regards any difficulties that may arise in connection with your obligation under the Mail Contract.

10. par. 9. It is fortunate that you were in possession of the information as to the 15% bonus when the labourers agitation for more pay arose, and it is hoped that the increased rate will do much to settle matters. Your further advices will be awaited with interest.

11. par. 12. From your par. 2. no. 507 it was understood that

1166. 17.7.16.

Mills would only remain until the end of the war, and Peters has accordingly been appointed to succeed him. The agreement entered into with the latter is enclosed.

12. From your cable of the 22nd ultimo, advising particulars of the shipment of produce by the "California", it is clear we have been again most shamefully treat^{ed} as regards the promised space. When, to the quantities given in your message, we add Messrs. Waldrons' parcel, we calculate that the cargo shipped would not measure 1,500 tons of 40 cubic feet, which means the vessel was 1,000 tons of space short of the amount promised. Our Liverpool Agents were immediately asked to lodge the strongest possible protest with the P.S.N.Co. against this treatment, and a copy of the correspondence on this subject is enclosed. Your message of the 1st July has since come to hand, to the effect that you have been promised 1,400 tons in the "Kenuta" to call at the end of this month. We can but hope that this will be available. As a result of our protest, the P.S.N.Co. have cabled to Mr. Pearson that the full space must be left for us. It was distinctly understood when making the arrangement last December to pay an increase of 30/- per ton on our contract rate, that this should apply only to shipments effected before the 30th June. It has therefore been decided to remind you by cable to rate the Bills of Lading by the "Kenuta,- and of course any following vessels,- at contract rates. Should any difficulty arise over this with the Captain, you can insert instead of a rate,- "as per contract",- we can then settle the matter here.

13. Correspondence,- copy enclosed,- has been opened with the suppliers of the 1,000 bags of flour per "Bogota" and, so far, has not reached any satisfactory conclusion. Later developments will be advised you by next Mail.

14. The Exchange Telegraph Co., being anxious to secure early news of Sir. Ernest Shackelton's rescue party, a cable, at their expense, was sent you on the 3rd instant, asking you

1166. 17.7.16.

to telegraph them any that came to hand. The cost of such messages they will repay here.

15. Enclosed please find form of agreement,- in duplicate,- to be entered into with Mr. Townson. Please advise date of completion.

I am, Sir,

Your obedient servant,

C. B. Sadler

Secretary.

Precis of Subjects

1. Acknowledges letter and despatch 514 of 2nd & 3rd June.
2. Confirms cables exchanged.
3. Advises that no Board held since receipt of Mail.
4. Discusses condition, duties, and possible replacement of "Samson" with Motor Boat.
5. Refers to "Falkland's" cancelled trip to Coast.
6. Notes receipt of renewed Government leases.
7. Acknowledges receipt of application for reconveyance of Berkeley Sound property.
8. refers to arrangements re payment for casings.
9. Refers to necessity, and saving in sending "Falkland" to Coast for overhaul.
10. Refers to labourers agitation for more pay, bonus, etc.
11. Refers to Mills, and his successor, Peters.
12. Refers to P.S.N. matters - shortage of space, premium on contract rates to 30th June only.
13. Encloses correspondence with suppliers re flour ex "Bogota".
14. Explains message sent re Shackelton's party.
15. Enclosing agreement for Townson.

Enclosures via Liverpool.

DUPLICATES

Despatch No. 1165 dated 16th June.

List of Enclosures.

List of Cargo per S.S. "Mexico"

Account Currents 31st December & 16th June.

Remarks on Accounts

Remarks on Stores

List of General Cargo per "Orita"

General Invoice goods per "Orita"

Clients' reports:-

H G C	77	bales	Wool	ex	"Corcovado"
S	111		,,		,,
S I	56		,,		,,
D H	30		,,		,,
C C W	16		,,		,,
W P	16		,,		,,
B	79		,,		,,
S & S	55		,,		,,
H	76		,,		,,
JH	3		,,		,,
T R	73		,,		,,
A F C	23		,,		,,
J B L	4		,,		,,
H & B	146		,,		,,

Invoice for goods shipped per "Orita" for Rev. Migone.

Enclosures via Liverpool.

Originals.

- 1 Copies of Cablegrams sent dated 19th. & 26th June & 3rd July
- 2 Copies of Cablegrams received dated 26th & 30th June.
- 3 General Invoice Goods per S.S. "Mexico".
- 4 General Invoice Goods per S.S. "Galicia"
- 5 B/L cargo per S.S. "Mexico"
- 6 Mr C.P. Peter's signed agreement.
- 7 Copy of letter from T. & S. Plum dated 15th June.
- 8 Sight Draft on J. Kirwan for £ 100 . 12/- and letter dated
13th July attached.
- 9 Copy of letters ~~from~~ to Montgomery Jones & Co. of 7th & 12th
& their reply of 11th July with enclosure.
- 10 Copy of the Pacific Steam Navigation Co's letter of 22nd
June to W. Lowden & Co., their reply of the 23th and
ours of 29th June re outward rates of freight.
- 11 Copy of letter from J. Crighton & Co's of 21st June.
- 12 Account Current dated 17th July and vouchers.
- 13 Remarks on Accounts.
- 14 Remarks on Stores.
- 15 Sample of Cane Sugar.
- 16 Mackenzle's certificate of strength whisky shipped per
S.S. "Galicia"
- 17 Wool market reports of 11th July.
- 18 Liverpool Custom House printed letter dated 3rd July.
- 19 Rubber Stamps for Bailion & Stickney.
In duplicate
- 20 Articles of Agreement between H.W. Townson & F.I. Co. for
approval and signature.
- 21 Supplies detailed invoices goods shipped per S.S. "Oronsa"

Letters for the following:-

W.A. Harding (2) A.L. Allan. (1)

London 17th July, 1916

Refered

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street.

Per "Orissa"

N^o 1167

London, E.C. 2nd August, 1916.

Sir,

My last despatch, No. 1166, was dated 17th ulto. I have since received, on the 25th ulto, your No. 515, dated 19th June.

2. Cables. The forms in confirmation are enclosed.

3. par. 3. The arrangement made by Mr. Miller in Punta Arenas to charter a vessel for the shipment of his horses is noted, also that those for the Company will be sent by the same opportunity. Please see that a full report on the latter is sent in due course. It is to be hoped that nothing will intervene to prevent the "Falkland's" voyage to Punta Arenas, after the arrival of the "Orita", as you propose.

4. par. 4. From the correspondence with the International Produce Co., it would appear that you have little real security for the payment of the balance of your account, £419.1.7. Possibly you have requested the British Consul in Buenos Aires to deliver the Bills of Lading only on production of Maclean & Stapledon's discharge for the sum owing. With regard to the Universal Casings Co., I will advise them that "ex sheep" will be the only terms entertained.

5. par. 5. The boycott at Monte Video of steamers following the "Orita" is a mysterious business, and your despatch is the first heard of the matter.

6. par. 7. I am obliged for copy of documents relative to Mrs. G.P. Smith deceased.

W. A. Harding, Esq.,

Manager,

Port Stanley.

1167. 2.8.16.

7. par.8. It is very satisfactory to hear that the "Grid" erected for the purpose of keeping your steel lighters in repair promises well. The photo received is appreciated, for it conveys a better idea of your plan than any writing could possibly do.

8. The "California" arrived safely in London on the 24th ulto., and is now discharging her cargo. The wool she brings will be sold in the September Sales.

9. I am pleased to report that the P.S.N.Co. at length show a better disposition to meet their obligations to us in the matter of tonnage. Following on our protest, (vide par.12, no.1166), and threat to charter against them, they have now promised that after the sailing of the "Kenuta" instructions will be sent out for each Mail steamer calling at the Islands to have space reserved for our requirements. The produce shipped in these vessels will be transhipped in Liverpool to London, at their expense, we agreeing to pay 30/- per ton over and above our contract rates. The Bills of Lading therefore must be made out for London, as per par.17, no.1158. Having regard to the fact that the coasting rate from Liverpool to London is now 50/-, we think this a fair arrangement. In the case of the "Kenuta", as that steamer did not call before the 30th June, we are under no liability to pay more than our contract rates. Copies of correspondence with Messrs.W. Lowden & Co. on the subject are enclosed.

10. Mr.Blake has recently visited North Wales and purchased two stud cobs, one for the Company, and one for Hill Cove. We had been practically promised that these would be taken by the August Mail steamer, but we now learn it cannot be arranged. The P.S.N. are therefore endeavouring to put on a cargo boat to sail in September.

11. Your remarks in par.2 of no.514 on the subject of the "Samson" were before the Board at its last Meeting. It

1167. 2.8.16.

was then decided, having regard to her condition, that you should be instructed not to allow her to go outside the Harbour.

12. With reference to Waterson's application for an increase of salary, please advise Mr. Allan that the Board confirms the remarks on the subject in my letter to him of the 17th ulto.

13. Following my 1165, par.17, with reference to the occupation of Sea Lion Island by the German, Luchtenborg, the matter has again been considered by the Board. It was decided that it was not right to allow him to remain longer on the Company's property, and I was requested to instruct you to take steps to have him removed. The German naval menace may not exist today, but it is considered only prudent that he should be removed from an outlying Island of the Colony where at some future date he might be in a position to render assistance to his Fatherland.

14. Please note it has been agreed that the Company will bear the cost of the windmill and water pipes erected at Port Howard. Copies of letters exchanged with Messrs. Waldron are enclosed, stipulating that the fittings are the property of the Company and may be removed.

15. Enclosed I send ~~send~~ copy of a further letter from the suppliers on the subject of the damaged flour.

I am, Sir,

your obedient servant,

E. B. Suddard

Secretary.

DESPATCH no.1167, PER "ORISSA", 2ND AUGUST, 1916.

Precis of Subjects

1. Acknowledges receipt of your no.515.
2. Confirms cables exchanged.
3. Arrangements for bringing horses from P.A. noted. Full report on horses asked for.
4. Casings - re method of payment.
5. re boycott of P.S.N. steamers at M.V.
6. Acknowledges documents relative to G.P.Smith deceased.
7. Refers to "grid" erected for steel lighters.
8. Reports arrival of "California".
9. re freight arrangements with P.S.N. on homeward produce following "Kenuta".
10. Advises purchase of two Welsh stud cobs.
11. "Samson" not to go outside harbour.
12. Waterson's application for increase of salary - confirms previous advice.
13. Luchtemborg to leave Sea Lion Island.
14. Company to bear cost of water fittings at Port Howard.
15. Enclosed further letter re damaged flour ex "Bogota".

Enclosures via Liverpool.

DUPLICATES.

Despatch No. 1166 dated 17th July, 16

Remarks on Accounts.

Remarks on Stores

Account Current dated 17th July, 16

General Invoice goods per S.S. "Galicia"

General Invoice goods per "Mexico"

List of Parcels

List of Clients' Cargo per S.S. "Galicia"

List of General Cargo per S.S. "Galicia"

List of Enclosures

Second of Exchange for £ 100 . 12/- on J. Kirwan.

Enclosures via Liverpool.

Originals.

- 1 Copies of Cablegrams sent dated 21st, 22nd, 29th July & 2nd August.
 - 2 Wool Market reports.
 - 3 General Invoice goods per "Oronsa"
 - 4 Bill of Lading cargo per "Oronsa"
 - 5 Copy of letter from Neale & Wilkinson, Ltd., dated 27th July
 - 6 Priced Wool catalogue of 25th July sale.
 - 7 Copy of letter to J.L. Waldron, Ltd., of the 21st and their reply of the 22nd July.
 - 8 Copy of letter from Montgomery Jones & Co. dated 29th July & W. Vernon & Sons letter to them of 25th.
 - 9 Copy of letters from W. Lowden & Co. of 17th, 20th, 21st & 27th and our replies of 19th & 21st July re cargo.
 - 10 Account Current and vouchers.
 - 11 Remarks on Accounts.
 - 12 Remarks on Stores.
 - 13 List of cargo per S.S. "Oronsa"
- Letters for the following:-

W.A. Harding, Esq.

A.L. Allan, Esq.

James Houston, Esq.

L.V. Oswald, Esq.

London 2nd August, 1916

Received

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per "Ortega"

N^o 1168

London, E.C. 30th August, 1916.

Sir,

Since writing you last on the 2nd instant, I have received, on the 15th instant, your despatches nos. 516 and 517 of the 11th and 14th ultimo, and also your letter of the 10th July.

There has been no meeting of the Board this month, and I cannot therefore convey to you by this opportunity its decisions and comments on various matters referred to in the correspondence.

2. Confirmation of cables exchanged between us will be found on the usual forms enclosed.

3. 516. par. 2. I feel sure that the terms of your circular letter to Camp employees advising the payment of the 15% bonus will be approved, and there can be no doubt that you have acted wisely in withholding for a time the Stanley payments. When the distribution is made, we shall be glad to hear how it was received by the "restless" ones.

4. 516. par. 3. The further correspondence with the International Importing Co., re casings is to hand and noted. Also copy of Capt. Kinnear's letter, from which I infer you were not ~~be~~ able to effect shipment by the "Ortega".

5. 516. par. 4. It is unsatisfactory to hear the "California" had to leave Stanley with empty space in consequence of shortage of coal. This is quite a new complication, incident, no doubt, on the extreme difficulties in bunkering which the owners have to meet ~~in~~ owing to the war. You refer to supplying 20 labourers for stowage of cargo. Please advise

W. A. Harding, Esq.,

Manager,

Port Stanley.

1168. 30.8.16.

what your practice is in charging for this service. There appears to be no obligation on us under the Agency agreement to furnish this at cost price. In the case of homeward bound cargo steamers, is it usual for the crew to stow the cargo, merely calling on you for the extra labour required? if we ^{could} do the whole stevedoring, there appears to be no reason why we should not levy a tonnage rate on a profitable basis. Your views on the matter will be welcome.

We duly received your cable of the 3rd instant, advising the cargo shipped by the "Kenuta". She appears to have brought a fairly good "clear up" of produce.

6. 516. par. 5. A strong feeling exists on the Board that the investigation into the cause of the outbreak of so-called beri-beri should not be allowed to subside and rest where it is. So far as the suspected flour is concerned, it is impossible for us to do more on this side. It has been submitted to the fullest analysis and examination by the most eminent men at this work, Dr. Dyer and Professor Halliburton, and although both have said with regard to the damaged parcel that it would certainly be wise to condemn it as unfit for human consumption, neither of them have been able to discover anything which can be connected with the disease. The strongest facts against the flour theory appear to be

- a That at Port Stephens, where they had the illness, the flour was imported independently of us, - and in different vessels, - it was never reported on as damaged, and it was found by Dr. Halliburton to be "sound and wholesome".
- b That according to Dr. Wace, Robson, who had just come from Stanley (where only one slight case had been reported) died from the disease at San Carlos before the suspected flour had been issued there.

It really does appear that all other possible causes of the

*Yes
I think we should do
all the work*

1168. 30.8.16.

trouble should be thoroughly investigated, and it is suggested that your Government should be asked to appoint someone to go thoroughly into the matter with a view to determining the cause. The investigation made by the Colonial Government has only so far resulted in their finding that the disease is not beri-beri, and a recommendation that a change of diet should be made. Cannot you induce the Authorities to hold a thorough inquiry into the cause. Such an enquiry would be of real practical value, whereas it is of very small importance to know that it is, or is not, beri-beri.

The Chairman has gone into this matter most fully, and an exhaustive résumé of his opinion, based on the facts, will be found in the copy of his notes enclosed.

In view of the authority given you by the P.S.N.Co. to settle the claim for damage, it will be the far better course to debit the amount against them in your account, and it is a pity that you did not seize the opportunity when rendering the one for June, showing the large credit balance of £3805. 5. 2. If you follow your suggestion and forward the claim here, for us to take up with the Company, it will perhaps re-open the whole question, and give them an opportunity of "haggling". Therefore please note we leave the matter to be dealt with on your side.

7. 516. pars.8 & 16. It is clear from your remarks that the principal cause of the delay in the Canning operations was the abnormal~~ly~~ shortage of water, but taking all this into consideration, as well as your remarks to the effect that the East farmers should be given preference to those on the West, we cannot see that we have any excuse to offer Waldrons for not putting their sheep through immediately their regular arrival commenced. As long ago as 2nd October last they were promised, as the result of cable messages exchanged with you, that the sheep should be cleared by a certain date, and all further similar undertakings to other farmers should have

Handwritten note:
 Please refer
 all claims
 made by
 Waldrons

1168. 30.8.16.

followed in rotation. However, the matter cannot be carried further until Mr.Allan's reply is received to my letter of the 17th July. There is much information asked for in it, that is not given in his letters to hand.

The detail information you give as to the system of the Goose Green water supply we are glad to have, but would like to know, when you speak of a requirement of 12,000 gallons of fresh water per day if this is inclusive of the considerable supply required for washing down. If so, we cannot understand why the salt water system installed for this purpose is not relied on.

8. 516. par.10. The question of taxation, arising on your suggestion, will be before the Board at its next Meeting on the 11th prox., and advice as to any decision come to will be sent you later.

9. 516. par.11. I am sure the Board will be very glad to learn that the work in connection with the Goose Green jetty extension is in hand. The saving of time and expense ^{will afford} of this facility when completed will be immense. Mr.Mills's drawing is to hand, and is much appreciated.

10. 516. par.12. The information with regard to Sir Ernest Shackleton is interesting, and we are not surprised to hear that he did not approve of his movements being cabled to the Exchange Telegraph Co. The cable from us in this connection was merely sent to oblige that Company.

11. 516. par.13. As previously explained, there has been no Meeting of the Board held since the arrival of your despatch, and Mr.Weiss's application will therefore not be dealt with until the next which will be on the 11th prox. This also applies to the application from Moir.

12. 517. par. 3. The news that Messrs.Salvesen & Co., intend abandoning their whaling operations at New Island was not unexpected, for we have understood they have been dissatisfied with results there for some time past. Is there anything

1168. 30.8.16.

*Is it possible
to get that
to be done
by the
company*

in their plant that would be of any real use to the Company ?
What is the present condition of the slip there, and could the
"Falkland" use it ?

13. We have been expecting to receive from you an account of the advances made to Lieut. Crawford in connection with the Wireless Works, so that the balance due can be collected from the Admiralty. In par.20 no.1164 I advised that the transactions were to be subject to interest @ 5%, and I hope that my cable message of the 2ns instant was clear, asking you to forward this statement.

14. A cable was sent you on the 18th instant, to the effect that the P.S.N.Co. would probably fix a cargo steamer to sail on the 14th September, and asking you to indicate your requirements. It has since been decided to send the "Inca", leaving Liverpool on the 8th prox. Your messages in reply, dated 21st and 28th, are to hand, and there is little doubt that we shall ship the salt, paraffin, flour, bricks, sugar, nails and beer, also the match boarding and felt, but there is no possibility of sending the galvanized sheets. The manufacturer of these has first to obtain a Government permit for the supply of the necessary amount of steel to roll the plates, and only when these are ready will the War Trade Department consider the question of granting a permit for export. In addition to all this there is the delay on rail, and at docks. Coal, 500 tons of Brinkynalt is being sent you on joint account of the "Falkland" and ourselves. In replying to this despatch, please indicate, taking into account this shipment and your stocks, how long your supplies of coal will last, as owing to the shortage of vessels, it is very necessary to look well ahead.

15. The stock sheets to 31st December show that there was then about £800 worth of timber in the "Lady Elizabeth". The Board would like to know if this has since been discharged and stacked, as in view of the heated condition previously

*Not enough
labor
now that
wood turned over & accepted, but the dry rot is arrested*

1168. 30.8.16.

reported it is considered of vital importance that it should be done.

16. Please note that three Welsh Stallion Cobs will be shipped to you by the "Inca", sailing on the 8th prox.

Welsh Flyer 111 an Iron Grey 14 hands high, and

Dewi Welsh King Bay 14.2 ..

white star near fore pasterns, and off hind fetlocks white

are both for the Company.

Tyssul Flyer Dark Brown 14.2 hands high

is for Hill Cove Station.

I am, Sir,

your obedient servant,

P. B. Soadard

Secretary.

DESPATCH no.1168, PER "ORTEGA", 30TH AUGUST, 1916.

Precis of Subjects

1. Acknowledges despatches 516/7, and letter, of 11th, 14th & 10th July.
2. Confirms cables.
3. Terms of circular letter re Bonus approved.
4. re Casings.
5. re "California" leaving with space consequent on coal shortage - Inquiry re labour supplied Mail steamers.
6. Suggests further Government enquiry re illness like beri-beri - enclosing Chairman's notes. re settling claim on P.S.N.Co.
7. re delay in Canning operations.
8. Suggestion re taxation will be before next Board.
9. re Goose Green Jetty.
10. Sir Ernest Shackleton's movements.
11. Applications from Weiss and Moir will come before next Board.
12. re Salvesens giving up New Island operations.
13. Account for advances to Capt. Crawford awaited.
14. re cargo steamer outwards 8th September - Stores, Coal, &c.
15. Enquiry re timber in "Lady Elizabeth".
16. Advises three Stallions to arrive per "Inca".

Enclosures via Liverpool.

DUPLICATES.

Despatch No. 1167 dated 2nd August, 1916

List of Clients' Cargo per "Orissa"

List of Parcels

List of Enclosures.

Remarks on Accounts.





Remarks on Stores

Account Current dated 2nd August.

List of Cargo per "Oronsa"

General Invoice goods per "Oronsa"

Clients' A/sales:-

	H	76	bales	Wool	ex	"Corcovado"
	G C	77		..		..
	S I	56		..		..
	J B L	3		..		..
	A F C	23		..		..
		31		..		..
	T R	73		..		..
	S & S	55		..		..
	S	111		..		..
	B	79		..		..
	J H	3		..		..
	L	219		..		..
	W P	16		..		..
	D H	80		..		..
	C C W	16		..		..
	Z	47		..		..

Enclosures via Liverpool

Originals

- 1 Copy of Cablegram sent dated 13th August.
- 2 Copy of Cablegrams received dated 3rd, 20th & 25th August.
- 3 Bills of Lading cargo per "Orissa"
- 4 General Invoice goods per "Orissa"
- 5 List of General Cargo per "Orissa"
- 6 Copy of letter received from Peter Robinson, Ltd. dated
13th August, 16.
- 7 Account Current and vouchers .
- 8 Remarks on Accounts.
- 9 Remarks on Stores.

Clients-Reports:-

- | | | | | | | |
|----|--|-----|-------|------|----|--------------|
| 10 | S I | 41 | bales | Wool | ex | "California" |
| 11 | W E D | 64 | | .. | | .. |
| 12 | J B | 113 | | .. | | .. |
| 13 | S | 94 | | .. | | .. |
| 14 | Club | 30 | | .. | | .. |
| 15 | P H | 74 | | .. | | .. |
| 16 | F B | 76 | | .. | | .. |
| 17 | H G C | 22 | | .. | | .. |
| 18 | B | 3 | | .. | | .. |
| 19 | D S | 23 | | .. | | .. |
| 20 | H W | 25 | | .. | | .. |
| 21 | A F C | 13 | | .. | | .. |
| 22 | F | 133 | | .. | | .. |
| 23 | R B C | 21 | | .. | | .. |
| 24 | A P | 65 | | .. | | .. |
| 25 | T R | 27 | | .. | | .. |
| 26 | S & S | 55 | | .. | | .. |
| 27 | W P | 29 | | .. | | .. |
| 28 | Brokers' press copies Co's Wool per "Califoenia" | | | | | |

- 29 The Chairman's remarks on the Outbreak of Disease in the
Falkland Islands.
- 30 Sight Draft on J. Kirwan for £ 59 . 12 . 7 for collection
- Letters for the following:-
- W.A. Harding (2)
- A.L. Allan (2)
- James Houston
- 31 Three Rubber Stamps for Office.

London 30th August, 1916

Inca
80
Recd 11/9/16
The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street.

Per "Inca"

N^o 1169

London, E.C. 7th September, 1916.

Sir,

Notice having been received from the Post Office yesterday that the "Inca" would carry a Mail to the Falklands, I will take the opportunity of writing you though little of importance has arisen since the date of my last despatch, - the 30th ultimo.

2. Cables. The message sent you on the 1st instant is confirmed as per form enclosed.

3. I have pleasure in sending you herewith a copy of a letter received from Marconi's Wireless Telegraph Co. Ltd., expressing their high appreciation of the assistance you rendered their representative, - Lieut. McLellan, - when erecting the Wireless Station.

4. The Wool Sales opened on the 5th instant. From the accompanying catalogue you will see that some of the Falkland marks were sold and that the prices realized continue satisfactory. The balance of the "California" shipment will be offered on the 13th and 16th.

5. The three Welsh Cobs, referred to in par. 16 of my last despatch, are today alongside the "Inca" for shipment. The breeding cards are enclosed in open envelopes for Mr. Allan and Mr. Miller respectively.

I am, Sir,

your obedient servant,

P. B. Soudard

Secretary.

W. A. Harding, Esq.,

Manager,

Port Stanley.

Enclosures via Liverpool

DUPLICATES

Despatch No. 1168 dated 30th August.

Account Current.

Remarks on Accounts.

Remarks on Stores

List of Enclosures

Second of Exchange for 59 . 12 . 7 on J. Kirwan.

Clients' Reports:-

R. G C	22	bales Wool ex " California"	
F B	76	..	..
P H	74	..	,
Club	30	..	..
S	94	..	..
J B	113	..	..
W E D	64	..	..
S I	41	..	..
B	3	..	..
D S	23	..	..
H W	25	..	..
A F C	13	..	..
F	183	..	..
R B C	21	..	..
AP	65	..	..
T R	27	..	..
S & S	55	..	..
W P	29	..	..

Enclosures per S.S. "INCA"

Originals

- 1 Copy of Cablegram sent 1st September.
- 2 Wool market reports
- 3 Messrs Dean & Anson - report on 306 bales Wool
- 4 Copy of letter from Marconi's Wireless Telegraph Co. dated 5th and our reply of 6th September.
- 5 Priced Wool catalogue of 5th Sept. Sale.
- 6 Copy of Cablegram received dated 30th August.
- 7 Copy of letters to Lowden & Co. dated 1st & ~~5th and their~~ reply of 4th & 6th Sept.
- 8 Remarks on Accounts.
- 9 Remarks on Stores

Letters for :-

A.L. Allan & Sydney Miller.

London 7th September, 1916

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street.

Per "Orita"

N^o 1170.

London, E.C. 13th October, 1916.

Sir,

I wrote you last, - no. 1169, - on the 7th ultimo. I have since received from you, -

despatch No. 519 (?) 518 dated 3rd August, 1916

.. 519 .. 16th

.. 520 .. 23rd

.. 521 .. 5th Septr. ..

2. Cables which have been exchanged are confirmed on the usual forms enclosed.

3. 519. par. 2. It was fully realized that your stocks of coal must be getting low, but the arrival of the "Galicia", and later on the "Inca", will remove any anxiety on that score.

4. 519. par. 3. Our "Remarks on Stores" will have kept you posted as to the sugar position generally. In white sugars, nothing but the American Granulated can be bought here, and ten tons are being shipped by this opportunity. The cost price will work out about 3½d. per lb., c.i.f. Stanley.

5. 519. par. 4. I am obliged for your remarks on the subject of fitting the "Lafonia" with an oil engine, and these are carefully noted. It was ^{always} our intention to consult the designer and builder on the point, and when their opinion is received it can be decided whether the suggestion is worth persuing.

W. A. Harding, Esq.,

Manager,

Port Stanley.

1170. 13.10.16.

6. 519. par. 5. The further information given in your despatch, and in Mr. Allan's letter, makes more clear the difficulties with which he was confronted during the Canning Season. The question of Messrs. Waldron's claim can now be taken up again, and you will be advised later of the settlement come to. Though it may be politic and fair to meet them to some extent, it appears to be established that the conditions of the season were abnormal, and the delay in dealing with their sheep was caused almost entirely by circumstances which could not be foreseen.

In the Clients' accounts to end of June to hand, no credit appears to be given for the sheep bought, and complaints have been received that the balances brought down are consequently inaccurate. The entries should be passed through at the date of completion of delivery of each flock, and any payments made here,- as per your 513. 19,- against the purchase will be debited in our current account.

7. 519. par. 7. The Board is agreeable to fall in with ^{the} ~~your~~ views expressed in your despatch with regard to Luchtenborg, particularly as this meets the wishes of the Governor.

8. 519. par. 8.
521. par. 2. It is evident that the uncertainty of the tides at Punta Arenas will entail the "Falkland" being delayed there longer than was originally anticipated. Inconvenient as this must be to you, it is after all the lesser of two evils, for, had the vessel been sent home, she would have been absent from Stanley at least three months.

9. 519. par. 9.
520. par. 10. Thanks are due to Lieut. McLellan for the assistance rendered in connection with the boiler water supply at Goose Green. When the sample sent per "Orita" comes to hand we will take the matter up immediately

1170. 13.10.16.

with Messrs. Babcock & Wilcox, and give effect to their recommendations. (see also par.26)

10. 519. par.10. There can be no objection to paying off our indebtedness to the Crown Agents in future by Bills of Exchange, at three days sight, as suggested, so long as the amount is included in your cable advice.

11. 520. par. 2. Your remarks on the condition of the "Samson" are noted; also your opinion that a motor driven vessel could not be employed satisfactorily on the work usually falling to the tug.

12. 520. par. 5. It is satisfactory to hear that the collection of produce is so close up, and ^{it} looks as though all previous records in this respect have been beaten. We are now asking the P.S.N.Co. to indicate the arrangements they purpose making to lift the new season's crop. It seems probable that as all cargo steamers are in future to return via Panama Canal, they may ask to ^{take} ~~lift~~ our shipments on the outward voyage by these vessels. It would not be desirable to have the bulk of our tonnage shipped by Mail steamers, having regard to the increased expense of handling on your side through ^{many of} these vessels remaining in the outer harbour. The delay too in getting the wool ^{round} from Liverpool is another objection. We therefore hope that it will be found possible to arrange to send in at least two or three cargo steamers during the season.

13. From the copy of correspondence enclosed with the P.S.N.Co. and Messrs.W.Lowden & Co., you will see that we have resisted an attempt to charge us with the extra 30/- per ton on wool and skins per "Kenuta" on the grounds that ^{arrangement} this was applicable to shipments made before the end of June only.

14. 520. par. 6. I am obliged for the statement of claim against the P.S.N.Co. for damaged flour. As instructed in par.6 of my 1168, the matter is left for you

1170. 13.10.16.

to deduct in account against them.

15. 521. par. 7. In several instances lately you have adopted the course of referring home matters in dispute with the P.S.N.Co. For instance the claim on flour,-the 15% on the Chilians' passage money,-and by the last Mail, the passage money per "Orita" of H.J.Foster, an Admiralty man. Please note such matters must be dealt with in your account with them. When they object to the deduction it is time enough for us to step in, and we can then do so on a better basis. With regard to the passage money of H.J.Foster,-referred to in "Remarks on Accounts",- such applications to the Admiralty as you suggest are, just now, fraught with endless trouble, and there is really no reason why we should do the P.S.N.Co's work in this connection. I will forward a copy of your remarks to them, and ask them to take the matter up.

16. 520. par. 3. The sealed deed of reconveyance of the Berkeley Sound property is sent by this Mail. The legal charges in connection therewith will be debited in account.

17. 520. par. 9. Your protest lodged with Betts at the delay and expense in collecting Pebble and Keppel wool is approved. That station should certainly pay an additional rate as compared with those where jetties and other facilities for loading have been provided. In view of the existing five years contract it is not easy to move in the matter, but we will take an opportunity of discussing it with Mr.John H.Dean.

18. 520. par.14. The accounts for your advances to Sir.Ernest Shackleton were promptly met by Mr.Ernest Perris, and the credit for same appears in account current herewith.

19. With my 1168-par.6 - I enclosed a copy of the Chairman's notes on the outbreak of disease in the Islands. I now send you further notes by Mr.Blake on the subject

1170. 13.10.16.

taking a different view of the matter, and I also enclose copy of letter which has been addressed to the Colonial Office asking that a full enquiry be made on the spot by some one fully qualified. If you have not already sent the information in reply to the Chairman's questions sent you last Mail, please give particulars of the Stations to which "Bogota" flour was sent, before the damage was discovered, the quantity, and the names of Stations which asked to have the damaged flour replaced.

20. Referring to Weiss's application enclosed with your 516 par.13, the Board has authorized the renewal of his agreement for three years at £550 per annum, inclusive of gratuity previously paid, but it cannot entertain the idea of paying the passage money to Australia asked for. As you are aware, Weiss came to us from South America, and all the Company has ever allowed in ~~the~~ ^{this} way is passage money to the country from whence the employee came.

21. In the case of A.Moir, the renewal of his agreement was also sanctioned at an increase of £50 per annum.

22. Mr.Allan, in his letter of the 11th August, referred to trouble with a section of his men who, demanding higher pay on the score of increased cost of living, had finally gone on strike. Mr.Allan also made certain recommendations. The matter has had the ^a earnest consideration of the Board, and it is anxious to meet any real hardship that may exist. The exact extent however of increase experienced by the men we are not in a position to judge accurately, for we understand that, while cookhouse prices, - affecting single men, - are unchanged since the war, married men feel heavily the higher price of sugar, flour, and other necessaries. The question of giving 10% more pay all round, for the period of the war, was discussed, but it was pointed out that inasmuch as the increased costs are felt, to nearly the same extent by the man drawing £6 per month and another with twice

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as much, it would not be an equitable arrangement. Moreover, it was open to the greater objection that it would not be possible to go back to pre-war rates of pay when normal times returned. Finally, it was agreed by the Board that it was desirable that you should go to Darwin to assist Mr. Allan in coming to a settlement, and that you be authorized to make each man on regular pay a special payment at the rate of £7 per annum specifically to meet the increased cost of living, and to continue ^{this} for one year after the war. Before however going this far, it is most desirable that you should discuss the proposal with the Government, - who after all are the next largest employers of labour to the Company, - and any other employers you may think fit. It is hardly necessary to remind you to make quite clear to the men that anything in the nature of a general strike will most assuredly bring about the abolition of the Bonus system, and seriously jeopardize the chances of a pension.

The above is an outline of what the Directors think should remove all dissatisfaction on the part of the men, but in the event of unforeseen circumstances arising, you are authorized to use your discretion to slightly vary this proposal.

23. You will have learnt from my cable of yesterday that ten rams are being sent you in the "Orita". Five of these are for the Company, and five for Hill Cove. A proforma statement is enclosed giving particulars of ear marks and cost price, and it has been agreed with Mr. Blake that the division of these between the two stations can be determined after their arrival by the drawing of lots. In the event of one dying on the voyage, and there being an odd one, it is to go to the Company. We have asked Messrs Hobbs, who are supplying the fodder for the voyage, to put aboard sufficient to last one month in quarantine after arrival. Twenty rams are being shipped per "Corcovado",

1170. 13.10.16.

sailing on the 27th instant, These are for George Bonner & Co.Ltd., and similar arrangements as regards fodder have been made. The pedigree certificates relative to the "Orita" shipment are enclosed, and the Veterinary Certificate is being forwarded to you direct by Messrs.W.Lowden & Co.

24. Alluding to par.6., the matter of Messrs.Waldron's claim has had further consideration. As regards the failure to ship not later than the 1st March, the delay was clearly attributable to the late arrival of the Mail steamer, and therefore could not have been avoided. The delay in passing the sheep through the works, in so far as it was caused by the drought, was equally unavoidable. There only remains that portion of the delay attributable to their not being dealt with as quickly as they could be driven to Goose Green. The great point which Messrs.Waldron made at the time was that their paddocks should be cleared by the 1st of March, and this was included in the contract, but no promise was asked for, or made, with regard to killing before any other flock. Finally, it is perfectly impossible for Waldrons to prove that they actually did lose weight. Under these circumstances it is decided to repudiate their claim, and we trust that the decision to declare a bonus or rebate to all sellers of sheep last season will satisfy them that the Company is anxious to be fair.

25. The figures now received from you enable us to estimate approximately the results of the last Canning Season, and assuming that present prices are maintained, and there is little doubt as to this, the results will prove very satisfactory. Considerable progress has been made with sales of the mutton at 59/- & 60/- per case, and the extract is cleared at 6/3 per lb; other produce is estimated at last year's values. It has therefore been decided to pay to all the sellers of sheep concerned, a rebate or bonus

1170. 13.10.16.

to be calculated at the rate of 10% on their invoice value. Please therefore pass the necessary entires, and advise the interested parties. In view of the certainty that attempts are sure to be made to buy Falkland sheep for the Coast Meat Works, it would be opportune and wise to at the same time make contracts, at last year's prices, with as many stations as possible for next season. Similar action will be taken here. A supply of ^{new} contract forms will be sent you by the "Corcovado", sailing on the 27th.

No clear and concise summary of the produce from the Canning Works has been received this year. Please see that one is always sent immediately the season closes, giving the total cans and cases of mutton, cases and weight of extract, casks and weight of tallow, and number of skins.

26. Referring to remarks in par.9., I note that the sample of water sent by the "Orita" is what Mr. Weiss refers to as being used in extract making. If it arrives safely, Babcocks' chemist can analyse it, and the information they obtain will be useful in connection with the boiler difficulty. In par.6 of my 1121 it was reported that samples of boiler water previously sent had arrived broken, and you were asked to send five separate bottles. These have not so far been received.

27. I was informed only two days ^{ago} that the "Corcovado" would take cargo to your port. A cable was accordingly sent you asking the quantity of coal you could store, and this morning I have your reply stating 500 tons. This will no doubt be shipped, and if so, telegraphic advice sent you.

I am, Sir,

your obedient servant,

C. B. Goddard

Secretary.

DESPATCH no.1170, per "ORITA", 13TH OCTOBER, 1916.

Precis of Subjects

1. Acknowledges despatches 518/521.
2. Confirms cables.
3. re coal stocks and supplies.
4. re sugar position and cost.
5. re "Lafonia" being fitted with oil engine.
6. re Waldrons' claim for loss in weight. Journal entries for sheep purchased not passed.
7. Board agreeable to leave Luchtenborg at Sea Lion Island.
8. "Falkland's" trip to Punta Arenas.
9. Water trouble in Goose Green boiler.
10. Agreeable suggested payment to Crown Agents by 3 days Bills.
11. re "Samson". Oil driven boat unsuitable as tug.
12. Collecting of produce, and freight arrangements.
13. Claim for 30/- per ton extra by "Kenuta" resisted.
14. re claim on P.S.N.Co. for "Bogota" flour.
15. System of referring home matters in dispute with P.S.N. not approved of.
16. Encloses Deed of Reconveyance of Berkeley Sound property.
17. Pebble and Keppel wool - expense and delay in collection.
18. Advises payment of Shackleton accounts.
19. Enclosing Mr. Blake's notes on outbreak of disease, and flour.
20. Weiss's salary increased to £550. P/m to Australia declined.
21. Moir's salary. Increase of £50 per annum sanctioned.
22. Refers to strike and labour trouble at Goose Green.
23. Ten rams being shipped by this Mail. Twenty per "Corcovado".
24. Waldrons' claim - liability repudiated.
25. Canning Season results. 10% bonus declared to sellers of sheep.
26. re Goose Green water samples previously promised not received.
27. "Corcovado" to take 500 tons of coal.

Enclosures via Liverpool

Despatch No.1169 dated 7th September

List of Clients' Cargo per "Inca"

General Invoice goods per S.S."Orissa"

Remarks on Stores

List of Cargo per S.S."Orissa"

List of Parcels.

List of Enclosures

Remarks on Accounts.

Enclosures via Liverpool.

"Original.

- 1 Copy of Cablegram sent dated 12th Aug. 25th & 28th
Sept. & 11th Oct.
- 2 Copy of Cablegram received dated 20th Sept.
- 3 Copy of letter from the P.S.N. dated 2nd & 4th and
our reply of 3rd Oct. re Wool shipments.
- 4 General Invoice goods per "Inca"
- 5 List of General cargo per "Inca"
- 6 Wool market reports.
- 7 Bills of Lading cargo per "Inca"
- Clients' reports.
- | | | | | | |
|----|-------|----|-------|--------|-------------|
| 8 | | | | | |
| 9 | W E D | 99 | bales | Wool | ex "Kenuta" |
| 10 | H G C | 1 | " | " | " |
| | D S | | | | |
| 11 | G I | 46 | " | " | " |
| 12 | Club | 5 | " | " | " |
| 13 | J B L | 5 | " | " | " |
| 14 | J B | 72 | " | " | " |
| 15 | R B C | 10 | " | " | " |
| 16 | H W | 22 | " | " | " |
| 17 | HP | 77 | " | " | " |
| 18 | F B | 22 | " | " | " |
| 19 | P H | 12 | " | " | " |
| 20 | H W | 21 | casks | Tallow | " |
| 21 | M V | 1 | " | " | " |
| 22 | H | 9 | " | " | " |
| 23 | J B L | 2 | " | " | " |
| | Z | 3 | " | " | " |
- 25 Brokers' press copies Reports & Company's Wool & Tallow
ex "Kenuta"
- 26 Copy of Mr Blake's remarks on Chairman's memo. re Outbreak
of disease in Islands also extract from Mr Stickney's
letter of 27th August.
- 27 Sight Draft on J. Kirwan for £ 62 . 17 . 1 for collection.
- * 28 Ram Certificates numbered 8135/8138, 8143, 8150, 8157 &
8164/8166.
- 29 Account Current & vouchers.
- 30 Remarks on Accounts.
- 31 Remarks on Stores.
- 32 Copy of letter to the Colonial Office dated 5th October
re illness in the Islands.
- 33 Sealed Deeds relating to Mortgage on Berkeley Sound Property
as per separate list.

34 Particulars of Ear Marks and purchase price of 10 Rams shipped
per S.S. "Orita"

35 Schedule of Property Ashore & Afloat & Insurance thereon.

Letters for the following :-

W.A. Harding (8)

James Houston

-.-. Gresham

A.L. Allan (2)

London 13th October, 1916

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The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)
REGISTERED 1902.

61, Gracechurch Street.

Per "Oronsa"

N^o 1171

London, E.C. 8th November, 1916.

Sir,

Since writing you last on the 13th ultimo, I have received your despatch no.522, dated 23rd September.

2. Cables received and sent are confirmed on the usual forms enclosed.

3. par. 2. The heavy loss at foaling amongst the mares brought from the Coast, as reported by Mr.Allan, is much to be regretted. The notice of Mr.Hobbs, whom we presume superintended the shipment, should be called to the matter, with a view to abolishing the cruel practice of slinging mares in foal with a single rope. It appears to be careless in the extreme, for ^{canvas} slings are cheap and easily made.

4. par. 3. It is satisfactory to hear that Lloyd's Surveyor found the "Falkland" in such good condition, and also that the vessel arrived safely back in Stanley. I note the Mate has had to be discharged, and it is much to be regretted that Mr.Verrill was unable to carry out his plans by remaining in the Islands. He impressed both ourselves and Messrs.W. Lowden & Co., as a desirable man as chief officer.

5. par. 4. You will have gathered from the words "tallow London only", in my cable of the 23rd ultimo, that we cannot entertain the idea of shipping via Liverpool. The delay, damage, and extra cost entailed by transhipment from that port would make it prohibitive.

When the P.S.N.Co. will give us a London steamer appears very uncertain, but they will be continually pressed to do so.

W. A. Harding, Esq.,

Manager,

Port Stanley.

1171. 8.11.16.

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The Canning produce on which they hoped to save through it not being wanted in London, was limited, so far as we are aware to canned meats. It was never suggested that tallow should be taken to Liverpool.

6. par. 5. Luchtenborg. There is really nothing to add to the remarks in par.7 of my last despatch. This gave you a free hand to fall in with the Governor's wishes in the matter for the time being.

7. Arising on your par.6, the question of the labour troubles, and what is best to be done to meet them, has again had the earnest consideration of the Board. The opinion of the Directors was fully outlined in par.23 of my last despatch in connection with the strike at Goose Green, and it was decided that the question, as applied to Stanley, must be left entirely to your discretion to settle on the spot. You will doubtless consult with the Governor, as suggested last Mail, and if after that you are of opinion that the previous proposal to pay an increase at the rate of £7 per annum all round is not likely to bring about a satisfactory result, and that nothing short of a 10% increase will do, you are at liberty to grant it. You will of course take into consideration what was written last Mail, as to the increased cost of living being felt to much the same extent by men on a low or high wage. I trust that the cable sent on the 31st ultimo on this matter was clear.

8. par. 7. The copies of correspondence to date in connection with Messrs. Waldrons' claim are enclosed. In view of the increased bonus (15%) which it has been decided to give, they have agreed to withdraw their claim for loss in weight, and consider the matter in dispute settled.

You will see from the copy of their last letter they have not yet agreed to sell us their sheep for next season, but I have every hope that the contract will be signed before next Mail.

9. As mentioned above, the Board has decided to increase the Bonus to 15% to all farmers who sent sheep to the Canning factory last season. Copies of letters addressed to those resident here, advising them of this, are enclosed, and I would ask you to credit their respective accounts in accordance therewith. It is left to you to inform Messrs. Felton and Greenshields, and pass them similar credits.

A statement of the approximate result of last season's canning operations is sent herewith, from which you will see that the results are satisfactory. In connection with the accounts, in future, please debit "Canning" and credit "Farm" with the value of all Company's sheep put through the Works.

10. It has been decided by the Board to offer the following prices for sheep for next season. Wethers and Ewes of 40 lbs. and upwards, 3d. per lb., under 40 lbs. ^s ^d 3/6 each. Forms of Agreement on this basis are enclosed for your use, and contracts at these prices have been concluded with Messrs. Holmsted & Blake, Ltd., and G. Bonner & Co. Ltd. - A. Pitaiuga, W. K. Cameron, and J. H. Dean leave the matter to the local representative to settle with you. Please complete contracts where possible without delay, and be careful not to promise any date for killing that will prevent us dealing promptly with Waldrons sheep immediately the "Falkland" is available.

11. I would draw your attention to the open letter enclosed addressed to Mr. Weiss, which no doubt will be passed on to him through the Camp Manager. There appears to be some confusion as to the caps and dies required for the capping machine. Those previously supplied by Waller he returned as "unsuitable", but he omitted to detail in what respect. It strikes us, and Messrs. Waller, as strange if Mr. Mills could not have made them useable if the difficulty had been explained to him. Was he consulted on the matter?

1171. 8.11.16.

12. Enclosed please find copy of letter from the Colonial Office, dated the 3rd instant, in reply to ours of the 5th October, asking that a full enquiry into the outbreak of illness in the Islands should be made on the spot. It is clear that nothing in this direction will be undertaken by the Government at present.

13. Following up remarks in par.5. of my no.1170, we have since learnt that Mr.Richardson, the designer of the "Lafonia", died some years ago. Messrs.Philip & Son,Ltd., of Dartmouth, the builders, with whom we have been in correspondence, have written us as follows:- "We think an oil engine could be fitted, with very little trouble, as an auxiliary power, the whole could be sent out ready for installation, if this can be done in the Colony, we should be pleased to go into the matter further, if you will say the speed desired and if petrol or paraffin motor. We can supply you with all the necessary plans, etc. You must also please state what available space there is for motor." If you will answer the question with regard to the space available, we will go into the matter further. A rough sketch would be useful.

14. Referring to our claim on the P.S.N.Co., for discount on passage money on the Chilians from the Coast last season, a copy of our letter to them of the 21st ultimo is enclosed. On looking more deeply into this matter, we appear to be on uncertain ground in claiming 15%. In your despatch no.425/7 of 1912 you wrote as follows:-

"In October 1900 they agreed to 15% off 1st and 10% off second class, but I was under the impression that they eventually allowed us the same rebate as the Government, namely 15% off single 10% off return fares irrespective of class. We have always taken that discount off tickets issued here even third class and they have not once questioned it."

To this Mr.Cobb replied, no.1112/5:-

"You are right about the discount off the P.S.N. tickets,it is never queried. We have had several instances of this lately."

It is clear from this that in 1912 you were only "under the impression" that 15% had been agreed, but we can find no documentary proof of this in our correspondence with you or the P.S.N.Co. Can you trace any? Shortly after the Agency agreement was entered into we find that an application was made by us to be placed on the same terms as the Government officials, viz. 15%, but this was not then conceded. Meanwhile you will see from my letter that I have taken up the position that the deduction of 15%, which you have hitherto consistently made, unqueried by them, is proof that some understanding to that effect was come to. I shall be glad to hear your views on this matter.

15. The position of Waterson has again been considered by the Board, and it was decided to authorise you to raise his pay to £300 per annum. This information was cabled to you on the 31st October, and the increase might commence with the new year. Please refer to remarks on the subject in Mr. Allan's letter.

16. The highest price on record for Falkland wool was made at the sales on the 4th instant for "J.H.D." mark. This touched $1/10\frac{1}{2}$ ^{s d} per lb., as you will see from the priced catalogue sent herewith.

17. The s.s. "Corcovado" is leaving Liverpool tomorrow, and carries 20 rams for Mr. Bonner. Please advise us of their safe arrival at final destination, so that the $38\frac{1}{2}$ ^s return premium can be claimed. This also applies to the rams shipped per "Orita".

18. Please note the Board is agreeable to your not insisting on the forfeiture of the £25 under Balharrie's agreement, referred to in your no. 521/17.

I am, Sir,

Your obedient servant,

E. B. Soddard

Secretary.

Precis of Subjects

1. Acknowledges despatch no.522.
2. Confirms cables.
3. Refers to loss of mares shipped from the Coast.
4. Notes satisfactory survey report on "Falkland".
5. Tallow to be shipped to London only.
6. Position of Luchtenborg.
7. Refers to Stanley labour trouble, leaves matter to discretion of Manager to settle.
8. Advises J.L.Waldrons' claim withdrawn.
9. Advises bonus of 15% to Farmers selling sheep last season. Approximate result.
10. Prices fixed for buying sheep next season. Agreements enclosed.
11. Refers to letter to Mr.Weiss on details.
12. Encloses copy of letter from Colonial Office regarding illness.
13. Refers to fitting "Lafonia" with oil engine.
14. Refers to our claim for 15% on Chilians' passage money.
15. Waterson's salary increased to £300 per annum.
16. Reports highest record price made for Falkland wool.
17. Advises 20 rams per "Corcovado" for G.Bonner & Co.Ltd.
18. Advises Board agreeable forego £25 from Balharrie.

Enclosures via Liverpool.

DUPLICATES

- Despatch No.1170 dated 13th October,16
- Remarks on Accounts
- Account Current.
- Remarks on Stores
- List of Enclosures
- List of Clients' Cargo per "Orita"(proforma)
- General Invoice goods per S.S."Inca"
- List of General Cargo per S.S."Inca"
- Second of Exchange for £ 62 . 17 . 1 on J.Kirwan
- Vere Packe's invoice goods per S.S."Inca"

Clients reports :-

H.W.	21	casks	Tallow	ex	"Kenuta"
J B L	2		"		"
H	9		"		"
M V	1		"		"
W E D	99	bales	Wool		"
H W	22		"		"
R B C	10		"		"
J B L	5		"		"
D S	46		"		"

Clients' A/sales :-

W E D	61	bales	Wool	ex	"California"
W E D	3		"		"
R B C	21		"		"
B	3		"		"
W P	29		"		"
A F C	13		"		"
D S	23		"		"
S I	41		"		"
T R	27		"		"
H W	24		"		"
S & S	55		"		"
A P	65		"		"
S	21		"		"
F	183		"		"
S	73		"		"
J B	113		"		"
Club	30		"		"
F B	74		"		"
Heart	123		"		"
Z	307		"		"
Club	6	bales	Skins		"
J B L	1		"		"
W P	9		"		"
B	3		"		"
S I	5		"		"
H G C	15		"		"
A F C	4		"		"

S	12	bales Sheepskins ex "California"	
TR	2	"	"
DH	5	"	"
FB	6	"	"
H	23	"	"
H & B	6	"	"
J B	2	"	"
R B C	6	"	"
H W	4	"	"
F	1	"	"
A P	8	"	"
H P	1	"	"
D S	2	"	"
Z	18	"	"
HEART	8	"	"



Enclosures via LIVERPOOL.Originals.

- 1 Copy of Cablegrams sent dated 23rd & 31st October.
- 2 Particulars of Wool Sweepings Returns for 1915
- 3 Priced Wool catalogue of 4th November sale.
- 4 Priced Skin catalogue of 27th October sale.
- 5 Wool market reports.
- 6 Copy of letter dated 3rd November to Vere Paake,
Robert Blake, W. Stickney, J. S. Goodhart, G. Bonner,
J. H. Dean, A. Pitaluga, re sale of Sheep
- 7 Copy of letter from Marconi Wireless Co. dated 21st Oct.
- 9 B/L General Cargo per S S. "Orita"
- 10 List of General Cargo per S.S. "Orita"
- 11 Copy of letter from the Colonial Office dated 3rd
November re outbreak of illness in the Islands.
- 12 Breeders' Export Pedigree Certificates for Bonner's
20 Rams per S.S. Corcovado"
- 13 Corrected Pedigree Certificate for Ram "Egerton" No. 74
of 1914 .
- 14 Account Current & vouchers dated 6th November.
- 15 Remarks on Accounts.
- 16 Remarks on Stores.
- 17 Canning Season, 1916 estimated results.
- 18 Application Forms for 6% Exchequer Bonds.
- 19 Copy of letter to the P.S.N. Co. dated 21st October
re rebate on Fares to & from Port Stanley.
- 20 Copy of correspondence with Messrs. J. E. Waldron, Ltd.
to date re loss in weight Sheep supplied to
Canning Works 1916.
- 21 General Invoice goods per "Orita"
Letters for the following:-
W. A. Harding, F. H. Weiss, A. L. Allan & J. Houston.
- 22 Contract forms for Sale & purchase of Sheep for
Canning.
London 8th November, 1916

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The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851

REGISTERED 1902.

61, Gracechurch Street.

Per "Orissa"

N^o 1172

London, E.C. 22nd November, 1916.

Sir,

Since writing you last on the 8th instant, I have received, - on the 13th instant, - despatch no. 523, written by Mr. Houston, and also his letter of the 11th ultimo.

2. Cables. The usual forms in confirmation of cables exchanged are enclosed.

3. par. 4. The Board has not met since the receipt of your despatch, but I am sure that the improved outlook in connection with the recent labour unrest will be noted with satisfaction. The matter was clearly well handled on your side.

4. par. 5. The International Importing Co., are evidently reliable people, as evidenced by the prompt settlement of their account. I note the decision come to as regards negotiating the sale of next season's output.

5. par. 6. The final position taken up by the Colonial Office with regard to the enquiry asked for was referred to in par. 12 of my last despatch.

As to the settlement of your claim against the P.S.N.Co., they gave you full authority to debit them in account in their letters dated 27th August, 1915, and again on 25th November, and this notwithstanding yours of the 13th October, 1915, to the effect that the claim was far more serious than had been anticipated. On the strength of this the claim should have been deducted as soon as ascertained.

W. A. Harding, Esq.,

Manager,

Port Stanley.

1172. 22.11.16.

6. par. 7. I am obliged for the information re water consumption at Goose Green. Mr. Harding's report on this, and other matters, will be looked for with interest.

7. par. 8. Note has been taken of your wishes, and in future the sailing dates of cargo steamers will be given in our cable advising tonnage.

In view of the increasing shortage of available cargo steamers, it is very satisfactory to know that your coal stocks are now so ample.

Galvanized sheets are now practically unprocurable from the U.K., for the reason that the Ministry of Munitions will not release the necessary raw materials, - steel and spelter, - for the manufacture. All is wanted for the purposes of war.

8. par. 13. With the loss of the s.s. "Bogota" by submarine attack a few days ago, the difficulties of the P.S.N.Co. will be increased. The prospect of their providing a cargo steamer for London direct is by no means bright. So far the shipment of wool to London, via Liverpool, by the Mail steamers is all they have been able to promise for next season.

9. par. 14. I am sure the Board will be pleased to note the progress made in the important work of repairing the hulks mentioned.

10. Enclose please find completed agreements for the purchase of sheep with the following:-

Holmsted & Blake, Ltd.
 J.L. Waldron, Ltd.
 Packe Bros. & Co.
 John H. Dean.
 Vere Packe.
 George Bonner & Co. Ltd.

Messrs. Waldron have not been brought into line without some difficulty, and only after giving them a definite assurance that their sheep, - if ready, - shall be the first taken from the West, and that they will be passed through the Works with the least possible delay after delivery at ~~the~~ Egg

1172. 22.11.16.

Harbour. In view of the trouble this year we need not emphasize the importance of carrying out this arrangement. A copy of their letter of the 14th inst., and our reply, is enclosed. Please attend to their wishes with regard to advising Mr. Evans when you expect to be ready to take delivery. Mr. William Stickney is agreeable to sell us his surplus, provided that shipment can be effected at Fox Bay. He states that the s.s. "Neuqueen" loaded sheep there from the jetty, and if that is so, there should be no difficulty in meeting his wishes. Please let us have Capt. Saanum's views as to the necessary facilities at that port. This plan will clearly entail longer steaming for the "Falkland", but it has been arranged with Messrs. W. Lowden & Co., that the usual rate of 1/- per head will be paid for freight. Mr. Stickney has been told that we are prepared to ~~sk~~ consider any contract entered into as null and void if it is found that we cannot meet his wishes as regards shipment from Fox Bay. If Fox Bay is available, it might be an inducement to Baillon & Stickney and Dean & Anson to send us their sheep, but please note we do not wish to encourage the shipment from that port in preference to Port Howard.

11. The declaration of the 15% bonus has made a good impression all round, and much appreciation has been expressed by those interested, as you will see from the copies of letters sent herewith.

12. From the accounts you will gather we have settled with Messrs. Waldrons the balance and bonus due them, on their figures which appear to be based on your statement of 24th April. In your later statement, 1% is deducted for "drivers," but as this was not in the agreement with them, we cannot attempt to maintain it.

13. The marine insurances effected, covering the "Gwendolin" and "Lafonia", expire on the 19th instant and

1172. 22.11.16.

12th prox. respectively. Hitherto, as you are aware, it has been the practice to ~~we~~ obtain a recovery of premium for laid up time, which, if continuous throughout the year, leaves the nett cost of insurance about £2.12.0% per annum. The lowest rate obtainable to cover them in harbour while laid up is £3%. Under the circumstances, and in view of the very slight risk being run while lying idle in harbour, it has been decided not to renew the ordinary policy, but to cover under our Underwriting account £1,000 on each. Therefore please note that in the event of either being put in commission for coasting employment, it will be necessary for you to advise us by cable so that cover protecting us against the outside risk may be obtained.

14. I am very surprised to receive your cable, this morning, dated yesterday, advising that the Mail,- per "Orita",- had arrived without any letter from us. Our usual registered package was handed in at the Gracechurch Street Post Office in good time on the 13th October, and we hold the usual official receipt, and moreover were assured that it was in good time to catch the Mail. A communication has been addressed to the Secretary of the Post Office on the subject, asking for an explanation of the delay, and all information received will be sent you later.

15. I am sorry to report that we received advice from the P.S.N.Co. yesterday that the "Corcovado", after leaving Liverpool on the 11th inst., encountered weather so severe, that considerable damage on deck was sustained, and ^{she} had to return there for repairs; ~~and~~ when she will get away is uncertain. We understand that one of Mr. Bonner's rams was so badly injured that it had to be killed.

I am, Sir,

Your obedient servant,

E. S. Seward

Secretary.

Enclosures via Liverpool.

DUPLICATES

Despatch No. 1171 dated 8th November.

List of Cargo per S.S. "Orita"

Remarks on Stores

Remarks on Accounts.

Account Current dated 6th November.

List of Enclosures.

List of Parcels

Proforma list of Clients Cargo per S.S. "Corcovado"

General Invoice goods per S.S. "Orita"

Clients' Invoices goods per S.S. "Orita"

Clients' A/sales:-

J B L	2	casks	Tailow	ex	"Kenuta"
Z	3		"		"
H	9		"		"
H W	21		"		"
M V	1		"		"

ENCLOSURES VIA LIVERPOOL

ORIGINALS

- 1 Copy of Cablegrams received dated 11th & 21st November
- 2 Copy of Cablegrams sent dated 17th & 22nd November.
- 3 Wool market reports.
- 4 Copy of letters received from J.S.Goodhart,W.Stickney,
L.Stickney,W.K.Cameron re sale of Sheep for
1917 Canning.
- 5 Bills of Lading cargo per S.S.Coreovado"
- 6 Allotment Letter and request for transmission of
Dividend Warrants for McNicoll's signature.
- 7 Copy of letter from J.L.Waldron,Ltd.dated 14th Nov.
& their reply of the 21st November.
- 8 Contract for carrying Bonner's Rams per "Coreovado"
- 9 General Invoice goods per S.S.Coreovado"
- 10 List of General Cargo per S S."Coreovado"
- 11 Signed contracts for sale of sheep for 1917 Canning.
G.Bonner & Co.,Ltd.
Holmsted & Blake,Ltd.
Packe Brothers & Co.
John H.Dean.
Vere Packe.
J.L.Waldron,Ltd.
- 12 Sight draft for £ 58 . 12 . 3 on J.Kirwan for collection
B/L attached.
- 13 Account Current and vouchers.
- 14 Remarks on Accounts.
- 15 Remarks on Stores.

Letters for the following:-

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

LONDON 22nd November, 1916

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The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)
REGISTERED 1902.

61, Gracechurch Street.

Per "Ortega",

N^o 1173.

London, E.C. 27th December, 1916.

Sir,

I wrote you last on the 22nd ultimo, and received your despatch no. 524, dated 9th November, and also your letter of the 10th, on the 13th instant.

2. Cables exchanged, as per forms enclosed, are confirmed.

3. par. 2. The safe arrival of the Welsh Stallions at Darwin is noted with satisfaction. When we hear that the one for Hill Cove is safely landed the return premium on the policy can be claimed.

4. par. 3. I am unable to give you the opinion of the Board on your remarks, as it has not met since the arrival of the Mail. I would however point out that your comments, and those of the medical men quoted, are aimed especially at determining whether the illness in question was, or was not, beri-beri. The feeling here is that it is a very immaterial point, and the one thing to concentrate on is the discovery of the cause of the illness whatever it may be.

5. par. 4. I have to thank you for much useful information and details relative to the Goose Green water supply, jetty, and lighters. It is clear the jetty will not be ready for the first shipments of wool, and it is hoped that no time will be lost in pushing on with the work immediately after shearing.

With regard to the water requirements during the Canning Season, - viz. 12,000 gallons per day, - I shall be glad to know if any system of condensing the used steam exists. If not, has Mills any suggestion on the point to offer.

W. A. Harding, Esq.,

Manager,

Port Stanley.

1173. 27.12.16.

6. par. 6. As previously mentioned, there has been no meeting of the Board since the receipt of your despatch, and I must therefore defer answering your question re Dr. Wace's agreement until next Mail.

7. par. 7. It would never do to follow Mr. Greece's suggestion to render one stock sheet for the East and West Stores; separate totals at each place as at 31st December are absolutely necessary for declaring the value at risk on each building for insurance purposes.

8. Enclosed I send you two copies of the report received from Messrs. Babcock & Wilcox, Ltd., on the sample of water from Goose Green. It is important that Mr. Weiss should have a copy of this as it will be of value to him in connection with the making of extract. I also send you copy of correspondence with Messrs. Babcocks and Frank Pearn & Co., relative to fitting the soda ash pump. You will see from this that Pearns cannot arrange an attachment to the existing pump, and have recommended a small $\frac{7}{8}$ " ram wall set, as per illustration herewith. This proposal has been approved by Babcocks, and the pump, - and also the soda ash, - have been ordered. Shipment is delayed pending the issue of the Ministry of Munitions Priority Certificate. No machinery is now obtainable until that Authority, being satisfied that the goods in question are of national importance, has issued a class B or class C certificate to the manufacturer. Then only can a Permit to ship be applied for. This will give you some idea of present restrictions and difficulties, all entailing delays in shipment.

~~to~~ 9. Herewith please find a copy of contract for the sale of Messrs. Stickney Bros. sheep, which is to be considered null and void if they cannot be taken at Fox Bay. In this connection, please note the Board is not prepared to be at any expense for making the jetty there available for the work should it prove to be otherwise.

10. In the absence of any advice from you on the subject, it has been somewhat of a surprise to receive from Mr. G. J.

1173. 27.12.16

Felton a letter, - copy enclosed, - protesting against the credit statement rendered to him, on a weight basis, for his sheep, and maintaining that an agreement was come to with you at a price per head. You will see from our reply ~~you~~ that we have referred Mr. Felton to you, and can hardly think, in view of the explicit instructions issued from the Board, that his contention will prove correct. Meanwhile, it is interesting to note that the soundness of the weight basis of buying is most clearly demonstrated from the figures he has put forward, for, as against his average price of $\begin{smallmatrix} s & d \\ 8 & 2 \end{smallmatrix}$ each, the actual weighing proves their value to have been $\begin{smallmatrix} s & d \\ 6 & 1 \end{smallmatrix}$. Again, he claims that only 98 out of 3098 were scrags, whereas we have proof that 1309, practically a third of the whole, weighed under 40 lbs.

11. Enclosed please find copy of letter, dated 22nd instant from Mr. Connell, and one of the 21st from the P.S.N.Co. to Lowdens on the subject of the shipment of produce homeward. You will note that they promise to lift all available for shipment by the Mail steamers, provided you give timely indication to Valparaiso of the tonnage to be lifted. If this is honestly carried out, assent will probably be given to continue the payment of 30/- per ton over our contract rates.

12. It has been realized by the Board for some time past that some improved and quicker method of dealing with our sheepskins should be adopted, and in view of the increased quantity likely to be available annually for treating in future, the present is an opportune moment to take the matter in hand. As you are aware, under present practice, owing chiefly to climatic conditions, nearly twelve months often elapse between killing and marketing. The annual loss of interest alone therefrom, - for 12 months, - on 40,000 skins at say $\begin{smallmatrix} s & d \\ 5 & 3 \end{smallmatrix}$ net, @ $5\frac{1}{2}\%$ equals £577. The alternatives open to us appear to be limited to finding some artificial means of drying the skins more rapidly, or, installing at Goose Green a slipping process, and dealing with the skins immediately after killing, and shipping home the dried wool and the pickled pelts separately.

1173. 27.12.16.

As regards the first proposition, although enquiries have been made in many quarters, we have so far been unable to learn of any artificial system of drying which is being worked with complete success. The slipping process, we understand, is being carried on satisfactorily in at least one meat works near Punta Arenas. It occurs to us that perhaps Mr. Weiss has had experience of the process, and if not, it is desirable that he should on his next trip to the Coast thoroughly investigate the matter, and then write a report to the Camp Manager for the information of the Board on the subject, giving his recommendations for the complete instalment of the process at Goose Green, and the future carrying on of the work.

Please pass the above remarks on to him, and ask him to bear in mind when making his recommendations, plans, and suggestions, the probability that sooner or later it may be decided to freeze all suitable sheep at Goose Green, in which case the canning and freezing processes will be carried on in conjunction.

The Board would also like to receive from Mr. Weiss, in the same manner, any plans and suggestions he has to offer for the preservation and utilization of the large quantity of blood and scrap at present wasted. We are informed that with a quite inexpensive and simple system of wood tanks through which steam coils are passed, the blood can be so dried that the residue can be used as a fertilizer. Such tanks might be made in the Islands of P.A.wood. We have been in correspondence with makers of plant for this purpose, and there is little prospect of being able to obtain anything for the purpose here until after the war; if wood tanks are suitable, probably only a crusher will be necessary to complete the plant. With reference to the "scrap", that is, the refuse from the digesters, we hear that this is all turned into manure at the San Gregorio Works, possibly also at the Rio Seco, and finds a ready sale both locally, and for export to the West Coast. We understand

1173. 27.12.16.

when the scrap comes from the digesters it is passed through a hydraulic press, whether it is then dry enough for export or whether it needs artificial drying is a matter Mr. Weiss should investigate. We are anxious to make use of all the Goose Green refuse ^{which} for so many years has been recklessly wasted.

Please pass on a copy of the foregoing remarks to Mr. Townson, as well as to Mr. Weiss.

You may intimate to Mr. Weiss that if as the result of his investigations at Punta Arenas an efficient system of slipping can be established at Goose Green, it will pecuniarily be of great advantage to him; we trust there that he will thoroughly go into the question.

I am, Sir,

Your obedient servant,

C. B. Goodall.

Secretary.

DESPATCH no.1173, per "ORTEGA", 27TH DECEMBER, 1916.

Precis of Subjects

1. Acknowledges despatch no.524, and letter of 10th Nov.
2. Confirms cables.
3. Notes arrival of Welsh Stallion Obs.
4. Refers to flour and illness in Islands.
5. Acknowledges information re Goose Green. Inquires if condenser exists there.
6. Dr.Wace's request re agreement to be answered next Mail.
7. East and West Store stocks must be separately valued.
8. Refers to correspondence with Babcocks and Pearn's re soda ash pump.
9. Encloses Stickney Bros. sheep contract.
10. Refers to letter of complaint from G.J.Felton.
11. Encloses letters from Lowdens and P.S.N. re lifting produce.
12. Calls for report and recommendations from Weiss re slipping skins, and saving blood.

Enclosures via Liverpool

Duplicates

- Despatch No.1172 dated 22nd November,
- List of Enclosures
- Remarks on Accounts
- Remarks on Stores
- List of General Cargo per S.S."Corcovado"
- General Invoice goods per "Corcovado"
- List of Parcels
- Proforma List of Clients' Cargo per "Orissa"
- Account Current dated 22nd November
- Second of Exchange for £ 58 . 12 . 3 with B/L attached
- Clients' Invoice goods per "Corcovado"

Vere Packe	06	.	3	.	6
Arthur F.Cobb	1		5		7
Dean & Anson	123		15		10

Clients' A/sales :-

D S	46	bales Wool ex "Kenuta"	
	73	"	"
Z	1	"	"
R B C	10	"	"
J B L	5	"	"
H W	22	"	"
W E D	99	"	"
HP	77	"	"
J B	72	"	"
D S	2	bales Skins ex Kenuta"	
G I			
McG	12	"	"
S	5	Salted Hides	"
Z	12	"	"
J B L	2	"	"
W E D	5	bales Skins	"

ENCLOSURES VIA LIVERPOOL.

ORIGINALS.

- 1 Copy of Cablegrams sent dated 9th & 15th December.
- 2 Copy of Cablegram received dated 22nd December.
- 3 Wool market reports.
- 4 List of General Cargo per S.S."Orissa"
- 5 General Invoice Goods per S.S."Orissa"
- 6 Bills of lading cargo per S.S."Orissa"
- 7 J.G.Aldridge's cheque for £ 10 returned for endorsement
- 8 Copy of Babcock's report & analysis on the sample of
Goose Green Water.
- 9 Copy of letter to R.L.Connell dated the 19th and his
reply of 22nd December & enclosure re wool shipment
for 1917.
- 10 Copy of letter from C.G.A.Anson dated 17th December.
- 11 Copy of letter from Aming & Cobb dated 16th November
re damaged Hides ex "Kenuta"
- 12 Stickney Brothers' signed agreement for the sale of
sheep for 1917 Canning.
- 13 Detailed particulars of the Old Metal ex "California"
- 14 Allotment letter &c.for Exchequer Bonds for A.E.Felton's
signature.
- 15 Copy of letter to the Civil Service dated 23rd and their
reply of the 24th November.
- 16 Correspondence between Messrs Pearn & Babcock re Soda
pump.
- 17 Account Current & Vouchers.
- 18 Remarks on Accounts.
- 19 Remarks on Stores.
- 20 Annual Colonial Report for 1915.
- 21 Crosse & Peyton's Invoices for Hill Cove.
- 22 Copy of letter from G.J.Felton dated -October & our
reply of the 27th December re sale of sheep.

23 Extract from Despatch on Canning Products for Mr Townson
and Mr Weiss.

Letters for the following:-

W.A. Harding

W.H. Townson

A.L. Allan

James Houston.

London 27th December, 1916

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The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER (1851)
REGISTERED 1902.

61, Gracechurch Street,

Per "Magellan"

N^o 1174

London, E.C. 8th February, 1917.

Sir,

Since writing you last, on the 27th December, no mail from the Islands has come to hand. The "Orita" was expected to arrive on the 6th, but so far we are without news of her. Owing to the activities of the enemy, the Authorities no longer permit the newspapers to publish any dates of the closing of outward mails, and the usual lists, giving particulars of same, are not exhibited in the Post Offices. The Pacific Company informed us that the next, outwards, would be the "Orita" on the 5th March, but only an hour ago we were advised that the Government had instructed them to land one at the Falklands by the "Magellan" leaving Glasgow on Saturday. As the latest time for posting will be 5 p.m. tomorrow, it will leave little time to answer your incoming despatch should it be delivered before then.

2. Cables exchanged between us are confirmed as per forms enclosed.

3. It was a considerable relief to receive your messages of the 24th and 28th January advising shipments by the "Oronsa" and "Corcovado", and although the promised space of 1,000 tons in each does not appear to have been fully available, it is very satisfactory that such a good start has been made with the new crop. From your cable of the 5th instant, asking us to insure Mr. Allan's goods by the "Orissa", we concluded that that vessel was then about leaving your port, and were hopeful

James Houston, Esq.,

Manager,

Port Stanley.

1174. 8.2.17.

of hearing later that she, too, had shipped produce. For many obvious reasons it is most desirable to get all, especially wool, forward as soon as possible. As you will doubtless have seen from the newspapers, the Government have commandeered the New Zealand and Australian wool; so far nothing has been done with the Falkland supply. It is generally considered that the small quantity would not warrant similar action being taken.

4. Referring to par.6 of your 524, Dr.Wace's request in connection with the wording of his agreement was considered at the last Board Meeting. It was agreed to authorise you to add the following words to clause 3. After the words

"place himself under the orders of the
"Company's Station Manager there"

add

"so far as regards the management and
"discipline of the Camp Establishment,
"but to have a free hand in the exercise
"of his professional duties subject to
"the terms of this agreement."

9th February, 1917.

5. The mail by the "Orita" was delivered late yesterday afternoon, and I have to acknowledge receipt of your despatch no.525 of the 3rd ultimo, and also your letter of the 5th. It will be impossible to reply in detail by this opportunity, and this must be deferred until next ourward mail.

6. par.15. Your suggestion re the "Lady Elizabeth" is certainly worth following up promptly. I have little doubt, now that the cargo is discharged, that the Board will be quite ready to consider the question of selling the vessel if an offer at anything like current values could be obtained. I am communicating with Mr.Connell on the subject today, and the matter will be brought before the Directors at the Meeting to be held on Tuesday.

7. With regard to the wish expressed in a separate note
^{as}
~~you have referred~~ to the desirability of employing Moir's

1174. 8.2.17.

son in the office in Stanley. After consultation with the Chairman, I am instructed to say that you have full liberty to act as you think best in the matter.

8. pars.2 & 10. Your remarks confirm our investigation, and there is evidently no document in existence to which we can point stating that 15% discount was to be allowed. From the copies of correspondence enclosed, (P.S.N. letter of 2nd January, 1917 and our reply of the 9th) you will see I have taken up the position that precedent has established our right.

9.. I presume that, following on Mr. Harding's ~~departure~~ departure, you will have made the necessary applications for the various Agencies and Consulates previously held by him.

10. It has been usual to make every five years a schedule and valuation of all the Company's buildings and floating property in the Islands, but, owing no doubt to abnormal conditions, this has not been done since December, 1909, when Mr. Cobb was in Stanley. Please keep this in view, and let us have your schedule of same as soon as you are able to deal with the matter.

I am, Sir,

your obedient servant,

C. B. Goddard

Secretary.

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DESPATCH No.1174 per S.S."Magellan", 8th February,1917

Precis of Subjects.

1. Reports non arrival of "Orita" mail.
- 2 Confirms cables.
- 3 Shipments per "Corcovado" & "Oronsa" staisfactory.
- 4 Amendment to Dr Wace's agreement authorised.
- 5 Reports arrival of "Orita" mail
- 6 Re suggestion to sell Lady Elizabeth.
- 7 Employments of Moir's son left to your discretion.
- 8 Re 15% discount on Chillians passage money.
- 9 Re Applying for Agency held by W.A.Harding.
- 10 Re Valuation of Property in Islands.

Enclosures via Liverpool.

DUPLICATES.

Despatch No. 1173 dated 27th December, 16

List of Enclosures

Remarks on Accounts.

Remarks on Stores

List of Parcels.

Proforma List of Cargo per S.S. "Ortega" (Clients)

List of General Cargo per S.S. "Orissa"

General Invoice goods per S.S. "Orissa"

Dean & Anson's invoice goods per S.S. "Orissa"

Account Current dated 27th December, 16

Clients' A/sales:-

Client	Quantity	Unit	Description
Heart	6		Salted Hides ex "Kemta"
B & F	24	..	..
W P	6	..	..
S & S	22	..	..
S	33	..	..
Z	37	..	..
H	10	..	..
B	14	..	..
J B L	127	..	..
McG	96	..	..
J S	4	..	..

Enclosures per "Magellan"

Originals

- 1 Copies of Cablegrams received dated 13th & 28th January & 4th February.
- 2 Copies of Cablegrams sent dated 12th & 26th January.
- 3 List of Cargo per S.S. "Ortega"
- 4 General Invoice goods per S.S. "Ortega"
- 5 Bills of Lading General Cargo per S.S. "Ortega"
- 6 Morton's invoice for Mill Cove Stores per "Ortega"
- 7 DuCroz Doxat & Co's priced Wool catalogue of 13th January sale.
- 8 Amning & Cobb's priced Tallow catalogue of 24th & 31st January sales.

Clients' Reports:-

- 9 H & B 3 bales Wool ex "Ortega"
- 10 B B 18 ,, ,,
- 11 S 12 ,, ,,
- 12 J R 38 ,, ,,
- 13 S & S 26 ,, ,,
- 14 M V 19 ,, ,,
- 15 M & G 32 ,, ,,
- 16 B 2 ,, ,,
- 17 T R 3 ,, ,,
- 18 H G C 16 casks Tallow ,,
- 19 H & B 9 ,, ,,
- 20 R B C 6 ,, ,,
- 21 H 5 ,, ,,
- 22 H W 13 ,, ,,
- 23 B 10 ,, ,,
- 24 W P 33 ,, ,,
- 25 A F C 1 ,, ,,
- 26 Sundry circulars &c. relating to advance of prices of general stores .
- 27 Account Current and vouchers .
- 28 Broker's report on Co's Tallow ex "Ortega"

29 Remarks on Stores.

30 Copy of letter to the Pacific Steam dated 9th January re
Rebates of fares to and from Port Stanley.

Letter for S. Miller

LONDON 9TH FEBRUARY, 1917

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The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.
REGISTERED 1902.

61, Gracechurch Street.

Per "Orita"

N^o 1175

London, E.C. 7th March, 1917.

Sir,

I wrote you last on the 8th ultimo, and have since received, - on the 26th ultimo, - despatch no. 526, dated the 19th January, 1917.

2. In view of the increased activity of the German submarines, it was with considerable relief that we heard of the safe arrival of the ~~KORINTH~~ "Oronsa". Her cargo is now being discharged, and we are hopeful of selling the wool she brings by private treaty in Liverpool. This will save the Company the expense of coastwise shipment to London, and the country, the unnecessary employment of tonnage round, and extra railage from London, to the Yorkshire district where it will probably be used. Such economies are, at the moment, of national importance.

3. Cables exchanged are confirmed on the usual forms enclosed.

4. I will first deal with matters which were left over, pending the Board Meeting, from last despatch.

5. 525. par. 3. The increase of £50 in Moir's salary is authorised as from the 1st March, 1916.

6. 525. pars. 4 & 7. The satisfactory settlement of the Camp and Stanley wages unrest was noted with much pleasure by the Board.

7. 525. par. 6. I note that Mr. Hobbs could not have superintended the shipment of the horses from the Coast, and the suggestion to send some one to take deliver there, and

James Houston, Esq.,

Manager,

Stanley.

1175. 7.3.17.

accompany them to Stanley, appears to be the only way to ensure proper handling. The story of this venture from the beginning, to Mr. Allan's leaving, is regarded by the Board as little short of disastrous, for, from all accounts received, it appears doubtful if there is more than 25% of the original shipment remaining on the Farm.

8. 525. par.13. The question of Fox Bay shipment of sheep was considered at the last Meeting of the Directors, and it was decided, in view of the additional expense and risk, that the idea should be abandoned. A cable was accordingly sent you to this effect on the 14th ultimo.

9. 525. par.15. The suggestion to sell the "Lady Elizabeth" was discussed, and it was agreed that if a satisfactory offer could be obtained for her as she lies, it would be accepted. The matter has been placed in Mr. Connell's hands to submit the best offers obtainable, and we may have to cable you shortly for information as to her present condition.

10. 525. par.18. In the opinion of the Board the commuting of the Company's subscription to a fixed one of £150 per year might have the effect of discouraging contributions from others. It has therefore ^{been} decided to continue, as heretofore, to pay a sum annually equal to one half of the total amount subscribed by others, and to authorise you to pay £30 quarterly on account of this; the balance due to be adjusted at the end of the year.

11. 525. par.20. As already advised, the shipments effected by the "Corcovado" and "Oronsa" are most satisfactory. It is especially pleasing to note the serious efforts made, under instructions from Valparaiso, to keep faith with you as regards space promised. It may be taken as a good omen of the better intentions of the new regime, both there, and at headquarters in Liverpool.

12. 525. par.21. I am much obliged for the copies of correspondence with the Registrar in connection with the Estate of the late Mr. G. A. Cobb.

1175. 7.8.17.

13. 525. par.22. The s.s."Falkland" certainly had a very
526. " 3. near shave from serious damage, if not from total loss, and it
is evident that Capt.Saanum's prompt action alone saved the
ship. The expeditious way in which the repairs were effected
in Stanley reflects great credit on all concerned.

Messrs.Lowden Connell & Co.,- the new style of the firm,-
will advise you that they have engaged a Capt. H.A.Johnsen to
go out as first mate, and we had the pleasure of an interview
with him a few days ago. He strikes us as being a very
superior and suitable man, with a particularly charming manner,
and there is no doubt he will be thoroughly competent to
succeed Capt.Saanum when the latter desires to go, after ac-
quiring under him a thorough knowledge of the coast. He has
held command, and given every satisfaction, in first class
employs in this country, but owing to the fact that he is a
Norwegian born,- although naturalized ^{here} ~~in this~~ about thirty
years ago,- the Admiralty secret sailing instructions cannot
be given to him, and he has therefore been forced out of home
service. It is assumed that this disability will not arise
in the Falkland coasting trade.

14. 526. par.4. Your cable message of the 26th ultimo
was duly received, commencing with the figures 836, which we
have interpreted as signifying that the balance of profit
shown on the Stanley account to 31st December last amounts to
the satisfactory figure of £33,600.

15. 526. par. 5. The arrangement made with Mills has
the approval of the Board. Should the second engineer of the
s.s."Balgray" apply for the post of engineer on the "Falkland",
I note that you consider him suitable.

16. 526. par.8. The rumour to which you refer was
evidently the origin of the anxiety about the "Ortega". It
explains the notice which appeared in the papers here shortly
after to the effect that the owners of that vessel had word
of her safe arrival at destination,

17. The Board is not prepared to grant the application

1175. 7.3.17.

made by Mr. Allan in his letter of 24th December for passages from England to New Zealand. It has already agreed to credit him with the cost of passages for himself, wife and daughter to England, where he is coming for his own convenience, and there is no reason why the Company should pay for the double voyage, Falklands to England, and England to New Zealand, when the more direct route to Panama, and thence to New Zealand, is open to him.

The New Zealand line of steamers now sail outwards, monthly, via Panama, and you will have gathered from my cable of the 12th ultimo that one of their vessels was leaving there on the 18th of March. I also asked you to warn Mr. Allan of the dangerous conditions of home waters, and that the new Government regulations prohibit women passengers being carried. If Mr. Allan comes to England she may be detained indefinitely.

18. 525. pars. 2 & 10. The P.S.N.Co. have just forwarded a cheque for £4251.13.0 for your credit. This, as our account shows, is in settlement of your account of 3rd January, - which included the claim for flour, £463.6.7, - less the commission on Government passages written back, and the difference between 15% and 10% commission on the Chileans' passage money. It is very satisfactory to have obtained a settlement of the flour claim, and in view of the fact that no documentary evidence can be produced to show that the Company is entitled to 15% discount on passages, we propose now dropping the matter. The P.S.N.Co. are showing a disposition to be more fair, friendly, and reasonable, and it is best to meet them in the same spirit.

19. Enclosed please find copy of a letter to the Secretary of Lloyd's in support of your application for their Agency in Port Stanley.

20. It is probable that long before this reaches you, you will have heard by cable that in view of the serious depletion of merchant tonnage through submarine warfare the Government, through the Food Controller, has thought it necessary to impose

1175. 7.3.17.

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much more severe restrictions to prevent food leaving this country. The new orders, issued within the last week, prohibit the export of practically all food stuffs, and to give you an idea of the extent of this order, I would refer you to the "Remarks on Stores", in which are detailed the goods on order for you, the shipment of which has been stopped.

We have appealed to the Authorities, but, so far, they are adamant, and merely reply, "With Chili close to the Falklands, the Islanders need not starve". It really looks as though, for the present, it will be useless for you to rely on our shipments. This information will probably be cabled to you today or tomorrow.

21. 525.par.16. It is with much regret we heard of Creece's serious illness, and trust he is now making good progress towards complete recovery.

I am, Sir,

your obedient servant,

C. R. Goddard.

Secretary.

22. Herewith I send you the Company's Power of Attorney. You may at some future date find the necessity of having this in your possession.

23. Copies of correspondence between the Chairman and A. McCall, discussing the subject of the best position for the new Cookhouse, &c., at North Arm, is enclosed. Having regard to McCall's many years of experience on that section, it may be of some assistance to you and Mr. Townson in coming to a decision on the point.

DESPATCH no. 1175, per "ORITA", 7TH MARCH, 1917.

Precis of Subjects

1. Acknowledges despatch no.526 of 19th January,1917.
2. Reports arrival of "Oronsa".
3. Cables confirmed.
4. Matters left over from last Mail.
5. Moir's increase of salary - date of commencement.
6. Settlement of Camp and Stanley wages noted.
7. re shipment of Horses from Coast.
8. Fox Bay shipment of sheep abandoned.
9. "Lady Elizabeth" suggestion to sell under consideration.
10. re Sustentation Fund.
11. Satisfactory shipment "Corcovado" and "Oronsa" noted.
12. Acknowledges correspondence re G.A.Cobb deceased.
13. "Falkland" accident. Capt.H.A.Johnsen going out as mate.
14. Acknowledges cable re profits to 31st December,1916.
15. re arrangement made with Mills.
16. re "Ortega's" safety.
17. Allan's application for p/M England to N.Z. not granted.
18. Settlement of flour claim by P.S.N.Co.
19. Correspondence with Lloyds re Agency.
20. Food Controller's prohibition.
21. Encloses Power of Attorney.
22. Correspondence between McCall and Chairman re N.A. cookhouse.

will re wages agreement

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Enclosures via Liverpool.

Duplicates.

Copy of Despatch No. 1174 dated 8th Febr'y.

Remarks on Stores.

Account Current dated 9th February.

List of cargo per S.S. "Ortega"

Clients Invoices goods per S.S. "Ortega"

Dean & Anson 34 . 19 . 2

Vere Packe 15 . 3 . 9

General Invoice goods per S.S. "Ortega"

List of Enclosures.

Clients Reports & A/sales:-

K & B	3 bales Wool ex "Ortega"		
B B	18	..	..
S & S	23	..	..
B	1	..	..
M & G	32	..	..
T R	3	..	..
S	12	..	..
H R	37	..	..

Clients Reports :-

W P	33 casks Tallow ex "Ortega"		
B	10	..	..
E W	13	..	..
H	5	..	..
R B C	6	..	..
A F C	1	..	..
H G C	16 casks		..

Enclosures via Liverpool.

Originals

- 1 Copies of Cablegrams sent on 12th & 14th March.
- 2 Copy of Cablegram received on 26th February.
- 3 Capel & Co's invoice for Rev. Migone.
- 4 Copy of letter from the Pacific Steam Navigation Co.
dated 1st March.
- 5 Copy of letter received from Van Oppen & Co. dated
2nd. March.
- 6 Anning & Cobb's priced Skin Catalogue of 2nd March.
- 7 John Hoare & Co's priced Wool catalogue 16th Febry.
- 8 Account Current and vouchers dated 3rd March.
- 9 Remarks on Accounts.
- 10 Remarks on Stores
- 11 Power of Attorney in favour of Mr James Houston^t
- 12 Correspondence between Chairman & A. McCall re
North Arm Cookhouse.
- 13 Copy of letter to Mr Townson dated 7th March.
- 14 Copy of letter to Mr Weiss dated 7th March.
- 15 Letters for the following:-
 - (2) James Houston
 - Sydney Miller
 - H.W. Townson
 - F.H. Weiss

LONDON 7TH MARCH, 1917

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The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

67, Gracechurch Street,

Per "Potosi"

N^o 1176

London, E.C. 22nd March, 1917.

Sir,

I have just received information from the Post Office that the above vessel, now loading in Glasgow, will carry a mail to the Falklands. This affords an opportunity of sending you a short despatch.

2. Since writing you last on the 7th instant, I have received, on the 9th, your despatch No. 527, dated 2nd. Feb.

3. Cables exchanged are confirmed on forms enclosed.

4. par. 2. It was very satisfactory to learn that the "Oronsa" and "Coreovado" were able to take all the produce then awaiting shipment, and we are now daily expecting your cable advice of shipment per the "Magellan".

5. par. 3. As you will no doubt have heard before this, Mr. Allan came on to England in the "Orissa"; he called on us shortly after reaching London.

6. par. 4. It is extremely fortunate that Mr. Harding was able to overcome the Governor's scruples with regard to the landing of Weiss and the Chilians, otherwise the results would have been disastrous, for canning operations this season would have been impossible. The situation created again emphasizes the importance of having at Goose Green an understudy to Weiss, as referred to in my letter to you of the 2nd instant.

7. Enclosed I send you copies of correspondence with the P.S.N.Co., on the subject of the commission on passage money of the Admiralty Wireless men, written back in the settlement advised in par. 8. no. 1175. I fear that we cannot make good our claim.

James Houston, Esq.,

Manager,

Port Stanley.

1176. 22.3.17.

8. A copy of a letter, dated 20.3.17, from Lowden Connell & Co. is enclosed, pointing out that the freight from Punta Arenas to Stanley earned by the s.s. "Falkland" is not credited in the accounts for the vessel to 31st December last. It is necessary to know the amount so that the accounts to that date may be closed, and it may be necessary to cable you on the subject. In par.3 of your 522 the amount was approximately stated as over £450, and this may be sufficient information for the present.

9. The original of the lease of Lively Island, granted to the Trustees of the late H.H.Cobb, and Mrs.G.A.Cobb, is sent herewith for registration in the Colony. When this has been completed, please return here.

10. With regard to the appointment of a Stock Inspector to succeed Townson, it is appreciated that it would have been almost impossible for the Colonial Government to have secured the services of a fully qualified man. The Board however will be glad if you will bear in mind, for your future guidance when occasion arises and conditions are again normal, that it considers it of the greatest importance, and in the interests of all farmers, that only a fully qualified Veterinary Surgeon should hold the appointment. There are necessarily many responsibilities attaching to the office, with which only one so trained is fully competent to deal.

I am, Sir,

your obedient servant,

E. B. Soddard

Secretary.

DESPATCH no.1176, per "POTOSI", 22ND MARCH, 1917.

Precis of Subjects

2. Acknowledges despatch No.527 of 2nd Feb.'17.
3. Confirms cables.
4. Notes that "Coreovado" and "Oronsa" cleared up all produce.
5. Reports Mr.Allan's arrival.
6. re difficulty about Weiss and Chilians landing.
7. Encloses correspondence with P.S.N.Co. re commission on P/M of Admiralty employees.
8. Particulars wanted of freight P.A. to Stanley earned by "Falkland".
9. Enclosing Lively Island lease for registration.
10. re appointment of fully qualified Stock Inspector.

Enclosures via Liverpool.

Duplicates.

Despatch No. 1175 dated 7th March.

List of Enclosures

Account Current dated 2nd March.

List of Clients' Cargo per S.S. "Orita"

List of Parcels

Remarks on Accounts

Remarks on Stores

Clients' A/sales:-

S & S	2	bales Wool ex Ortega"	
E	1	,,	,,
J R	1	,,	,,
Z	1	,,	,,
M & F	9	casks Tallow	,,
H	5	,,	,,
R F C	6	,,	,,
A F C	1	,,	,,
L W	12	,,	,,
H G C	1	,,	,,
E	10	,,	,,
W P	22	,,	,,
H G C	14	,,	,,

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Enclosures via GLASGOW

ORIGINALS.

- 1 Copy of Cablegram sent dated 13th March,
- 2 Copy of Cablegram received dated 21st March.
- 3 Registered 6% Exchequer Bond for £ 500 (No.50992)
in favour of James McNicoll.
- 4 Original letter from H.E.Bennett to Mr G.Bonner
dated 20th January.
- 5 Lease of Lively Island for registration.
- 6 Copy of letter to the P.S.N.Co.of 8th and their
reply of the 9th March.
- 7 List of General Cargo per S.S."Orita"
- 8 General Invoice goods per S.S."Orita"
- 9 Bill of Lading Cargo per S.S."Orita"
- 10 Account Current and vouchers.
- 11 Remarks on Stores.
- 12 Remarks on Accounts.
- 13 Wool - comparison of Annual Yield 1906 to 1916
- 14 Brokers' press copies reports on Co's Wool ex "Oronsa"
Clients' reports:-
- 15 Z 129 bales Wool ex "Oronsa"
- 16 H & B 30 ,, ,,

Letters J.Houston,W.H.Townson,F.H.Weiss

London 22nd March, 1917

Enclosures via Liverpool

DUPLICATES

Despatch No.1175 dated 22nd March,17

List of Cargo per "Orita"

General Invoice goods per S.S."Orita"

Account Current dated 22nd March,17

Remarks on Stores

Remarks on Accounts.

List of Enclosures

Clients' A/sales:-

J R	1	bale	Sheepskins	ex "Ortega"	
A F C	1	"	"	"	"
W B D	8	"	"	"	"
S & S	5	"	"	"	"
H	1	"	"	"	"
W P	5	"	"	"	"
R B C	4	"	"	"	"
Z	5	"	"	"	"
T R	9	"	"	"	"
S	3	"	"	"	"
E B	2	"	"	"	"
M V	2	"	"	"	"
McG	20	"	"	"	"
H & B	9	casks	Tallow		"

Clients' Invoices :-

Vere Packe	£ 26 . 2 . -
Dean & Anson	£125 .11 .11
Speedwell Idls.Co	£ 42 .15 . 4

ENCLOSURES VIA LIVERPOOL.

ORIGINALS.

- 1 Copies of Cablegrams sent dated 28th, 30th March & 25th April
- 2 Copies of Cablegrams received dated 30th March, 13th April & 1st May.
- 3 Copy of letter dated 26th March from the War Trade Department re. exportation of Foodstuffs.
- 4 Brokers' press copies - contract Wool sold ex "Oronsa"
- 5 Copy of letter from Auning & Cobb dated 20th April re Sheepskins ex "Oronsa"
- 6 Priced Sheepskins catalogue of 20th April.
- 7 Copy of letter received from E.C. Jameson dated 19th April.
- 8 Record of Lambs born under Mr Mathews & Mr Allan's management
- 9 Certificates &c. for 5% War Stock 1929-1947 as detailed in remarks on Accounts.
- 10 Supplementary Account Current, to 31st December, dated 30th April.
- 11 Account Current dated 30th April.
- 12 Remarks on Accounts.
- 13 Remarks on Stores.
- 14 Suggested Form - Showing loss in Lambs (4 copies)
- 15 Particulars of Wool weights 1906 to 1916.
- 16 Copy of ^{Mr Blake's} letter dated 24th April to H.W. Townson, also ours of the 2nd May.
- 17 Letters for the following:-
 James Houston (3) H.W. Townson, H.H.R. Gresham,
 Sydney Miller, Mrs Orissa Dean (2), H. Waldron (2)
 Mrs Scott (2), Mrs Hansen (2), Morrison & Grant (2),
 A.E. Felton (2), J.G. Felton (2), G. Greenshield (1),
 W.H. Juxton (1).

London 2nd May, 1917

Indices.

DESPATCH no.1177, per "ORTEGA", 2ND MAY, 1917.

3

Precis of Subjects

1. Acknowledges despatches 528/30 of 23rd Feb. to 10th March.
2. Confirms cables.
3. Accounts despatch dealt with in no.1178.
4. Steam Condensing plant at Goose Green not warranted.
5. re Engineer at Goose Green - Redmond's responsibilities.
6. Notes Mr.Harding's interview with Norwegian re refuse.
7. The restrictions re export of food stuffs.
8. P.S.N.Co's arrangements for lifting wool.
9. Mr.Houston's receipt to Mr.Harding for cash, and inventory to hand.
10. re your Power of Attorney.
11. re transference of office - Harding to Houston - latter's agreement.
12. re Brynkinalt coal per "Inca" proving unsatisfactory.
13. Mr.Weiss's letter not quite clear.
14. re Dr.Wace's letter condemning Goose Green, and his house.
15. re Canning, Tinplates, and Luxton's sheep.
16. Suggestion re paying Chilians approved.
17. re "Lady Elizabeth" - proposed sale.
Better discharging facilities at Stanley jetties.
18. re delays in collecting Pebble & Keppel produce.
19. Enclosing statistics of lamb losses - suggested Government return.
20. Acknowledges cable re tinplates.
21. "Lady Elizabeth" damaged by "Corcovado's" crew.

1177. 2.5.17.

7. 529. par.14. It is a relief to know that you have been kept posted by the Governor as to the new restriction on the export of food; this will have given you timely notice to cover your more urgent requirements from the Coast. For your information, a copy of letter, - dated 26th March, 1917, - from the War Trade Department on the subject is enclosed.

8. 529. par.16. The cancelling of the "Magellan's" call at the Islands was most unfortunate, but in view of recent shipping losses, we are lucky to have made the shipments per "Oronsa" and "Corcovado". The latter vessel, I am pleased to report, arrived safely in the Thames on the 30th ultimo. The arrangements made at Valparaiso have evidently been again varied since your letter was written, as it is clear from your cable of the 17th April that the "Orita" must have shipped the wool and meats advised on her outward voyage. This looks as though she will return via Panama, and insurance has been effected accordingly.

9. 529. par.17. The receipt given by you to Mr. Harding for the cash taken over from him, and also the inventory of furniture at Stanley House, are both to hand.

10. 530. par. 1. I am glad to note the Government recognized without any question the Power of Attorney granted to you by Mr. Harding. This will now be ^{superceded} ~~suspended~~ by the one conferred by the Board sent you last mail.

11. 530. par. 2. The Directors were pleased to receive your testimony of the willing assistance rendered by Mr. Harding in the transference of his office.

The Board considers that an agreement should be executed between the Company and yourself, and this will be drafted and sent to you.

12. 530. par. 3. I am sorry to hear the unsatisfactory report on the coal sent out by the "Inca". It was from the Brynkinalt Pit, North Wales, and was especially asked for by us on the strength of the remarks in par.6 of Stanley despatch

1177. 2.5.17.

no.499, in which it was described as being equally useful for steam and house purposes. It is now evident that in those remarks Mr.Harding must have been considering its use in ordinary steam boilers where more than one furnace is fitted,- such as the "Samson" for instance,- and not especially for the Babcock boiler at Goose Green. On the other hand, it may be that the quality supplied has greatly deteriorated owing to labour difficulties incident on the war. If you could only see the rubbish delivered in London nowadays for best coal, you would be able to appreciate the position. However, it is perfectly clear from Mills's able report that it is unsuitable for the Babcock boiler, and doubtless before next Canning season you will advise us if you wish a supply sent.

13. 530. par. 4. Mr.Weiss's letter was before the Board, but the Directors were faced with the same difficulty as you describe. They were unable to understand exactly what he is asking for. In his letter of the 23rd June,1916, he applied for a three years contract at £500 per annum, and passages to Australia. The Board granted the three years contract, and in consideration of their being unable to agree to pay passage money to Australia, made his salary £550 per annum, i.e. £50 per year more than he had asked, which, for say three years, would approximately be the equivalent of the passages. As you are aware, until the above increase was granted, he was paid £450 annually, and a gratuity of £50., vide par.4 no.1139, and the ordinary bonus. If you will go into the matter with Mr. Weiss, and advise what he wants, ~~the matter~~^{it} will receive the full consideration of the Board.

With regard to the investigations Mr.Weiss has been asked to make in connection with utilizing waste products, the treatment of skins, etc., I have already advised (par.12/1173) that the Board is prepared to suitably recognise this special work. It is hoped that you will be able to arrange for him to go to the Coast to make all the enquiries there he may think desirable.

1177. 2.5.17.

14. 530. par. 5. The letter from Dr. Wace is most unpleasant reading, for it clearly breathes a bad spirit throughout. In the opinion of the Board his sweeping condemnation of the Goose Green arrangements are the most serious part of it, and I will therefore deal with that first. Dr. Wace arrived in Darwin in December, 1912, and was therefore in the position of the Company's sole Medical Officer on the Camp during the Canning seasons in 1913, 1914, 1915 & 1916, in each of which years the Chilian hands were imported and housed. Dr. Wace's letter implies that the conditions which he condemns are normal to the working there, and consequently they have not arisen for the first time in the 1917 season. That being so, it strikes the Board as inexplicable that Dr. Wace should have been so negligent of his responsibilities as to allow four years to pass without calling attention to the matter. We have no record whatever, previous to the present correspondence, of any letters on the subject being addressed by him to Mr. Allan, Mr. Harding, or the Board. Please point this out to him, and ask for copies of any communications on the subject he has made in the past to any official of the Company. You might also draw his attention to the fact, of which he appears to be ignorant, that the Board did all it possibly could when the works were started to get the Colonial Government to appoint an official inspector, but this Governor Allardyce would not assent to, vide despatches from Stanley 399/19, 400/4, 401/11, 403/8, 404/15, 406/5 & 410/24, from London, 1091/14, 1094/4 & 1101/18. Following on this appeal from the Company, the then Chief Inspector of Stock paid an unofficial visit to the works, and reported to Mr. Harding, in a letter dated 27th May, 1911, "What I saw was satisfactory. The sheep were in good condition and free from disease. Cleanliness was observed in every department. The hygienic conditions were good". It is clear from this that the things complained of by Dr. Wace have been allowed to grow up, since 1912, and

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during his term of office, unofficially, I have heard that it was difficult to get Dr. Wace to visit Goose Green, even when serious cases were urgently calling him. I shall be glad to know if you have received any confirmation of this.

From the sudden way in which he has "sprung" this on us, it would appear that he is prompted by petty spite, in consequence of the asked for alterations to his house not being agreed to. In this connection, his demands for a separate, or partly separate surgery, for the greater protection from disease of himself and family, strike the Board as truly absurd, when one considers that in this country it is a most rare thing for the Doctor's surgery to be anything else but a part of his residence, and more frequently than not, patients, waiting their turn to see him, are accommodated in the dining room. This doubtless is open to objection, and I merely quote it to show the extravagance of Dr. Wace's demands.

Before the next year's Canning Season there will be ample time to put everything at Goose Green in a thoroughly hygienic and sanitary condition, and we trust there will be no doubt about it being done.

15. 530. par. 6. It is gratifying news that you expect to get a record number of sheep this year for killing. The produce should meet an exceptionally good market, and we have already sold, on c.i.f. terms, the shipment per "Orita" at 82/- per case, which is equal to 85/- on the market, a considerable advance on last year's prices.

In view of the difficulty and delay likely to be met with in obtaining tinplates for next season's operations, we cabled you a few days ago to wire us your probable requirements. When these are received, we shall place ~~your~~ the order immediately. When the current season's accounts for the purchase of sheep are made up, you will no doubt give Mr. Luxton an idea of the returns the farmers have received per head so as to induce him to send his sheep along in future.

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16. 530.par. 7. Your suggested plan for settling with the Chilians is approved.

17. 530.par. 8. The Board was pleased to hear of your action with regard to the "Lady Elizabeth", and it is to be regretted that the timber was not discharged and stacked years ago.

Nothing further has come of Messrs. Lowden Connell & Co's efforts to obtain offers for this vessel, chiefly because on account of the submarine peril, ^{small} sailing vessels are no longer allowed to be chartered to any place in the danger zone, and further, the position of the vessel at Stanley, so far from a port where permanent repairs could be effected, makes the buying proposition highly speculative. Moreover, the Government would not permit the sale to any but a British firm. I may mention that Lowden Connell & Co. recently received a quotation of £3,000 from a Buenos Aires firm to tow the ship there. Not knowing from whom the enquiry to purchase (referred to in your 525/15) came, we cabled you on 28th March, as per copy enclosed, and no doubt when you have been in communication with B.A. we shall receive your reply.

With regard to the improved facilities for discharging at the Stanley jetties, I am sure the Board will approve of any proposal you may put forward. As you are aware, owing to the war, it is at present almost impossible to obtain anything in this way.

18. In connection with the delays in collecting Pebble & Keppel Islands wool, referred to recently in despatches, it is unreasonable for the proprietors to expect the "Falkland" when calling there to remain indefinitely for the weather to moderate. She is under no obligation whatever to do so. As long as their wool is brought in by the end of the year, the contract with them is fulfilled. If however you can get their assent to pay an agreed sum per day for demurrage, there would then be less objection to the steamer waiting.

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19. Enclosed I send copies for yourself and Mr. Townson of some interesting statistics recently taken out, showing the loss in lambs between marking and dipping, and dipping and shearing. This you will see is heavy, being normally in the region of 20%, and the question is prompted, - Is there ~~this~~ ^{any} system of lambmarking practised on other farms which shows a better result? To arrive at the best possible system is a matter of the greatest importance to every farmer in the Islands, and the Board is of opinion that if you could persuade the Government to call each year for a return of this loss from each farm, for public information, it would perhaps go some way towards finding this out. Before approaching the Governor, please explain the idea to Mr. Townson, and secure his co-operation. It will of course be necessary to make quite clear to the farmers that nothing inquisitorial is intended by asking for this return, but that its object is merely for the general good. A suggested form is sent herewith.

20. Since writing par.15, we have this morning received your cable of yesterday's date, from which we note your tinplate requirements.

21. The copy of your letter to Capt. Pape, detailing the damage done to the "Lady Elizabeth" whilst lying alongside the "Great Britain", discloses a condition of things which the Board feels it can rely on you to change. It is difficult to believe that our hulk should have been allowed to remain without a watchman at night, thus giving the evil spirits among the crew of the "Corcovado" alongside, the free run of the ship to do what damage they pleased. It is very doubtful if we can recover from the P.S.N.Co., as, from the opinions we have taken, it could reasonably be held that there was much contributory negligence on our part. There is little more to be said, but I can assure you the Directors regard the matter as most annoying and regrettable.

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I am, Sir,

your obedient servant,

C. B. Goddard.

Secretary.

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 The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851

REGISTERED 1902

61, Gracechurch Street.

Per "Ortega"

N^o 1178

London, E.C. 2nd May, 1917.

Sir,

Your despatch no. 528, dealing exclusively with the annual accounts, has been read with interest, and the remarks in explanation of the results of the different accounts, in comparison with last year, are duly noted. I have also to thank you for the various statements, abstracts, and schedules, giving more detail information of separate accounts; these are most useful and instructive. I need hardly say the net result of the year's working is highly satisfactory to the Board. The accounts are under examination, and will shortly be in the Auditors' hands, and no doubt will form the subject of reference in a later despatch. In the meantime there are one or two points I would mention.

2. STORE ACCOUNT. In view of the loss of trade from Admiralty employees now returned to England, it is satisfactory that the net profits have been so well maintained. That the total value of stock on hand at the end of the year should show an increase is not in the least surprising when the great rise in the cost of all commodities is considered. The policy of still further writing down the ship materials meets with the entire approval of the Board. With regard to all these, if the recent recommissioning of so many sailing vessels does not promise to revive a demand, would there not be a prospect of effecting a profitable sale at either Buenos Aires, Monte Video, or Punta Arenas? There must now be a largely increased

James Houston, Esq.,

Manager,

Port Stanley.

number of sailing vessels calling at the Plate.

3. COMPANY'S SHIPPING. I am glad of the attention which has been directed to this account. It has been realized for some time past that the practice adopted in past years of charging to it sundry boats, etc., purchased, and crediting it with hulkage, etc., on produce and stores, has made it a mixture of capital and working expenses. In future it must be a working account only, and it would be better to change the name to say "Lighterage, Hulkage, etc.," as "Company's Shipping" is a misnomer. To the new account you can credit all freight returns for hulkage, etc., and the charges levied for handling stores, and debit it with all wages expended in this work, and also for repairs and insurance. If any purchases, such, for instance, as motor boats, are made by you, the debit can be transferred to London to be capitalized.

It is agreed that our charges on produce and stores should be based on rates that will make the Hulkage & Lighterage account a paying one. Unfortunately the returns in respect of produce (one sixth of coasting freight) are fixed until the termination, - on 14th January, 1919, - of the five years freight contract, but well before that date you should be able to furnish us with your ideas, based on your costs of working, of what the new rates on each class of produce should be. The charges should be fixed so as to pay all labour, repairs, and insurance, and leave a balance in our favour. In the case of your charges for handling stores, there is nothing to prevent your rates being raised if you find existing ones are too low.

4. GENERAL CHARGES. In explanation of the slight increase of the debit for this account, I note you mention cabling. It will interest you to know that only last week we again made a formal application to the Censor for permission to use the code. It was refused.

5. 15% BONUS FOR 1916 CANNING SEASON. It is not quite clear to us how you have dealt with the above bonus advised in

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despatch no.1171, as only the credits to two farms can be traced. These should all have been passed to the accounts of the respective clients before the end of the year. We presume in closing the books you have taken the matter into consideration in connection with the valuation of unsold produce.

I am, Sir,

your obedient servant,

E. B. Soddan

Secretary.

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DESPATCH No. 1179 per S.S. "ORITA". 27th June, 1917.

Precis of Subjects.

1. Acknowledges despatch No. 531 of 14th April.
2. Reporting arrival of Orita.
3. Confirming cables.
4. Advising position of negotiations with Government to take over wool.
5. "Lady Elizabeth", - remarks on condition &c.
6. Re steam coal for Goose Green boiler.
7. Refers to canning arrangements. View of the Board re buying sheep.
8. Com. on Govt. passages written back by P.S.N. Co.
9. Discusses P.S.N. Co.'s agency.
10. Re Lloyds agency at Port Stanley.
11. List of occupants of Coy.'s houses called for.
12. Royal Mail,- Nationality Form completed.
13. Re Engineer's report on machinery.
14. Re San Carlos canning materials.
15. Re barrel staves in bad order.
16. Reporting Mr. Harding's arrival.
17. Advising bonus of 15% to all employees.
18. P.S.N.Co's correspondence re damage to Lady Elizabeth.
19. Canning - 1% for "drivers" from West not deducted.
20. Advising death of W. S. Williams.

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

61, Gracechurch Street,

Per "Orita"

N^o 1179.

London, E.C. 27th June, 1917.

Sir,

Since writing you last on the 2nd ultimo, I have received, - on the 29th May, - your despatch no.531 of the 14th April.

2. The s.s."Orita" arrived safely in Liverpool on the 8th instant, and there is a good prospect of selling there, by private treaty, the parcel of wool she carried.

3. Cables exchanged between us are confirmed, as per forms enclosed.

4. par. 3. Your surmise as to the difficulty of obtaining tonnage for further shipments of produce is unfortunately too accurate. On the 10th ultimo the P.S.N.Co. wrote us (copy enclosed) to the effect that the Shipping Controller having instructed them to give preference in their homeward steamers to nitrate, antimony and sugar they could see no possibility of lifting cargo from the Falklands in the near future. Following on this information, I interviewed Sir Percy Bates of the Shipping Controller's Department, and pointed out to him the vital importance to the Colony of being able to realize its sole source of revenue, wool, and the various by-products. He kindly interested himself in the matter, and with the valued support of the Colonial Office, obtained the consent of the War Office and Treasury to the Falkland wools, awaiting shipment, being taken over, in Stanley, on the same basis as the Australasian clip, viz., 55% above pre-war f.o.b. prices, all ocean freight, insurance, etc., to be for Government account. The Board promptly agreed to this proposal so far as

James Houston, Esq.,

Manager,

Port Stanley.

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the Company's wool is concerned, and as a result of laying the matter before the Farmers here, they also, including J.L. Waldron, Ltd., Dean & Co., and W.K.Cameron, came into line. I have had several interviews with the Director of Contracts on the subject, and, by arrangement, cabled you on the 19th instant for quantities of each mark on hand, and also asking you to obtain the assent of farmers not represented here. When the quantities are known, a statement of the total value can be made out on the basis of pre-war prices, and if the Director of Contracts is satisfied with our figures, a payment as nearly as possible in full will be made to us, and any adjustment on basis of delivered weights made after arrival in U.K. When the contract is finally made, which should be in a few days time, the Shipping Controller will be instructed by the War Office to provide the necessary tonnage, and it is possible that a vessel will be sent to clear the whole lot. It will be made clear to you by cable in the meantime that the wool of any farmer not agreeing to the proposal must not be shipped. Should there be one so foolish, it is more than probable he will find no other opportunity of realizing until at least six months after the war.

The f.o.b. Stanley value of 1914, pre-war sales, plus 55%, of Company's wool, works out at an average of ^s 1. ^d 3.68 p.lb.

In the last sale made, on 7th June, it averaged ^s 1. ^d 10.71

deducting Sale expenses, freight, and insurance, (Stanley to London only) .56

it leaves ^{the} ~~the~~ f.o.b.(Stanley) value 1.10.15

This, in comparison of the Government offer of 1. 3.68 p. lb. shows a reduction of 6.47 ..

but when it is considered that of this difference the Government would take in Excess Profit, 80%, or 5.17 ..

the actual difference is really only 1.30 ..

and this would ^{be} still further reduced by Income Tax at 5/- in the £1 .32 ..

leaving a final difference of .98 ..

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5. par. 4. The result of your investigations into the condition of the "Lady Elizabeth" is indeed a pleasant surprise, and it certainly looks as though the divers' report on the damage had been improperly obtained. If, as now seems probable, she proves to be undamaged, she is certainly a very valuable asset, and one which will be readily realizable after the war. Under the circumstances, it is fortunate that she was not sold. Your further report, when your investigations are completed, will be awaited with interest.

6. par. 5. The matter of better steam coal for the Goose Green boiler will not be overlooked. In the event of the Shipping Controller deciding to send a steamer to pick up our wool, it is intended to ask if we can make use of the opportunity to ship you a further supply.

7. par. 6. Your remarks on the smooth and excellent progress of the Canning operations at Goose Green, and the shipment of sheep from the West, were read with much pleasure by the Board.

In view of certain references in Mr. Townsen's letter of 6th April,

page 2 With reference to buying Spring Point sheep on the farm,

.. 6 The dislike of certain farmers to the price of 3/6d for sheep under 40 lbs,

it is well that you, and he, should understand that the Board are strongly opposed to buying any sheep other than on the basis of weight delivered at Goose Green, and, further, that by giving a very low price for those under 40 lbs, it is intended to stimulate the farmers to send better sheep, which are naturally far more profitable from a Canning point of view. If Spring Point, or any other farm, is not disposed to sell on the agreed standard basis, we can easily afford to let them pass us for a year.

8. par. 9. The question of commission on Government passages, in the case of the Admiralty Wireless employees, is

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perhaps rather a special matter, and I shall be glad to know if you issued tickets for them or performed any other services. With regard to ordinary Government passages, if commission has previously been charged, you should certainly not fail to debit it when occasion arises.

9. The question of the terms, conditions, and remuneration of our Agency for the P.S.N.Co., is one which, with possible advantage, might be thoroughly gone into, and I shall value your views and recommendations on the subject. Having regard to the fact that a tug to attend to ^{their} ~~her~~ vessels must be kept in Stanley at an annual debit of say £700 per annum, the Agency is certainly not a paying one, but against that it has always been realized that the possession of the Agency enables us the better to keep other remunerative businesses together. It is true we have the exclusive right to receive the cargo their steamers bring into our lighters, which gives, at any rate, an opportunity to make a profit on lighterage. It would however be very interesting to know the Agency arrangements and custom at Punta Arenas and Monte Video. I would not be surprised to find that the ship pays lighterage on both homeward and outward cargo at those ports in addition to the ordinary Agency charges. Would it be possible to find out? In any case, when the Agency agreement was made, it was never intended that when steamers of their fleet called, - too large to come into the inner harbour, - that we should incur great extra risk and expense of lighterage in and out to Berkeley or, rather, Port William Sound. This is certainly a matter that should be put on a better footing. Then again, in the case of produce accumulated in the "Great Britain", it is as much to the advantage of the shipowner that this is done as anyone else, and we ought to try and find out if the steamer is charged with any hulkage at either of the ports mentioned. From my own experience I know for a fact that this charge is certainly made to steamers loading in the roadsteads of the Queensland Coast.

10. par. 10. The Secretary of Lloyd's has written as follows,- "The Agency Committee may not meet for some little time, and I should be grateful therefore if you would ask Mr.Houston to continue the duties of the Agency until it has come to a decision."

11. In connection with the schedule of Company's buildings which you are preparing, I shall be glad to have, in the case of the Stanley houses, a record of those inhabiting same, and remarks in connection therewith. The opinion prevails that some are in the occupation of those no longer in the Company's employ, and it is a question to what extent this is justified.

12. par.16a. The nationality form asked for by the Royal Mail Steam Packet Co. has been completed and forwarded to the Secretary.

13. par.17. The very full report from Mills of the various machinery has been read with much interest, and I append a schedule of ~~an~~ separate comments thereon.

14. par.18. From your cable of the 20th instant I infer that you have arranged to take the San Carlos canning materials. We are still having great difficulty in obtaining from the Ministry of Munitions the necessary permit for the tinplates to be made, and it seems certain that this will only be granted for "unassorted", which means that a percentage of "wasters" will have to be taken. However, with the quantities from Cameron there will be a margin to make good any plates not fit for use, and the necessity of marketing the mutton promptly must be borne in mind.

15. par.19. Having regard to the fact that the last parcel of barrel staves sent you arrived in Stanley in December, 1915, there is little use in forwarding Mr.Weiss's complaint to the suppliers. It will however not be overlooked when the next order has to be placed.

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16. Mr. Harding arrived safely in the "Orita", and we have had the pleasure of seeing him here on several occasions.

17. I have much pleasure in informing you that at the last Board Meeting it was decided to pay all employees of the Company a Bonus of 15% on the wages earned in 1916 on the same basis as in previous years.

In this connection I am to point out to you that the Board does not like the idea of paying this on the extra wages earned by the shearing gangs, that is, on the additional amount per 100 sheep shorn, paid them. It would be a bad precedent, but the matter is left to you to handle in the way you consider best.

18. Referring to par. 21 of my 1177, I enclose copy of letter from the P.S.N.Co., dated 11th May, disclaiming any liability in respect of the damage done to the "Lady Elizabeth". Please advise to what extent their remarks are at variance with the facts.

19. I am obliged for the statements received for sheep put through the works to the date of your despatch, but note that you have omitted to deduct, in the case of those from the West, the 1% to "cover deaths in transit from port ~~in~~ ~~port~~ of shipment to factory", as provided in the contract. It is appreciated that, thanks to good management, the loss under this head was well below 1%, but it should not be lost sight of that another year it may be much in excess.

A copy of letter from Messrs. J.L. Waldron, Ltd., dated 7th May, is enclosed, on the question of labourers assisting the shipment of sheep at Port Howard. Since their charge of 3d. per sheep does not provide for this, the separate farms should be charged with any labour the Company supplies for this purpose, since our contract is on an f.o.b. basis.

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20. I regret to advise you of the death, on the 3rd ultimp at Brighton, of W. Seecombe Williams, late manager at Weddel Island. The Solicitors, Messrs. J. H. & K. R. Cobb, will communicate with you with regard to the settlement of his private estate and the trustees of the late Mrs. C. H. Williams are forwarding you a Power of Attorney and asking if you will kindly take such action as you think best to protect their interests and "carry on" at Weddel Island pending the appointment of a manager.

I am, Sir,

your obedient servant,

E. A. Goddard

Secretary.

ENCLOSURES VIA LIVERPOOL.

DUPLICATES.

Despatch No.1177 dated 2nd May.

Despatch No.1178 dated 2nd May.

Account Current dated 2nd May.

Supplementary Account Current dated 2nd May.

Remarks on Accounts.

Remarks on Stores

List of Enclosures

List of Clients Cargo per "Ortega"(proforma)

ENCLOSURES VIA LIVERPOOL.

ORIGINALS.

- 1 Copies of Cablegrams sent dated 14th & 22nd May, 4th, 12th, 19th & 22nd June.
 - 2 Copies of Cablegrams received dated 21st May, 1st, 6th, 21st, & 26th June.
 - 3 List of General Cargo per S.S. "Ortega"
 - 4 General Invoice goods per S.S. "Ortega"
 - 5 Bills of lading cargo per S.S. "Ortega"
 - 6 Copy of letters from the P.S.N. dated 10th & 11th May re homeward shipments and damage to "Lady Elizabeth"
 - 7 Copy of letter from J.L. Waldrom, Ltd. dated 7th May.
- Clients' reports:-
- | | | |
|----|-------|-------------------------------|
| 8 | Z | 104 bales Wool ex "Corcovado" |
| 9 | ♡ | 11 ,, ,, |
| 10 | S | 44 ,, ,, |
| 11 | J B | 148 ,, ,, |
| 12 | H & B | 120 ,, ,, |
- 13 Brokers' press copies - Reports on Company's Wool ex "Corcovado"
 - 14 Copy of letter from Lloyd's to Mr W.A. Harding dated 26th May re Agency.
 - 15 Copy of Mr Blake's letters dated 18th & 25th June to Mr H.W. Townson also ours of the 27th.
 - 16 Account Current dated 27th June and vouchers.
 - 17 Remarks on Accounts.
 - 18 Remarks on Stores.
 - 19 Remarks on Machinery Report dated 27th June.
 - 20 Copy of Mr Harding's report on the sinking of the Cutter "Magallanes" dated 26th June.
 - 21 Post Office Pamphlet showing new method of addressing letters for London Postal Area.

London 27th June, 1917
