



E N C L O S U R E S

1. Despatch No. 994
2. Statement on Accounts No. 93
3. Remarks on Accounts No. 93
4. Store Indent No. 761.
5. Remarks on Stores No. 761
6. Remarks on Naval Fuel Depot No. 58
7. Lloyds Shipping Report No. 9/37
8. Coal Statements - June & July
9. Produce Report s.s. "Fitzroy" Voy F.7.
10. Coasting Insurances - June
11. Insurance on supplies - 29th July
12. F.I. Gazettes - 14th June, 1st July.
13. Envelope addressed to Managing Director.

SPECIFICATION

Mark	Wool	Skins	Hides
AP	226		63
S & S	98	2	
Z	6	8	
	5	7	16
Triangle D.H.		2	
S club B	11		
	1		
D & S	3		

P R I N C I P A L S

1. Confirms Despatch No. 793. none to acknowledge.
2. Reports on Provident Fund contributions. Necessary to invest outside Colony as maximum amount Government Savings Bank will accept is £15,000 - Fund's deposits now £11,000.
3. Rams from New Zealand. Understands Exploradora and others in Magallanes have arranged to import about 48 rams from New Zealand by Shaw Savill steamer via Port Stanley. We shall arrange transshipment. Mr. Weir will advise P.I. farmers of opportunity.
4. Mr. W. R. Luxton informs us that he has written you requesting you to complete purchase of Chartres land. Requests you to inform us when this is done.
5. Sheep losses have been experienced by several farmers. No losses reported on Co's farm.
6. July Wool Sales - prices very satisfactory.
7. Encloses one copy of "Subject Index to Ordinance" which will be of great assistance when tracing ordinances.
8. Understands copy of Govt. Gazette (14th June) was sent to Sheep-Owners Ass. - has sent one to Royal Insurance Co.
9. Trips. Reports S. Hutchinson made trip to B.A. and was in touch with trips buyers. He is offering 3d for next season's trips but if Schmitt meets competition is of opinion we should give him preference.
10. Influenza has been prevalent in Stanley and has hampered all work.
11. Encloses copy of plan of West Bluff Cove. Asks how fenced off portion came into our or Mr. V. Facke's possession.
12. Encloses three copies statement of detailed information regarding shipment of surplus sheep. Gives prices.
13. Remittances. Will require £1,000 at end of July.
14. Fencing Wire and Standards. Reports all No. 3. wire and almost all No. 10. imported by "Lafonia" has been disposed of. Suggests Farm Farm takes over 5,000 Standards. Has ordered 6/800 cy. reas posts and droppers.
15. "Gentoo" will be docked during August.
16. Reports Engineer's Shop has been moved.
17. Understands Government motor boat failed to come up to contract speed so will not be shipped out at present.
18. Rams. Notes that you will probably import 500 rams from Coast Presumes Mr. C. Goddard will proceed there on his way out.
19. Confirms telegraphic advice re 12 wireless sets ordered from New York.
20. Gibraltar Station - Est. A. S. Pitaluga - Suggests that present Manager and part owner buys out as many of shareholders as he can. Enquires if you would consider advancing an amount on mortgage to enable him to do so. Also an amount to enable him to complete land purchase.
21. West Cove lease has been renewed.

22. Reports Mr. R. Pole Evans convened Meeting of Farmers at Port Howard has invited East Farmers to attend. Understands one item to be discussed is wages.
23. Wages. Reports on Reform League. Not many Camp Members.
24. Gives figures of W.I.C. Farm Employees' Savings in Provident Fund
25. Labour conventions. Reports that H.E. informed Mr. Young that he had power to fix wages
26. Port San Carlos Ltd. Understands that H.E. supported application strongly. Mr. J. Hamilton has been approached asking if he would consider lending Port San Carlos £15,000 at 3½%. He replied he would grant loan at 5%.
27. Seal were late in hauling up so nothing to report re sealing at Albermarle.
28. Govt have issued us blank license to seal in Lafonia. Therefore I will grant license to Sealing Co.
29. Encloses draft letter re Sealing in Newfoundland requests you to obtain information re same.
30. Reports that unable to obtain a Camp Teacher for Darwin and Fitzroy Section. Requests you to consider sending a man from Hong
31. Suggests we might ship Seal Oil per Shaw Savill vessel if rate attractive.
32. Requests you to order 1 pedigree Bull from New Zealand. Please pay account and pass out to us. There may be further orders.
33. Ref: to para.22. Meeting cancelled.
34. Ref. to para 59 suggest you adopt our method - items of general interest to be numbered 1 - 49 - shipping matters 50 and onwards. "Lafonia"
35. Encloses statement detailing expenditure incurred on ~~XXXXXX~~ during survey etc. with Mr. Youngs remarks.
36. Encloses statement showing "Fitzroy's" expenses & earnings for 3½ months.
37. Reports movements of s.s. "Lafonia"
38. "Lafonia" Insurance - Confirms telegram of 12th inst.. Requests you to send full particulars of cover arranged through Club for reference.
39. Annap agreement expires late in December. Requests you to take matter with Maclean & Stapledon.
40. Reports movements of s.s. "Fitzroy".
41. Mr. A.A.J. Pitt leaves by this voyage of "Lafonia". Has been relieved by Osborne.
42. Special voyage was made by "Hoydur" to Salvador Waters to pick up Mr. J.S. Yonge's family who were returning to Magallanes per "Fitzroy".
43. Requests you to arrange text of your Despatches so that shipping matters are in one section.
44. Presumes you are claiming for value of scows sunk at Foxbay.
45. Encloses statement certifying quantity coal & patent fuel in Edgar when vessel left Stablesy and quantity taken therefrom.

62. Presumes you are collecting a total loss on behalf of F & D Sailing Co. - Port Edgar
61. Encloses statement showing total number sheep shipped & number landed.
60. Encloses repair sheet and estimated cost of same to "Roudur" for Underwriters.
59. Presumes you will collect a total loss on behalf of Baillon & Stickney's Wool & Skins lost at Foxbay.
58. Gives running expenses and earnings of "Roudur" for half year to 30th June.
47. Reports Montevideo Port Authorities Diver will come and dive for Wool/Skins lost at Foxbay for a fee of £150 per month and will provide gear and attendant.
48. Reports "Port Edgar" was put up for sale under instructions from London Salvage Assoc. J. Bundes purchased her for £20. Encloses copies of our letter and account sent to L.S.A.
- - - - -



29th July.

37

"LAFONIA" via Montevideo

794.

Section A.

Sir,

I confirm my Despatch No.793 dated 28th ulto and have no Despatch to acknowledge.

A.2. Provident Fund. The amount standing to the credit of the Fund at 31st December last was £ 1075 8 11. This includes the Company's minimum contribution of 10% on 1936 subscriptions £206 - 17 - 8. A further contribution of 70% on 1936 subscriptions £1392 - 5 - 8. is now being paid to the Fund consequent on a dividend of 8% having been paid on the Company's ordinary capital in respect of that year. The maximum amount the Government Savings Bank here will accept is £15000. and as the Fund's deposits with them are over £11000. it will shortly be necessary to invest outside the Colony.

A.3. Rams from New Zealand I understand that the Exploradora and other importers in the Magallanes territory have arranged to import from New Zealand by a Shaw Savill Steamer via Port Stanley about 48 rams. We shall arrange for their transhipment. I do not know whether any Falkland Island farmers will import, but Mr. Weir is advising them of the opportunity and if any orders are put through<sup>us</sup>/I will cable to you.

I understand that freight is £14 each with a minimum of £500.

Will you get in touch with Shaw Savill and request them to allow us

space for -- 5 tons Lucerne Hay  
5 cwt's Cheddar Cheese  
1 ton Butter-slightly salted  
50 cases Apples.

and if they agree order same. I presume you will do this

No. 794. per Lafonia via Montevideo 29th July 1937.

Page. 2.

through Dalgety and Co.

Butter should be in blocks in 56lb cases. Apples 5x cases Cox

Orange pippins, balance any good eating apples which will keep and

are reasonable in price say not more than 10/- per case.

Copy of invoice must accompany shipment - you will of course arrange payment.

Chartres

4.4. Land Purchase. Mr. W.E. Luxton informs me that he has written and requested you to complete the purchase of Chartres land. Please let me know when this has been done so that I can obtain the Crown Grant for him.

Port Louis. Mr. J. Robson has paid the balance due for Port Louis (Estate Mrs. T. Robson) which please note.

4.5. Sheep losses. Heavy losses have been experienced by several farmers during a spell of severe weather in the first half of July. Port Howard is said to have lost over 1200. Port San Carlos and San Carlos about 400 each.

No losses were reported on our farm.

4.6. July Wool Sales. prices realized were very satisfactory.

4.7. I enclose one copy of "Subject Index to Ordinances" recently published by Government.

This indexes all ordinances upto 1936 and will be of great assistance when tracing ordinances passed since the bound volume was issued in 1915.

4.8. With reference to the Government Gazette dated 14th ulto you will note therein the revised draft of a Workman's compensation Ordinance. I understand that a copy has been sent to the Sheepfarmers Association for their information and I have sent a copy to the Royal Assurance Co. Ltd.

I have no objection to raise to the ordinance as now drafted.

There is also a draft ordinance regarding the protection of stevedores against accident. This is in accordance with an International

Labour Convention and is to be passed under orders from the Secretary of State for the Colonies. Government have approached him suggesting that several International Labour Conventions should not be applied to this Colony as they are neither suitable or necessary.

Another draft ordinance in this issue of the Gazette is a bill to provide for the safe storage of Petroleum. I have commented on several aspects of this bill and do not yet know what consideration if any Government will give to my views.

A.9. Tripes. W. Hutchinson recently made a trip to Buenos Aires and got in touch with a firm of tripe buyers. Consequently he is offering 3d for next season's tripes, but providing Schmitt will meet the competition I am of opinion that we should have preference. I understand that in Magallanes cleaned tripes have been upto £62.10 - per 1000 but are now about £50.

A.10. Influenza. has been prevalent in Stanley for the past few weeks and has hampered work in all Departments.

A.11. West Bluff Cove. The lease in favour of Mrs. G. Yonge is for a portion of this section. I enclose a copy of the plan of the section-- could you let me know how the fenced off portion to the West came into our or Mr. Vere & Packe's possession and in which of our Deeds it is referred to?

Government cannot trace this--

the relative paragraph in the First schedule to the lease "Metes and bounds" reads "On the West by a line due South 1 <sup>1166</sup> 1760 miles to a fence erected on the ground and from thence by the fence circuitously to the Fitzroy river"

A.12. Suplus Sheep. I enclose three copies of Statement which gives detailed information regarding these shipments. The highest average was 7/9 for 618 sheep ex Saunders Island, the lowest 2/9 for 832 ex Teal Inlet, the average for the total quantity shipped was 4/10.58d. I am of opinion that we shipped 3954 sheep which averaged 5-2.15d.

had it been possible to confine our shipments to February/March we should have averaged more than 6/- for the total quantity. A levy of 1d per head of sheep shipped was made to cover certain expenses incurred by Government and ourselves.

Our relations with Gildermeister have been quite satisfactory. I understand they are likely to be interested in buying sheep in the Colony next year and beg to request that you will let me have your views on this business.

Much depends on whether "Pitzroy" is still available as I doubt whether a steamer could be secured elsewhere at this season.

We might be able to carry 4/5000 per "Lafonia" during the season providing they can be landed on the Mole at Magallanes.

A.13. Remittances. I require £1,000 at the end of July.

A.14. Fencing Wire & Standards. All the No.8. wire and all except 339 coils No.10 imported by "Lafonia" has been disposed of. Standards are not moving so fast and in view of the rise in price, I would suggest that the Farm takes over a further quantity, say 5,000. There is a tendency for timber to rise and I have ordered 6/8000 cypress posts and droppers.

We recently disposed of the balance of our Stock of Brazilian Hardwood and Eucalyptus posts. I am ordering a small quantity for stock and would like the Camp Manager to try several kinds of posts in the same fence at the first opportunity. It is getting increasingly difficult to obtain good cypress posts and after some years we can then compare the several varieties.

A.15. m.v. "Gentoo" will be put on the Floating Dock during August.

A.16. Engineers Shop. has now been moved to the ground floor of the East Store. The old Engineers Shop will be used for miscellaneous ship's gear, some of which is now kept in the West Sail loft and some in two old sheds at the back of this office, which will then be demolished. The space thus freed in the sail loft will be utilised by the Store Department as increased space for displaying hardware etc.

A.17. Government Motor Boat. I understand this failed to come



up to contract speed and will not be therefore <sup>be</sup> shipped out at present

A.18. Rams. I note from your telegram dated 16th inst. that you will probably import 500 Rams from the Coast and presume that Mr. G. Goddard will proceed there direct on his way out to select them. On receiving more details I will arrange for "Fitzroy" to make a voyage to Magallanes in November. There will be no difficulty in obtaining permission to quarantine on an Island.

A.19. Wireless Sets. In July we sold 8 sets and have orders for three sets. The sets ordered from the G.E.C. New York suit conditions here as the batteries of one type are charged by means of a windmill and another type is run off an accumulator, both very suitable for the Camp.

I confirm my telegraphic advice (12th inst) that 12 sets had been ordered ex New York, requesting you to honour draft on presentation.

A.20. Gibraltar Station. Estate A.B. Pitaluga. With reference to my 781.2., Letters of Administration will probably be granted in August. It appears to be desirable that the present Manager and part Owner, Alexander Pitaluga, <sup>boys</sup> brings out as many of the several shareholders as he can and I beg to enquire if you would consider advancing him an amount on mortgage, sufficient to enable him to do this. He has not approached me about this as yet, but it is obvious that it would provide the best solution for finally settling the matter.

If you would consider this, what terms and conditions should be imposed. I suggest that he should first be required to complete purchase of the land and obtain a Crown Grant. This of course would necessitate our assistance - the mortgage could then be entered into and until repaid, the Farm should be supervised by us. Please let me have your views.

I estimated that he will require about 24,000 to pay out share holders and 22,000 to complete land purchase.

There are contingent liabilities which would first have to be adjusted i.e. an annuity to Mrs Louisa Pitaluga (widow of A.M. Pitaluga), Mrs Rose Pitaluga's position as regards the Farm (Donald Pitaluga's widow) and Mrs G.I. Turner's claim for an allowance from the Farm in accordance with her Father's Will.

A.21. West Cove. lease has now been returned to us ~~not~~ ~~not~~ duly renewed.

A.22. Mr. R.C. Pole Evans has convened a Meeting of Farmers at Port Howard and has invited East Farmers to attend. I understand that one of the items to be discussed is wages. Mr. Weir is attending and probably Messrs Cameron, Bonner and Greenshields. I do not propose to send anyone.

A.23. Wages. With reference to your telegram dated 29th ulto., I understand that there are about 140 members of the Reform League. It is led by G. Brechin, Barnes and W.J. Mcatesney. It certainly does not represent the farm workers and there are only a few camp members. It possibly has some influence in preventing men in Stanley from taking up work in the Camp at present Camp rates. It is, I believe, difficult to get men to go to West Falkland and to certain farms on Islands and on East Falkland, but this is very largely dislike of the isolation of the West or of the Manager or of his methods. For <sup>instance</sup> Port San Carlos is not liked; Mr. Cameron considers it is a matter of wages only and therefore they must go up. I am of opinion it is the methods adopted in running this Station which are disliked.

A.24. FIC. Farm Employees' Savings. These figures are of interest

	Provident Fund	Govt. Savings Bank	Total
1931	Employees contributions only	1459	1459
1933	755	1428	2183
1934	744	1589	2333
1935	806	1380	2186
1936	827	1229	2056

A.25. Labour conventions. In a discussion with H.E. en route to Montevideo, he stated that he had power to fix wages. This is covered by Ordinance No.6. of 1932 but no action is contemplated under this Ordinance at present.

page 7.

A.26. Port San Carlos Ltd. I now understand that in all probability H.E. supported this application much more strongly than he gave me to understand. I therefore telegraphed you on 5th inst.

"Referring to my 790 para. 6. gather that matter may have been delayed pending Governor's arrival who will make every endeavour get favourable decision".

It is also said that Mr. J. Hamilton has been approached enquiring if he would consider lending Port San Carlos £15,000 at 3½% and that he has replied that he would be prepared to grant a loan at 5%.

A.27. Sealing. Seal have been late in hauling up and there is nothing to report from Albemarle yet.

A.28. F.I.C. License. After some discussion Government have issued us a blank license to seal in Lafonia, it being understood that the conditions detailed in my 1410.14 be observed. I am therefore granting a license to the Sealing Company embodying these terms in the license and imposing a royalty.

A.29. Sealing in Newfoundland. If you approve, would you please ----- endeavour to obtain some information (as per draft letter enclosed) re Sealing on the Coast of Newfoundland, from the Newfoundland Government. They had an office in London and if it is still open some information might be had there.

A.30. Travelling Teachers. We require one for the Camp and cannot get one locally though we have been trying for some time past.

We now have:-  
Honeyman                      Darwin  
Watson                         North Arm School  
                                 Recruited locally  
Bradbury                      Darwin & Walker Creek  
J. Middleton                  North Arm and Islands.

and require a man for Darwin and Fitzroy section.

Would you please consider sending out a man from Home - in the meantime I am applying to Government for the necessary permission.

A.31. Shaw Saville and Albion. With reference to the proposed call here in November, it might be worth enquiring if they would consider lifting seal oil for Glasgow. The rate from Montevideo will probably be 47/6. If they would lift it and the rate was sufficiently attractive, we could probably ship 500 tons.

Page 8.

32. Please order from The General Manager, New Zealand Loan and Mercantile Agency Co. Ltd, Wellington, one Aberdeen Angus pure bred pedigree Bull 2 to 3 years old, limit of price 30 guineas (New Zealand currency). The Bull is to be finally passed by Mr. Bert Parris, their Manager in Timaru and the usual documents must accompany. It is to be shipped by the Shaw Savill vessel bringing rams etc. This has been ordered by Mr. Weir on behalf of Mr. W.H. Luxton. You will presumably place this with the London Office of the New Zealand Loan and Mercantile Agency. Please pay their ~~current~~ account and pass out as usual. It is possible that there may be further orders for a bull, cows and rams.

33. With reference to my A.22. this Meeting has since been cancelled due to the prevalence of influenza.

34. With further reference to Para 59, commencing with the Asent despatch, items of general interest will be numbered 1 to 49 at shipping matters 50 and on. Will you kindly adopt the same procedure.



SECTION "B"

Page 1.

51

---- B-1. s.s. "Lafonia" - Accounts. I enclose a Statement detailing expenditure incurred on this vessel during survey etc., with my remarks thereon, for submission to auditors - if you approve.

52

---- B-2. s.s. "Litaroy" I enclose a statement shewing the expenses and earnings of this vessel for 3½ months.

53

B-3. s.s. "Lafonia" arrived at Montevideo on 2nd July and after discharging produce and mails sailed on 3rd idem for Arroyo Parajas (a port at the entrance of the Bahia Blanca estuary) to load grain for Porto Alegre. In four days working the vessel loaded 1,600 tons and left on 6th July for Rio Grande <sup>de Sul</sup> where she discharged the grain and loaded 1,003 tons for Buenos Aires. At Rio Grande do Sul a further 392 tons were lifted for Buenos Aires. "Lafonia" arrived at Buenos Aires on 21st inst., discharged in three days and proceeded to Montevideo to take approximately 200 tons general cargo for Port Stanley. She left Montevideo on the evening of the 26th and is expected to arrive here on 30th. I will comment on the results of this voyage more fully in a later despatch when further details will be available.

"Lafonia" will sail again for Montevideo and South Brazil via Rexoy (to collect West mails) on 2nd August. After calling at Montevideo she may proceed to Rio Grande do Sul and load up to 1400 tons of timber for Rosario I will however telegraph you re this. There are 189 bales wool, 25 bales skins and 44 hides for transhipment this voyage and at present only one passenger for Europe.

54

B-4. "Lafonia" Insurance. I confirm my telegram of 12th inst. asking you to advise Captain Roberts c/o Cranston Woodhead, Porto Alegre if the vessel is insured against shortages of cargo. For purposes of reference I should be glad if you would send me full particulars of the cover arranged through the Club.

55

B-5. ANCAP Agreement. This will expire late in December. As the original agreement was dealt with by you through Maclean and Stapledon, will you please therefore take up the matter with them. Unless Wilsons can offer us better terms, I think it advisable to give ANCAP the

preference. They have given us satisfaction so far.

<sup>56</sup>  
S.S. "Fitzroy" has been delayed in her programme owing to almost continuous bad weather - high winds and frequent snow squalls held up the loading in Stanley and prevented rapid discharge at some camp ports. She sailed on 3rd July with four cargo and most of the clients' cargo transhipped ex "Highland Brigade" calling at Salvador Waters, San Carlos, Port San Carlos and all the West Falkland ports. The vessel was fully loaded and during the voyage disposed of approximately £1,300 value four cargo, returning to Stanley on the evening of 16th July, with 214 Bales Wool sheepskins. This completes the collection of produce for 1937.

Work loading her for the next voyage was again protracted owing to the incidence of an influenza epidemic which only a fortunate few of the Stanley inhabitants have escaped. Vessel loaded fencing for Port Louis and stores for Darwin including stores from United Kingdom for the farm store, sailing again with a full cargo on 21st July for Port Louis and Johnsons Harbour. On 22nd she returned to Stanley to embark 14 passengers for Magallanes and left the same day for Darwin, Barren Island where she loaded 400 Butchery Sheep for Magallanes, Foxbay and Magallanes. On the return voyage she will bring 350 tons Coal for the Sealing Company, a quantity of S.F. timber and fencing material and the new motor boat for "Lafonia". The coal will be discharged at Abemarle en route for Stanley. Her next voyage - early August - will be Port Louis, Port Howard, Foxbay, Abemarle, Speedwell Island, Sea Lion Island, North Arm, Porpoise Point, Darwin and Fitzroy".

Docking arrangements for "Fitzroy" will be dependent on the question of the salvage of the Foxbay Wool - if no diver is available by this voyage of "Lafonia" I propose docking her towards the end of August after dock is vacated by "Centoo".

57 Mr. K.A.J. Pitt whose agreement as 2nd officer of "Fitzroy" will expire on 15th September next, has been relieved by Osborne and will proceed by the "Lafonia" on 2nd August to United Kingdom transshipping at Montevideo to "Lianza".

Section B. Page 3.

58  
B.8. s.s. "Roydur" made a special voyage to Salvador on 7th July at the request of Mr. G. S. Yonge to bring into Stanley his family who were returning to Magallanes on "Fitzroy". A charge of £37 has been made for this voyage.

59  
B.9. Despatch - Shipping matters. It would be of material assistance if, when replying to my despatches, you could arrange the text of your replies so that all shipping matters are dealt with in one section - preferably at the end.

I am endeavouring to do this with my despatch - the shipping section being drafted by that Department.

Would you also send me a spare copy of this section of your Despatches.

60  
B.10. Claim - s.s. "Lafonia's" Scows sunk at Foxbay. I presume that you are claiming on Underwriters for the value of these scows. The scows and motor boat are insured for £575 but I have no notes as to the separate values.

61  
----- B.11. Claim - Coal & Patent Fuel lost in "Port Edgar". I enclose statements certifying quantity of the coal and patent fuel in "Port Edgar" when the vessel left Stanley and the quantity taken therefrom. 151 tons was still on board when vessel went ashore and our claim at 50/- per ton amounts to £377. 10. --.

62  
B.12. Claim - "Port Edgar". I presume that you are collecting a total loss on behalf of the Falkland Islands and Dependencies Sealing Co. Ltd.

63  
----- B.13. Claim - Freight on Sheep died on voyage between Falkland Islands and Tres Puentes jetty, Magallanes. I enclose a statement showing the total number of sheep shipped and the number landed, the difference being 477. Freight thereon at 3/- - £71. 11. -- which is recoverable from Underwriters.

64  
----- B.14. Claim s.s. "Roydur" damaged alongside East Jetty 2nd Sept. 1936. (your 1412 - 49) I now enclose repair sheet and estimated cost of same amounting to £72. 17. -- for submission to Underwriters. Only some of the repairs detailed have been completed, the remainder will be completed when vessel is next placed on dock for bottom

Section 3 Page 4.

65  
A.15. Claim Baillon & Stickney Wool & Skins lost through scows  
sinking at Fox Bay - Bay.

I presume that you will collect a total loss on behalf of Baillon  
and Stickney and anything salvaged will be for Underwriters' credit.

66  
A.16. "Hoydur" running expenses and earnings. For the half year  
ending 30th June last, expenses were £814. 12. 11. against earnings  
of £659. 5. 6. A book loss of £155. 7. 5. <sup>credit</sup> No value has been  
taken for coal remaining in bunkers at 30th June, for the time spent  
at Foxbay in connection with the sunk scows or for the claim against  
Underwriters re damage incurred last September. On the other hand  
vessel delivered stores to Farms valued at more than £1500 during  
the period, which would not otherwise have been sold as there was no  
other means of delivery. Only three of the crew were specially  
engaged, the remainder being made up by men from the Navy Gang,  
Engineers Dept. and Sail Maker.

67  
A.17. Wool/Skins lost at Foxbay. With reference to telegrams  
exchanged re endeavouring to save this produce, "Challen agreeable  
to dive Company "Fitzroy" all gear labour fee £175 one week pro rata"  
but withdrew this later. I therefore requested Cap. D.W. Roberts to  
endeavour to secure a diver from South America and he advises that the  
Montevideo Port Authorities Diver is prepared to come for a fee of  
£150 per month and will provide gear and attendant. I am accepting  
the offer and hope that he will travel by "Lafonia" leaving Montevideo  
8th September and return by the sailing from Stanley of 3th October  
I shall have "Fitzroy" in attendance so that plenty of power is  
available and with <sup>ordinary luck</sup> the prospects of salvage should be reasonably good.

If salvaged, the bales will have been under water about 3½ months  
Bales will have to be opened and the wool dried but having been so  
long in salt water will the wool dry sufficiently by natural means  
to enable us to rebale it. If so should it be lightly pressed or  
pressed as usual. If you approve, I suggest that produce salvaged be  
taken to Goose Green and dealt with there. I presume that Diver's  
expenses, hire of "Fitzroy", drying, rebaling and shipping, will all  
be for Underwriters account. The 3 bales Wool and 1 bale Skins



Section B. Page 5.

salved by "Lafonia" have been sent to Darwin for drying and rebaling.  
B.18. "Port Edgar" Under instructions from the London Salvage Association, this vessel was put up for sale "as she lies" and was purchased by J. Bundes for £20.

From reports received, vessel appears to have broken her back. The vessel had no interest for us, salvage would have been expensive and uncertain, though a man working himself with his own boat may do fairly well.

Copies of our letter and account sent to the London Salvage Association are enclosed. You will note that expenses incurred by us in connection with reporting and survey amount to £54. 3. 6. which please collect on our behalf. The expenses incurred in selling the vessel will be recovered from the amount received from the sale.

I am,

Sir,

Your obedient servant,

Manager.

The Managing Director  
The Falkland Islands Co. Ltd  
61 Gracechurch Street  
London.

ENCLOSURES

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7. Coal Statement - August
8. Produce Report s.s. "Fitzroy" - Voyages F.8, 9, 10.
9. Wages Comparative Statement No. 22.
10. Quarterly Wages Sheets - Farm - All sections
11. F.I. Gazette - 2nd August
12. Coasting Insurances - July & August
13. Insurance on Supplies - 8th Septemebr (2)
14. Baillon & Stickney Wages Sheet.

SPECIFICATION

Mark	Wool	Skins	Hides
F.I.C. S.I.	119	2	
N.A.			77

P R E S I D

1. Acknowledges your Despatch No. 1414 confirms Despatch No. 794.
2. Sealing license. Notes your views. Objects to restrictions of seasons. Suggests let matter rest unless Government will grant license on reasonable terms for not less than seven years.
3. Salvason. Asks if you have received any advice re plant, machinery coal and coke. Not interested if price of coal more than 20/-  
"Laf" is scheduled to leave for South Georgia 26th October.
4. Lively Island. Notes that you have taken over livestock, buildings fencing etc. manner of dealing with these in accounts.
5. Stock ex New Zealand. Notes that stock is to be shipped per "Mahana" due here 29th October. Confirms orders sent you from this office.
6. P. & S. Sealing Co. Ltd. Reports production to mid August very poor due to scarcity of seals and men having influenza. Hopes to ship 150/200 tons oil per "Lafonia" 15th October. Confirms telegraphic advice re Port Richard's insurance.  
Reorganisation. No progress. It is said that several Norwegian
7. Seals are endeavouring to get whaling licenses for the P.I. area.  
Proposes to leave "Gwendolin" at L'Anse-au-Loup when sealing closes down.
8. Core Indents. Notes all you write. Has instructed Chief Broker to endeavour to reduce these as far as possible.
9. Mr. E. J. Cox. Has read correspondence with R. J. with much interest.  
Mr. Cox has informed Mr. Luxton, Mr. Greenshields & Mr. Young that he did not make the statement ascribed to him. Mr. Young is writing you by airmail re this.
10. Reports weather has been exceptionally bad during August but improved at end of the month. Influenza was very severe on West Falkland where it caused two deaths. Nurse was sent out to Mill Cove to Mr. H. S. Harding who had developed pneumonia, per "Koydur".  
Reports number of sheep lost at different stations.
11. Mooring 0.0.82 have been lifted examined & relayed. Buoy has been placed on slipway.
12. Sealing. South Georgia Co. have advised Government they will take 32 men from P.I. this coming season.
13. Lux. M.V. Canton arrived in Stanley & ~~xxx~~ entered floating dock on 3rd inst. Docks had been prepared according to a midship section plan handed us by Mr. Barton. When dock was being pumped out, she heeled over, listing about 15 degrees until she was held by port midship blocks. Pumping was continued & when dry the damage was covered with a cement box and it is hoped to get her upright early this week. As far as we can ascertain, no damage has been done to the dock.
14. Accident at Lively Is. Regrets to advise you that three men were drowned whilst landing in a dinghy from cutter "Balanchette" at Lively Is. "Koydur" was sent out with Mr. Stewart, Mr. Thompson & relations of the lost men. Two bodies were recovered. It is impossible to say how the accident happened but none of the men could swim.
15. Remittances. Required £2,000 at end of August and may require a remittance at end of September.
16. Mutton shipped to P.I. 1937. Gives total quantity of P.I. mutton shipped to P.I.

16. sale of sheep to Brazers 1946. Final accounts have been agreed with Alderminster Co. who are anxious to continue business next season. Presumes that you have no objection if the price is right and that Swifts' terms may compete. If business is to continue, all things being equal, suggests we give Alderminster the preference.
17. Signal or station. It now appears probable that another dispute will arise before . (Donald Vitaluga's estate is wound up).
18. State take other alloy Vitaluga. Administration and winding up of this estate is going satisfactorily and hopes to complete by end of this year.
19. State L. . Vitaluga. Have advised Mrs H. . Vitaluga to come out for a short stay as a number of matters require her decision.
20. State statement. Encloses statement for quarter ended 31st June which shows an increase due to having two vessels in commission for the whole of the period.
21. Travelling Teacher. Permission has been granted.
22. Miss del. Pacifico. Have been advised she is to call here on 5th February 1948.
23. S.S. Lafonia - boilers - Messrs Cunningham's repairs noted. Land on Smithson's contract has been discontinued in view of Messrs Cunningham's letter.
24. Port agent charge. Re your request for master's signed report. We are unable to supply as there was neither master nor crew on board when ship stranded. We enclose a report by Mr. Watson.
25. Lafonia - outside employment. Statement asked for will be compiled in due course.
26. Local Mail Lines - Revised rates. Noted. Points out error in new fare tariff Handbook No.1.
27. Passengers - Passenger Vise. Noted.
28. Freight charges. Your instructions to calculate them here are noted. and will be attended to.  
Forward Freight Rebate. Considers it advisable to revert to practice of calculating them annually instead of half yearly.  
Outward Freight Rebates. Considers these too should be made annually.
29. Lafonia - Grain from White Plains. Gives rates of freight on wheat shipped from White Plains to Porto Alegre.  
Further 1.5 tons wheat has been booked for arrival loading date 17th September.
30. Grain from White Plains - Insurance. From Messrs Greenhill Johnson's letter it appears that, in arranging cover, they have been misinformed on a crucial point.
31. S.S. Fitzroy - Damage to cattle. The claim pending in respect of damage done to cattle by Fitzroy during shipping of sheep. See also letter on 27th March and Greenhill Johnson's letter on 11th May.
32. Freight schedules (Handbook) No.1. Encloses two copies of our first printed freight schedule.
33. Year - Special Voyages. Reports on voyages to 121 Cove and to Lively Island. Encloses abstract of expenses and earnings in each case.



62. S.S. Lafonia Itinerary 1938. Encloses 2 copies of "Lafonia's" proposed overseas itinerary for the first 3 months of 1938.
63. P.M.N.C. Outward rates of freight. Asks if you can ascertain if the P.M.N.C. have raised outward rates.
64. S.S. Lafonia Movements. Reports movements of vessel.
65. Magallanes. Hopes to send Mr. Bremer to Magallanes per "Pitroy" returning by "Lafonia" 27th October, to discuss matters connected with the agency and explore the possibilities of cargoes from that port.
66. Lafonia Engineers. Confirms Airmail letter of 12nd August and telegrams of 14th and 26th August re engineer. Expects arrival of 3rd engineer by present voyage of "Lafonia" who was engaged in Montevideo.
67. Cargo - Magallanes to Cullen Station. On 16th August we telegraphed Dick & Bravo that we could offer "Pitroy" for cargo from Magallanes to Cullen at end September if rates freight attractive also we could probably ship Cullen's wool to N.Y. early in 1938. They replied matter could only be effected through Waldron & Wood's London Office, but Capt Roberts was instructed to approach Mr. Eric Waldron in N.Y. and we await his report.
68. Freight on Produce 1938. Gives proposed coastwise proportion on produce for the coming season.
69. Wool from Magallanes. 1938. Confirms telegram of 28th ulto. re shipping wool from Magallanes, Gallegos & Cullen Station. next season. Gives number of bales "Lafonia" & "Pitroy" could lift. Understands considerable quantity wool comes into Magallanes by road and thinks this the more likely to get. Storing accommodation is available in Magallanes & Gildermeister can provide tug & lighters for shipment.  
When "Pitroy" was in Magallanes in July last, Penendez & Braun & Blanchard refused to hire their launches for receiving vessel also refused to sell her bunker coal & endeavoured to stop permit for export of mine lands coal. Gildermeister put their tug and lighters at our disposal.

- - - - -

No. 795

9th September,

57

"LA FOLIA" via Montevideo

Sir,

I have to acknowledge receipt of your Dispatch No. 1214 dated 9th July last and to confirm my No. 794 dated 29th idem.

2. 1214. 5. sealing license. I note your views. The restrictions imposed are in the interest of this industry to a certain extent but the most important one restricting the season to

1st April - 31st May for Elephants

15th May - 31st October for seals

is open to objection. Elephants are the more profitable but there could be no inducement in sealing for them within the periods stipulated - Mr. Watson considers that the best season would be between October and December and possibly into January. I am of opinion that unrestricted sealing should be permitted from May to December, the remaining months being a close season. I have no doubt that the season as now defined has been laid down by Mr. J. Hamilton who would probably prefer to see no sealing carried on or failing that for sealing to be hedged in by such restrictions as would make it unattractive. Unless Government will grant us a license on reasonable terms for a period of not less than seven years, we should let the matter rest for the present. As regards expenditure (your 1212 - 13), I shall not fail to adhere to the Board's instructions.

3. Salween. Have you received any further advice from them re plant, machinery, coal and coke at Rince Ula? (their letter to you dated 25th Aug last). As "Pitaroy" would have to make a special voyage for the coal, it would not interest us at more than 10/-.

No. 795 per Lafonia via Montevideo 9/9/57

Salvesen - Sheen.- November. s.s. Lafonia is scheduled to leave for South Georgia on 28th October, please enquire as to their requirements and telegraph us. Our rate is 20/- live sheep and 12/6 carcasses, delivered.

4. 1414. 7. Lively Island. I note that you have taken over the livestock, buildings, fencing and other plant as from 8th March last and the manner in which these are being dealt with in the accounts.

5. 1414. 14. Stock ex New Zealand. I note that the stock ordered is to be shipped per Mahana due here 29th October next. Confirmation of orders sent to you from this office:-

From New Zealand Loan and Mercantile Agency Co. Ltd

One Aberdeen Angus pure bred pedigree Bull, two to three years old, price limit 50 guineas New Zealand Currency - A/c Anson Tuxton.

Three English Leicester orino first cross half bred rams two shear must be uniform type well clad best possible fleeces 56 count. Price limit 225 (N.Z. currency) A/c Estate J.D. Kennedy.

Five Corriedale flock rams two shear uniform type typical of breed wool the first essential price limit 280 (N.Z. currency) A/c Estate T. Robson.

Five Romney Marsh two shear rams close woolled heavy clipping free from black spots britch kemp etc. low set & short legged. Plenty of constitution. Price limit 350 (N.Z. currency) A/c Port San Carlos Ltd.

Two Romney Marsh two shear rams close woolled heavy clipping free from black spots, britch, kemp etc. low set and short legged. Plenty of constitution. Price, limit 215 (N.Z. currency) A/c J. McGill.

All above to be finally passed by Mr. Bert Harris, New Zealand Loan and Mercantile Agency's Manager at Timaru.

In addition to these

1. Rams for Dean & Company  
25 Falkland Islands Co.

possibly several for G. Forner and 48 rams for various consignees at Magallanes are expected by this opportunity. The latter will be landed here and reshipped by s.s. Fitzroy. Will you please request Messrs Shaw Savill & Co. to instruct their New Zealand office to telegraph us when vessel actually sails and any likely change in her due date.

-3-

789

No. 795 per [unclear] via [unclear] 9/9/37.

6. 1414. 22. P.I. & Dependencies Sealing Co. Ltd. Production to mid August was very poor due to bad weather, seals scarce, and at one time 27 men were down with influenza.

When conditions improved, they had trouble with several of their men who have since been replaced. They have now made just over 100 tons oil and I hope to ship 150/200 tons per "Lafoonia" 14th October. I have telegraphed you to extend Port Richard's insurance for one month.

Reorganisation. Matters have progressed no further. His Excellency was to have raised the matter of a seven year whaling and sealing license with the Secretary of State for the Colonies but nothing has yet been heard. It is said that several Norwegian interests are endeavouring to secure whaling licenses for the Falkland Islands area.

1414. 23. I propose to leave "Gwendolin" at Albemarle when sealing closes down.

7. Store Indents 1414. 24. I note all you write re the increase in the number of small orders and as I have instructed the Chief storekeeper to endeavour to reduce these so far as is possible. I have also instructed him to indent for ample supplies for shipment from London 23rd October so as to reduce the volume of import in December, January and February next during the wool shipping season. I do not wish however, to make any great variation in the manner in which stores are now indented for - the system certainly entails more clerical work and calls for accurate stock keeping, but our losses from dead and depreciated stocks have been considerably reduced and we are known to always have fresh stocks, which is all worth while. A conservative view is always taken in the case of new items and certain non-essential goods such as wireless sets, lamps and heaters, bicycles etc etc and though this policy is doubtless the best to pursue it certainly entails a multiplicity of small orders.

8. 1414. 25. Farm Hedges. I have read the correspondence with H.E. with much interest.



237

-4-

No. 795 per "Lafonia" via Montevideo 2/2/27.

8. continued

The sequel is interesting - Mr. Weir has made it his business to advise Mr. W.H. Norton and Mr. Greenshields (who have been in Stanley and myself, that he did not make the statement ascribed to him. He states that his policy has been and is to get the confidence of the Farmers and to give them the benefit of his knowledge and advice in farming matters.

He does not consider that the relations between employers and employees comes within his province and fears that to connect his name with the views expressed, can only tend to negative any good he may have done.

I am writing to you on this subject by airmail so that it can be discussed again by the Board before Mr. S. Goodford sails.

9. During August the weather has been exceptionally bad, a succession of blizzards, gales and frost. There have been heavy falls of snow and the sheep must be in a bad condition. There was a great improvement at the end of the month and we have had a week of very fine weather.

The influenza epidemic has been very severe on West Falklands where it caused two deaths. Mr. H. Harding developed pneumonia and we were requested to send out a nurse by "Koydur". He has made a good recovery and two nurses have just returned via Port Howard and Brenton Loch ("Black Swan").

The sheep losses reported in my No. 794. 5. are said to be minimum - 1500 Port Howard  
600 Port San Carlos  
1400 San Carlos.

10. Mooring 5.8.27. Have now all been lifted, examined and relayed. The buoy has been placed on the slipway and is being chipped where necessary and tarred. Several of the wooden fenders require renewal and this is being attended to.

11. Shipping. The South Georgia Company have advised Government they will take 32 men ex Falkland Islands this coming season.

12. Auxiliary "Gentoo" arrived in Stanley on 1st inst. and entered



No. 795 per 'Lafoña' via Montevideo 9/9/37

12 continued.

the Floating Dock on 3rd inst. Blocks had been prepared in accordance with a midship section plan purporting to ~~xxx~~ be that of this vessel, handed us by Mr. Barton in response to our request for a docking plan. After vessel had been centered and dock was being pumped out, as she came on the centre block line, she heeled over to port, listing about 45 degrees until she was held by the port midship blocks prepared for her. There was no alternative but to continue pumping as the water was entering the hold. When dry, it was found that three frames and seven planks were badly damaged. A cement box was made over the damage and we hope to get her upright and in position early this week. A midship section has been prepared from the hull and it is found that there is a difference of 2' 4" between the actual rise of the hull and that shown on the midship section handed us for use as a docking plan. I understand that vessel is insured total loss only, but presume that owners can in any case recover expenses incurred in getting vessel upright and ready for repairs under "tue and labour". So far as we can ascertain, there has been no damage done to the Floating Dock.

A full report and copies of the midship section plan handed to us and a true plan will be sent you in due course.

13. Accident at Lively Island. I regret to advise you that on 19th ulto Mr. Gilruth reported that three men, P. Skilling, G. Heive and A. Heive had been drowned whilst landing in the dinghy from Cutter Blanchette at Lively Island the previous afternoon. Coutts sailed the cutter from Lively Island to Walker Creek single handed to report the accident.

I arranged to send "Roydur" out and she left next morning with Mr. H. Stewart, Colonial Secretary, who held an enquiry into the accident, Mr. H. Thompson of this office, and relatives of the lost men.

They met Mr. Gilruth and Mr. Gray at Lively Island and after dragging, only two bodies were recovered. <sup>the body of</sup> A Heive has not been

No. 795 per "Lafonia" via Montevideo 9/2/37

13. continued

found. The dinghy was recovered, it is in good order and has been taken into use again. I enclose a copy of Mr. Thompson's report.

P. Killing leaves a widow and two children. I understand that G. Weive left no dependents but that A. Weive allowed his father \$50 per month.

It is impossible to say what actually happened. It is not unlikely that two men, a dog and some odd packages were in the dinghy, the third jumped in and accidentally upset the boat, all three being thrown into the water. I understand that none of them could swim. The day had been calm but cold.

14. Remittances. I required \$2,000 at the end of August.

I may require a remittance at the end of September as we usually have to make heavy payments to the Savings Bank account our and clients employees before 3<sup>rd</sup> September.

15. utton shipped to U.S. 1937. The total quantity Auckland Island  
utton shipped was

4518 carcasses others	213805 lbs
3 75 " kees	<u>127986</u>
	321791 lbs

or 195 tons of 2240 lbs.

16. ale of sheep to Frazers 1938. Final accounts have been agreed with Messrs Gilderslister & Co. who advise us that they are anxious to continue the business next season and that they are specially interested in our sheep as those sent this year turned out satisfactorily. I presume that providing the price is right, you have no other objection to our coming to terms with them. I will telegraph prices offered to you in due course.

I understand that Government is taking up the matter of free entry or a license for next year, with the Home Government and that Swifts, Gallegos and Arnours, Santa Cruz, are likely to compete. If this business is to continue, I am strongly of opinion that all things being equal, we should give Gilderslister the preference.

No. 795 for "Lafonia" via Montevideo 2/9/37.

16. continued  
shall require the conditions of carriage modified to a certain extent and that our sheep are shipped when we require them to be.  
Clients have had our services free this season but I am of opinion that we should make a charge of say 2½. Please let me know if you approve - this would be in addition to any charges made by Government to cover inspection expenses etc.
17. Gibraltar Station. With reference to my 791. 2. it now appears probable that another dispute will arise before A. (Donald) Pitaluga's estate is wound up and any assistance in getting the affairs and position of the Station straightened out must await its settlement.
18. Estate late Arthur Bailey Pitaluga. The administration and winding up of this estate is going on satisfactorily and I hope to complete by the end of the year.
19. Estate H. Pitaluga. I have advised Mrs H.P. Pitaluga to come out for a short stay if possible. A number of matters require her decision which can only be dealt with on the spot. If she applies for a passage, please make the necessary arrangements.
20. Pages Statement. Quarter ending 31st June, 1937 is enclosed. It shows an increase of £1,928. 17. 5. for the quarter and of £3,663. 13. 4. for the half year.  
This is mainly accounted for by our having two vessels in commission for the whole period ("Lafonia" & "Pitaroy") and "Maydur" for a part of the time, cost of discharging s.s. "Lafonia" on her first arrival, the work on the Reservoir at the Naval Fuel Depot and the salary of the Ship Hotel Manager.
21. Travelling Teacher. With reference to my 794. 3., the permission applied for has been granted.
22. I have been advised that "Reina del Pacifico" is to call here on 5th February 1938.

No. 795.

NOTES FOR THE DIRECTOR.

Per Lafonia via Montevideo 9th September, 1917.

51. G.S. Lafonia 1914. 5. Boilers. Messrs. Lemaugh's remarks <sup>noted</sup> Lauritzen Treatment. In view of Messrs. Lemaugh's letter we are not proceeding further with this.
52. Port Edgar shore. 1914. 5. With reference to your request for the Master's signed report, as there was no Master or crew on the vessel when she stranded we are unable to furnish this. We enclose, however, a Declaration signed by Mr. Watson, Secretary of the Sealing Company, the owners of the vessel, stating what he knows of the circumstances. We trust that, with the various reports already sent you, this will satisfy underwriters.  
The statement regarding the coal, has already been forwarded to you under cover of my despatch 794/ B.61.
53. Lafonia - Outside employment. 1914. 11. Statement asked for will be compiled in due course, but it will be appreciated that the various agents' accounts are late coming to hand.
54. Royal Mail Lines Ltd. Revised Fares 1914. 17. The revised fares, 1st, 2nd and Intermediate Class are noted. We have received no advice of increase in any 3rd Class fares, but if any increase has been made we shall no doubt receive advice by the incoming mail (8th September).  
We are pointing out to the R.M.L. London a minor error on page 13 of their new Fare Tariff Handbook, No. 10, - First Class fare, "Alicantara" & "Asturias" Return 3 months, should read £155 instead of £156. (Check:- U.K. to Montevideo, Tour B. page 2, £134, plus our proportion £21, equals £155)
55. Passengers - Uruguayan Vice. 1914. 18. Noted; this is most satisfactory as it saves passengers from petty annoyance and unnecessary expense.
56. Freight rebates - 1914. 19. The last lines of your paragraph are not clear, as the calculation and allocation of rebates (hitherto only given on Homeward freights) have been attended to by you, and not by us. However, your instructions to calculate them here are noted and will be attended to.



No. 795 per "Lafonia" via Montevideo 9/9/37 - Shipping Section.

56. continued.

Homeward Freight rebates. From the experience gained in making these up as at 30th June this year, we consider it advisable to revert to the practice of calculating them annually instead of half yearly, Next year so that clients may receive their rebates in the year to which it applies, without unduly delaying the completion of the current accounts, will you please expediate, so far as is possible, the despatch to us of the Homeward Freight Schedules for 1937 produce sent home late in the year, as these Schedules must form the basis for our calculations.

Outward Freight rebates. These, too, we consider, should be made annually, commencing with next year. We will deal with the proportion allowable off the F.I.C. proportion of such outward freight. We presume that you will collect the Royal Mail proportion rebate (10%) on behalf of clients. As we have no means of allocating this to the various firms we shall be glad if you would send us a statement showing the amount due to each client.

57. "Lafonia" - Grain from Bahia Blanca. 1414. 21. The rate of freight on the 1,600 tons wheat shipped on voyage A.B.10. from Bahia Blanca to Porto Alegre was £ 9,200 Arg Gold, or £ 20,909.09 Arg. paper.

A part of 1,500 tons wheat, Bahia Blanca to Porto Alegre has been booked at £5.75 Arg gold for "Lafonia" voyage A.B.12., loading date about 17th September.

58. Surplus sheep to Magallanes - Insurance. From the first paragraph of Messrs Granvill Enthoven's letter of 1st June, it appears that in arranging cover, they have been misinformed on a crucial point.

In the original agreement between Mr. Friedli and myself, dated Montevideo 30th December 1936, it is clearly stated "rates of freight 3/- per head of sheep landed alive".

Our telegram of 15th February confirmed this, and is acknowledged in your 1413. 2. where you confirm that a cover had been taken out against all risks, and freight.

59. A.B. "Fitzroy" - Damage to Jetties. Two claims are pending in respect of damage done to jetties by "Fitzroy" during the shipping of sheep



No. 795 per Lafonia via Montevideo 9/2/27 - Shipping Section.

59. continued.

to Magallanes, viz. to Roy Cove Jetty on 27th March, and to Tres Puentes Jetty on 11th May. In the first case the timber for repair was supplied from Magallanes and Messrs Dick & Bravo have been very slow in forwarding their account for it. In the case of Tres Puentes, though we have agreed the amount of Silbermeister's claim in Chilean pesos, we do not know at what rate of exchange their next account will be presented. Log extracts and statement of claims will be forwarded as soon as the information is in our hands.

60. Freight schedules Handbook No. 1. We enclose for your information and records two copies of our first printed Freight schedule. Though dated 31st March there was some delay in getting the final printing done in Montevideo. You will note (page 2) that we have increased the through rate on General Cargo, Falkland Islands to U.S., to 12/- per ton. This category, of course, only includes sundry packages such as museum specimens, household goods, and similar oddments which we ship home now and then.

61. "Boydur" - Special Voyages.

2.14. At the request of Mr. J.H. Axton S.S. Boydur was engaged on 3th August to proceed with Mrs Axton and a nurse to Hill Cove where Mr. H. Harding was reported to be seriously ill with pneumonia. Vessel raised steam by the following morning and sailed at noon on 10th, arrived at Hill Cove p.m. on 11th and returned to Stanley at 1.30 p.m. on 13th August. Messrs Holmstedt, Blake & Co. have been charged with the cost of this voyage on the basis of 46 miles steaming at 5/- per mile, but from the abstract of expenses and earnings enclosed it will be seen that the expenses (even without allowing for overheads and depreciation) exceeded the earnings by 14. 10. 0. This is mainly due to the fact that 22½ hours elapsed from the time of engagement until she was ready to sail, and that she anchored for 13 hours at Hag Island on the outward voyage, 13 hours at Hill Cove, and 17 hours at Stanley (owing to bad weather) on the return voyage. From 1.30 p.m. on 9th until

No. 795 per Infonia via Montevideo 9/8/37 - Shipping section

61. continued.

4.30 p.m. on 15th she was steaming 33 hours 25 minutes and was stopped 65 hours 35 minutes.

4.15. At 3 p.m 19th August Oydar was commissioned to proceed to Lively Island in connection with the cutter accident reported in para. 13. She left Stanley 7 a.m. 18th, arrived Lively Island 12.30 p.m; left Lively Island 6.30 p.m 21st and returned to Stanley 11.45 p.m that day. In this case she was 56 hours 45 minutes in actual commission, of which 10 hours 45 minutes was steaming and 46 hours 0 minutes stopped. Abstract of expenses and earnings drawn up on same lines as that for voyage 4.14. shows a small credit balance of £3. 9. 5.

With these figures to guide us, we are considering a revision of the charges laid down for aviation and special voyages, shown in page 6 of our freight schedule handbook No.1. and such changes as are decided on will be incorporated in the next edition of the handbook.

62. S.S. Infonia - Itinerary 1938. We enclose 2 advance copies of Infonia's proposed 1938 itinerary for the first 5 months of 1938. Voyage 4.2. can be taken as quite definite, as the connection with Asturias homewards from Montevideo 18th February has been fixed for the convenience of wool clients returning from Magallanes then. 4.1. and 4.3. may be subject to alterations should we be successful in securing wool for our vessels at Magallanes, Vallegos & Allen.

63. 4.4. 4.5. - Outward rates of freight. Can you ascertain through Messrs J. J. Hewitt (or other reliable source if the J. J. H. have raised outwards rates, and if so, to what extent?

64. S.S. Infonia - Movements. Infonia arrived at Stanley from Montevideo (Voy. 4.1) on 30th July with some 330 tons of cargo to discharge. She sailed on voyage 4.5.11. at midnight, 1st August for Foxbay and Montevideo, where she arrived on the morning of 8th. She left p.m. on 9th for Rio Grande do Sul where she loaded 1,613 tons of timber for Rosario. She arrived at Rosario at noon on 22nd August. Rate of freight £ 90/000 (allrais) per ton.

No. 725 per "Lafonia" via Montevideo 9/9/37 - Shipping Section

64. continued.

She left Rosario on 1st September and arrived at Montevideo on the night of 2nd September.

She is expected back in Stanley some time on 8th September with "Highland Patriot" cargo (250 tons approx.) and will probably leave on 11th for Fox Bay, Montevideo, Bahis Blanca, Porto Alegre, Montevideo, Stanley. (Voyage A.B.12.)

65. Magallanes. I hope to send Mr. Brenner to Magallanes per "Fitzroy" on voyage F.12. returning to Stanley per "Lafonia" A.B.13. 27th October. Apart from general matters connected with the Agency there which can be profitably discussed direct with Mr. Dick, it will be an opportunity to further explore the possibilities of cargoes from that port and district.

66. Lafonia - Engineers. I confirm my letter of 2nd August sent by Air Mail stating that we can arrange with one Engineer providing that he has a 2nd's ticket. On 12th August I telegraphed you to await further advice before engaging, as at that date it was expected that we could secure the services of a Norwegian Engineer, now working for the Sealing Company for 18 months. The negotiations fell through, and I accordingly telegraphed you again on 18th August to engage an Engineer in accordance with my letter under reference. I am expecting the arrival, by present voyage of "Lafonia", of a 3rd Engineer engaged in Montevideo for one year at least.

67. Cargo - Magallanes to Gullen Station. We informed Dick & Brevo by telegram 16th August that we could offer s.s. "Fitzroy" for cargo from Magallanes to Gullen at end of September if rates of freight were attractive, and that we could probably offer to ship Gullen Station's wool to Montevideo early in 1938. They replied that this matter could only be effected through Calderon & Co's London Office. However, Captain Roberts was instructed to approach Mr. Eric Calderon in Buenos Aires and we await his report.

68. Freight on produce 1938. I propose that the Coastwise proportion on produce for the coming season be fixed at:-

No. 795 per Lafonia via Montevideo 9.8.37 - Shipping Section

continued

Wool and skins

Category A stations 2. 10. -. per ton of 1000 kilos

Stations in other categories 5. 10. -. "

Tallow hides

Category A stations 2. 10. -. " " " "

Stations in other categories 5. 10. -. " " " "

Less 5/- per ton of 1000 kilos rebate on all classes of produce.

The onward freight to London to be added to above and to be fixed at the same rate as the Conference fixes for shipments from Magallanes to London. Please let me hear.

69

Wool from Magallanes 1938. I confirm my telegram dated 28th ulto. sent via Lafonia suggesting that you might approach General Jacobo Moore and other interested parties re shipping wool from Magallanes Gallegos, Gullen station etc. next season. The time appears to be opportune for seriously considering this matter as it is most likely that the Conference will raise their rates of freight on produce next season. We also understand that certain farms are becoming increasingly dissatisfied at delays in getting their wool home.

Counting vessels being loaded to their utmost capacity, we estimate that we could lift 9,000 Magallanes bales and 6,000 Falkland Is. bales to Montevideo, half each for the Arch and my sales:-

		March Sales	May Sales	
"Pituroy" (Magallanes)	2 calls each 750	1500	1500	= 3000 Magallanes bales
Lafonia (Magallanes)	1 call 3000	3000	3000	
Lafonia (Falklands)	1 call 3000	3000	3000	= 6000 P.I. bales

I understand that a considerable quantity of wool now comes into Magallanes for shipment by road, and it is this we are the more likely to get. It would be necessary to hire storage accommodation.



69. continued.

at Agallanes but understand that this is available.

Lighters and a tug would be required for shipment but Messrs Childermeister can now provide these.

Our rate from Agallanes would probably be about the same as the net conference rate. I should be inclined to quote the same rate from Valparaiso and 1 per ton extra from Antofagasta providing that they could give us a sufficiently big shipment at the one time (say 4000 bales minimum). Should anything come of these proposals, we shall doubtless hear from the conference. I do not of course know to what extent they would or could retaliate. Were I in their position I should be inclined to offer the A.C.C. a certain quantity of bales to be shipped at Agallanes from the conference hulks by their agents, on their bills of lading and at their rates of freight.

This is a policy I have seen carried out more or less satisfactorily elsewhere; it usually satisfies the competitor, it keeps him in his place and the conference control of the business is not affected. Should there be any approach from the conference these are a rough outline of terms which we might find it worth while considering.

When S.S. El Zorro was in Agallanes in July last, both Messrs Encoders and Juan Blanchard refused to allow their launches to be hired for receiving the vessel. They also refused to sell her bunker coal and made an effort to get the permit for export of nitrate. The coal stopped. They were not, however, successful and the other difficulties were got over. It is said that this was at the instance of certain members of the conference which if correct is singularly stupid as it is obvious that they cannot keep us out of Agallanes. As an outcome of this, Messrs Childermeister & Co. immediately put the tug and three lighters they have recently purchased, at our disposal.

I am,

Sir

Your obedient servant,

Manager.



E N C L O S U R E S

1. Despatch No. 796
2. XXXX Statement on Accounts No. 95
3. Remarks on Accounts No. 95
4. Store Indent No. 763
5. Remarks on Stores 763
6. Remarks on Naval Fuel Depot No. 59
7. Engineering Remarks No. 11.
8. Coal Statement - September
9. Coasting Insurances - September
10. Insurance on Supplies - 6th October.
11. F.I. Gazette - 1st September
12. "Lafonia" Radio Accounts
13. F.I. Shipping Report - 11/37
14. Envelope addressed to Managing Director
15. " " " Mrs M. Galloway
16. " containing photos
17. Newspaper cutting re New Rules for Shipowners.
18. s.s. "Lafonia" Itinerary to 23rd March

SPECIFICATIONS

Mark	Wool	Skins	Hides	Tallow
F.I.C. S.I.	17			
	12	3		
McG.		12		
W.J.H.		16	103	
F S		26	44	4

P R E S I S

1. Acknowledges you No. 1415 confirms No. 795.
2. Port Stephens Bull has been kept under observation by Agricultural Adviser but will be shipped out in a few days.
3. Remittances. Required £1,500 at end of September, may require £1,000 at end October.
4. Government & Port San Carlos Mortgage. Under Secretary of State's letter has been read with much interest. Hopes to discuss with you next year the subject of financing of the Farming industry in the Colony in the future.
5. Admiralty Lighter O.C.82. Proposes that this lighter be docked after fuelling H.M.S. "Exeter" and examined by Commodore's Staff. Regarding assembling of new lighter here Mr. Young sees no insuperable difficulty in doing the job here.
6. Mr. J. Mitchell's (Wool Classifier) agreement to hand.
7. Through Bill of Lading from U.K. Did not telegraph but has written by Airmail.
8. Teja Cottage. Encloses Mr. Hannaford's report. Proposes to dismantle House next year and not erect another on site. Storekeeper's house requires extensive repairs and should be condemned.
9. Accident at Lively Island. Body of A. Reive was recovered and buried at Darwin. Message of sympathy has been conveyed to relatives.
10. Reports on work done on Aux. M.V. Gento. States how bills against Dean Brothers have been divided up to enable them in formulating their claim against Underwriters. Ship was insured T.L.C. but assume expenses can be recovered for getting vessel upfloat but not actual cost of damage repairs.
11. H.M.S. "Exeter" visiting here from 12th November to 3rd December. Admiralty Tanker "Olive" is due here about 20th inst. "Mahana" expected about 29th inst.
12. Gives list of ships hopes will be docked during next four months.
13. s.l. "Kelp" will have to be replaced soon. Full report will be sent you when she is docked. Mr. Young is inclined to have hull built at Magallanes and engine her here.
14. F & S Sealing Co. Ltd Mr Young visited the Station at Albemarle reports it in good order considering so little has been spent on it. States what he has seen and is of opinion that Mr. Watson has carried on sealing very well.  
Sealing closed down on 2nd inst. after a disappointing season. Applied to Government for license for permission to take elephants between 15th November & 31st January 1938 but was refused. Had permission been granted employment would have been provided for about 21 men. for 3 months.  
Nothing has been heard re license for a term of years.
15. Asks for copy of insurance cover for seal oil.
16. Reports "Gwendolin" has been anchored off at Albemarle to save towage in. Suggests she has the 60 tons coal in her insured against fire.

17. Regrets that our telegram of 27th September ordering Stores for shipment per "H. Patriot" would not be despatched by "Lafonia" before 6th inst.
18. It is satisfactory that you were able to obtain extra ton of butter from New Zealand as price of Argentine butter has increased.
19. The prices realised for September Wool Sales have not yet been received.
20. Camp Teacher. The post has been filled locally.
21. New Doctor's House at Darwin is progressing satisfactorily and should be ready for occupation in November.
22. Rams from Coast. Arrangements are being made to send "Fitzroy" to Magallanes with these; she will also take some butchery sheep and bring back rams selected by Mr. Goddard.

#### SHIPPING SECTION

50. s.s. "Lafonia" The Lauritzen ~~contract~~ compound was recommended by Mr. Brown (Chief Engineer "Lafonia")  
~~Notes~~
51. Notes that R.M.V. "Reina del Pacifico" leaves Liverpool on 12th January & will cater for passengers & cargo for Port Stanley. The usual arrangements will be made.
52. Landing charges ex P.S.N. and other vessels discharging in Port William have been increased to 30/-. This has been fully advertised.
53. Shipment of Seal Oil per "Mahana" Confirms telegram offering definitely 200 tons gross of Seal Oil for shipment per "Mahana"
54. Movements of Ships. Reports on movements of s.s. "Lafonia" and s.s. "Fitzroy".
55. Cullen Freight & Produce. Capt Roberts was instructed to approach Mr. E. Maldron in Buenos Aires re carriage of Cullen Stores. He gave him to understand the business could be arranged if Cullen wool would be lifted about February. We are now waiting to hear from Dick & Bravo before definite arrangements are made to make the trip. Mr. Creamer is over in Magallanes and will remain a few weeks to sum up position.
56. Foxbay Wool - Diver refused to go down after seeing a sea-leopard so returned to Montevideo by "Lafonia" last voyage.
57. Mr. Young is discussing with Government a proposition he has in view of taking apprentices for training as Deck Officers, Engineers & Wireless Operators. Government appears anxious to foster scheme.
58. Bill of Lading. This has been dealt with in an Airmail letter
59. Shipment of Penguins Copies of letters re this matter are enclosed.
60. Codes. Does not propose to proceed further with this at present
61. Notes you have secured a 2nd Engineer for "Lafonia" who is proceeding to Montevideo per "Asturias". 3rd Engineer ex R.V. did not join.
62. Freight on Butchery sheep to Magallanes has been charged at 4/- per head but this is insufficient.

63. Coal stocks are reported to be very low. Mr. s considering sending "Fitzroy" to Montevideo in November to balance of seal oil to bring back a full load of coal in in December taking up wool and bringing back coal
64. Capt. Roberts reports that "Lafonia's" Echo sons proved its value & Mr. Young suggests we purchase ins hiring it.
65. East Jetty. A number of repairs and renewals aired.
66. Casual labour employed as stevedores. When work P.S.N.C vessels men were paid at 1/9 per hour. When work our vessels they were only paid 1/6. Now no P.S.N.s are calling here Mr. Young has increased rate to
67. Wreck of Fort Edgar. Encloses copy of letter to Salvage Assoc. regarding disposal of wreck.
68. Copies of Registers of "Fitzroy" & "Lafonia" aresed.

- - - - -

9th October,

37

"YONIA" via Montevideo  
No. 796.

Sir,

I have to acknowledge receipt of your Despatch No 1415 dated 13th August and to confirm my No. 795 dated 9th September last.

2. 1415. 7. Port Stephens Bull. As previously reported, the bull arrived safely but suffered from diarrhoea after landing. The Agricultural Adviser decided to keep him under observation and he has been kept in the paddock behind the office and attended by us. He is now well and will be shipped out in a few days.

3. Remittances I required £1,500 from you at the end of September and may require about £1,000 at end October.

4. 1415. 16. Government and Port San Carlos Mortgage. The Under Secretary of State's letter dated 5th August last has been read with much interest. I hope to have a full discussion with you and with the Board of Directors next year on the subject of the financing of the Farming industry in the Colony in future. The experience I have gained during the past years has led me to certain conclusions which process has been somewhat accelerated by the Port San Carlos/Government incident and I think it very desirable that our policy is overhauled and modified as may appear to be necessary, after personal decision.

5. 1415. 18. Admiralty ~~XXXXXX~~ Lighter O.C.82. I am writing you by Air Mail proposing that this lighter should fuel H.M.S. "Exeter" on arrival, then be docked for examination by the Commadore's staff, and painted. Regarding the assembling of a new lighter here, if ~~xx~~ drawings and specifications are provided, we will go into the matter of time required and cost involved. I see no insuperable difficulty in doing the job here.

THE MANAGING DIRECTOR  
THE FALKLAND ISLANDS CO. LTD



Re. 796 per "Infonia" via Montevideo 9/10/37

6. 1415. 22. Wool Classifier. Mr. J. Mitchell's agreement to hand.
7. 1415. 26. Through Bill of Lading from U.S. As we had several alterations to suggest, I did not telegraph you but writing by air mail.
8. Teja Cottage. I recently instructed Rannaford to examine and report on this house which report is now enclosed. I have not been able to ascertain how old it is but it is certainly not less than 60 years. I understand that at one time Mr. Langdon's father lived in it and that Mr. Langdon was born there. A considerable sum of money was spent on the house in 1928 and it will be necessary to spend a considerable sum now, if it is to be put into good condition. In view of its age, I do not recommend that it be repaired but that when Mr. Hodgson proceeds on leave next year, we remove anything which may be of use to us and sell the house for dismantling. I do not propose to erect another house on this site at present, but the garden will be maintained and the site can be built on at a later date if necessary. That part of the Old Ship Hotel which is being turned into a dwelling house is nearing completion and will shortly be available for occupation. It provides 3 bedrooms, boxroom, 2 sitting rooms, bath, W.C., and kitchen. The Chief Storekeeper's house occupied by Mr. Greener will also require extensive repairs shortly. It is very old and should then be condemned.
9. Accident at Lively Island. In continuation of my 795. 13. the body of A. Reive was recovered on 29th Sept. It was taken to Darwin and buried there. I have conveyed the message of sympathy from the Board of Directors to the <sup>re</sup> relatives.
10. Aux. M.V. "Gentoo" Mr. J.M. Thomson has made a full report re the accident to this vessel whilst docking - under Engineering Remarks. The damage and other repairs have been completed and vessel undocked on 4th October. All work on the vessel was done by Dean Brothers employees - they worked very well indeed throughout. They worked usual Camp hours, not an 8 hour day - the work

No. 796 per "Lafonia" via Montevideo 9/10/37

was therefore completed in much less time than we should have required. Our bills which cover Dock dues, materials etc. against Dean Brothers have been divided up thus

Damage account (getting vessel upright)	£112. 11. 3.
Damage and owners repairs account	377. -. 6.

to assist them in formulating their claim against Underwriters. I understand they are insured total loss only, but assume that they can recover all expenses incurred in getting vessel upright, but not the actual cost of repairing the damage incurred. It is possible they may be able to recover this from the firm who supplied them with an incorrect plan. I presume that getting the vessel upright comes under "sue and labour" - the work was carried out by us (with the assistance of the crew of the vessel) as Dean Brothers' agents

11. H.M.S. "Exeter" (Commodore - South American Station) is expected to visit Port Stanley from 12th November to 3rd December next.

Admiralty Tanker "Oliver" is due here about 20th inst. with fuel oil and aviation spirit

s.s. "Mahana" is due here from New Zealand about 29th idem.

12. Docking programme. I hope to dock during the next four months

s.s. "Fitzroy"  
s.s. "Port Richard"  
s.s. "Roydur"  
s.s. "Kelp"  
Three lighters  
O.C. 82

13. With reference to s.l. "Kelp" I anticipate that we shall have to consider replacing her before long. As s.s. "Roydur" is likely to be away from Stanley from time to time we cannot rely on her. A full report will be sent you when s.l. "Kelp" is docked and in the meantime I am going into proposals for her replacement. I am inclined to have the hull (wood) built at Magallanes and engine her here but detailed proposals will be put before you in due course. In the meantime kindly obtain and send out catalogues of small marine diesel engines from 10 to 75 H.P. from such firms as Thorneycroft, Gardiner, Kelvin, Lister and Gleniffer.

14. F.I. & Dependencies Sealing Co. Ltd I visited the Station at

No. 796 per "Lafonia" via Montevideo 9/10/37

Albemarle on 13th and 14th ulto. Considering that very little has been spent on upkeep during the past few years, it is in quite good order. If circumstances permitted, it would be an economy to add two digesters to the plant.

The water supply is inadequate, there is a spring in a nearby valley from which water could be pumped to the reservoir. The distance is about 500 feet and rise 50 feet.

The accommodation for the men is ~~xxxx~~ inadequate and a separate mess room and galley is required. There are no quarters ashore for the Manager who now lives on "Swendolin" - previously on "Port Agar".

These matters can be dealt with if and when the Company is reorganised. I am of opinion that Mr. D. Watson has done very well to carry on sealing and maintain the Station, as he has done during the past few years.

Sealing. closed down on 2nd inst. It has been a disappointing season, only about 280 tons being produced. Seals were late in hauling up but left about the usual time. Labour trouble and influenza also retarded production. 759 large drums have been filled and will be shipped per "Mahana" and the balance via Montevideo in November next.

The license granted by Government for this season was for 10,000 hair seal only. Elephants were specially excepted at first but this was later modified to 500 elephants to 30th September last. This is valueless as elephants are scarce at this time. After discussing the position with Mr. D. Watson, I applied to Government on behalf of the Sealing Company for permission to take elephants between 15th November and 31st January 1938, stating that if permission was granted, I would allow them to seal on Lafonia. This was refused. Government <sup>policy</sup> appears to be to make sealing as unattractive as possible and unless it is modified, there can be no future for the industry. Had permission been granted, employment would have been provided for about 21 men for three months.

Nothing has yet been heard regarding a license for a term of year

15. Insurance - Seal Oil. Please send me a copy of the insurance cover

No. 796 per "Lafonia" via Montevideo 9/10/37

for seal oil. The copy I have is with Messrs Morice Tozer & Beck No. 2264 dated 29th March 1933.

16. "Gwendolin" has been anchored off at Albemarle as I decided to save the towage in. She has about 60 tons coal in her chiefly Coronel. I suggest that this be insured against fire - value 60/- per ton. The Sealing Company have use for her for stowage and for living quarters and if the Company is reorganised I would advocate selling her. I should propose to retain the engine and possibly the masts. Please let me know if you have any objection and if not, what value you would place on the hull.

17. Telegrams via "Lafonia". I regret that our telegram dated 27th September last ordering Stores for shipment per "Highland Patriot" sails 23rd inst. could not be despatched by "Lafonia" before 6th inst.

18. Butter. It is satisfactory that you were able to obtain the extra ton from New Zealand as the price of Argentine has increased considerably.

19. September Wool Sales. The prices realised have not been received yet but I trust they were satisfactory.

20. Camp Teacher. With reference to my 794. 30, I was able to obtain a man locally to fill the vacancy and therefore telegraphed you not to engage one at Home.

21. New House for Doctor Darwin. Is making good progress and should be ready for occupation in November next.

22. Rams from Const. I am arranging to send "Fitzroy" to Magallanes with rams ex "Sabana" shortly, after latter vessel's arrival. She will also load some Butchery sheep and will bring back rams selected by Mr. G. Goddard for our Fram.

No. 796 per "Lafonia" via Montevideo 9/10/37

SHIPPING SECTION.

50. 1415. 9. s.s. "Lafonia" The Lautitzen compound was strongly recommended by Mr. Brown present Chief Engineer s.s. "Lafonia" who states that he has had considerable experience with it elsewhere. Apropos of the subject of new products. I have indented for a drum of Synthaprupe by this mail. This is a jointing compound and appears to be somewhat similar to a compound I had considerable experience with in India in controlling leakages in boats and lighters.

My recent queries re synthetic glass was in the hope of finding something suitable for port glasses for "Fitzroy". Cracked port glasses are unusually high in this vessel presumably due to the metal frame not being sufficiently rigid to withstand careless or uneven screwing up.

Synthetic glass does not appear to be suitable - I believe that Pilkingtons make what they term armoured glass and Triplex might be suitable. Perhaps Messrs. Bonnaugh's views might be obtained.

51. I note that R.M.V. "Reina del Pacifico" leaves Liverpool on 12th January next and will cater for passengers and cargo for Port Stanley - the usual arrangements will be made. The implication made in the last paragraph of Mr. James letter dated 30th July 1937 addressed to the chairman, is most unnecessary and I should be surprised that he should have made it - unless he has an uneasy conscience. (See my 795/69 - last paragraph)

52. Landing charges ex P.B.N and other vessels discharging in Port William have been increased to 20/- per ton as from 31st March 1937. This was fully advertised in "Penguin" of 3rd August last.

53. Shipment of Seal Oil per "Mahana" I confirm my telegram of 28th ulto. offering definitely 200 tons gross of Seal Oil for shipment per "Mahana" due here about 29th inst. Unfortunately several conflicting messages were sent regarding this consignment owing to delay in the despatch of our telegrams to Maclean & Stapledon and a mutilation in their reply. We had requested Maclean & Stapledon to



No. 796 per "Lafonia" via Montevideo 9/11/37 - Shipping Section

obtain a quotation for this parcel Montevideo/Glasgow before the question arose as to shipment per "Bahama" but on receipt of your advice that "Bahama" would accept at 50/- per ton I immediately cabled Montevideo asking them to telegraph the terms they had secured. As frequently occurs when urgent messages are on hand for transmission, the local station was unable to communicate with Gerrito for three days hence the delay in replying to your original telegram. Failing a reply from Montevideo I requested you to reserve space for 100 tons with option for further 100 tons. On the following day Maclean & Stapledon replied quoting for shipment per "Marcella" at £1. 5. 6. per ton which rate was sufficiently attractive to make it worth while routing the oil via Montevideo and we therefore telegraphed you to cancel the "Bahama" offer if possible and at the same time confirmed the shipment and rate with Montevideo. Two days later we received another message from Maclean & Stapledon giving the rate as £2. 7. 6. per ton not £1. 5. 6., the reading of the latter rate being due to a mutilation. A further message was sent to you as mentioned above asking you to revive the offer and I was glad to receive your reply to the effect that space for 200 tons had been reserved at £2. 10. per ton.

54. Movements of Ships. s.s. "Lafonia" after discharging 404 tons cargo including 250 tons ex "Highland Patriot" left on 11th ult for Foxbay and Montevideo. She arrived at Montevideo on 17th and left the same day for Bahia Blanca after loading 250 empty drums for Rio Grande do Sul. At Bahia Blanca where she arrived on 19th idem "Lafonia" took 1775 tons of grain in three and a half days - this is the largest consignment the vessel has yet carried. The rate of freight was as previously / 5.75 Argentine Gold. When "Lafonia" arrived in Brazil, Capt. Roberts telegraphed that floods were causing interruption in local trade so that the 350 tons of Potatoes Pelotas/Montevideo which we had hoped to secure would probably not be available. She arrived at Porto Alegre on 27th where rain considerably delayed the discharge and it was not until Sunday 3rd inst. that she left Porto Alegre for Montevideo with 175 tons and 350 empty

No. 796 per "Infonia" via Montevideo 9/10/37 Shipping Section

drums for that port. Vessel arrived in Montevideo on 5th, discharged, loaded for Stanley, sailed on 6th idem arriving here on 10th. She was delayed half a day at Montevideo owing to difficulty in shipping the Government Motorboat in so far that the slings attached to the cradle were too long for ship's cranes and the Port Floating crane had to be requisitioned at a cost of about £200 (Uru.) Capt. Roberts advises me that the freight to Montevideo was only £39, approximately six tons weight at £15 per ton and am very surprised that the Royal Mail Lines should have accepted it at so low a rate.

She will leave again for Montevideo on 13th with 4 passengers 91 bales wool/sheepskins, 224 salted hides, and 2½ tons scrap metal; returning via Magallanes with some 14 passengers.

s.s. "Fitzroy" left for Port Howard, Foxbay and Albenarle with Diver and gear on board soon after arrival of "Infonia" on 9th ult. As telegraphed you, the diver refused to attempt to work. This <sup>div</sup> did not occupy the time which I had anticipated and therefore, in response to a request from the W.P. Farmers, I agreed to land Clients' cargo ex "Highland Patriot" en route for Magallanes. "Fitzroy" returned to Stanley on 15th, completed loading and sailed again on 18th idem calling at Salvador Waters, principal West Falkland Ports and Speedwell Island where she lifted 520 butchery sheep for Magallanes. Vessel reached Magallanes on 29th September and although the passage took three days the Captain advised us that only 4 sheep died in transit the remainder selling for 105 pesos Chilean per head. I had hoped that whilst "Fitzroy" was in Magallanes we would secure freight to Cullen but as advised in another paragraph, this did not materialise. She proceeded to Mian Elena for 300 tons of coal returning to the Islands on 11th inst. Vessel will load for the "Tour" voyage, proceed to Darwin and then call at Stanley for passengers before continuing to Salvador Waters and West Falklands.

55. Cullen Freight and Produce. I instructed Capt. Roberts to approach Mr. E. Waldron of Waldron & Wood when he was last in Buenos Aires regarding the carriage of Cullen stores which are now in Magallanes awaiting shipment to the Station - some 250 tons with an approximate

No. 796 per "Lafonia" via Montevideo 9/10/37 Shipping Section

freight of \$650. He gave Capt. Roberts to understand that provided I was prepared to guarantee to lift the Cullen Wool about February next year, the whole business could easily be arranged through Messrs Dick & Bravo who were dealing with the matter in Magallanes. One of the dates quoted (October 4th when spring tides enable vessel to land stores) would have suited very well for the last trip of "Fitzroy" and I immediately cabled Dick giving the required guarantee and offering the vessel subject to an early reply. Despite Waldron's obvious wish to give us the business if possible, of which I feel certain Dick knew, the usual series of delays began whilst Dick and Bravo telegraphed Buenos Aires and London and as between here and Magallanes it generally takes two to three days before a message can be sent or received, the time has passed and still I do not know whether they are going to give us the freight. The other date suggested - 19th October - would entail considerable alteration in "Fitzroy's" programme but I am waiting to hear again from Dick & Bravo before I decide whether to make another trip then. I am sure that we have the good will of Waldron & Wood who as you know control indirectly a great deal of business in and around the Straits and also that other firms there would support us but Messrs Dick & Bravo do not appear to be giving us the attention and co-operation they might. As stated in my last despatch I have sent Mr. Cresser there by "Fitzroy", he will remain in Magallanes for a few weeks with a view to summing up the position as it now is and will revert to this matter when I receive his report.

56. Foxbay Wool - Diver. As advised in my telegram of 13th ult. from "Lafonia" the Diver refused to attempt to salvage the wool after seeing sea leopards in the water close to where the scows and wool lay. I sent him out with his assistant, boat and gear per "Fitzroy" immediately after arrival of the "Lafonia" and on the following day the Master of "Fitzroy" telegraphed me that the diver would not go down. I went out in "Lafonia" on 11th idem and found that the Diver was quite definite about his refusal - no useful purpose could be

No. 796 per "Laфонia" via Montevideo 9/10/37 - Shipping Section

could be served in keeping him in the Islands so the two men and the gear were transferred to "Laфонia" which left Foxbay on 13th for Montevideo. The diver (who spoke no English) was apparently not concerned regarding the payment for his services as the contract for his employment was made with the Port Authorities at Montevideo who were paying him his usual wage and any profits on the job would have been theirs. I instructed Captain Roberts to effect a settlement with the Authorities suggesting a basis of payment of actual expenses and he now tells me that they claim 680 dollars Uruguayan but he has informed Maclean & Stapledon that our limit is 7200. Macleans are taking the matter up with the President of the Port Authorities and I will advise you in due course as to what payment is agreed upon. With regard to any further efforts to recover this wool, I consider that it would not be worth our while making another attempt unless the Underwriters were prepared to abandon the wool entirely. As you will observe from the enclosed Statement a considerable sum has already been spent without a single bale being salvaged. I have been approached by a local man requesting me to allow him to work on the 'no cure no pay' basis but of course we should have to finance him to a certain extent as to gear &c and again he has very little experience so that I should be very dubious about proceeding with the matter at all unless, as I say, the Underwriters abandoned the whole consignment. I am uncertain as to our position regarding the collection of the expenses incurred in attempting to salvage this wool but presume that a proportion, if not all, will be met by the Underwriters as the operations were carried out in their interests. The enclosed

Enc. statement does not include any payment for the Diver - it is sent for your information only. When a settlement has been made with the Montevideo Port Authorities a complete account will be forwarded.

37. Apprentices on our Vessels. I am discussing with the Government a proposition I have in view of taking apprentices for training as Deck Officers, Engineers and Wireless Operators. Government appears to be most anxious to foster the scheme but with Deck Officers



No. 796 per "Lafonia" via Montevideo 9/10/37 - Shipping Section.

particularly there is the difficulty of arranging for the candidates to take the necessary examinations. I have definitely decided to take two lads as apprentice engineers as even if they do not secure certificates I can always employ them. It is possible that the difficulties about certificates might be overcome if power could be obtained to issue them here after examination by competent persons; however the matter is being pursued and no doubt in view of the possibilities the Government will make every effort to assist.

58. Bill of Lading - 1415. 26. This matter has been dealt with in an airmail letter dated 5th October. I assume from your remarks that the actual printing has not yet been put in hand.

59. Shipments of Penguins - 1415. 31. I have replied to Messrs Clyde's queries in a separate letter which is enclosed herewith. Duplicates Enc. of the various correspondence are enclosed so as to avoid the necessity of retyping in your office should you decide to send Messrs Clyde a copy of my reply.

6. Codes. 1415. 13. I do not propose to proceed further with this matter at the moment.

6. Engineers s.s. "Lafonia" I note from your telegram of 7th October sent via "Lafonia" that you have secured a 2nd Engineer who is proceeding to Montevideo per "Asturias".

With reference to my 795. 66., the 3rd Engineer expected ex Montevideo did not join but I hope to fill this position locally.

62 Freight on Butchery Sheep to Magallanes. Hitherto we have been charging 4/- per head but this is insufficient.

For example, on this last voyage vessel made a detour of some 80 miles to ship these sheep at Burra and Speedwell Island and was delayed there 36 hours shipping them. Freight at 4/- would amount to £104 only. I am of opinion that it would be more equitable if <sup>this</sup> year I have credited <sup>the ship owner on the venture</sup> Burra with 2/3rds of proceeds and "Fitzroy" 1/3rd.

6. Coal Stocks. are very low. I have on hand

107 tons Steam Coal  
21½ " Patent Fuel

"Fitzroy" returns with about 300 tons Minn Elena Coal. This coal is



No. 786 per "Lafonia" via Montevideo 2/12/37 - Shipping Section

cheap but not very suitable for bunkers and I am considering despatching "Fitzroy" to Montevideo in November with the balance of Seal Oil bringing back a full load of coal and again in December, taking wool up and coal back. This should bring our stocks up to about 800/1,000 tons which should be sufficient to take us through sheep shifting if we sell to Magillanes next year. If this course is decided upon and assuming 1938 coal contract prices will be increased, Wilson Sons & Co. may object to our requisitioning such large quantities at the end of the year. In any case a proportion should be supplied at current contract prices but should they raise the question I will instruct Capt. Blair to propose to Wilsons Montevideo that it be settled by you and their London Office. I will cable you as soon as I have come to a definite decision.

64. s.s. "Lafonia" Echo Sounder. Capt. R. A. Roberts<sup>ref 1015</sup> that this instrument has already fully proved its value and I suggest that we now purchase instead of hiring it.

65. East Jetty. A certain amount of repairs and renewals are required particularly on the T end. "Lafonia" lies very comfortably as she is held off by her anchors and the buoy aft but the belting of "Fitzroy" is very hard on the Jetty.

Heavy timber piles (Sandy Point 12" X 12") will be used as fenders. About three years ago I used two heavy timbers for this purpose - the experiment proved satisfactory so I have decided to extend it.

66. Casual labour employed as stevedores. When engaged on P.S.N. vessels these men were paid at the rate of 1/9 per hour. When working on our vessels, which was only occasionally they were paid at 1/2. In 1935 they endeavoured to get us to raise the rate on our vessels to 1/9 but I compromised at 1/6. Now there are no outside vessels calling, the matter has been raised again, and after consideration I have considered it politic to increase the rate to 1/9. The P.S.N. Co. latterly paid in labourage bills here about 2600 p.a. and in a normal year I do not anticipate that we shall pay any more than this for receiving and despatching overseas cargo.

67. Crack of Port Edgar. I enclose a copy of a letter to the

Enc.

No. 796 per "Lafonia" via Montevideo 9/10/37 - Shipping Section

London Salvage Association regarding the disposal of this wreck  
You will be interested to note the time and labour employed to  
salvage approximately 25 tons Patent Fuel/Coal.

68. Copies of Registers of s.s. "Fitzroy" and s.s. "Lafonia" are

Enc. enclosed for your record.

Despatch No. 797 per "Lafonia" via Montevideo 23/10/37

E N C L O S U R E S

1. Despatch No. 797
2. Statement on Accounts No. 96.
3. Remarks on Accounts No. 96.
4. F.I. Gazette - 1st October
5. Voyage Report - s.s. "Pitzroy" No. 11.
6. Quarterly Wages Sheets - Firm F.E.
7. F.I. Shipping Report No. 12/37
8. Envelope containing photos of "Gentoo" on Floating Dock
9. Envelope addressed to T.G. Salughter
10. Package of papers re s.s. "Lafonia"
11. Letter to the Managing Director

R R E C I S.

1. Acknowledges your Nos. 1416, 1417 & 1418 and confirms No. 796.
2. "Mahana" due 4th November with Rams & Hull from New Zealand. Notes freight £10 per head, minimum £500. Rams from Coast to be shipped per "Lafonia" about 21st prox.
3. Rams ex Coast, selected by Mr. Goddard to be shipped per "Pitzroy" to Phillimore Is. for quarantine.
3. Tripes - notes all you write. Is taking up matter of importing men to clean tripes, with Government.
4. Notes that providing Gildermeister make minimum price 1½d, Mr. Young may negotiate with them for 1938 season.
5. Standards - 5000 will be shipped to Farm on basis of original cost.
6. Government motorboat arrived per "Lafonia" but does not appear suitable for use around coast of Islands.
7. Gibraltar Stn - Est. A. B. Pitaluga - Notes conditions on which Mr. Young may negotiate. Matter will be held up until dispute re late (Donald) Pitaluga's estate is settled.
8. Labour Convention - If Government propose to take action under Ord. No. 6 of 1932 matter will be referred to you without delay.
9. Port San Carlos Ltd, Mortgage - Notes all you write. Mr. Cameron and his nephew arrived per "Lafonia" but matter has not been raised by them. If business is taken from Company they will be advised their current account must be kept in credit.
10. Sealing license - Explains meaning of a blank license.
11. Customs Regulations re Certificates of Origin - Noted.
12. Regrets that you are still having trouble with Uruguayan Consul in London re Uruguayan Visa & certificado politico social. Maclean & Stapledon inform us that they have written to Royal Mail Lines who will discuss matter with you.
13. Fouse Coal - enquiry arose through depletion of our stocks. We have bought from Wilsons Sons & Co, N.V. for some years but their prices have increased considerably.
14. Diving dresses are being sent home for overhaul. Helmets are in good order.
15. 200 tons Seal Oil ~~xxx~~ will be shipped per "Mahana" balance via N.V.
16. Reports on "Great Britain". Encloses midship section and some details of her. Reports she is now stranded in Sparrow Cove. If "Lady Elizabeth" could be refloated and beached, she could be broken up.
17. Two Rams for San Carlos arrived safely & are in quarantine.
18. Lorry for Darwin will go out per "Lafonia" about 29th inst.
19. "Port Edgar" - confirms our telegram of 16th inst. advising no portion of outfit on board and claim was for hull only. Notes Underwriters have paid.
20. Stickney Bros, Spring Point - notes all you write. Encloses copy of inventory made when late W. Stickney's estate was dealt with here.

21. Wool Sales September - prices realised very satisfactory
22. Will telegraph you giving proposed through rates when freight rates on wool and skins are received from Magallanes.
23. Whaling - understands 32 men are required and will travel to both Georgia per "Lafonia" 29th inst.
24. Tallow - J. Schmitt anxious to purchase loose green tallow next year.
25. Remittances - anticipates that £1,500 will be required at end of October.
26. Port Stephens Bull was shipped out per "Fitzroy" 18th inst.
27. Montevideo: Statement made in Mr. Dean's letter is incorrect. Encloses copies of letters exchanged with Mr. Barton.
28. Notes Salvesen will not consider 25/- for coal ex Prince Claf. If first cost of coal not small, proposition has no attraction for us.
29. Notes Admiralty Tanker is due here at end of this month.
30. Mails - a mail will be despatched per "Mahana".
31. Est. late J.B. Pitaluga. - has now been wound up.
32. Notes Corriedale Ram is being shipped to us per "Mahana" by New Zealand Loan & Mercantile Agency.

#### SHIPPING SECTION

50. Thanks you for copy of rules of XXXX Steamship Mutual Underwriting Assoc. Ltd.
51. Foxbay Wool & Skins - is awaiting advice from Maclean & Stapledon re settlement for diver's expenses. Contract for diver was made with Montevideo Port authorities so bargaining was impossible.
52. Port Edgar - Capt Watson reports he removed half dozen bolts from digestors - Underwriters are being credited with sale of these
53. Mr. Young has acknowledged your telegram advising him that you had secured a 2nd engineer. Confirms telegram informing you that a 2nd mate and Wireless Operator would be required for "Lafonia" Present 2nd mate will sign off about 29th prox. if his relief arrives.
54. Outward Shipments by N.M.L. vessels - notes remarks under the heading
55. "Lafonia" Wool from Coast - Jacobo Moore's reply to your letter is most interesting as Dick & Bravo have given us to understand that freight contracts for produce homeward were made in England. Notes shipments from Cullen & Callegos are controlled by their Manager at Conder.
56. Outward freight rates - noted.
57. Seal Oil - no ship leaving N.V. for Glasgow until 29th December Confirms cable asking if possibility of "Mahana" carrying balance on deck, otherwise it will be retained here until December.
58. "Lafonia" - Fuel Oil - Confirms telegraphing you accepting Salvesen's offer. - Movements of vessel. Accounts. Survey.
59. Movements of S.S. "Fitzroy" - Mr. Young has decided not to send her to Montevideo in November but will make the voyage in December.



60. s.s. "Mahana" left Auckland 22nd inst. & is due here 9th prox.
61. Damage to Jetties.- encloses claims and extracts of log in respect of damage to Roy Cove and Tres Puentes Jetties also copy of Bildermeister's letter.
62. "Laronia" - discusses proposed voyage of this vessel to U.K. May 1938. Thinks this would be more profitable than River Plate/Brazil business.  
Bunkering - there was a possibility of arrangement for oil bunkers for outward voyage 1936 under United Molasses contract. Matter may be raised again.

- - - - -

"LAFONIA" via Montevideo  
No. 797

23th October,

37

Sir,

I have to acknowledge receipt of your Despatches Numbers 1416, 1417 and 1418 dated 10th, 17th and 22nd September last respectively and to confirm my No. 796 dated 9th October, 1937

2. 1416. 4. Rams and Bull from New Zealand. "Mahana" is due 4th November. I hope to put "Pitaroy" alongside her and those for the Company, Dean & Co and Est T. Robson (5 Corriedale) will go out at once. Those for Benney, Anson & Luxton, Port San Carlos Ltd and George Bonner will go out later.

I note that freight is £10 per head with a minimum of £500 Rams for the Coast will be shipped per "Lafonia" about 21st prox. The Stock Department will take charge of them whilst awaiting transhipment. here.

1416. 15. Rams ex Coast to be selected by Mr. G.M. Goddard will be shipped per "Pitaroy" to Phillimore Island for quarantine, during November. s.s. "Lafonia" should arrive Magallanes on 23rd inst. and sail on 25th idem thus giving Mr. G.M. Goddard the best part of two days there.

3. 1416. 9. Tripes. I note all you write. A difficulty which Schmitt has encountered is that he has not been permitted to import labour to clean the tripes and that men locally employed damage a large proportion. I am taking up this matter of labour with Government and will revert to it later.

4. 1416. 11. Surplus Sheep. I note that providing Messrs Gildermeister make the minimum price 1½d, I may negotiate with them for the 1938 season. May I sell as many (ex our Farm) as possible?

THE MANAGING DIRECTOR  
THE FAIRLAND ISLANDS CO. LTD  
LONDON

No. 797 per "Laфонia" via Montevideo 23th October, 1937

They will be advised that they must ship our sheep when we require them to us we certainly could not agree to hold them another year as we did this.

5. 1416. 12. Standards 5000 will be shipped to the Farm on the basis of original cost

6. 1416. 14. Government Motor Boat arrived safely per "Laфонia" she does not appear to be very suitable for use around the coast of the Colony.

7. 1416. 17. Gibraltar Station - Est. J. B. Vitaluga. I note the conditions on which I may negotiate. This matter will be held up until the dispute re the late (Donald) Vitaluga's estate, is settled.

8. 1416. 19. Labour Convention. If Government ever propose to take action under Ordinance No. 8. of 1932 I will certainly refer the matter home to you without delay.

9. 1416. 20. Port San Carlos Ltd, Mortgage. I note all you write Mr. A. Cameron and his nephew arrived by "Laфонia" but the matter has not yet been raised by them. Mr. A. Cameron probably wishes to see the Farm and learn something of local conditions before discussing the matter. Would you be agreeable to the interest remaining as at present but that they may be permitted to buy their stores and consign their produce as they wish subject to modification should circumstances warrant it.

Should the business be taken away from the Company, I will advise them that their current account must be kept in credit.

10. 1416. 21. Sealing License. By a blank license I mean one valid from 1st January - 31st December each year free of any condition. The first license issued us dated 6th November 1935 was in this form.

11. 1416. 24. Customs Regulations, re Certificates of Origin.  
Instructions noted.

12. 1416. 25. Uruguayan Visa and certificado politico social. I regret to note that you are still having trouble with the Uruguayan Consul in London. I fear that these difficulties all arise through his desire to extract a fee. Messrs Maclean & Stapledon advise me

No. 797 per "Lafonia" via Montevideo 23/10/37

that they have written to the Royal Mail Lines who will discuss the matter with you. Please advise me if it is not modified and I will see if I can do anything when I am in Montevideo next March. I have always found His Britannic Majesty's Minister, Mr. Wellington Drake, helpful and I will also see the Uruguayan Minister for Foreign Affairs.

13. 1416. 28. House Coal. The enquiry arose through depletion of our stocks. For some years we have bought from Wilson Sons & Co. Montevideo, but their price has increased considerably. Welsh was specified as the house coal shipped out per "Lafonia" was excellent. This I think was Birnby which Wilsons now offer at 58/- c.i.f. Montevideo (1417. 4.)

Nothing will be done for the present as the Mina Elena coal recently ~~shipped~~ supplied is of better quality than before and will do for the present. Coronel is a fairly good House Coal and if we can get any at Magallanes early next year it may not be necessary to import from England or Montevideo.

14. 1416. 29. Diving Dress. I am sending Home the two dresses for overhaul. The helmets are in good order.

15. 1416. 30. Shaw Savill & Albion Ltd. 200 tons Seal oil will be shipped per "Mahana" due 4th November and balance via Montevideo.

16. 1416. 31. Hulk "Great Britain" when last afloat, her mean draft was between 12' - 13'. When the vessel was stranded we had no difficulty in holing her and from that and other signs, I came to the conclusion that her under water plating was in very much worse condition than anticipated. Plating above the sheathing is in poor condition but there is some good iron in the girders and stanchions which I had noted for recovery in case of necessity. There is now about 11' water in her hold - the plating in the floor of the lower hold had gone so badly in the forward compartment that it was dangerous to walk on, in places.

Enc.

I enclose a midship section prepared by Lloyds Register in 18/ also some details of her probably sent out together with this plan and which were amongst our records here. You will note that vo

No. 797 per "Lafonia" via Montevideo 28/12/37

weight is given as 1334 tons. The weight of iron in her is therefore considerably less than 2000 tons.

She is now stranded in Sparrow Cove about half hour by launch from Stanley and I am of opinion that it would not be an economic proposition to break her up for scrap. There has been no ballast in her for many years except for the engine of "Samson" and some odd scrap forward. I could possibly make up 30 - 50 tons scrap in Stanley and made enquiries some time back as to markets in Argentine and Uruguay. There is no demand in the former country as I am informed that the export of scrap is prohibited and the Railways have heavy stocks of old rails. I still await a reply from Montevideo.

I am enquiring as to freight rates to U.K., which is the best port, and if it is necessary to separate the scrap in any way.

If "Lady Elizabeth" could be refloated and beached opposite this office, she could be conveniently broken up and I am looking into this proposal.

17. 1417. 2. Two kama for San Carlos, ex "Highland Chieftain" arrived safely and are in quarantine.

18. 1417. 3. Lorry for Darwin, will go out per "Lafonia" about 29th inst.

19. 1417. 5. F.I. & S. Sealing Co. Ltd. Aux. N.Y. "Port Edgar" I confirm my telegram dated 16th inst. advising you that no portion of the outfit was on board and that the claim was for the hull only. I note from your telegram dated 16th inst. that Underwriters have now and paid/the net amount realised is £5,692. 10. -.

20. 1418. 1. Messrs Stickney Bros. Spring Point. I note all you write and confirm my telegram dated 19th inst. reading

"Spring Point balance to complete purchase  
£22,905. -. 3. includes interest adjusted to  
agreed date 15th October on assumption  
"purchase completed immediately".

This is arrived at thus:-

Value of instalments due as	
on 8. 2. 37	£ 2,346. 15. -.
Interest @ 3% from 9. 2. 37	58. 5. 3.
to 15. 10. 37	
	<u>£ 2,905. -. 3.</u>



No. 797 per "Lafonia" via Montevideo 23/10/37

An allowance for interest has been made for payment in advance. On receipt of the lease I will apply for the Crown Grant and forward it to you with a Conveyance Form.

Enc.

I enclose copy of inventory made out when the late W. Stickney Estate was dealt with here.

21. 1418. 2. Wool Sales September. Prices realised are very satisfactory. I understand there have been heavy falls in other commodity prices during the past few days and trust that this does not apply to wool.

22. 1418. 3. Freight rates on wool and skins next season. I will telegraph you as soon as I receive these from Magallanes giving the proposed through rates.

23. Shaling. I understand that the full number of men required 32, will travel to South Georgia per "Lafonia" on 29th inst.

24. Tallow. J. Schmitt is very anxious to purchase our Goose Green tallow next year. Would you consider a firm offer from him in April next on condition that we ship it to Magallanes out all expenses, including freight, to be for his account, payment to be made before shipment.

25. Remittances I anticipate that I shall require £/600 at the end of October.

26. 796. 8. Port Stephens Bull was shipped out per "Witroy" 19th inst.

27. 1416. 13, 796. 10. Aux.H.V. "Gentoo" The statement made in Mr. G. Dean's letter dated 5th September last to you reading,

"We take the view that the owners of the Dry Dock having accepted the plan, the accuracy of which we were unable to guarantee etc. etc.

is incorrect. When Messrs Dean Brothers first raised the matter of docking in 1934, we requested them to supply us with a plan for docking purposes - in February last Mr. Barton advised us that a plan of the hull is being sent out from England; it arrived in May when he handed it to Mr. Thomson, without making any reservation as to its accuracy. It was required for docking purposes and no other as the repairs were to be carried out by Mr. Barton (my 792. 24).

No. 797 per "Lafonia" via Montevideo 26/10/37

The dock suffered no damage. The form of contract referred to was not used. When the matter was first discussed we were to tender after receipt of plans of the vessel. Dock charges had been quoted in the form of a letter, in 1934. Eventually it was agreed (verbally) that Messrs Dean Brothers should do the work and I appreciate that at that stage as we had no work to tender for we should have advised them again on our tender form of our charges for the use of the Dry Dock.

Enc. Copy of letters exchanged with Mr. Barton are enclosed.

28. Coal ex Prince Olaf. I note that Salvesen will not consider 25/-. As previously explained "Fitzroy" would have to make a special voyage and we should have to carry a big gang of men to attend to the shipping so that unless the first cost is small, the proposition can have no attraction for us.

29. Admiralty Tanker. I note that vessel is due here at the end of the month.

30. Mails. A mail will be despatched per "Mahana" which if to time should reach you about the same time as this.

31. Estate late Arthur Wiley Pitaluga. has now been wound up - the profits assessed by the arbitrators have been divided amongst the heirs, declarations of ownership of the third share in both Gibraltar and Rincon Grande Stations have been filed with the Registrar of the Supreme Court, and final accounts have been submitted to and accepted by the Supreme Court.

32. Corriedale Ram. I note that the New Zealand Loan and Mercantile Agency have shipped to us a Corriedale Ram per s.s. "Mahana".

No. 797 per "Lafonia" via Montevideo 28/10/37 - SHIPPING SECTION

50. 1416. 53. s.s. "Lafonia" Insurance. I thank you for the copy of the rules of The Steamship Mutual Underwriting Association Ltd.

51. 1416. 59. Foxbay Wool & Skins. You will have received the specifications enclosed with Remarks on accounts No. 98 para 6 giving details of the bales which were lost and showing the numbers of the four recovered.

I am still awaiting advice from Maclean & Stapledon regarding the settlement for the diver's expenses but hope to receive the information by this mail in which case I will write you separately giving details. As explained in my 795/36 the contract for the diver was made with the Montevideo Port authorities with whom it was impossible to attempt any bargaining on the lines suggested by you. Had the arrangements been made with the diver personally, I should have undoubtedly suggested a scheme of payment by results and in this connection you will be interested to learn that when Captain Cair made enquiries in Magallanes with a view to securing a diver, the best offer he could get was on the basis of £4 per bale recovered and the Company to provide boats etc.

52. 1416. 60. Port Edgar. Captain Watson reports that he removed some half dozen bolts from the digestors after vessel had been driven ashore - I am crediting the Underwriters with 10/- for the sale of these. In a letter dated 22nd July the London Salvage Association say "In answer to your enquiry as to whom you should look to for payment of services other than the Surveyors report we would suggest these be rendered to the Owners or parties from whom you received instructions to act". In view of this, I shall be interested to learn their attitude towards our claim for £54. 3. 6.

53. 1416. 61. Engineers. In my last despatch I acknowledged your telegram advising me that you had secured a 2nd Engineer. On 13th inst through the "Lafonia" I telegraphed you that a 2nd Mate and a Wireless Operator would be required for "Lafonia", if possible to join the vessel at Montevideo in November. I had hoped that special arrangements could be made to issue a certificate to the local

No. 797 per "Lafonia" via Montevideo 23/10/37 - Shipping Section

Operator we have now so that the vessel could make the December voyage to Argentine and South Brazil, but he has not the requisite knowledge re maintenance of the set. He has since told me that he wishes to leave the ship as soon as convenient and as there is no other suitable man available, I was compelled to ask you to secure an operator with a second class certificate for a period of three years. Government is starting a scheme under which they will train accepted candidates as wireless operators and provided the certificate which they grant here complies with international regulations, I anticipate that a locally trained man will be available before the end of three years.

Mr. F. Jones, the present 2nd Mate will probably sign off in Montevideo about 29th prox. and proceed to United Kingdom per "Asturias" but this is dependent on the date of arrival in Montevideo of his relief. In my telegram I gave the date of connection at Montevideo as 21st, whereas it should have been 15th November.

54. 1416. 64. Outward Shipments by R.M.L. Vessels. I note your remarks under this head and the Storekeeper has been instructed that late orders must be sent so as to allow a greater time for shipment than formerly.

55. 1416. 64. "Lafonia" Wool from Coast Messrs Jacobs Roore's reply to your letter is most interesting as Messrs Dick & Bravo have all along given us to understand that freight contracts for produce homeward were made in England and that they could merely advise. I will revert to this matter on Mr. Greener's return.

I note from your telegram via "Lafonia" dated 23rd inst. that shipments from Cullen and Challenges are controlled by their Manager at Conder.

56. 1416. 65. Outward freight rates. - the terms of Messrs J.D. Hewett's circular are noted.

57. Seal Oil. Maclean & Stapledon have now cabled us that there is no ship leaving <sup>any</sup> there for Glasgow until 29th December and I have cabled you today as to the possibility of "Mahana" accepting the balance of some 140 tons (gross) to be carried on deck. If you

No. 797 per "Lafonia" via Montevideo 28/10/37 Shipping Section

do not agree or the owners of "Lafonia" refuse to accept, we shall have to retain the remainder here until December. Please charge freight at the same rate as last year, viz. \$4. 15. -. per ton of 1,000 kilos. The forms enclosed in your last despatch will be used for the certificates of origin - I presume that counter signature by a local government official is considered sufficient evidence that the certificate is authentic as mentioned in para: 4 of the Customs House letter of 19th August.

58. S.S. "Lafonia" Seal Oil. I telegraphed you on 20th inst. (via "Lafonia") accepting Messrs Selvesen's offer of 150 tons oil at \$1. 12. 6. per ton.

Movements. "Lafonia" made a remarkably good passage to Montevideo on voyage A.B.13. leaving Stanley midnight 13/14 October and arriving Montevideo 3 p.m. on 17th - in 24 hours she covered 293 miles, this was when she was closing Montevideo and which was due, I presume, to the abnormal current running into the River Plate. After loading approximately 140 tons ex "Highland Princess" vessel left again at 2 a.m. on 19th with 45 passengers on board. 28 of these passengers were for Magallanes. The voyage Southampton to Magallanes per "Starling/Lafonia" must constitute a record for transport between U.K. and that port - vessel arrived in Magallanes 13rd about 4 p.m. making the passage 21 days including transshipment at Montevideo. Maclean & Stapledon telegraphed us that they had enquiries for passengers from their port and as our present bookings do not account for 28 passengers a number of these must have booked in Montevideo. I have advised Capt. Roberts that he may delay the ship 24 hours at Magallanes to give Mr. G.M. Goddard an opportunity to select the pens which are being purchased there. She will sail again on 29th for Darwin (sheep and carcasses) South Georgia, thence direct to Montevideo where she will arrive about 9/10th. The balance of the seal oil - 315 drums, 140 tons gross, will not now be shipped by this voyage as there is no suitable connection.

The itinerary for Voyage A.B.13. has been amended so that the vessel will call here after Montevideo, then proceed to Magallanes and



No. 797 per "Lafonia" via Montevideo 23/10/37 Shipping Section

direct from there to Montevideo. The Explotadora requested shipment of their rams ex "Mahana" per "Lafonia" not per "Fitzroy" as arranged and I agreed to divert "Lafonia" to this port on 19th provided they paid all Government charges in connection with quarantining the animals from 4th to 30th November. Dick & Bravo telegraphed me that Explotadora were prepared to do this and the itinerary was amended accordingly.

I have not yet received any advice from J.R. Williams & Co. regarding cargo for the December voyage to South Brazil - they informed us some time ago that they had received enquiries regarding a shipment of wheat and I requested them to endeavour to improve on the freight rate. In their last letter they state that the party is still interested and that they hope to secure the cargo but are doubtful about an advance in the rate. However if nothing offers for this voyage, I shall probably arrange for "Lafonia" to dock then.

The results of the last Argentine/Brazil voyage showed some improvement; port expenses generally were lower and after all charges had been met Messrs J.R. Williams account showed a balance in our favour of some £ 16,000.00 which I have requested them to remit to you by sight draft. Messrs Cranston Woodhead, I understand, have already sent you a cheque for £200, retaining about 46,000/000 against future disbursements. Detailed results of the several voyages made to Argentine and Brazilian ports this year will be sent you in due course.

1416. 51. Accounts. Vouchers are being sent you.

1416. 63. Survey. Vessel will be dry docked at Montevideo as soon as the dock is available and we are keeping in touch with Lloyds Agents Montevideo re this.

59. "Fitzroy" - Movements. "Fitzroy" is at present making the 'fourth voyage' - she should complete this about 26/27th and immediately on her return I am sending her on a short voyage to Bluff Cove and Fitzroy with fencing and stores. On the tour voyage (P.13) vessel called at Salvador Waters and all the West port including Ibemarle where she loaded the balance of the seal oil,

No. 797 per Lafonia via Montevideo 28/10/37 Shipping Section

thence to Port Howard, San Carlos and Stanley. As "Maha" will not now arrive here until 9th prox. the voyage to Magallanes will have to be delayed until 10/11th as she is delivering rams ex "Maha" to Port Louis, Darwin and Port Stephens. Vessel will also probably take some 350 Butchery sheep from Speedwell Island to Magallanes.

I have decided not to send "Fitzroy" to Montevideo in November as suggested in my previous despatch. She will, however, make the voyage in December, leaving Stanley about 22nd with a full load of wool and returning early in January with approximately 90 tons coal.

60. S.S. "Maha" left Auckland on 22nd inst. and is due here 9th prox. She has on board for Stanley

83 Sheep  
1 Bull  
214 Bundles Hay  
29 Cases Butter  
4 " Cheese  
100 " Apples.

Enc. 61. 795. 59. Damage to Jetties. I now enclose claims supported by certified extracts of log in respect of the damage to Roy Cove and Tres Puentes Jetties by "Fitzroy" during the sheep shifting voyages. With regard to the Tres Puentes Jetty, I am forwarding a copy of Messrs Gildermeister's letter in which you will observe that their engineer computes the damage at / 2,000 Chilean. Our accounts with them are of course in Sterling and it is impossible to determine the actual rate of exchange at which this sum should be translated to pounds; I have, however, taken the rate of 120 pesos to the £ which is the exchange generally secured on Dick & Gray's accounts. I presume that the cost of the tug ordered from Magallanes to tow "Fitzroy" to an anchorage is also recoverable under insurance and the cost of this has been included on the claim for the jetty damages.

62. "Lafonia" - suggested voyage to U.K. In view of the firmness of Homeward Freight rates and the increases in River Plate Conference rates, I am considering a proposal to send "Lafonia" Home end May next providing that I can secure a full load Home and Out. She would take as much produce (including tallow) as was available and complete at a River Plate Port for London, Liverpool or Glasgow or if an

No. 797 per "Lafonia" via Montevideo 23/10/37 - Shipping Section

attractive rate could be secured, for a minor port. During her stay in England she would be drydocked and minor repairs carried out. She would then load for Stanley and Magallanes.

We should make a heavy importation of Stores for Stanley and shearing supplies for our and Clients farms.

So far as our Stores is concerned it would involve tying up a considerable sum of money but if funds are available it would, I think, be economic. I estimate our stores at 1000/1200 tons, Clients at 200/300 tons, Government and other consignees 150/250 tons. Vessel can load about 1750 tons and we should of course fill her. Rates of freight would be those current, i.e. River Plate Conference plus Montevideo - Port Stanley plus Port Stanley - Farms but no landing charges.

Twelve passengers would be accepted for the round voyage. Ample time for loading in England and for discharge here would be allowed for. During vessel's absence "Fitzroy" would carry out the mail contract.

Approximate itinerary would be:-

Stanley depart	20th May
Montevideo arrive	24th "
depart	27th "
Dakar or Cape	
Verde Islands call	12th June
London arrive	22nd "
depart	3rd August
Dakar or Cape	
Verde Islands call	13th "
Montevideo arrive	29th "
depart	30th "
Port Stanley arrive	3rd Sept:

Thence East & West Falklands. Shearing supplies and Tour voyage.

The proposition will require considerable preparation if carried through and I therefore request that you telegraph the word **WURON** if you approve.

We should require 200 tons House coal in bulk and the question of where best to load it would have to be decided. Assuming that we discharge in London, we might load coal at a North East Coast port and possibly dock there as I believe ship repairs etc are cheaper than in London. For loading outwards London would doubtless be the

No. 797 per "Lafonia" via Montevideo 28/10/37 Shipping Section

most suitable but we should not want the loading hurried and I doubt whether the Morocco Harf would be suitable or economical. This matter might therefore be discussed with Messrs J.D. Hewett & Co. I estimate earnings for the round voyage at 28,000 - 210,000 and think this would be more profitable than the River Plate/Brax business.

Bunkering. Either Messrs Kenneough or Lowden Council advised me that it might have been possible to arrange for oil bunkers for the outward voyage (Nov - Dec 1936) under the United Molassis contract. It might be worth while raising this matter again.

I am,

Sir,

Your obedient servant,

Manager.

ENCLOSURES.

1. Despatch No. 798
2. Statement on Accounts No. 97
3. Remarks on Accounts No. 97
4. Store Indent No. 764
5. Remarks on Stores No. 764
6. Coal and Oil Statement - October 1937
7. Coasting Insurances - October
8. Camp Wages Sheets - D.H., N.A. S.I.
9. "Lafonia" Radio Accounts - Voy 11.
10. Produce Reports "Fitzroy" Voyages F.11 & 13.
11. F.I. Shipping Report 13/37

SPECIFICATIONS

Mark	Wool	Skins	Tallow	Hides.
L				7
H & B	13	14		
/ F B				15
/ P H				6
/ D.H.				9
R.B.C.		2		
J.B.		13		54
D & S		16		57
J.H.D. Pebble		4		
Z		5		
W.K.C.	4	15		
B		6	4	53



F R E E C I S.

1. Your No. 1419 not yet to hand but acknowledges your No. 1420 and confirms No. 797 of 23th October.
2. Notes all you write re lively island fatality - Higgs & Stacey only other cases for many years.
3. F.I.Co. Provident Fund - Mr. W.L. Fisher's speech was read with much interest.
4. Instructions noted re numbering of airmail letters.
5. Sealing - Mr. Young is addressing Government re rights in Lafonia on lines laid down by you. Does not expect anything will be done until A.E. returns.
6. Repairs to "Hoydar" will be completed soon and final accounts sent you.
7. Notes prices of sheepskins were down 20% in October sales
8. Sparrow Cove - first lease was for 21 years then it was renewed for further 21 years but now it has been renewed for only 3 years no reason has been given for change. Asks if there is any reason why we have not purchased this land and would it not be advisable to do so. Renewed lease is being returned to you.
9. Reorganization of F & D Sealing Co. - Government has not replied to Sealing Co's application for a license for term of 7 years if license for term of years is not satisfactory is of opinion that we should let matter rest. Thinks Government may restrict number of seal taken from Lafonia.
10. Mr. Sordard arrived per "Lafonia" 27th ulto also Messrs Greace and Mitchell.
11. Understands Government terms are that when Port San Carlos have paid off £5,000 Govt will take over balance & advance additional amount for development.

SHIPPING SECTION

50. Encloses copy of Mr. Greaser's report on visit to Magallanes and gives summary.
51. "Fitzroy's" reception at Magallanes was very different to her July experience. Brown & Blanchard offered any facility vessel might require.
52. R.N. "Lafonia" - gives movements of vessel.
53. U.S. "Fitzroy" - reports on vessel's movements
54. Reports that Govt. Steamboat "Georgia" made voyage to Darwin to bring in urgent medical case.
55. R.F.A. "Oliven" arrived 5th November - is not working overtime or on Sundays and is expected to finish by 27th November.
56. Regrets to learn that you had not yet been able to engage a wireless operator and 2nd officer.
57. Encloses advance copy of "Lafonia's" provisional itinerary from January to June next year.
58. Encloses copy of Freight Circular No.6. which has been addressed to all Clients.

- 59. Since submitting claim for damage by "Pitaroy" to Hoy Cove Jetty, we have received account from Mr. Miller for labour please amend claim.
- 60. Flour & sugar damage ex "Laforia" - please inform Messrs W. J. Webster & Co that we accept no liability.

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per "Mahana"  
No. 793.

8th November, 37

Sir,

Your Despatch No. 1419 has not yet come to hand but I have to acknowledge receipt of your No. 1420 dated 7th October last, and to confirm my No. 797 dated 28th October.

2. 1420. 1. Lively Island fatality. I note all you write and will go into this matter with Mr. W.M. Dean on his arrival. When writing you previously I had nothing to guide me - the only other cases for many years being that of M. Biggs who lost an arm, and Stacey who lost an eye, both in the course of their employment.
3. 1420. 2. Falkland Islands Co. Provident Fund. Mr. F.L. Fisher's speech re Fixed Trust Units has been read with interest.
4. 1420. 4. Numbering of Air Mail Letters. Instructions noted.
5. 1420. 5. Sealing. I am addressing Government regarding our rights in Lafonia - on the lines laid down by you and will advise you further in due course.

I do not expect that anything will be done until H.E. returns from leave.

6. 1420. 6. s.s. "Roydur". The repairs will be completed shortly and final accounts sent you for recovery from Underwriters.
7. 1420. 8. Sheepskins. I note that prices were down 20% in the October Sales.
8. Sparrow Cove. With reference to your 1400. 7. and my 786. 3. on going over this lease I notice that the lease in favour of Mr. V. Packe, signed by Governor Goldsworthy, was for a period of 21 years from 24th December, 1894. It was renewed for a further period of 21 years as from 24th December 1915 but it has now been renewed for a period of three years only ending 23rd December 1939. No reason has been given for this change.

THE MANAGING DIRECTOR  
THE FALKLAND ISLANDS CO. LTD  
LONDON

No. 798 per s.s. "Mahana" 10/11/37

Whether there is any motive behind this, I cannot say, but if you consider it advisable I will ask H.E. the reason, on his return.

Is there any reason why we have not purchased this land under Section 14 of the Land Ordinance and if not, would it not be advisable to do so now. It is not scheduled as a reserve (see Section 7) but the Crown can, of course, refuse to sell (Section 6) It is possible that Mr. V. Packe did endeavour to purchase this section (No. 57) and was not permitted to do so. If this is the case you will doubtless have some record of it.

I believe that this is the position in respect of Messrs Bean & Co's Albemarle lease which is granted for periods of three years only.

The renewed lease for Sparrow Cove is being returned to you - when you have done with it, I suggest that the current lease be returned for safe custody here.

9. Reorganisation of F.I.A Dependencies Sealing Co. Government has not yet replied to the Sealing Company's application for a license for a term of not less than seven years without which there can be no inducement to reorganise the Company. I am of opinion that the matter is being deliberately held up at the instance of H.E. and that nothing will be done until he returns. The object being to put pressure on us to concede better terms to the original shareholders in the scheme of reorganisation.

The Government official and the average shareholder cannot appreciate that the face value of a share means very little if anything. In this case the share capital has been lost and it is only on account of the fact that practically all shares are held in the Colony that I considered it politic to allow the shareholders a small interest in a reorganisation. (see my 773. 5. and your 1392. 2.) Since the matter of reorganisation was first considered, the position has changed considerably. It would doubtless be much more expensive now to purchase additional plant for Albemarle and to equip a new station in Lafonia and unless the terms of a license for a term of years are satisfactory in every

No. 798 per "Mahana" 10/11/37

way, I am of opinion that we should let the matter rest for the time being.

The cumulative effect of Governments treatment of the Seal Company during the past few years and of ourselves (as regards our rights in Lafonia) compels me to take a somewhat pessimistic view as to the possibility of even managing a ~~REORGANIZATION~~ reorganization of the Company successfully and unless we are convinced of Government's good faith, we had better have nothing to do with it but let the present Company struggle on in the hopes it may come through - or liquidate. I have recently been going into the terms of the licenses granted to the Sealing Company during their existence and amongst the papers lent me, I noted that in a letter from Government No. 75/35 dated 10th June 1936 to the Sealing Company, they state that they are considering restricting the taking of seal from all areas to 10,000 Sea Lions and 500 Sea Elephants each year. This may imply that they intend to include Lafonia in the restrictions.

10. Mr. G.M. Goddard arrived per "Lafonia" p.m. 27th ulto and left again for Darwin on 29th idem. Messrs Greece and Mitchell also arrived by this opportunity.

11. Port San Carlos Ltd, Mortgage. I understand that Government's terms are, when Port San Carlos have paid off £5,000, Government will take over the balance and will advance an additional amount probably £2,500 which must be spent on development. I gather that Mr. A. Cameron is not particularly enamoured of this proposal and that no final decision has been come to as yet. Incidentally it is interesting to note that credits received for Port San Carlos produce 1937 to date, amount to £11,800 but no effort has been made to pay anything off the mortgage.



No. 798 per "Mahana" 10/11/37 - Shipping Section

Enc. 50. Magallanes (freights etc.) I enclose copy of Mr. Creamer's report on his visit, for your records. The more important points are summarised herewith.

(a) Cullen, Condor etc. (796/55, 797/55). It is almost certain that when "Fitzroy" was in Magallanes 30th September/1st October Mr. Dick was "hedging" over the matter of the Cullen stores until "Fitzroy" should have left on the night of 1st October for Otway and Skyring Waters, thus being non-available for the suitable Cullen date - 4th October. Mr. Dick distinctly avers that neither he nor the P.S.F.Co. managers have the necessary authority to book freights or control shipments, especially when it is a question of departing from custom. Mr. A.T. Waldron at Condor gave Mr. Creamer a similar opinion, though not in such a categorical manner as Mr. Dick. It is difficult to reconcile this with the information I have received from you.

(b) Freights generally. Farmers are at the moment chary of making even qualified promises. They require convincing that we could if necessary, deal effectually with their outward as well as their homeward freight and it is probable that nothing short of a practical experiment carried out with the produce of one or more stations would convince them. An even more important point just at this time is that so much wool last season was sold to the Continent f.o.b. Magallanes at a high price that the farmers are hoping the same will happen again; their attitude therefore is that they do not know what will happen to their wool, and are not very interested in looking further than the possibility of selling f.o.b. again.

Mr. Dick's idea is that we should go in at once on a big scale - form a separate Company in Chile, purchasing one or more small coasting steamers, a couple of lighters and a hulk; he considers that a more conservative policy would be wrong. He is, however, hopeful of being able to obtain some of the frigorifico sheepskins next year for shipment via Montevideo to

No. 798 per "Mahana" 10/11/37 - Shipping Section

U.K., Continent, or U.S.A., and, despite a rather sceptical attitude, thinks he may obtain some parcels of wool for

(c) Gallegos. Although I had hoped to obtain the Explora 'Las Vegas' clip for s.s. "Fitzroy" next year, it now appears that the S.S.T.F. will not consider shipping by her - they insist that it must be 'Lafonia' or nothing. No sound reason was advanced for this attitude.

Mr. J.M. Gallie (who would represent us in Gallegos), however quite hopeful of obtaining wool cargoes for 'Fitzroy'; skins from Messrs Swift's Trigorifico may also be obtained.

It is interesting to note that should "Fitzroy" at any time clear from Magallanes for a port in the Argentine, the Argentine Consul at the former port is to clause her documents to the effect that "the granting of this visa in no way prejudices the claim of the Argentine to the Falklands".

(d) Wool by road. A Mr. Samsing in Magallanes has put forward the broad outlines of a scheme he has for competing with the existing "Camion" (lorry) firms, with Diesel-engined lorries. The position as known at present is explained in Mr. Creamer's Report. On the face of it this seems worth following up, and may in the end be our simplest and most profitable way of entering the Magallanes trade.

51. Reception at Magallanes. In view of the last paragraph of my 795/39 it should be noted that "Fitzroy's" reception on 29th September was very different from her experience in July.

Braun & Blanchard had telephoned Mr. Dick that morning offering any facilities our vessel might require; their launch brought off the authorities punctually; and they made no demur in giving "Fitzroy" 10 tons of bunker coal.

Every effort was made by both Mr. Dick and Mr. Creamer to discover the reason for this change of attitude, but without actual success, though there are several possible theories.

52. S.S. "Lafonia" - Movements. To date there is nothing to add to my 797. 53. - A vessel duly left for Darwin and South Georgia

No. 798 per "Mahana" 10/11/37 - Shipping Section

12.30 a.m 30th October, arrived at Leith Harbour about 4.p.m on 2nd November leaving again for Montevideo a.m 4th idem. She carried 400 live and 200 dead sheep for South Georgia, and 31 labourers besides 8 Cabin-class passengers.

53. S.S. "Fitzroy" - Movements. Vessel returned to Stanley from the "Four Voyages" (P 13) on 27th October and sailed (P 14) on 1st November; she stopped at Lively Island to transfer Mr and Mrs Gray to the "Speedwell", and proceeded to Speedwell and George Islands, leaving there on 3rd for Foxbay and Aguilanes with 372 live sheep for the latter port. On her return she will make a coastwise voyage with the rams ex "Mahana". She will bring (P 14) the rams from Fenton and Laguna Blanca purchased by Mr. G.E. Goddard putting them on Phillimore Island.

54. M.B. "Georgia" The government speed-boat "Georgia" was summoned to Darwin on 29th October to bring an urgent medical case to Stanley. She left Stanley at 2.30 p.m and arrived back at 2 a.m on 30th. Mr & Mrs Gray accompanied the patient and were returned per "Fitzroy" on 1st November, joining m.b. "Speedwell" off Lively Island.

55. R.F.A. "Olwen" arrived at 6 p.m 4th November with 8,340 tons of oil fuel for discharge to the Naval Fuel Depot. Unless instructions to the contrary are received she will not work overtime or Sundays, and allowing for 11th November also being a lost day we estimate she will complete discharge by 27th November.

56. Officers. I regret to learn from your telegram of 3rd November that you have so far been unsuccessful in obtaining a Wireless Operator and Second Officer, and trust you will be able to send them by next outward connection.

57. "Lafonia" Itinerary 1938. I enclose advance copy of "Lafonia's" provisional overseas itinerary from January to June next year. At the moment of writing we are awaiting Government's approval of voyages A.C. 4, 5 and 6 and will forward the approved programme in due course.

No. 798 per "Mahana" 10/11/37 - Shipping Section

- Enc. 58. Freight Circular No.6. - Rebates etc. I enclose copy of Circular which we have addressed to all Clients (embodying the proposals made in my Despatch 795. 56.) regarding the method which will in future be followed in calculating freight rebates. Also a notification cancelling the existing rates on homeward produce as from 30th November 1937.
59. 797. 61 Damage to Jetties. Since submitting our claim for damage by s.s. "Fitzroy" to Roy Cove Jetty, we have received an account from Mr. Miller for the labour employed on the repairs amounting to £5. 6. 8. The £8. -. -. shown on our claim was apparently only his estimate of the labour. Will you please amend our claim accordingly?
60. 1420. 3. Flour and sugar damage ex "Lafonia" 29th December 1936 With reference to Messrs W.R. Webster & Co's letter to you dated 14th September last, please inform them that we accept liability whatsoever in this case. For your information I base our non-liability on the fact that the goods had been discharged from the ship "Lafonia" and that the damage occurred whilst they were in a lighter. We, as lighterers, whilst doing all possible to keep lighters in good order and to protect goods till have to be lightered, accept no liability whatsoever and this view has always been adhered to when dealing with cargo ex P.M. vessels in the past. These goods with others had to be lightered as "Lafonia" was too deep to go alongside our jetty, although the B/Lading in this case was not specifically claused "with liberty to discharge by lighters....." etc, the custom of a port and the attendant circumstances of a particular case must be taken into consideration.

I am,

Sir,

Your obedient servant,

Manager.

73

SUPPLEMENTARY DESPATCH No. 798 per "Mahana" - Shipping Section  
18th November, 1937

P R E C I S

50. Reports arrival of "Mahana" hopes vessel will get away evening of 18th.
  51. If New Zealand lines via Cape Horn homewards have space available for wool & skins in January, February & March it might be worth while advising them we would consider making shipment by them if rate attractive.
  52. Assumes Shaw Savill & Albion will pay us commission on freight secured at Port Stanley. Suggests you collect 5% on freight on Seal Oil.
  53. Encloses specification of seal oil being shipped per "Mahana"
  54. Cargo ex "Mahana" - points out that freight on hay very high asks you to query this.
  55. Encloses copy of Dalgety's account - presumes they will draw on you.
- - - - -



10th November,

3

Sir,

50. S.S. "Mahana" arrived in Port William about 5 a.m. 9th November. First lighters (for sheep) were placed alongside about 8 a.m. and I hope to get vessel away this evening (10th) with the Seal Oil - 347 tons gross, 280 tons nett, in 759 drums.

51. Freight on F.I. produce. If the lines having homeward sailings from New Zealand via Cape Horn have space available for wool and sheepskins in January, February, March, it might be worth while advising them that we are always prepared to consider making a shipment by them, providing that they can quote us an attractive rate which must be competitive with that from Montevideo.

The Master of S.S. "Mahana" informed me that they sometimes have space available - usually when heavy purchases of wool have been made in New Zealand for direct shipment to U.S.A. or Japan.

52. Commission on Freight - "Mahana" We assume that Messrs Shaw Savill & Albion will pay us commission on freight secured at Port Stanley, and we suggest you collect from them 5% on the freight on Seal Oil (which commission was paid us by F.I.E.C.) i.e. 5%.

Enc. 53. Seal Oil. I enclose specification of seal oil which is being shipped per "Mahana". Please note Mr. B.R. Watson's covering letter stating that 13 drums contain separated oil. (Nos 747 to 759 inclusive).

54. Cargo ex "Mahana" - Hay We have no time to check or report upon cargo ex "Mahana", but would point out the very high rate of freight on the hay. The sterling freight of 37/- per ton meat.

THE MANAGING DIRECTOR

LONDON.

Despatch No. 798 - Supplement - per "Mahana" Shipping Section

plus primeage 10% equals almost exactly 160/- per ton weight. This compares with 112/- per ton weight per "Tairoa", April 1926 and 63/4 per ton weight per "La Paz" from U.K. August 1931, and makes the cost of the hay prohibitive. We shall be obliged if you would query this, with a view to endeavouring to obtain some allowance.

Enc. 55. Messrs Bulgety's Account. We enclose copy of Messrs Bulgety's account for butter, cheese, apples and the hay for the store. They have not advised us that they are drawing on you for this, but we presume they are. (They advise us they are doing so in the case of the plough for Mr. Scunner - £23. 3. -. English sterling) The amount of the Stores Invoice is shown as £393. 7. 11., which we make to be New Zealand currency, so that the English sterling amount should be in the neighbourhood of £310 only.

I am,

Sir,

Your obedient servant,

Manager.

Despatch No. 799 per "Lafonia" 22/11/37

via Montevideo

1. Despatch No. 799
2. Statement on Accounts No. 98
3. Remarks on Accounts No. 98
4. Store Indent No. 765
5. F.I. Gazette - 1st November
6. "Lafonia" Radio Accounts
7. Reports on death of 1 ram ex "Mahana" by Agricultural Adviser &  
Mr. J.T. Clement
8. Copy of Freight Circular No. 7.
9. "Lafonia" Itinerary to 20 April, "Pitroy" Itinerary to 10th Feb.
- 10.

P R E C I S

1. There is no despatch to acknowledge but confirm NO. 798 and supplementary No. 798.
2. Rams for coast were landed at quarantine station and are in care of Stock Dept. Will be shipped per "Lafonia" 22nd inst. Rams for S.I. were reshipped per "Fitzroy" 18th inst. Reports one ram died. Encloses Mr. Clement's report.  
Bull found to be suffering from ringworm is being treated for by Stock Dept.
3. Consignees have been charged at rate of 1/3 per day per ram for attendance on New Zealand rams. Charge to be made also for bull.
4. "Fitzroy" landed rams ex Coast on Phillipmore Island on 18th inst.
5. Butchery sheep for Magallanes ex Speedwell and George Islands realized 146 pesos per head.
6. S.C.32 completed discharge of "Olwen" and was placed on Floating Dock for examination by Officers of R.N.S. "Exeter".
7. Advised Gildermeister that we could ship minimum of 10,000 sheep informed them freight at 3/6 per sheep required, later reduced to 3/4 First shipment to be made about 15th March.
8. Notes that bands for Brown Press box were shipped per "H.Patriot".
9. No registered mail arrived ex "Asturias" but presumes it will come to hand 19/30th. inst.
10. Anticipates we shall require remittance of about £3,500 at end Nov.
11. Your letter re extra ram shipped ex New Zealand Loan & Mercantile Agency not yet to hand. From letter received by Mr. Weir understands ram is for Mr. T. Robson.
12. In P.I. Gazette of 1st Nov. there is a draft bill to establish a Provident Fund for non-pensionable employees of Government. Since been passed also Workmen's Compensation Bill.

SHIPPING SECTION

51. "Mahana" sailed 4 a.m. on 11th November.
52. Encloses copy of Freight Circular No.7.
53. Encloses copy of provisional itineraries for "Fitzroy" and "Lafonia" showing main wool collecting voyages to end March.
54. Reports on s.s. "Lafonia's" movements.
55. Terms re Mr. Black were passed on to Capt Roberts who now telegraphs he has secured wireless operator to join ship at Montevideo or S. Blanes.
56. Received your telegram re Wilson & Sons & Co. Ltd's offer for next year's supply of fuel for "Lafonia". Notes that no quotation had been received from Incap.
57. Reports on "Fitzroy's" movements.
58. Reports that s.s. "Fitzroy" grounded at Lively Island - no apparent damage.
59. R.N.S. "Exeter" arrived from Magallanes 18th inst. expects to be for River Plate 27th.
60. "Olwen" completed discharge of oil fuel 18th Nov. and await of mails per "Lafonia" before sailing from Stanley.

No. 799 per "Lafonia"  
via Montevideo

19th November, 3

Sir,

I have no Despatch to acknowledge and confirm my No. 78 and supplementary 798 both dated 10th inst.

2. Rams and Bull ex New Zealand. Rams for the Coast were landed at the Quarantine Station and are in the care of the Stock Department. They will be shipped per "Lafonia" 22nd inst. Rams for the Colony had not to be quarantined and I therefore had to take charge of them. They were put on "Pennia" in their crates and Mr. Clement Com Fitzroy and one of our men attended them. They were reshipped per "Fitzroy" on 16th inst. which is now on a voyage around the Islands. One of our Rams was found to be ailing and on Mr. Weir's advice I had him put in a paddock behind the office where he was under observation. Mr. Weir treated him but he did not respond and died on 13th inst. In the meantime Mr. Weir had to go into hospital on 12th inst. with acute appendicitis. Mr. Clement therefore skinned the ram and opened him up - his report is enclosed together with a certificate from the Stock Department, to enable you to claim on Underwriters.

Bull was found to be suffering from ringworm and is being held in a paddock behind the office and treated by the Stock Dept. This is the second bull we have provided a paddock and attendance for - there is no suitable means of landing cattle at the present quarantine station and in our clients interests I offered the use of our paddock in these two cases.

Government will have to provide a suitable jetty at the quarantine station - it is to be regretted that the Admiralty ever agreed to their having a portion of Navy Boats as it provides a

THE MANAGING DIRECTOR  
THE FALKLAND ISLANDS CO. LTD  
LONDON



constant source of friction between us as being responsible for the Naval Fuel Depot and Government.

I am discussing the position with the Commodore and will write you more fully next mail.

3. Attendance on New Zealand Rams. has been charged to consignees at 1/3 per day per ram - this covers wages, launch hire etc. This is a new charge (as imported rams are usually in the care of the Stock Dept) and is therefore put on record. A charge will also be made for the bull as we are attending it.

4. Rams ex Const. "Fitzroy" landed on Phillimore Island on 13th inst.

200 Rams ex Laguna Blanca	P.I.C.
100 " " Panton	"
10 " " "	Holmsted Blake
14 " " "	G. Yonge

none died during the passage.

5. 302 Butchery Sheep, Magallanes, were shipped ex Speedwell and George Islands and realised 146 pesos per head which is a very high price and the best paid this year.

South Georgia. 200 live and 200 carcasses were shipped ex Darwin.

6. O.C.82 completed discharge of R.F.A "Olwen" at noon on 13th inst and was placed on the Floating Dock the same afternoon. She will be examined by officers of H.M.S. "Exeter" after she has been cleaned down.

7. Gildermeister & Co. After discussing this matter with Mr. G. Goddard I advised them that we could ship a minimum of 10,000 sheep. The price to be 2½d per lb less freight for sheep not accepted for U.K., the export price to be agreed later. I also informed them that I required freight at 3/6 per sheep landed alive and 2/- landed dead. I later reduced this to 3/4 to which they have not agreed but I have now advised them that if they can secure 1,000 tons bunker coal at a reasonable price, I would reconsider the matter of freight. Terms of payment to be as last season and a charge of 2d per sheep to be levied by us against Rams to meet Government and other expenses.

Despatch No. 789 per "Lafonia" via Montevideo

As regards shipments ex our Farm, at Mr. G. Goddard's request I am advising them that the first shipment should be made about 5th March and carry straight on until our quota has been complete.

8. Bands for Darwin Press box. I note that these were shipped per "Highland Patriot" sailed 23rd ult.

9. Registered Mail. As previously advised, no despatches were received ex "Asturias" arrived 27th ult. and I presume they will come to hand on 19th/20th inst.

10. Remittances. I anticipate that I shall require a remittance of not less than £3,500 at the end of November. This heavy remittance is chiefly necessitated by a payment of £2,500 to the Government Savings Bank account Estate F.B. Senney.

11. Rams ex New Zealand. With reference to your telegram dated 23rd ulto. advising me that the New Zealand Loan and Mercantile Agency had shipped an extra Corriedale as a gift for the Company. Your letter has not yet come to hand but from a letter Mr. Weir received from Mr. Farris, it appears that the supplier intended this ram for the buyer of the five Corriedales, whom he thought was the Falkland Islands Co. whereas it is actually Estate F. Robson. The six came from the one supplier who could not comply with Robson's exact order which was for 3 two shear and 2 hoggets, whereas the pen consisted of 2 two shear and 4 one shear. Mr. Weir therefore considers the 6th should go <sup>to</sup> the Robson, I advised him that I had to adhere to your instructions but if he would house the ram at the quarantine station temporarily, I would refer the matter to Mr. F.B. Dean on his arrival here.

12. Legislation. You will note that in the F.I. Government Gazette dated 1st November, 1937 a draft bill to establish a Provident Fund for certain non-pensionable employees of the Government. This has since been passed. A Workmen's Compensation Bill was passed at the same meeting. The day on which this <sup>comes into force</sup> has to be fixed by Proclamation. In the meantime I understand that there is some question of increasing the amount of compensation, being gone into and I will advise you further in due course.

SHIPPING SECTION

51. s.s. "Mahana" sailed from Stanley at 4 a.m. on 11th November with all the Seal Oil as mentioned in my 798. 80 (supplementary)

Enc. 52. Freight Circular No.7. Copy of circular to Clients is enclosed dated 18th November. It will be seen that the next shipment of "Clients Cargo" (free of storing and reshipping charges in Stanley) will be per "Highland Monarch" from London 26th March. In this connection it would be of considerable help if you could get Royal Mail Lines to give this cargo separate stowage from the usual general cargo which may be shipped by the same sailing.

Enc. 53. Wool - Collection - 1938 I enclose copy of provisional itineraries for "Fitzroy" and "Lafonia", dated 18th November, which is being published for general information. This shows the main wool collecting voyages from 18th ~~XXXXXX~~ December to end of March, and also the dates of departure of both vessels for Montevideo.

54. s.s. "Lafonia", movements. Vessel expects to return from Montevideo (Voyage A.B.14) a.m. on 20th November with some 250 tons transshipment cargo ex "Highland Patriot". She loads the sheep ex New Zealand for Magallanes, and I hope to despatch her for that port on 22nd inst.

55. Officers. The terms of your telegram of 11th inst re Mr. Black were passed on to Captain Roberts at Montevideo. On 17th November Capt Roberts telegraphed me that he had obtained a Wireless Operator for one year, who will join "Lafonia" next voyage (A.B.15) at Montevideo or Bahia Blanca, and informing me that he had duly advised you of this arrangement

56. s.s. "Lafonia" - Oil Fuel. I received your telegram of 8th November advising me that Messrs Wilson Sons & Co.'s offer for next year's supply of fuel to "Lafonia" was as follows:-

3,500 tons minimum, 5,000 maximum, calorific value  
18,300, 22. 17. 6. per metric ton ex installation;  
barging available 3/- per ton with minimum 220.

I note that up to the date of your telegram, no quotation had been received from Ancap. I await Captain Roberts' return to discuss the matter before making any recommendation.

Despatch No. 799 per "Lafonia" via Montevideo Shipping Section

57. S.S. "Fitzroy", movements. Vessel arrived at Magallanes (F.14) on 6th November. She landed 369 live and 3 dead sheep, the former being sold at the very satisfactory price of /146 per head. She returned via Fox Bay and Phillimore Island (Lively Is), landing at the latter place the following sheep from the Coast for quarantine

330	F.I.C.
14	Bluff Cove
10	Hill Cove.

Vessel arrived at Stanley a. m. on 15th and sailed a.m. on 17th on coastwise voyage F.15. with the same for Company and clients ex "Mahana".

58. S.S. "Fitzroy" grounding at Lively Is. As reported in my telegram of 15th inst. S.S. "Fitzroy" went aground on the afternoon of 13th. Protest has been noted, though it is not expected that any material damage has been suffered; vessel will, however, be docked end of this month or early December, when full examination will be made.

59. R.M.S. "Exeter" (Commodore R.H. Harwood O.B.E.) arrived from Magallanes 7 a.m. 12th November and expects to leave for River Plate about 27th.

60. R.F.A. "Olwen" Following instructions received from Admiralty this vessel worked a certain amount of overtime and completed discharge of her oil fuel on 13th November. Some 1,000 tons were delivered per "O.C.82" to R.M.S. "Exeter". "Olwen" awaits "Lafonia's" arrival for mails before sailing from Stanley.

I am,

Sir,

Your obedient servant,

Manager.

DESPATCH No.800 per H.M.S."Exeter" via Buenos Aires

26th November, 1937

1. Despatch No. 800
2. Statement on Accounts No. 99
3. Remarks on Accounts No. 99
4. Copies of Correspondence with Mr.K.Pitt
5. Copy of "Lafonia's" Itinerary dated 26th November,

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P R E C I S

1. Acknowledges your Nos. 1419, 1321 and 1422 and confirms our No.799. This mail to go per H.M.S. "Exeter" to Buenos Aires. Next mail leaves per "Fitzroy" 17th December.

SHIPPING SECTION

51. Reports on "Lafonia's" programme. She will be docked at Montevideo this voyage.
52. Encloses copy of "Lafonia's" itinerary
53. Confirms advice re Ancap's quotation - confirms telegram from us suggesting counter offer.
54. Reports "Olwen" sailed 20th November.
55. Encloses copies of correspondence re Mr. E. Pitt's salary. Does not consider he has been underpaid, or has any cause for complaint.
56. "Lafonia" - outfit in Liverpool - payment of account cannot be traced. It will be in order for you to settle it.

- - - - -

No. 800 per H.M.S. "Exeter"

26th November,

37

Sir,

I have to acknowledge receipt of your Despatch No. 1419, 1421 and 1422 dated 1st and 29th October and 3rd November last respectively and to confirm my No. 799.

This mail will be dispatched per H.M.S. "Exeter" via Buenos Aires and as I am not certain when it will reach you, I am only acknowledging your Despatches by this opportunity.

Next Homeward mail leaves per "Fitzroy" about 17th prox.

THE MANAGING DIRECTOR  
THE FALKLAND ISLANDS CO. LTD  
LONDON.

Research No. 600 per H.M.S. "Exeter" - Shipping Section

51. S.S. "Lafonia" - December Voyage. Vessel left Stanley on 22nd November for Port Howard, Fox Bay, Magallanes and Montevideo, but with an expectation of a cargo of wheat from Bahia Blanca or Rosario for Porto Alegre. After her departure, however, negotiations fell through owing to a scarcity of wheat for shipment, and "Lafonia" will now drydock and carry out Lloyd's Load Line Survey in Montevideo ~~MMAT~~ on the present voyage. She should arrive at Montevideo about 30th November and leave there after arrival of "Arlanca" outwards on 17th December.
52. Itinerary 1936. The itinerary dated 22nd November, forwarded last mail with a covering memorandum of the same date, showed a late amendment (in ink) providing for docking at Montevideo in January, and thus allowing for a connection with "Highland Patriot" outwards, from U.K. 1st January, Montevideo 20th January. With the vessel now docking in December, as stated above, the amendment is cancelled and the itinerary reverts to the dates originally typed. In order that the position should be clear I enclose copies of the itinerary ~~with~~ now stands - the original itinerary of 22nd November, but re-dated 20th November.
53. Oil Fuel. In continuation of my 799. 56. I duly received your telegram of 23rd inst. with Messrs. Neap's quotation of £8. 12. 6 ton. I telegraphed you on 24th inst via "Lafonia" suggesting that you might counter-offer with 47/-, as according to information given me by Captain Roberts there is reason to believe that they might be willing to close at about this figure.
54. S.P.A. "Elexa" Continuing my 799. 60, this oil tanker sailed from Stanley at 1 p.m. on Saturday 20th November - for Trinidad.
55. 1421. 66 Mr. R. Pitt. I enclose copies of letters exchanged with Mr. Pitt relative to his salary. It would appear that he is under a misapprehension regarding the amounts paid to him as in actual fact we paid him at a rate in excess of that laid down in the National Maritime Board's scale. His salary on engagement was £14 per month and in 1935 I made an extra lump sum payment to him of £15 in view of his services as Chief Officer during Captain Roberts' and ~~Admiral~~

Despatch No. 400 per H.M.S. "Exeter" 26/11/37 - Shipping Section

leave. Early this year I reviewed his period of service and made him a further payment of £26 and at the same time increased his salary to £17. 10. per month as from 1st January, taking into consideration the periods during which he acted as Chief Officer whilst Captain Roberts was in charge in Stanley. The allowance for Wireless Operating was paid to him continuously from January 1935 when he took over the work from McLeod. In all he was paid approximately £67. 9. 8. in excess of the amount payable under his contract whereas at the H.M.S. rates he should have had about £53. and under these circumstances I think you will agree that he had no cause for complaint. In actual fact his case cannot be considered under H.M.S. regulations as he although he acted as Chief Officer, he only held a second mates certificate.

56. 1421. 63. "Tatonia" - outfit in Liverpool 1936. We cannot trace any payment of the account from Messrs Wright (£12. 17. 3.) and it will therefore be in order for you to settle it.

I am,

Sir,

Your obedient servant,

Manager.

Despatch No. 301 per s.s. "Fitzroy" via Montevideo 17th December, 1937

ENCLOSURES.

1. Despatch No. 301
2. Statement on Accounts No. 100
3. Remarks on Accounts No. 100
4. Store Indent No. 766
5. Remarks on Stores No. 766
6. Remarks on Naval Fuel Depot No. 61.
7. Coal and Oil Fuel Statement - November
8. Wages Comparative Statement - 3rd quarter 1937
9. Lloyds Shipping Report No. 15/37
10. s.s. "Lafonia" Itinerary to 24th May 1938
11. s.s. "Fitzroy" & s.s. "Lafonia" Itinerary (Wool Collecting Voyages)
12. Report on docking of s.s. "Fitzroy"
13. Coasting Insurances - November.
14. Copy of Workmen's Compensation ~~KEK~~ Ordinance
15. " " " " " and copy of correspondence  
with Colonial Secretary referring thereto.
16. Copy of letter to Secretary, F & D Sealing Co. Ltd
17. " " " " Registrar of Supreme Court
18. Envelope containing 2 Crown Grants Spring Point
19. Two blank conveyance forms.

SPECIFICATIONS

Mark	Skins	Wool
L		
Roy Cove	9	
S & S	6	
Triangle F B	11	
D.H.	89	162
S	7	60
B & S	1	3



No. 800 per "Fitzroy", 15th December, 1937, via Montevideo.

P R E C I S.

1. Confirms No. 800 mailed 26th November, 1937.
2. Advises arrival and movements of Mr. W.M. Dean.
3. Accident at Lively Island - matter discussed with Mr. Dean. Decision deferred until end of year.
4. Notes you have informed Air Ministry we cannot reduce our handling charges.
5. Spring Point - encloses Crown Grants Nos. 482 & 334. Leases received from you have been surrendered to Government. Reports attitude adopted by Mr. J. Hamilton at failing to purchase this farm.
6. Farm Wages - notes your remarks. Bonus of 10% for 1937 will be paid.
7. New agreement - M.G. Creece - to hand.
8. Advises docking of "O.C.82" during stay of H.M.S. "Exeter".  
Erection of new oil barge - Admiralty remarks noted.
9. Abolition of Uruguayan visa and Social Political certificate for outward passengers to Falklands received with satisfaction.
10. Sealing license - await your further advices.
11. New Zealand stock - Corriedale ram now delivered to Estate T. Robson. Remainder of stock shipped out to Farms with exception of bull for Anson & Luxton. Confirms telegram requesting you to continue insurance on bull.
12. F.I. & D. Sealing Co. Ltd. - 282 tons oil produced during 1937.  
Reorganisation - encloses copy of my letter dated 2nd inst. to Sealing Co.  
Market prospects - requests your and Messrs. Geddes' views.
13. Sale of sheep to Freezers, 1938 -  
Gildermeister & Co. - nothing further to report.  
Charges to clients will be made @ 2d per head instead of 2½ previously.
14. Mrs H.J. Pitaluga - advice received she is unable to travel at present.  
Copy of letter re probate on H.J. Pitaluga's estate enclosed
15. Encloses Wages Comparative statement for 3rd quarter, 1937.
16. Notes Messrs. Kennaugh's remarks re "Great Britain".
17. Notes ~~re~~ supply of oil fuel to Government Electrical Department sanctioned by Admiralty with maximum of 3 tons monthly.  
New electrical plant not yet working.
18. Baillon & Stickney - particulars of storing & trans<sup>h</sup>ipment charges on shepherd's house will be sent you in due course.
19. Baillon & Stickney - wool & skins lost at Foxbay - endeavour will be made to find competent diver when our diving suit is returned repaired.  
Requests you to obtain Underwriters' sanction for further expenditure in this connection on their behalf.
20. Reports arrival on 20th ulto. of mails shipped from U.K. 2nd October per "Asturias".
21. Confirms telegram of 30th ulto. re purchase of Fitzroy.

22. Advises shipment of rams ex Magallanes per "Fitzroy, November. Requests you to insure those for Company & Mill Cove.
23. Rams ex Gallegos - Mr. Dean & Camp Manager have decided to import flock rams ex Condor & Chimen Aike for Lively Island and Spring Point, shipment per "Lafonia", January 1938. Requests you to insure.
24. Naval Fuel Depot - Commodore Harwood's expression of satisfaction of our care for Depot received.  
Repairs to pier - see Naval Depot Remarks.  
"O.C.82" - considered safe for another 18 months.  
If required in an emergency s.s. "Lafonia" would probably be mounted with 4" guns. Stiffening of vessel would be required which we could undertake here.
25. Use of s.s. "Roydur" for towing targets - Government declined to cover us against all risks, vessel not therefore employed. Requests you to obtain from Underwriters a rate to cover these risks.
26. Reports docking of "Kelp" and 2 iron lighters on 13th inst.
27. Remittances - confirms payment of \$5,000 required at end of Novr. No remittance anticipated at end of current month.
28. Mr. Young anticipates making round voyage of "Lafonia" hence 27th inst. - East and West Falkland ports.
29. Encloses copy of letter from Government dated 26th ulto. re taxation of hulks and floating docks in Stanley.
30. Encloses copy of letter to Government dated 4th inst. re Workmens Compensation Act together with copy of circular to Farmers.
31. Bull ex New Zealand for Chartres - understand Mr. Weir is writing to Mr. Parris with a view to an allowance being made as animal considered unsatisfactory.

... ..

#### SHIPPING SECTION.

51. H.M.S. "Exeter" left Stanley about 10 a.m. 27th November for River Plate.
52. Reports s.s. "Fitzroy's" movements. Vessel was docked for cleaning and painting. Encloses report on work done.
53. Reports on s.s. "Lafonia's" movements. She will dock in Montevideo provided she can leave for Stanley on night of 18th.
54. "Lafonia" will call at Rio Gallegos after leaving Montevideo on 17th January and proceed to Stanley ~~via~~ via Fox Bay and Bleaker Island where rams will be quarantined. It is hoped that a parcel of wool will be obtained also.
55. Maclean & Stapledon advise us that they have booked "Fitzroy's" December voyage wool onwards at 25/- per ton.
56. Homeward produce - through rate - gives amended rates and shows how rates are arrived at.
57. Coal Bunkers 1938 - confirms telegram re Wilson Sons & Co's quotation.
58. Oil Fuel 1938, Ancap - Maclean & Stapledon closed 1938 contract with Ancap at 52/- per ton.

59. Have accepted quotation from Gildermcister for up to 1,000 tons German coal during sheep shipping. Freight on sheep now to be 3/- per head.
60. Arrangements for attendance on "Reina Del Pacifico" are not yet complete. Probably "Hoydur" "Helf and motor boats will be used even if "Fitzroy" is in Stanley.
61. Encloses copy of latest overseas Itinerary for s.s. "Lafonia" also copy of "Fitzroy's" local Itinerary.
62. It has not been customary for master of a vessel to not protest when any accident or heavy weather damages cargo. In many instances the cost of noting protest would be out of proportion with the value of the claim. Asks if Note of Protest is essential.
63. Asks you to ~~increase~~ increase insurance on "Port Richard" as listed
64. Insurance of surplus sheep to Magellanes - Agrees that in view of high rate quoted we should take the risk of freight through sheep dying or being washed overboard during voyage.
65. Reports arrival of 2nd Engineer for "Lafonia". Notes you were able to secure a 2nd Officer and Captain Roberts secured a Wireless Operator at Montevideo.
66. Salvaged produce (B & S Foxbay W) goes forward this "Fitzroy" Account for drying rebaling etc will be forwarded next mail
- - - - -

"FITZROY" via Montevideo.

15th December, 37.

801.

Sir,

I have no Despatches to acknowledge but confirm my No.800 dated 26th ulto.

2. Mr. W.M.Dean arrived per "Lafonia" on 20th November went out to the Farm on 26th idem and on to Port Stephens on 10th inst. He will join "Lafonia" at Port Stephens about 30th inst. and visit Spring Point when Mr. G.M.Goddard will probably accompany him.

3. 1419. 2 & 7. ACCIDENT AT LIVELY ISLAND. I have  
1420. 1.  
1421. 10. discussed this matter with Mr. W.M.Dean but we have deferred coming to a decision until we meet at the end of December.

4. 1419. 3. CHARGES FOR HANDLING AVIATION SPIRIT. I note that you have informed the Air Ministry that we cannot reduce our charges.

5. 1414. 4. STICKNEY BROTHERS, SPRING POINT STATION. I do not think that the several conveyances in your possession will be required. I enclose Crown Grant No. 482 dated 6th December, 1937 in respect of the 58,879<sup>5</sup>/<sub>8</sub> acres and No. 334 in respect of the compulsory purchase, also two blank conveyances for completion of the transfer to the Company.

The two Leases enclosed with your above have been surrendered to Government in exchange for the relative Crown Grant.

I have not been able to get any confirmation but it is reported Mr. J.Hamilton is so incensed at failing to secure this Farm that he has advised Government he is withdrawing all his Savings Bank deposits which are considerable and is finished with the Colony. It is to be hoped that this proves correct.

THE MANAGING DIRECTOR,  
LONDON.

6. 1419. 5. FARM WAGES. I note all you write. The Camp Manager has advised you that on his return to Darwin he considered it expedient to notify Farm employees that a bonus of 10% in respect of 1937 would be paid.

I am in agreement with your views re other employees whose wages were not reduced when Farm wages were, in 1932.

7. 1419. 6. Mr. M.G.Creece's new agreement is to hand.

8. 1419. 8. NAVAL FUEL DEPOT. "OC. 82" was placed on the floating dock whilst H.M.S. "Exeter" was here. This has been dealt with more fully under Naval Fuel Depot Remarks.

With reference to the estimated cost of erecting a new oil barge if shipped out in parts, as previously advised we shall require plans etc. to enable us to do this. I note that the Admiralty <sup>and</sup> claim that the work must be charged for under the Maintenance Agreement on basis of cost plus 10%.

9. 1419. 11. URUGUAYAN VISA & CERTIFICATE POLITICO SOCIAL.

It is most satisfactory to know that the Visa and Political Certificate for Falkland Islands passengers has been dispensed with.

10. 1420. 5. SEALING LICENSE. I note from your telegram dated 22nd ulto. that no action is to be taken until I receive your further advices.

11. 1421. 4. STOCK FROM NEW ZEALAND. With reference to my 799. 11. the matter of the sixth Corriedale ram was referred to Mr. W.M.Deen who agreed that it should go to Estate T.Robson. All rams have now been delivered to consignees. The bull for Anson & Luxton goes out per "Lafonia" 27th inst. At their request I telegraphed you to continue insurance thereon till 15th February next.

12. 1421. 5. F.I. & D. SEALING Co. LTD. Approximately 282 tons (net weight) seal oil was produced last season.

Enc. Reorganisation. I enclose copy of my letter dated 2nd inst. to the Sealing Company in this connection.

Market Prospects. I understand there has been a fall in prices - kindly let me have your and Messrs. A.Geddes & Company's views regarding prospects for 1938. In view of the increase in prices of coal and drums I do not consider that sealing can be undertaken if prices are below £21 - £22.



13. 1421.11. SALE OF SHEEP TO FREEZERS, 1938.

Gildemeister & Co. - nothing further to report at the moment.

Charge to Clients. Instead of 2½ a charge of 2d per sheep will be made out of which the Agricultural Department will be reimbursed their out of pocket expenses, the balance being taken by us.

14. Mrs H.J. Pitaluga has now advised me that she cannot travel out at present.

Enc. Copy of a letter dated 6th instant in respect of probate on her late husband's estate is enclosed for your information.

15. WAGGS STATEMENT for the quarter ending 30th September last is enclosed. The increase for the quarter is £1,361. 2. 9. and for the nine months ending 30th September £5,034. 16. 5.

Shipping and stevedorage chiefly account for the increase.

16. 1421. 15. HULK "GREAT BRITAIN". I note all Messrs. T.T. Kennaugh & Co. write.

17. NAVAL FUEL DEPOT & GOVERNMENT ELECTRICAL DEPARTMENT. I note that we may issue up to 3 tons Admiralty oil fuel per month to the Electrical Department. They have not yet got their new plant working.

18. BAILLON & STICKNEY, FOXBAY. I will send you particulars of storing and transhipping charges incurred on the shepherd's house being shipped from Glasgow per s.s. "Coracero" by Messrs. W. Bain & Co. in due course. House should arrive by next "Lafnia".

19. 1421. 19. BAILLON & STICKNEY - WOOL/SKINS LOST AT FOXBAY 21st MAY, 1937. When our diving suit has been returned repaired I will endeavour to find someone who is prepared to dive and is also competent to do so. Several persons have suggested themselves I am however of opinion that we cannot let anyone without experience take this on even on contract as in case of accident we should surely be held responsible. If no experienced person offers I will endeavour to select two men who are willing to do a certain amount of training in Stanley before they go out. I will also endeavour to get Challen to reconsider his decision.

In view of the necessity of having a vessel in attendance on divers (probably "Roydur") I beg to suggest that Underwriters be requested to advise us definitely as to what extent they are prepared to incur further expense. The abortive attempt made in

No. 80<sup>1</sup>/<sub>2</sub> per "Fitzroy" 15/12/37. - 4 -

September will have cost them -

Telegrams

£ 12. 11. 6.

"Roydur" - special voyage 1st/12th June  
dragging for wool.

242 miles @ 5/- 60. 10. --  
7½ days @ £18 p.d. 135. --. --.

195. 10. --.

Diver & assistant

Return passages 45. --. --.  
Freight on boat &  
gear (lump sum) 25. --. --.

70. --. --.

"Fitzroy" - special voyage with diver and  
gear. 242 miles

@ 7/- 84. 14. --.

3 days at Foxbay

@ £24 per day.

72. --. --. 156. 14. --.

£ 434. 15. 6.

=====

and a special voyage by "Roydur" to Foxbay and back will cost a further £60. 10. --. plus £18 per 24 hours detention in addition to which they will have to meet charges for divers, hire of diving gear, drying and rebaling of any produce salvaged and freight etc. thereon.

I am therefore of opinion that before I incur any further expense on their behalf they should indicate as to how far they are prepared to go. I need not assure <sup>you</sup> that expenses will be kept as low as possible but in view of the abortive attempt already made I do not desire that there should be any dispute if further expenses are incurred and no wool salvaged. When you have consulted Underwriters please telegraph me.

Sea leopards, if present, appear to be a real danger - they are very curious and even if they did not attack the diver it is possible they might cut the air line.

We have considered grappling but do not think it feasible - there is kelp all round which would hinder the work and special gear would be required.

20. 1421. 22. "ASTURIAS", 2nd OCTOBER. The missing mail came to hand safely on 20th ulto. I understand that it was over carried to Buenos Aires.

21. FITZROY, LAND PURCHASE. I confirm my telegram dated 30th ulto. advising you that the amount required to complete the purchase was £4,265. 15. 6. which should be paid on that day.

22. RAMS EX MAGALLANES.

As advised 380 Falkland Islands Co.Ltd.  
10 Holmested Blake & Co.Ltd.  
14 G.S.Yonge

were shipped at Fenton Station on 10th ulto. and landed at Phillimore Island. Please insure ours and Messrs. Holmested Blake's as usual. I have no instructions regarding those for account G.S.Yonge.

23. RAMS EX GALLEGOS. Mr. W.M.Dean and the Camp Manager decided to import up to 250 flock rams ex Condor and Chimen Air for Lively Island and Spring Point. Price £2 each. Please insure provisionally. Freight will probably be £5. s.s. "Lafonia" will proceed from Montevideo 17th January to Gallegos to ship them. They will be quarantined on Bleaker Island.

24. After inspection of the Naval Fuel Depot Commodore H.H. Harwood, O.B.E., expressed himself as satisfied with the manner in which we were carrying out our duties.

He raised the matter of repairing part of the Pier decking - this is dealt with in detail under Naval Fuel Depot Remarks.

His staff consider that "OC. 82" is reasonably safe for 18 months providing that she is handled carefully. This might not be possible if we had to bunker a vessel in bad weather as she is awkward to handle when loaded and in a strong breeze.

The Commodore appears to hold the opinion that the South American Division might make more use of the Falkland Islands than they do for training and gunnery.

The Commodore further advised me that if s.s. "Lafonia" was taken up in an emergency she would probably be armed with two 4" guns. She would require stiffening and I stated that providing the necessary plans and materials already fabricated were supplied to us we could do the stiffening here.

25. With reference to employing "Roydur" to tow targets - I note that you can cover her at pro rata of 10/- per month exclusive of loss or damage caused by gunfire. In this case the gun practice was for the 6" guns erected ashore and I therefore informed the Colonial Government that if "Roydur" was to tow targets they must

cover us against all risks of loss or damage by gunfire (valuation of "Koydur" £2,000) and also third party. They would not accept the risk and vessel was not employed.

Please ask Underwriters if they will quote a rate to cover these risks. Target is towed with a rope about 6-700 yards long.

26. S.L. "Kelp" and <sup>the</sup> two iron lighters were placed on the floating dock on 13th instant and a report as to their condition will be sent you by next mail.

27. REMITTANCES. I required £5,000 at the end of November. Unless we have to make heavy payments next week I do not expect that I shall require a remittance at the end of December.

28. I hope to make the round voyage per "Lafonia" visiting East and West Falklands' ports between 27th December - 10th January next.

Enc. 29. With reference to my 787. 13. re taxation of hulks, lighter. and floating docks, I beg to enclose copy of a letter No. C/4/36/1 dated 26th ulto. advising me that Sections 2 & 3 of the Regulations (Harbour Ordinance) made on 24th April, 1929 have been revoked and of the remission of the outstanding fees.

Enc. 30. With reference to my 799. 12. I enclose copy of my letter dated 4th instant to the Colonial Secretary regarding the Workmens Enc. Compensation Act. Copy of the Act as passed is also enclosed, together with copy of a circular letter sent out to Farmers.

I understand that the Act will come into force three months after the date of the proclamation (see clause 35).

31. 799. 2. With reference to the bull imported from New Zealand for Anson & Luxton, Mr. Weir now advises me he is not satisfied with the animal shipped particularly as it was suffering from ringworm. Stanley expenses incurred on detaining it here will be £10 - £15 and Mr. Weir is writing <sup>direct to</sup> Mr. Parris with a view to some allowance being made. If convenient you might mention this matter to the New Zealand Loan & Mercantile Agency Co. Ltd. as this would doubtless carry weight.

... ..

SHIPPING SECTION

51. H.M.S. "Exeter" (Ref. my 799/59) left Stanley about 10 a.m 27th November for the River Plate.

52. s.s. "Fitzroy". Movements. Voyage F.15. was completed with the vessel's return to Stanley on the afternoon of 25th November, with 108 bales wool and skins and a few hides and drums of tallow. From then until a.m. of 10th December vessel underwent boiler-cleaning, cleaning up generally, and docking and painting. She was on the dock from p.m 1st December to a.m. on 7th. Report on her condition, damage and work done is enclosed. The minor damages reported come well under the Franchise.

"Fitzroy" sailed on voyage F.16. early on 10th December, this being the first wool-collecting voyage of the season.

She is due to return to Stanley about 16th December and will at once proceed to Montevideo with a full load for transhipment.

53. s.s. "Lafonia" - movements. "Lafonia" arrived at Montevideo (A.B.15) on 1st December. Just before her arrival there I was advised that the Dock would not be available for her until 15th December; I instructed Messrs Maclean and Stapledon that vessel should still dock provided she could sail for Stanley not later than the night of the 18th. In any event she would have to remain in Montevideo until 18th for "Dunster Grange" now that the outward mail is being carried by the vessel.

54. Rams from Rio Gallegos. In view of the purchase of rams for shipment from Gallegos, (para 23) "Lafonia" will call at the port after leaving Montevideo on 17th January (Voyage A.C.1.) and proceed to Stanley via Fox Bay and Bleaker Island at which place it is proposed to quarantine the rams. I am hopeful of obtaining some wool from there at the same time - even a small parcel would be a start towards giving us a footing in the trade as well as giving us some practical experience of working at that port. I have instructed ~~XXXXX~~ Captain Roberts in Montevideo to get into direct communication with Mr. Gallie regarding this. I have quoted £5. 10. weight or £1. 16. 8. meat per ton nett through rate for such cargo.



-2-

Despatch No. 801 per "Fitzroy" via Montevideo 15/12/37 Shipping Section

55. Homeward Produce - On-carrier's rate. I was advised by telegram from Maclean & Stapledon on 6th instant that they had booked S.S. "Fitzroy's" December voyage wool onwards at 25/- per ton of 40 cu. ft. They also enquired if they might close an offer for January/February on-shipments at the same rate, and I gave them discretion to do so unless they could foresee definite prospects of the rate coming down further.

56. Homeward Produce - through rate. I telegraphed you on 30th November suggesting an amendment to the proposals contained in my Despatch 795/68, in view of increased quotations for Oil Fuel and on-carriers' rates. The suggestion is to charge the Coastwise proportion at the maximum rate allowed under the Mail Contract thus bringing the suggested through NETT rate to £10. 2. -. for Category "A" ports and £11. 2. -. for others - calculation as follows:-

<u>Wool/Skins.</u>	<u>Ports in Category "A"</u>	<u>Other Categories</u>
Coastwise proportion (Maximum under the Mail Contract)	£ 4. 10. -.	Add £1.
Ocean freight, 105/-		
Plus 15% 15/9		
120/9		
Less deferred rebate		
7/6 plus 15%		
is 8/7½d, say 8/9	£ 5. 12. -.	
	<u>£ 10. 2. -. </u>	

(Measurement tonnage, one-third of above, as customary).

With regard to tallow and hides, following the suggestion in my 795/68 of making the coastwise proportion the maximum under the Mail contract, but now allowing no rebate off that proportion, the amended rates will be:-

Category "A"

Coastwise		£ 2. 10. -. per ton weight
Ocean	£5. 5. 3.	
LESS deferred rebate	<u>12. 6.</u>	4. 12. 9. " " "
		<u>£ 7. 2. 9.</u> nett through rate.

178  
Sketch No. 691 per "Pitsey" via Montevideo 19/22/37. Murphy Station

Other Categories

Coastwise

25. 10. -- per ton weight

ocean, as above,

2. 12. 2. " " "

2 5. 2. 2. nett through rate

I await your instructions by telegram before issuing circulars to clients.

57. Real Buenos Aires. In reply to your telegram of 6th December I telegraphed you on 7th inst. to accept Senor Wilson's quotation of 25. 10. -- nett per ton for 1938.

58. El Real, 1938, Senor Almar. (Ref. by 3. 2/33). I heard from Montevideo on 11th December that, in consultation with Captain Robert Senor Seclen & Stapledon had closed the 1938 contract with Incap at 52/- per ton.

59. Senor Eldermelster - Ship to Magallanes etc. 1938.

Summarising telegrams exchanged between Eldermelster and ourselves, I have accepted a quotation from them for up to 1,000 tons of German (Ruhr) coal on bulk during sheep-shipping, at £ 225 (Chilren), which includes handling charges. Specification is " calor 7,700", equivalent to approximately 14,000 B.T.U's. As this will, I hope, solve the difficulties which arose this year regarding coal supplies during sheep shifting, I have compromised over the freight on sheep, which I have now agreed at 5/- per head, as this year. The prospects of securing German coal were practically nil and the only alternative was to bunker in Stanley which would have involved a loss of time and expense.

60. "El Real del Real". Arrangements for attendance on this vessel on 3th February next are not complete, but even if c.c. "Pitsey" happens to be in Stanley I shall probably decide to do all the work, including passenger-tenders, with "Ryder", "Kelp" and motor boats. Final arrangements will partly depend upon whether the vessel brings a large or negligible amount of cargo.

61. El Real del Real (a) "Lofonia" I enclose copy of latest overseas itinerary dated 9th December. The call at Calles is included and I am also despatching "Lofonia" on voyage A.C.2. to arrive at Magallanes on 1st

Despatch No. 301 per "Fitzroy" via Montevideo 15/12/37 Shipping Section

February, leaving there on 5th for Montevideo. I have notified Dick & Bravo of this 4 days' stay at their port and have offered space for wool or sheepskins at £ 5. 10. -. weight or £1. 16. 8. measurement, nett through rate with transshipment at Montevideo.

(b) "Fitzroy" In view of the above changes in "Lafonia's" programme, s.s. "Fitzroy" will take over a number of "Lafonia's" proposed coastwise calls, commencing about 10th January. (Local Itinerary, "Wool-collecting voyages", dated 9th December, also enclosed).

Enc.

62. Noting Protest. It has not been the custom here for the master of a vessel to note protest before a Notary Public when any accident (or heavy weather whilst at sea) damages cargo; the procedure has been to obtain a copy of the relative extract from the vessel's log and have that certified by Lloyd's Agents. This matter has recently arisen over the claim submitted to you last mail for flour and sugar damaged by paint whilst vessel was in transit between Montevideo and Stanley. I should be glad if you would advise me if a Note of Protest is essential in such cases. In many instances the cost of noting protest would be entirely disproportionate to the value of the claim, and, if the practice commenced, it would almost of necessity become an automatic procedure after every voyage (both overseas and local) of both vessels.

63. 1421/51. "Port Edgar" With reference to vessel's outfit, please increase the insurance on "Port Richard" as under:-

<u>Outfit</u>	
Whale boat	£30
4 Prams	£60
Lifeboat	£50
5 rifles	£25
Ammunition	£25
Knives, hatchets	
flensing tools	£ 5
Wire & cordage	£25

£ 220

64. 1421/54 and 69. Insurance - surplus sheep to Magallanes.

I agree that in view of the high rate quoted, we should take the risk of loss of freight through sheep dying or being washed overboard during the voyage.

65. 1421/61  
1422/2 "Lafonia". 2nd Engineer, A. Ballantyne, duly arrived.

Despatch No. 801 per "Fitzroy" via Montevideo 15/12/37 Shipping Section

I note that you have been able to secure a 2nd Officer and Captain Roberts has secured a Wireless Operator at Montevideo for one year.  
66. Salved produce B & S Foxbay W. - 3 bales Wool & 1 bale Skins recovered ex Scows. This goes forward by this "Fitzroy" under numbers 1001 - 2 - 3 - 4. Our account for drying, rebaling etc. will follow next mail.

I am,

Sir,

Your obedient servant,

Manager.

No. 802 per "Lafonia" via Montevideo, 10th January, 1938.

ENCLOSURES

1. Despatch No. 802.
2. Statement of Accounts No. 101. *Memo.*
3. Remarks on Accounts No. 101.
4. Store Indent No. 767.
5. Remarks on Stores No. 767.
7. Engineering Remarks No. 13.
6. Remarks on Naval Depot No. 62.
8. Coal Statement - December 1937.
9. Produce Report - "Fitzroy", F 16.
10. Coasting Insurances - December.
11. Insurance on supplies - shipments 23rd & 31st December, 1937.
12. "Lafonia" Radio A/cs.
13. F.I. Gazette 1/12/37.
14. Statement of expenses incurred in connection with wool salvage at Foxbay.
15. F.I. Shipping Report No. 1/38.
16. Statement of Freight Rates 1938 & Freight Circular No. 8.
17. List of words for use in cabling produce shipments.
18. R.M.L. A/c - Dec. 1937.

Correspondence:-

Copy of letter to Colonial Secretary 21/12/37 re special voyages & deviation of Company's vessels.

SPECIFICATIONS

<u>MARK.</u>	<u>WOOL.</u>	<u>SKINS.</u>	<u>TALLOW.</u>	<u>HIDES.</u>	<u>TAILS.</u>
S & S	52	2			
D.H.	593	89			
N.A.	329	13			
FIC. S.I.	40	6			
S	60	7			
F S	-	9			
W.K.C.	152	8			
B & S	3	1			
HEART	32	12	4	19	1
F	103	14			
D & S	37	4			
Tri. F.B.	117	1			
M.V.	14	3			
B	.66	-			
W.P.	28	5			
R.B.C.	15	1			
H & B	184	-			
Z	120	9			
D & S	84	-			
JHD. PEBBLE.	72	6			
CLUB.	69	7			
H	16	2			
L. Roy Cove.	129	-			
B.B.	10	2			
McG.	2	10			
J.B.	73	-			
J.L.W.	127	-			
T.R.	97	8			



Book  
No. 802 per "Lafonia" via Montevideo, 10th January, 1938.

P E R C I P I A

1. Acknowledges receipt of your Nos. 1423, 1424, 1425 and 1426 and confirms No. 801.
2. a.t. Kelp - matter of replacement is being held in abeyance for the present.  
Report on docking of Kelp and 2 iron lighters enclosed
3. Sealing rights - notes all you write.
4. Butter ex New Zealand arrived in excellent condition.
5. Surplus sheep - Gildersciater - noted. 1937 freight rate of 3/- agreed to for this year.
6. Diving suits - noted. Annual survey will be arranged for the future.
7. Tallow - your instructions will be carried out.
8. Remittances - nothing required end December. Payment will probably be required at end of January.
9. Annual accounts - noted.
10. Sparrow Cove - matter will be raised with Government shortly.
11. F. I. & S. Sealing Co. Ltd. - reorganisation. No advances will be made unless there is definite prospect of reimbursement. Understand prices have fallen considerably.
12. Advise my round voyage per "Lafonia" 28th December to 8th January. Spring Point visited by Mr. J. M. Dean and Mr. G. Goddard. "Lafonia" carried 4 scows and 2 motorboats on this voyage also 7 men from Navy gang as stevedores.

... ..

SHIPPING SUPPLEMENT.

51. Wool & skins lost at Foxbay - Diver's expenses now settled. Statement of expenses to date enclosed.
52. Shepherd's house for Baillon & Stickney - transhipment made at once, due to alteration in "Lafonia's" programme.
53. Freight Schedule (Handbook) No. 1 has been revised and 6 copies will be sent to you from Montevideo.
54. Encloses copy of letter to Colonial Secretary dated 21st December re deviation and special voyages of Company's vessels.
55. Telegraphing produce shipments - encloses list of words it is proposed to use for "Lafonia" shipments.
56. Encloses schedule of produce rates for current season and Freight Circular No. 6.
57. Ships movements.
58. Advise docking of "Kelp" and 2 iron lighters. Report enclosed.

... ..

"LAPENIA" via Montevideo.

10th January, 38.

802.

Sir,

I have to acknowledge receipt of your Despatches Nos. 1423, 1424, 1425 and 1426 and confirm my No. 801 dated 11th ulto.

2. 1423. 10. P.T. HELP. After inspection I decided that she could carry on for a further 12 months and probably longer, providing that she is carefully watched. The matter of replacement is therefore being held in abeyance for the present and it can be discussed when I am in England.

Mr. J.M. Thomson's report on her condition and of the two iron lighters and of the work carried out whilst on the Floating Dock is enclosed.

3. 1423. 12. SEALING LIGHTS. I note all you write and have 1424. 2. read Sir W. Jowett's opinion with much interest. 1426. 3. I will revert to this matter next mail.

4. 1423. 15. STORMS IN NEW ZEALAND. The butter arrived in excellent condition and has kept very well indeed.

5. 1423. 20. SURPLUS BEEF - GILDERHOLSTRA. I note all you write. I expect their representative here shortly.

1424. 11. I asked for an increase of 6d in freight over 1937 mainly on account of the difficulty of bunkering in the Islands. As all bunkering will now be carried out at Magallanes which is much more convenient I agreed to the 1937 rate of 3/-.

6. 1424. 6. DIVING BELLS. I note all you write. In future I shall arrange for an annual survey and report to be made by a competent person.

7. 1424. 8. TALLOF. I note your instructions which will be carried out.

MANAGING DIRECTOR,  
LONDON.

No. 802 per "Lafonia" via Montevideo, 10/1/58. - 2 -

8. REMITTANCE. I did not require a remittance at the end of December but shall probably require one at the end of January to meet payment of wool tax on "Lafonia's" shipment.

9. 1425. 1. ANNUAL ACCOUNTS. Your instructions will be carried out.

10. 1426. 4. SEASIDE COVE. I shall raise this matter with Government shortly.

11. 1426. 5. F.I. & D. SYALISO Co., LTD. - REORGANISATION. No advances will be made unless there is definite prospect of being reimbursed, by the sale of oil.

I understand that prices have declined considerably and unless there is some improvement there will be no shearing this year.

12. 801. 28. I sailed per "Lafonia" a.m. 28th ulto. returning on the morning of the 5th inst. Vessel called at all Falkland Islands ports except those in Berkeley Sound, Fitzroy N & S. and Sea Lion Island. Mr. W.M. Dean joined at Port Stephens and made the voyage around West Falkland; Mr. C. Goddard joined at Port Howard disembarking at San Carlos. The best part of a day was spent at Spring Point. The settlement was inspected and Mr. W.M. Dean and Mr. C. Goddard rode from Spring Point settlement to Brown Harbour (in Myaonde Harbour) where they re-embarked.

Vessel carried four scows and two motorboats and 7 men as stevedores ex Stanley navy gang 2,330 bales wool/skins were lifted. Most farms are behindhand with their shearing and had weather conditions been better we should doubtless have secured a full load. Vessel had no difficulty in working at any port but had to lie off the entrance to Roy Cove ~~and~~ as there is not sufficient room for her to manoeuvre inside. Fitzroy was omitted as it meant delay waiting for the tide (vessel then drawing about 16 ft.) and we had lifted 1,166 bales wool/skins from the Company's camp.

... ..

817  
No. 802 per "Lafonia" 10th January, 1938 via Montevideo.

SHIPPING SUPPLEMENT.

51. 797. 51. ROCK AND SKINS LOST AT FORBAY. Messrs. Maclean & Stapledon have now settled with the Port Authorities for the diver's expenses for the sum of £461.00 Orag. This amount together with Maclean's commission amounts to £51. 6. 1. which brings the total of our expenses to date to £486. 1. 7. as per statement attached. I shall be interested to learn the Underwriters' attitude to this claim.

52. SHEPHERD'S HOUSE FOR BAILLON & STICKNEY. Referring to your 1421. 3. the charges for transshipping the 188 packages of this house from "Coracero" to "Lafonia" at Montevideo amounted to Sh. 1. 3. As, subsequent to the sailing of "Coracero" from S.K. the "Lafonia's" programme had to be altered, the transshipment was made at once and the packages did not have to remain in lighters until 17th December.

53. FREIGHT SCHEDULE (BANDROCK) No. 1. dated 31st March, 1937, has been revised and we have asked Maclean & Stapledon to forward you 6 copies as soon as they have got them printed. Schedule is No. 2, dated 1st January, 1938.

54. DEVATION AND SPECIAL VOYAGES. New rates are included in the above schedule, but in order to let you know them at the earliest possible moment we enclose copy of a letter to the Colonial Secretary dated 31st December, 1937 setting out the new rates.

55. TELEGRAPHING PRODUCE SHIPMENTS. With most of these advices now being telegraphed to you by "Lafonia" wireless in clear, we suggest abandoning the use of actual code marks, partly for simplicity here and partly because a mutilated letter (for instance "JB" for "JG") might cause trouble at your end. We enclose a list of the words - each one suitably applicable to each farm or section - we propose to use in future for such telegrams. Where the telegram is sent from Stanley, as would usually be the case in shipments by S.S. "Fitzroy", the use of the subsidiary tables in the Standard Code will be adhered to.

56. HOMEWARD PRODUCE - THROUGH RATE. Further to my 801. 56. and telegrams of 30th November and 14th December, I now forward complete schedule of produce rates (Coasting and Ocean freights) in operation for the current season. Also copies of Freight Circular No. 8 (two categories, Ports "A" and "B"/"C") addressed to clients, setting out





No. 802 per "Lafonia" via Montevideo 10/1/38. - 4 -  
the new season's rates; also copy of letter to Mr. A.O.Barton  
setting out the various rates applicable to Pebble Island produce  
according to the various ways it might be shipped.

57. SHIPS MOVEMENTS. e.s. "Fitzroy" (F 17) duly sailed for  
Montevideo on 17th December with 690 bales wool, 141 bales sheepskins,  
82 hides, 1 bag tails and 4 drums tallow. We telegraphed "Lafonia"  
on 20th to transmit these figures to you per Standard Code. "Fitzroy"  
returned to Stanley on the morning of Friday 31st December (end of  
voyage F.17) with some 570 tons of Welsh steam coal from Montevideo  
for discharge to hulks.

s.s. "Lafonia" (A.B.15) docked at Montevideo on 14th December and  
undocked on 17th sailing for Stanley on 19th, arriving at midday  
on 23rd. Discharge of outward cargo and loading of coastwise cargo  
was completed by the evening of 24th and vessel sailed coastwise  
(A.C.1) at 3 a.m. on the 25th December. She carried s.s. "Fitzroy's"  
motorboat and 2 scows in addition to her own, for wool lifting.

s.s. "Pilar" - Braun & Blanchard, arrived in Stanley from Rio  
Gallegos on 22nd December with mixed cargo. She discharged some  
petrol for Government and sailed for inter island ports on 23rd.

Inc. 58. s.s. "Welp" AND THE TWO IRON LIGHTERS were docked in Stanley  
on 13th December and undocked on 22nd. Report is enclosed.

I am,

Sir,

your obedient servant,

Manager.

820

No. 803 per "Lafonia" via Montevideo.  
24th January, 1938.

E N C L O S U R E S

1. Despatch No. 803.
2. Statement on Accounts No. 102.
3. Remarks on accounts No. 102.
4. Store Indent No. 768.
5. Remarks on Stores No. 768.
6. Remarks on Naval Depot No. 63.
7. Quarterly Wages Sheet (Dec) - Fitzroy.
8. Report on Garden House.
9. Report on docking of Coast lighters "Dawson" & "Brenton"
10. Photos.
11. Copy of "Lafonia" Boiler certificate.
12. " " " Seaworthy certificate.
13. " " Notice in "Penguin" re "Lafonia" voyage to U.K.
14. " " Overseas & Local Itineraries "Lafonia" & "Fitzroy"  
May/Dec. 1938.

CORRESPONDENCE:-

Copy of letter to Messrs. Clyde & Co. re shipment of penguins.

"	"	"	"	Col. Secretary	23/12/37	re voyage to U.K.	"Lafonia".
"	"	"	from	"	10/1/38	do.	do.
"	"	"	to	"	14/1/38	do.	do.
"	"	"	from	"	17/1/38	do.	do.

SPECIFICATIONS.

<u>MARK.</u>	<u>WOOL.</u>
F	60
W.K.C.	50
J.L.W.	26
L.I.	36
N.A.	79
S	130

... ..

821  
No. 803 per "Lafonia" via Montevideo. 24/1/38.

P R E C I S

1. Confirms No. 802 dated 10/1/38.
2. Sealing Rights - apparent that nothing further can be done in this matter.
3. Surplus Sheep - Sildernmeister's representative due here 25th inst. Doubtful whether they will secure as many sheep as last year.
4. Accident at Lively Island - Compassionate grants made to Mrs. Skilling and Father of late A. Heive after consultation with Mr. W.A. Dean & Camp Manager.
5. Mr. G. Goddard proceeding to Spring Point to install Mr. R.G. Vinson there 25th prox. Mr. Greese will check inventories. Balance of fencing ex "Lafonia" being sent out.
6. Bull ex New Zealand for Chartres shipped per "Witroy", 18/1/38. Quarantine station - Commodore, "Exeter" expressed opinion nothing could be done at present.
7. Rams ex Gallegos shipped per "Lafonia" should be quarantined on Bleaker Island about 24th inst.
8. Port San Carlos Ltd. - Mr. A. Cameron returns to B.K. this "Lafonia". Their financial relations with us not raised. You will doubtless hear from their London Office.
9. Permission for J. Schmitt to import 3 men to clean tripes, secured.
10. Teja Cottage - awaits your instructions.  
Chief Storekeeper's House - condition and age do not ~~warrant~~ warrant extensive repairs.  
Garden House - report thereon follows.
11. Details Docking programme.
12. Do not consider installation of "Gwendolin" in another hull to be an economical proposition.  
Magallanes builders quote £90,000 for tug hull.  
engine
13. s.s. "Loydur" will be employed sheep shifting for Para late February.
14. East Jetty Wharf - recently stiffened. Wooden pile fenders will be driven shortly.
15. Marmont Row - confirms renumbering of buildings.
16. Agreements - Messrs. J. Clement & R.G. Vinson offered agreements for 4 years as from 1st March next @ \$1800 p.a.  
Mr. Vinson appointed Manager, Spring Point on probation, with allowance of \$60 p.a.
17. Draws your attention to report on German artificial fibre and Italian 'Lanital'. Brokers views thereon would be interesting.
18. Provident Fund - Payment of Company's minimum contribution made at 31st December last.
19. My movements - expect to visit Darwin & Fitzroy 27th/30th inst. and to sail for U.R. 12th March arriving 19th April next.
20. Encloses Foreman Carpenter's Report on Garden House. Reconstruction not advised.
21. Circular letter from Reform League - Meeting of Farmers not possible. Matter will be discussed with Governor shortly.

... ..

P R E C I S.      SHIPPING SECTION.

51. "Lafonia" - encloses Boiler and Seaworthy certificates issued by Surveyor to Lloyds Register, Buenos Aires.
52. Encloses "Lafonia" and "Fitzroy" itineraries, May/December 1938.
53. Encloses copy of notice in "Penguin" re "Lafonia" voyage to U.K. This voyage provides opportunity for second shipment of Clients cargo. Requests you to advise all concerned. Encloses correspondence with Government re mail subsidy. Cargo homewards and outwards. Suggests you approach Admiralty re towage of an oil lighter. Replacement of s.t. "Kelp".
54. Ship's movements.
55. Cullen Freight and Produce - Spearing & Waldron Ltd. written to on 15th inst. Hope to discuss matter with them when I am in England.
56. Foxbay wool - Diver. Explains present position.
57. Encloses copy of letter to Clyde & Co. re shipment of Penguins per "Lafonia".
58. Coal stocks and prices. "Fitzroy" shipment ex Montevideo (December) shows large discrepancy. Matter taken up with Wilsons.
59. "Lafonia" new motorboat - gives reasons for replacement. Expresses regret to Board for late advice re this matter.
60. "Fitzroy" grounding at Lively Island - consider nothing recoverable from insurance.
61. Encloses report on docking of Coast lighters "Dawson" and "Brenton".
62. Insurance on additional motorboat and scows occasionally carried by "Lafonia" - proposes additional risk be carried by us. Confirms telegram re insurance of motorboat carried for use at Gallegos, if required.

... ..

"LAFONIA" via Montevideo.

24th January, / 38.

803.

Sir,

I have no despatch from you to acknowledge and confirm my No. 802 dated 10th instant.

2. 802. 3. SEALING RIGHTS. In view of Sir S. Jowett's opinion it appears that there is nothing we can now do in the matter. It should have been taken up when Ordinance No. 8 of 1921 was first published before it became law when an effective protest might have been made.

There can be no development of sealing in Lafonia unless Government will grant us a license for a term of years on satisfactory terms and our attitude towards the reorganisation of the Sealing Co. and of permitting them or any other Company to seal in Lafonia must be modified.

3. 802. 5. SUNGLER SHEEP. Gildermeister's representative is due here per "Lafonia" about 25th inst.

The comparisons given in your 1423. 20. are very interesting and we will ship as many sheep as possible to the Coast. For several reasons, amongst them the heavy winter losses, I doubt whether Gildermeisters will secure as many as last year, from other farms.

4. 801. 3. ASSIGNMENT OF LIVELY ISLAND. After further discussion with Mr. F. S. Bean and Mr. G. S. Goddard it was decided to make compassionate grants as under -

Mrs. Skilling ... .. £ 250.

Father of the late A. Seive ... .. £ 75.

and these amounts have since been paid. They request me to convey their thanks to the Board of Directors for the consideration

THE MANAGING DIRECTOR,  
LONDON.



shown them.

5. SPRING POINT. Mr. S. Goddard is proceeding to Spring Point in time to arrive there on 28th prox. when he will take over and install Mr. Vinson. Mr. Greece is also going out to check inventories etc. We are sending out the balance of the fencing imported per "Lafonia", about 2,000 standards, 100 coils No. 10 wire.

6. 802. 31. BULL EX NZZ SEALAND FOR ANTON & LUNTON, was shipped out per "Fitzroy" on 18th instant.

With reference to the final paragraph of my 799. 2. the Commodore expressed the opinion that with regard to the quarantine station nothing could be done at present.

7. BAVE EX GALLIPOLIS are now being shipped and should be landed on Bleaker Island for quarantine today (24th).

8. PORT SAN CARLOS LTD. Mr. A. Cameron returns to England by this "Lafonia". During his stay here I have seen him several times, the matter of their financial relations with us have not been raised in any way - you will doubtless hear from their London Office.

9. 797. 3. Government will permit J. Schmitt to import 3 men to clean tripes, under a guarantee of repatriation.

10. 1423. 7. TEJA COTTAGE. I await your instructions. The Chief Storekeeper's house will certainly carry on for a year or so but its condition and age do not warrant our undertaking extensive repairs thereon. Another house which requires extensive repairs is the Garden House on John Street. It is well below the level of the road and is consequently damp - the roof is leaking and a detailed report with my recommendations will be sent you by next mail.

11. 1423. 9. With reference to the Docking programme, we have so far docked s.s. "Fitzroy", L.L. "Telp", 2 iron lighters, 2 Coast lighters, "O.C.82" and expect to dock "Boydur" shortly and "Port Richard" at a later date. The two Coast lighters are now on the Dock and a report on their condition will be forwarded to you.

12. 1423. 10. With reference to para. 3 I do not consider

that it would be an economical proposition to install the engine ex "Swendolin" in a new hull though should vessel end her days as a hulk I would certainly remove the engine - a use might be found for it. Magallanes builders quote \$90,000 for a hull. Providing this can be paid for with free exchange the price is equivalent to £720.

13. S.S. "HOYDUR" will be employed sheep shifting by the Farm from late February - as last year.

14. EAST JETTY WHARF. A certain amount of stiffening has recently been carried out on the wharf by putting wooden stiffeners (each approximately 12" x 12" cedar ex Here Harbour) between the North and South piles. Wood piles 12" x 12" Sandy Point are to be lightly driven and held above by knees - to act as fenders. This will be carried out early in February.

15. MANHUNT ROW. I confirm that in future these be numbered -

- No. 1. Ship Hotel.
- 2. Dwelling - vacant.
- 3. Dwelling - occupied.
- 4. The Colony Club.
- 5. Cottage - occupied.

16. AGREEMENTS. After discussion with Mr. W.M. Dean and Mr. G. Goddard it has been decided to offer Messrs. Vinson and Clement agreements for four years from 1st March next (thus making their period of engagement 5 years) @ £180 p.a. and a second class passage home on termination.

Mr. Vinson has been appointed as Manager, Spring Point, on probation for one year from 1st March next during which period he is being given an allowance of £60 p.a. Copies of agreements will be sent you in due course.

17. GERMAN ARTIFICIAL FIBRE. I understand that a report recently made by the International Wool Secretariat reveals that the difficulties over the strength and elasticity of fibre had been overcome and it therefore constitutes a danger to the wool industry. It is further stated that the cost of production is very low.

The Italian "Lanital" is also said to be a dangerous competitor to wool.

Have you seen the Report referred to? Brokers' views would be interesting.

No. 893 per "Laonia". 24/1/36. - 4 -

18. PROVIDENT FUND. Subscriptions for the year total \$2,309. 2. 1. on which the Company's minimum contribution of 10% has been paid. This amounts to \$230. 18. 2. The total of the Provident Fund at 31st December, 1937 was \$14,316. 17. 7.

19. MOVEMENTS. I expect to visit Darwin and Pitaroy between 27th and 30th instant, I expect to leave per "Laonia" for Montevideo and Buenos Aires on 12th March next and to arrive in England 19th April.

Enc. 20. With further reference to para. 10 above I now enclose Hannaford's report on the Garden House. I do not advise reconstructing it as this would practically involve rebuilding but recommend that it be dismantled and not replaced.

So far as I can ascertain a portion of it was built when the Capital was first moved from Port Louis to Stanley. Part is built of stone and part of brick.

21. CIRCULAR LETTER FROM SHEEP OWNERS ASSOCIATION DATED 10th AUGUST 1937.

With reference to your telegram dated 15th ulto. it was not possible to take action as suggested therein at this time of year when Farmers are at their busiest. Even at other times it would be very difficult to ensure their attendance. I further beg to submit that it is not desirable that we should be the prime movers in a matter of this kind which is surely one which the Sheep Owners Association should take up.

I have discussed the matter with Mr. T.M. Dean and during my recent tour around the Colony took the opportunity of giving certain Farmers copies of the letter complained of and of discussing it with them. Generally speaking they feel much as we do. I recently had the opportunity of bringing it to the notice of the Governor and have now given him a copy of the letter which he will discuss with me later.

... ..

DISPATCH NO. 823 PER "LAFONIA" VIA MONTEVIDEO 24th JANUARY 1913

SHIPPING SECTION

51. "Lafonia" - Surveys. I enclose copies of Boiler and Seaworthy Certificates issued by Surveyor to Lloyd's Register at Buenos Aires following the survey on the vessel at Montevideo in December. Load-

52. Itineraries. I enclose usual "detailed" and "condensed" form of Itinerary for "Lafonia" and "Pitaroy" from May to the end of December, showing overseas voyages and connections. It will be noted that this includes "Lafonia's" return voyage from U.K. in August/September.

53. 1424. 57. "Lafonia" - Voyage to U.K. I enclose copy of Notice published in "The Penguin" of 19th January giving the approximate Itinerary and offering accommodation for 12 passengers at £35 single and £60 return.

Clients Cargo. Please note that "Lafonia" will provide the opportunity for the second shipment this year of "Clients' Cargo" (free of storing and reshipping charges at Stanley). Please advise all concerned.

Mail Subsidy. I enclose copies of correspondence with Government relative to the reduced mail subsidy to be paid us during "Lafonia's" absence. The Government having agreed without question to our suggestion as to when the reduction should commence and end, it will be seen that under the arrangements at present contemplated the reduction will be no more than a little over 2 months at the rate of £83. 6. 8. per month.

Cargo Homeward. I certainly should not detain produce to help make a load for her. I hope to despatch her light hance to Montevideo and secure a full load there. I instructed Captain Roberts to enquire as to whether vessel could be best fixed in Montevideo or Buenos Aires - or by London Brokers and to advise you direct as to the position. Vessel would be ready to load about 24th May next, could lift 1900 - 1915 tons weight and draught on arrival at port of discharge would be not more than 18' 6". She could load for two ports if there is sufficient inducement. In view of her draught and comparatively small carrying capacity it occurred to me that brokers might fix her more



profitably for a minor port such as

BOULOGNE  
CALAIS  
DIEPPE  
ROUEN

ABERDEEN  
ANDROSSAN  
BARROW IN FURNESS  
DUBLIN

FALMOUTH  
IPSWICH

etc etc. She would only load at one South American port, preferably Montevideo or Bahia Blanca.

Cargo Outwards. Indents are in course of preparation and I shall bring them home with me. I propose to purchase 3 - 4 years supply of timber, between 6 - 700 tons. For this quantity it would probably pay to send vessel to load at Mill Wharf if in Southern Sweden. I XXX understand that yellow deal is exported from the neighbourhood of Gothenburg and Malmo. In view of the quantity Hannaford will probably be signed on as Carpenter and pass timber shipped. In view of the poor quality of the shipment per "Fitzroy" on her first outward voyage this course appears to be desirable.

XXX Towage of an oil lighter (Admiralty). I beg to propose that you approach the Admiralty and suggest that they send out a lighter under towage per "Lafonia". It should I think, attract them and the tow should be worth about 22,000. It would probably add a week on to the voyage out and might necessitate bunkering at one additional port.

Hull to replace "Kelp" It might also provide an opportunity to ship out a hull on deck and I suggest endeavouring to find one suitable 2nd hand, possibly ex a Naval dockyard. This can be gone into when I am home.

54. Ships' Movements. s.s. "Fitzroy" left Stanley (Voyage G.1) on 12th January, coastwise, returning to Stanley on 17th with 512 bales of wool and 8 bales of sheepskins, which were discharged to lighters and "Egeria" to be loaded into "Lafonia" later. "Fitzroy" left again (G 2) on 19th for San Carloses, Pebble Island and West of West Falkland ports; at Port Stephens (23th January) she will rendezvous with "Lafonia" which will then be on her way to Magallanes and Montevideo (A.O.2) and discharge her produce into the latter.

s.s. "Lafonia" (A.O.1) left Stanley at 3 a.m. on 28th December, returned on 8th January, sailed for and returned from Berkeley Sound the same day



-3-

and left for Montevideo at midnight 10th January with 2,455 bales of wool, 192 bales of skins, and 41 hides. Captain Roberts was instructed to telegraph you the details per S.L.T. "Lafonia" left Montevideo for Gallegos on the morning of 18th January and is due to enter at Fox Bay on 25th, land the runs ex Gallegos at Bleaker Island on same day and return to Stanley on 26th January (end of A.C.1).

She will load the 520 bales above mentioned (in Stanley ex "Fitzroy") and sail for Darwin, Fox Bay and Port Stephens, at which port she will load wool direct from "Fitzroy" as also mentioned above. Mr. H. Thompson will travel to Port Stephens in order to complete the documents for the produce, and the details will as usual be telegraphed you from "Lafonia" per S.L.T.

We shall probably be short of our estimated quantity by this shipment, a continuance of most exceptionally wet weather since mid-December having interrupted shearing everywhere. Captain Roberts advised us on 21st inst. by telegram that he expects to lift 460 bales at Gallegos.

55. 1423. 54.A 69. Cullen Freight and Produce. The position is still so obscure that I have now written Messrs Spearing & Mulron under date 15th January, stating that I hope to discuss the matter with them when I am in England.

56. 1423. 55. Fox Bay Wool - Diver. With the failure of the Montevidean diver's expedition, the real question now is what further expenses we are justified in incurring, up to what extent we should - so to speak - pledge the Underwriters' credit, and also what indemnification we have against taking risks of accidents to life and limb. It seems quite clear that the wool can only be recovered by diving. There are no doubt a few local men who, for a suitable reward, would make the attempt; but suppose an accident happened, what would be our position having employed a totally unskilled man, with amateurish assistance, on a hazardous enterprise? There is no doubt that, whatever the terms of the contract entered into with such a diver, any mishap would provide Government and the Public with a stick with which to beat us for some time to come.

-4-

57. 1423. 57. Shipment of Penguins. We received from Messrs Clyde and Co. a number of interrogations in the form of a questionnaire to be put to various members of "Lafonia's" personnel. As "Lafonia" is herself proceeding to England I have written to Messrs Clyde, as per copy enclosed, suggesting that it will be far better for them to interview Captain Roberts and MacKinnon in England. Was it not known that Mr. J.S. Hamilton has been in England since the end of April 1937?

58. 1423. 59. Coal Stocks and Prices. "Fitzroy" secured all her coal, both bunkers and cargo, at Montevideo in December for 37/- per ton. Discharge was only completed on 10th January, when the tallies showed a discrepancy amounting to some 56 tons. We have written strongly to Messrs Wilson regarding this and expect to receive their reply by incoming mail 26th inst.

We were charged with 635 tons; the weights accounted for are:

Bunkered at Montevideo	67 tons
Discharged to "Capricorn"	268 "
Re-bunkered a Stanley	40 "
"Kelp's" bunkers	4 "
Discharged to "Fleetwing"	200 "

579

59. 1423. 65. s.s. "Lafonia" New Motor Boat. When the motor boat built at Liverpool was taken into use, she was found to sit down by the stern when at speed to an alarming extent and she towed badly. On examination, her construction was found to be very poor indeed and she was obviously not at all suitable for the work for which she was intended. As the matter was urgent, I decided to replace her without delay. I ordered a hull from Magallanes and fitted the new engine therein. The new boat is a very fine boat indeed - holds about 20 persons, tows easily and is fast.

I beg to express my regrets to the Board for having failed to report this matter earlier.

The cost of the hull was £210. 7. 5.; approximate dimensions are 25' x 8' x 3' 2". Hannaford's report on the Liverpool built boat has been sent you. She has been reconstructed and the spare Thorneycroft engine is being put in her.

Despatch No 803 per "Lafonia" via Montevideo 24/1/38 Shipping Section

-5-

60. 1423. 66 s.s. "Pitzroy" - Grounding at Lively Island. As stated in my 801/52, cost of docking and repairs effected, come well under the franchise and I therefore conclude that nothing is recoverable from Insurance.

61. Coast Lighters "Dawson" and "Brenton" were docked on 14th January and undocked 24th idem. Report is enclosed.

Enc. 62. Insurance on additional Motor boat & scows occasionally carried by s.s. "Lafonia". During "Lafonia's" recent voyage round the Islands she carried "Pitzroy's" motor boat and 2 scows in addition to her own. In such cases I propose that we carry the additional risk ourselves. On her last voyage she carried a second motor boat only (Motorboat No. 1 <sup>Ex Stanley</sup>) for use if required at Gallegos. In this case I considered that the risk should be covered and therefore telegraphed you to cover for 2500. The risk would run from 18th - 26th January inclusive.

I am,

Sir,

Your obedient servant,

Manager.

Enclosures. 4th February, 1938.

1. Statement on accounts No 103.
2. Remarks on accounts No 103.
3. F.I. Shipping Report No 2/38. a 3/38
4. Coal Statement - January.
5. F.I. Gazette 1st January.
6. Quarterly Wages Sheets - all sections except F.B.

Specifications.

<u>Mark.</u>	<u>Wool.</u>	<u>Skins.</u>	<u>Hides.</u>
H. & B.	66		
D. & S.	80		
S. B.	60		
F.I.C. S.I.	24		
(Dup.) D.H.	324		
Heart.		4	
S.	42	5	2
J.B.L.	37	5	2
N.A.	161		

AFONIA via ontevideo.

24th February, 18.

24.

Sir,

I beg to enclose the Annual Accounts for 1937 which are a profit of £58,426. 6. 6. as compared with £36,568. 12. 1. for 1936. The increase of £21,857. 13. 10. is attributable to the better prices realised for produce sold in 1937.

2. FARE. Produce realised - 1936 £56,458. 16. 8.

1937 81,739. 9. -.

Increase ... £ 25,280. 12. 4.

=====

Lively Island accounts have been included with Darwi this year. There are no credits but the debit was £5,151. 12. 1.

The 10% bonus payable to Fares employees in respect of 1937 is also included. This amounts to £1,346. 12. -.

3. LIGHT RAGE. Loss £1,060. 12. 5.

This Department has been considerably affected by the shipping developments. Moreover this account has only received credit for actual expenses in connection with R.F.A. "Olwen", the profit thereon being taken by Naval Fuel Depot account which also accounts for the increase in that Department.

Further, about 9,000 running feet 4" x 6" deck plank has been stripped from Great Britain which if new would cost about £600. Great Britain was also towed to Sparrow Cove and there are no credits against these items.

4. WISBY. Increase <sup>123-19-7</sup> ~~£206. 5. 6.~~ This comparatively heavy increase is ascribed to an error in stocktaking in 1936.

5. NAVAL FUEL DEPOT &c. Increase £800. 10. 9. There was more activity in this Department due to the bunkering of H.M.S. "Ajax" and "Exeter", discharge of R.F.A. "Olwen", repairs to 500

MAKING DIRECTOR,  
LONDON.



ton Reservoir, docking of "O.C.82" and raising and examination of moorings.

6. GARDEN. Loss £102. 9. -. The bulk of the produce was supplied to s.s. "Lafonia" and s.s. "Fitzroy" as usual.

7. STANLEY BUTCHERY & C. Decrease £220. 12. 1. There was a slight increase in the quantity of meat sold but there was a reduction in the amount realised for skins.

Sheep killed 1937 ... 2,991.

Button sold, pounds ... 129,318.

8. FLOATING DOCK & ENGINEERING & C. Increase £105. 10. 11. There was a small increase in earnings and decrease in amount spent on maintenance.

9. CONSULATES & AGENCIES - Increase £83. 18. 6.

10. ROYAL MAIL AGENCY - Increase £213. -. -. .

11. PACIFIC AGENCY - Decrease £263. 16. 5.

These variations are due to our shipping developments.

12. GENERAL CHARGES (STANLEY). The increase of £392. 16. 10. is due to the fact that it includes the Company's Provident Fund contribution in respect of 1936 (70% - 10% having been credited at 31st December, 1936). Also provision for Company's Provident Fund final contribution in respect of 1937 on the basis of a 10% dividend. This is in accordance with your instructions. A similar course has been followed in respect of the Farm and the ships.

13. BUILDINGS. Decrease £1,405. 1. 6. The addition to the Ship Hotel, reconstruction of No. 2 Marmont Row and Central Heating for my Office have been passed to you for capitalisation.

14. STORES, STANLEY. Increase £1,190. 1. 1. Turnover increase by £10,714. 3. 11. The Millinery Department showed a profit of £ 902. 3. 10.

FARM. Darwin ... Profit £ 420. 6. 2. Decrease £ 251. 10. -. .  
North Arm " £ 273. 7.10. Increase £ 15. 6. 6.  
Fitzroy & P.L. " £ 66.11. 1. Decrease £ 145. 1. 1.  
Speedwell Is. " £ 49. 7.10. Increase £ 30. 5. 7.

The decrease at Darwin is under investigation. Decrease at Fitzroy - see para. 12 in my Accounts Despatch No. 739 dated 23rd

February, 1937.

15. NEW SHIP HOTEL. Increase £149. -. 11.

1937 was the first complete year we ran this hotel departmentally. The food is supplied at the store and retail prices for hotels and not at cost plus 10%.

16. INTEREST & COMMISSION. Decrease £481. 5. 9. due to the increased prices realised for produce, consequently clients debit balances have been considerably reduced.

17. S.S. "ROYAL". Loss £145. 3.--. The special wages made in April/May last in connection with the Coronation were not profitable and are not likely to be repeated. The vessel is handy for urgent calls when no other vessel is available and for heavy towage.

1938. I anticipate that Stanley Wages should be a slight decrease.

DELIVERIES. No material change is anticipated.

SALARIES & WAGES paid to all Company's employees in the Colony -

1935	...	£ 34,367. 16. -. .
1936	...	£ 33,721. 19. 7.
1937	...	£ 41,531. 19. 2.

I am,

Sir,

your obedient servant,

Manager.

NY 1936 - 1937

	<u>1 9 3 6</u>			<u>1 9 3 7</u>				
	<u>Debits</u>		<u>Credits</u>	<u>Debits</u>		<u>Credits</u>	<u>Increase</u>	<u>Decrease</u>
FLOA INO DOCK			265. 18. 4.			372. 9. 3.	105. 10. 11.	
BUILDINGS	3,081. 6. 2.			2,576. 4. 8.			1,425. 1. 6.	
GENERAL CHARGES	754. 8. 11.			1,647. 9. 9.				892. 16. 10.
BATTERY			514. 12. 4.			294. -. 3.		220. 12. 1.
GARDEN	124. 9. 7.			102. 9. -.			20. -. 7.	
FARM, SPANDEWELL			1,040. 18. 3.			3,269. 14. 8.	2,248. 16. 5.	
STORE, SPANDEWELL			19. 2. 3.			49. 7. 10.	30. 5. 7.	
WINDY DESTORS	11. 8. 9.			5. 2. 1.			8. 6. 8.	
FARM, DARWIN			12,213. 5. -.			20,821. 6. 5.	8,608. 1. 5.	
FARM, SOUTH ARM			9,318. 1. -.			15,814. 2. 6.	6,496. 1. 6.	
FARM, PETEROY			8,647. 13. 1.			8,899. 3. 3.	3,251. 10. 7.	
SMITHY			17. 6. 4.			206. 5. 6.	188. 19. 2.	
STORE, STANLEY			8,838. 2. -.			10,028. 3. 1.	1,190 1. 1.	
STORE, DARWIN			671. 16. 2.			420. 6. 2.		251. 10. -.
STORE, NORTH ARM			258. 1. 4.			273. 7. 10.	15. 6. 6.	
STORE, PETEROY			211. 12. 3.			66. 11. 1.		145. 1. 1.
PACIFIC AGENCY			290. 15. 6.			26. 12. 1.		263. 16. 5.
INSURANCE			105. -. 6.			181. 15. 8.	76. 19. 2.	
INTEREST AND COMMISSION			981. 9. 4.			800. 3. 7.		181. 5. 9.
CONSULATES AND AGENCIES			99. 4. 3.			183. 2. 9.	83. 18. 6.	
COAL FUEL DEPOT			270. 7. 11.			1,078. 18. 8.	808. 10. 9.	
YAL MAIL AGENCY			140. 15. -.			353. 15. -.	113. -. -.	
IT			419. 10. -.			362. -. -.		57. 10. -.
WATERAGE, BULKAGE ETC.			65. 6. 3.	1,060. 12. 5.			1,125. 18. 2.	
SHIP HOTEL	8. 10. 6.					142. 10. 5.	142. -. 11.	
UR*	242. -. 5.			445. 3. -.			396 17. 5.	
	4,820. 4. 4.	41,308. 17. -.		4,934. 16. 11.	63,361. 3. 3.	25,276. 4. 8.	3,438. 10. 10.	
		36,568. 12. 8.			58,426. 6. 6.	21,457. 15. 10.	<u>INCREASE</u>	

Stanley,  
 Falkland Islands  
 31st December, 1937

Manager.

For "Lafonia" via Montevideo  
804A (Shipping Supplement)

2nd March,

38

Sir,

I enclose working account for s.s. "Lafonia" from the time when the vessel was taken over by us in September 1936 to 31st December 1937, which shows a gross profit of £3,926. 16. 9.

Also working account for s.s. "Fitzroy" for the year ended 31st December 1937 which shows a gross profit of £907. 12. 6.

Expenditure. Certain items are abnormal particularly:-

Cabin Stores. These should show a decrease as in 1938.

Repairs.

Stevedoring Port Stanley. Considerable overtime was worked discharging vessel on her first arrival to enable her to get away to Montevideo with produce - this will not recur.

Outward voyage expenses. These include certain items supplied for fitting out the vessel which will not recur.

Port Expenses. River Plate 18B voyages were very heavy and I am of opinion that the proposed voyage home and out in 1938 should prove much more profitable.

Earnings are satisfactory but we did not have as much support from Magallanes (freight) as I had hoped, though passage bookings to and from that port were fairly good.

The item "Claim Port Edgar" is for coal lost which was still held on "Lafonia's" account when it was lost.

s.s. "Fitzroy".

Sheep shifting to Magallanes was the most interesting feature of the year's business. The rate of freight 3/-, barely covers

The Managing Director  
The Falkland Islands Co. Ltd  
LONDON

-2-

working expenses but the experiment is, I think, well worth while and if our Farm ships say 15,000 sheep away this season, the combined account for ship and Farm should justify us.

The attached statement (with explanatory memo) summarises the voyages made, passengers and tons carried by each vessel and mileage steamed.

I am,

Sir,

Your obedient servant,

Manager.



ENCLOSURES.

1. Despatch No. 805.
2. Statement on Accounts No. 104
3. Remarks on Accounts No. 104
4. Store Indent No. 769
5. Remarks on Stores No. 769
6. Remarks on Naval Fuel Depot No. 64
7. Engineering Remarks Nos 10 & 13.
8. Coal Statement - February.
9. F.I. Shipping Report
10. "Lafonia" Radio account
11. F.I. Gazettes dated 1st February & 1st March.
12. Coasting Insurances - January and February
13. Letter and enclosures from Dick & Bravo.
14. Camp Managers Despatch dated 9th March.
15. Wool Report (Completion) dated 23rd February.
16. Copy of Lien in respect of overdraft - I.S. Pitaluga
17. " " Agreements - J.T. Clement & R.G. Vinson
18. Series of Photos of West Jetty with memorandum
19. Estimate of Farm Employees Wages and perquisites.
20. Wages Comparative Statement - 4th quarter 1937
21. Crown Grant - Fitzroy
22. Claims in respect of fine and cargo short delivered at Porto Alegre.
23. Freight Schedule No. 2.
24. Report on work carried out on "Roydur", also Surveyors Certificate.

CORRESPONDENCE

- Letter to Managing Director from Camp Manager re Baillon and Stickney dated 9th March.
- " " " Director re Supplies dated 9th March.
- Copy of letter to Dove, Lockhart and Smart, Edinburgh.
- " " " Colonial Secretary re prosecution under Health Bye-laws.
- " " letters to Gildermeister & Co.
- " " correspondence with Telegraph Dept re late delivery of telegram.
- " " letter re annual payment from Farm to Store.
- " " " to Agricultural Adviser re transport of passengers and Stock for Stock Show 1939.
- " " correspondence re transport of urgent medical cases.

SPECIFICATIONS.

<u>Mark</u>	<u>Wool</u>	<u>Skins</u>
S & S	51	
F.I.C. S.I.	68	
L.I.	87	
S.	72	
D.H.	66	58
F S		6
T.R.	45	
F	96	
HEART	42	
Y	44	5
S.I.		2

Book

REPORT NO. 805 per "Lafonia" via Montevideo 11/3/38

P E R I O D I C

1. Regrets to hear of death of Mr. Hughes Hughes.
2. Acknowledges your despatches Nos 1427/1432 and confirms our Nos 803. and 804.
3. New Zealand Bull for Anson & Luxton taken charge of by us. Charges for care of bull were queried. Notes all E.E. Loan & Mercantile Agency re bull suffering from ringworm.
4. Your letter to Col. Secretary re Reform League was forwarded after perusal. Understands Govt has since replied to you
5. Notes all Mr. Pitt writes but considers matter need not be pursued. W. Blair and E. Pitts engagements not comparable.
6. Encloses copy of letter to Dove Lockhart & Smart, Edinburgh re Alison Grande and Mrs Galloway.
7. Your remarks re S.S. "Mayday" towing targets noted.
8. Remarks re "Lafonia" accounts noted and instructions carried out.
9. Notes clause which must appear on certificates of origin for seal oil.
10. Clients have been notified re War Risks Insurance "Waterborne" agreement.
11. Re F & S Sealing Co. - notes f.f.a. of 13 drums of settled oil are in excess of f.f.a. of A quality. Mr. Watson has been informed. Understands market prospects are poor. No sealing this season unless buyers can offer about \$22.
12. Reorganisation - Company's Sealing Rights have not been raised since E.E. returned to Colony.
13. Reports arrival of diving dresses.
14. Gives figures for insurance of rams ex Magallanes. Rams have been released from quarantine and taken to Darwin.
15. Rams ex Gallegos quarantined at Bleaker Is. to be released during April.
16. Encloses copy of letter to Col. Secretary re prosecution under the Health Bye-laws.
17. Notes slight improvement in genay crossbreeds at January sales also skin prices.
18. "Fitzroy" now making her 1st sheepshifting voyage - gives anticipated quantity for shipment. G. Benner & Port Howard said to have sold to J. Miller. Copies of letters to Gildemeister & Co enclosed.
19. E.E. has been informed that we are prepared to give Marmont Row paddock in connection with proposed memorial to King George V providing Govt agrees to sell us Section 57. Encloses letter from Telegraph Dept here re non-delivery of telegram.
20. Notes amount paid to J.H. Schroder for 1,000 tons coal purchased from Gildemeister.

21. Notes Fire Insurance on Coal is 10/- to 31st May. "Pitsoy" will load any balance remaining when sheepshifting is finished.
22. Encloses Crown Grant for Pitsoy and Port Louis.
23. Confirms £3,000 remittance required at end January, nothing at end February and possibly nothing required at end March.
24. Mr. M.S. Pitaluga desired to purchase Mrs Turner's share in Lincoln Grande station so Mr. Young agreed to advance him the money to do so. Copy of lien executed by him enclosed.
25. Draws your attention to F.I. Gazette containing report on Govt. Savings Bank. Govt reduced individual savings to £5,000.
26. Yearly payment of \$350 from Farm to Store to be increased to \$350 as Farm now runs Lively Island and Spring Point and store has lost two clients.
27. Does not think proposed stock show for 1939 will take place as farmers are not very interested. Encloses copy of letter to Agricultural Adviser re transport of passengers and stock.
28. Encloses copies of completed agreements of A.C. Vinson & J.T. Clement. Mr. Vinson being paid \$60 p.a. acting allowance whilst on probation as manager at Spring Point. Further \$3 per month to be paid him towards house keeper's wages.
29. Mr. Young leaves per "Lafonia" 11/12th inst. Mr. Hodgson & Capt Adair travel per "Lafonia"/"Lantera" and Mr. T. Campbell per "Lafonia"/"H. Chieftain".
30. Understands another importation of rams from N.Z. under consideration. for our Farm
31. Notes you were able to place order for butter (N.Z.). Shipment per "Mahana" was of excellent quality and kept well. If experiment proves satisfactory we shall probably buy regularly in London.
32. Encloses series of photos showing condition of West Jetty. Proposes to reconstruct this. Encloses detailed Memo re this.
33. Stanley Store Electric light plant has been installed at Darwin Store buildings and Stanley House now on Government service.
34. Re new Shepherd's house for Hillside, Camp Manager advises he is in no hurry for it, shipment to be deferred till "Lafonia"
35. Presumes Mr. Harding has relinquished post of Secretary to Sheepowners Assn.:. Hopes it will be possible for Mr. Young to put his views before you personally.
36. Encloses estimate of value of perquisites required by farm employees. Mr. Grace is making round voyage and will discuss matter with Managers when possible.
37. Confirms that providing Dean Bros place whole order for timber with us, price would be c.i.f. Pebble Is.
38. Mr. Goddard and Mr. Vinson proceeded to Spring Pt. to take over Mr. Grace went to check inventories and do clerical work. It was decided to take over bulk of furniture in Manager's house which belonged to Mr. Shannon.
39. Mr. Campbell is touring Company's and Clients' stations per "Lafonia".

-3-

40. Mr. Young examined "Lady Elizabeth" on beach at East end of harbour. Does not propose to refloat her.
41. Gives loss of rams ex Phillimore Island.. Claim will follow.
42. Quotes Mr. J.D. Thomson's memorandum re maintenance of floating dock. Will discuss matter when in England.
43. Encloses wages statement for quarter ended 31.12.37. Explains reasons for increase.
44. Encloses copies of correspondence with Government re transport of urgent medical cases from the Camp to Stanley.
45. Mr. Goddard has Power of Attorney to act during Mr. Young's absence. Mr. J.D. Cremer in immediate charge.
46. Mr. Young is bringing home details re financing of Farming Industry in Colony.

SHIPPING SECTION.

51. "Lafonia" Club Insurance - re claim and fine for cargo short delivered at Porto Alegre.
52. Reports arrival and departure of "Reina del Pacifico"
53. Encloses Freight Schedule No. 2. for Messrs J.D. Hewett.
54. Transshipping charges on "special" types of cargo for account of consignee or shipper.
55. Reports arrival and departure of R.R.S. "William Scoresby". Understands this is her last commission.
56. Re freight on hay, our comment applied to hay for store and trusses for use of sheep on board.
57. Reports on movements of s.s. "Fitaroy".
58. Reports on movements of s.s. "Lafonia".
59. Reports on movements of s.s. "Roydur".

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Per "LAPONIA" via Montevideo  
No. 805.

10th March,

38

Sir,

I regret to hear that Mr. Hughes Hughes died on 14th January last.

2. I beg to acknowledge receipt of your Despatches Nos. 1427, 1428, 1429, 1430, 1431 and 1432 dated 23rd and 26th December 1937, 12th, 21st and 26th January and 11th February 1938., and to confirm my Nos 803 and 804 dated 24th January last and 24th February.

3. 1427. 5. Re charges on imported stock. We had to take charge of the bull ex New Zealand for Anson & Luxton, for the reason that it could not be landed at Navy Point Quarantine Station owing to lack of landing facilities. Charges have been made for care and attendance and these have been queried. These charges have been based on wages (overtime on Saturday and Sunday) for one man, two hours daily, which is not, I think, unreasonable as the man deputised <sup>joins</sup> ~~joins~~ the gang late and leaves it early and at times a special motor boat may have to be run for him. I would, of course, much prefer that imported stock was taken charge of by the Stock Department in such cases.

I note all the New Zealand Loan and Mercantile Agency have to write re this bull suffering from ringworm.

Stock arriving, which has not to go into quarantine, has to be taken charge of by us pending shipment to consignees.

4. 1427. 7. F.I. Reform League. Your letter addressed to the Colonial Secretary dated 22nd December 1937, was duly forwarded after perusal. I understand that Government has since sent you a reply which I shall be able to discuss with you in person, shortly.



No. 885. per "Lafoña" via Montevideo 11th March, 1938

5. 1427. 56. Mr. V. Pitt. I note all he writes but do not consider that we need pursue the matter further. The terms of W. Adair's engagement were based on the understanding that he held a Master's Certificate; Pitt only held a 2nd Mate's Certificate and the two cases are not therefore comparable.

Though it has no direct bearing on the matter, it may be noted that Mr. Pitt also drew £75. 19. 4. from the Provident Fund when he left.

Enc. 6. 1428. 4. Rincon Grande - Mrs B. Galloway. I enclose copy of my letter dated 14th ulto to Messrs Dove Lockhart and <sup>Smart</sup> Edinburgh.

7. 1428. 5. s.s. "Boyaur" towing Targets. I note that under-advised writers will not quote a rate to cover this risk and have ~~xxxxxx~~ Government of this.

8. 1428. 6. s.s. "Lafoña" Accounts. Noted and your instructions have been carried out. The arrangement come to with the Inspector of Taxes appears to be satisfactory, particularly as regards the rate of depreciation allowed.

9. 1429. 3. Seal Oil - Certificate of Origin. I note the clause which must appear in future on these certificates.

10. 1429. 4. War Risks Insurance "Waterborne" Agreement. Clients have been notified as instructed.

11. 1430. 8. F.I. & Dependencies Sealing Co. I note that the ffa of the 13 drums numbered 747/759 of settled oil are in excess of the ffa of the A quality and am passing this on to Mr. Watson. Market prospects. I understand that prospects are poor; unless buyers can offer about \$22 there will be no sealing this coming season.

12. Reorganisation.  
Company's Sealing Rights. These matters have not been raised in any way since His Excellency returned to the Colony and I do not think that any useful purpose can be served by my raising them at present.

13. 1429. 2. B & S Wool and Skins lost at Fox Bay, 21st May 1937. 1430. 12. Diving dredges have arrived but as either "Pitaroy" or

No. 326. per "Lefonia" via Montevideo 11th March, 1938

"Hoydur" must be in attendance on the diver to lift etc., the maximum figure of £200 would not suffice. Allowing for a week's detention, not less than £200/£500 would be required.

14. 1429. 8. Insurance of Rams ex Lazallance.  
1430.14.

Values for insurance are:-

F.I.C. ex Fenton, cost £3 each insure for (18) £5.

F.I.C. " Laguna Blanca 150 cost /480)  
50 /450) £27 each.

H & B Fenton 10 cost £10.10. each insure for £14.

G. Longe 14 - no instructions to insure - cost £3.

These have now been released from quarantine and taken to Darwin.

H & B's rams will be shipped to Port Howard by "Black Swan" where Mr. Harding will take delivery of them. Those for Bluff Cove will be taken over at Darwin by Mr. Yonge's Manager and driven.

With reference to those bought ex Laguna Blanca, exchange has been taken at about /95 but this may be improved on when Dick & Bravo's accounts are settled as at 31st December last

15. 1430. 14.a.250 Rams ex Salagoo quarantined at Bleeker Island.

These were to cost £2 each - insure for £4. They should be released from quarantine sometime during April next.

16. 1430. 20. Prosecution under the Health Rec-laws. I enclose copy of my letter dated 17th ulto. to the Colonial Secretary, in this connection.

17. 1430.21. Wool Market. I note the slight improvement recorded in Crossy crossbreds at the opening of the January series also the skin prices reported in your 1432. 8.

18. Sale of Sheep to Gildemeister & Co. Tres Puente. The "Fitzroy" is now making her 1st voyage, loading at Saunders Island and Port San Carlos. The anticipated quantity for shipment is:-

Bay Cove	1,500
Chartres	900
Fox Bay West	500
Fox Bay East	800
Saunders Is.	800
Port San Carlos	2,000
Douglas	1,500
Salvador	1,000
New Island	400
Pebble	1,000/1,200

-4-

No. 325 per "Lafonia" via Montevideo 11th March, 1936

18. contd.	F.I.C. Lafonia	10,000/15,000
	Spring St	1,000/2,000
	Lively Is.	1,200

Total 25,200/29,200

I have not yet heard if Hill Cove will ship, but if they do understand they may have 1,500. G. Warner and Fort Howard are said to have sold to J. Miller.

A levy of 2d per sheep will be made - 1d goes to Government for expenses incurred and we retain 1d. Government is sending a supervisor to stamp Falkland Island carcasses passed for shipment to U.K. - for quota purposes.

Gildemeister & Co. have been requested to deposit £1,500 with you within the next few days and thereafter make regular payments against shipments.

Copies of my letters to Gildemeister & Co. dated 4th and 9th ulto are enclosed.

19. 1432. 1. Barmont Row Paddock  
Section 57 Narrows Cove. I have informed His Excellency that we are prepared to give Barmont Row Paddock in connection with the proposed memorial to King George V, providing that Government agree to sell to us Section 57 and I now await his reply.

Unfortunately your telegram dated 7th ulto was not received here until the morning of 10th idem, on which date H.M.S. was leaving for the Camp.

Please request the Telegraph authorities at yours to investigate the delay. Copy of letter from the Supervisor, Telegraph Dept here dated 10th February last giving his explanation, is enclosed.

20. 1432. 2. Purchase of coal at Magallanes. I note that you have paid Messrs J. Henry Schroder & Co. £2,364. 5. 2. for the 1,000 tons coal purchased from Gildemeister.

21. 1432. 3. Fire Insurance on Coal. I note the rate on this is 10/- to flat lay next. Sheep shifting should end early so when "Pitaroy" will load whatever balance remains.

No. 825 per Telefonía via Montevideo 11th March 1938

nc. 22. Grown Grant for Pitaroy and Port Louis has been received from Government and is enclosed herewith.

23. Remittances. I required \$5,000 at end January last, nothing at the end of February and as a quarterly payment of rail subsidy will be made at the end of March, I may not require one then.

24. Mr. A. J. Vitalaga, a son of the late A. J. Vitalaga, has a reversionary interest in Lincoln Range through his father, will be inherited a  $\frac{1}{30}$  share in the Farm from the estate of the late Arthur Bailey Vitalaga, he has since acquired another  $\frac{1}{30}$  share and had the opportunity of securing Mr Turner's  $\frac{1}{30}$  share and I have therefore agreed to advance him the money to enable him to do this. A copy of the lien executed by him is enclosed for your information.

25. Govt. Savings Bank. I beg to draw your attention to the F.I. Govt. Gazette dated 1st February last, report on the Government Savings Bank published on pages 22, 23, 24, 25 & 26 from which you will note that Government has reduced individual savings banked therewith to \$5,000, which accounts for the heavy withdrawals in February 1937 which amounted to \$88,000. I presume that the bulk of this was account J. J. Hamilton.

26. Store and Farm. With reference to the arrangement come to some years back, whereby the Farm was debited and the Store Dept. credited with \$300 per annum, for services rendered. This was in place of the 10% charge on purchases made by the Store Dept on behalf of the Farm.

nc. As from 1938, the yearly payment is being increased from \$300 to \$350 in view of the fact that the Farm now runs Lively Is. and Spring Point and that the Store has lost two clients thereby. Copy of my letter dated 16th ulto to Camp Manager enclosed. I trust you approve of this alteration.

27. Stock Show 1939. There is a proposal under consideration to hold a Stock Show in Stanley in 1939. I doubt whether it will eventuate as I do not think that Farmers as a whole are very

No. 805 csc "Lafonia" via Montevideo 11th March, 1938

Inc. interested. I enclose copy of my letter dated 15th ulto to the Agricultural Adviser indicating the position as regards transport of passengers and stock to and from Stanley.

28. R.G. Vinson

Enc. J. J. Clement. I enclose copies of completed agreements.

Mr. S.O. Vinson is being paid an acting allowance of \$60 p.m. whilst on probation as Manager at Spring Point. After discussion with the Camp Manager, I decided to allow him a further \$3 per month towards the wages of a House Keeper. It appeared desirable that he had one and her wages would have taken more than half of the acting allowance.

29. Departures. According to present arrangements I am leaving Stanley 11/12th inst. and expect to arrive in England not later than 19th prox. Mr. L.F. Hodgson proceeds on leave per "Lafoña"/ "Alcantara" (leaves Montevideo 7th May). Captain Adair leaves by the same opportunity. Mr. T. Campbell leaves per "Lafoña" connecting with "Highland Chieftain" (leaves Montevideo 13th May).

59. Rams ex New Zealand 1938. I understand that another importation of rams from New Zealand for our Farm is under consideration and Mr. W.M. Dean was to advise Mr. Greer and Mr. Dick of this possibility in case they desired to import for the Coast via Stanley as in 1937.

31. New Zealand Butter - Purchase in London. With reference to telegrams exchanged, I note that you have been able to place our order for finest grade slightly salt butter

1 ton shipment "Highland Brigade" (leaves U.S. 26th Feb)

1<sup>1</sup> " Highland Monarch " 26th March)

refrigerator storage at 113/- per cwt ex store London.

Owing to drought, Argentine butter is very poor and expensive at present. The shipment of New Zealand butter received by "Mahana" was of excellent quality and kept very well ~~under~~ indeed.

If this experiment proves satisfactory, we shall probably buy regularly in London.



No. 805 per "Lafonia" via Montevideo 11th March 1958.

Enc. 32. Reconstruction of West Jetty. I enclose a series of photos shewing the condition this Jetty is now in. Although not in daily use, we require a jetty to serve the hulk which is used for storing timber, anchors, chains, hay, etc etc and we also land on it house coal, bricks, stone for crushing and sand.

The present Jetty is getting unsafe and it has become necessary to reconstruct it. To do this at as low a cost as possible, I propose to utilise the yards lying on the beach in front of the office as stringers laid on concrete piles, use cedar (ex Bare Harb.) whenever possible as bearers and deck with decking ex "Great Britain" (I had about 9,000 running feet removed from the tween deck of 6" x 4" pine decking before she was stranded in Sparrow Cove. No additional labour will be engaged for the job which will be carried <sup>on</sup> as circumstances permit. A detailed memo dealing with these proposals, is enclosed.

33. Electric Light. The Stanley store Electric Light plant has been sent out to Darwin, wiring of the Camp Managers House has been completed and current is being supplied.

The store buildings and Stanley House are now on the Government service.

34. New shepherds house Hillside. With reference to the Camp Manager's order for this, he now advises me that he is in no hurry for it and shipment out can be deferred till "Lafonia".

35. Sheepowners Association - Future of. As Mr. W. Harding is now resident in the Channel Islands, I presume that he is relinquishing the post of Secretary. I presume that the Association will not be in a hurry to appoint a successor and I hope that it may be possible for me to put my views before you on this matter and on the future of the association, personally, before any final decision is come to.

36. Workmen's Compensation Ordinance. You will recollect that when this matter was discussed with Mr. G. Bonner some time back, it was thought that for the value of perquisites required by Farm Employees (house, meat, cows etc) £40 per annum was a suitable figure. This was doubtless based on the figure mentioned in the Royal Insurance

No. 695 per Lafonia via Montevideo 11th March, 1936.

proposal form (para 4). Also see sheepowners circular letter dated 18th November 1936. I enclose an estimate which I have made of the value of these perquisites for your consideration. They are open to discussion but I am of opinion that the figure arrived at must not be entirely an arbitrary one but one based on assessed values which could, if needs be, be defended in a court of law. Should an accident occur, a Court of law may not accept an arbitrary figure unless it can be supported by some evidence that it is approximately correct. A higher figure than \$40 will of course increase the premiums to be paid but Farms insuring require adequate cover; it is no use their adopting a basis of \$40 if a Court of law holds that it is too low and finds that the value of perquisites should be considerably higher. Liability for the difference would then come on the insured.

Mr. Creece is making a round voyage per "Lafonia" and I have asked him to discuss this matter with Managers wherever possible and obtain their views. I suggest that this is a matter for discussion with the Sheepowners Association which might be held when Mr. W.H. Luxton and Mr. R. Harding are in England, this year.

37. Dean Brothers - Noble Island, proposed new Cookhouse.

With reference to your telegraphed query, I confirm that providing Messrs Dean Brothers placed the whole order for timber with us, our price would be c.i.f. Noble. This offer cannot, of course, remain open indefinitely as I understand that timber prices are rising.

38. Spring Point Mr. G. Goddard and Mr. Vinson proceeded to Spring Point per "Lafonia" on 26th ult. to take over. I also sent Mr. Creece to check inventories etc. and do any clerical work which Mr. Goddard might require.

It had been previously decided to take over the bulk of the furniture in the Managers House which was Mr. Shannon's personal property. Inventory will be sent you in due course.

No. 805. per "Lafonia" via Montevideo 11th March, 1938.

39. Mr. T. Campbell, Chiefstork<sup>e</sup>keeper, is now making a tour of the Company's and our clients' stations per s.s. "Lafonia".

40. "Lady Elizabeth". I recently examined this hulk which is at present beached at the East end of Stanley Harbour. She could probably be refloated but at considerable expense. We have no use for her and I do not propose to do anything in the matter.

41. Rams. With reference to my paragraph No. 14. above, Mr. Gilruth informs me that on tallying the rams ex Phillimore Island when landed at Goose Green, he found the loss was

P.I.C.	16
H & B	111
Yonge	1

Our claim on Underwriters will follow in due course.

42. Maintenance Floating Dock. The proper maintenance of the Floating Dock has been frequently discussed between Mr. Thomson and myself for some time past. To keep the dock adequately painted it requires a small gang doing practically nothing else but go right over her and when completed start again; to get full value out of the painting we require good long spells of dry weather which we do not often get.

As regards the cleaning and painting of the under water part of the pontoons, we are of opinion that there is a certain amount of risk in carrying out this operation at her present anchorage and if it is decided that this must be done, it would be prudent to take her to a more sheltered anchorage and carry out the job there. This would be expensive. The alternative is not to remove and dock the pontoons but clean off such marine growth as is possible from the sides and by sweeping wires along the bottom of the pontoons. Mr. J. J. Thomson's memorandum on this matter is given below:-

For the proper maintenance of the floating dock, the pontoons should be disconnected from the walls separately and d<sup>ocked</sup> by the remainder, so that externally below the water they may be cleaned of marine growth and repainted. To carry this out in unsheltered water such as Stanley Harbour, would involve a certain amount of

No. 825 per Lafonia via Montevideo 11th March 1938.

risk, as owing to the small freeboard when the pontoon is submerged clear of the walls, should rough weather spring up, the pontoon would be in danger of being swamped. In order to carry out this work, each pontoon would have to be unbolted from the walls the main suction line disconnected and blanked off, the pontoon submerged clear of the walls and pumped out by an independent pump before being drydocked. If this procedure is adopted the docking of the pontoons would require to be carried in some sheltered part of the harbour with a depth of not less than 10 to 11 feet and would entail removing the dock from its present anchorage. An approximate estimate of the cost of this work would be about \$2,000 to \$2,500 and would take from 9 to 10 months with labour available in Stanley. Alternatively to the above, the pontoon bottoms externally may be swept with a wire, which would remove most of the marine growth. This method would be much less costly and should prove effective for a number of years. The pontoons internally could be pumped and dried out and given a coat of suitable composition, in addition to the above, the walls externally and internally require scaling and recoating. This work cannot be carried out with any continuity owing to changeable weather conditions and the labour being withdrawn for other work. If it is agreed that this work be carried out, I would suggest that four men be employed exclusively for this work for any six months during the dry season, the cost of which would be between \$350 to \$400.

Several paints and compositions have been tried on the pontoon decks without success but recently a mixture of coal tar, bitumastic enamel and naphtha has been applied hot which seems to resist the scouring effect of the sea rushing through the dock in rough weather.

The whole matter can be discussed in detail when I am in England. Weather permitting a certain amount of work will be done on her when labour is available during April/May.

It is possible that we might find a buyer for her in Montevideo but before looking into this, I would like to obtain expert opinion as

No. 85 per Laonia via Montevideo 11th March, 1938

to whether she is sufficiently stiff to tow in a sea way, or if she could be given additional stiffening without difficulty. Mr. Gordon Glover would doubtless advise us as to this.

It should also require a quotation from underwriters for the towage Port Stanley - Montevideo.

Enc. 43. Income statement for the quarter ending 31.12.37. is enclosed

Comparisons:-

4th quarter 1936	£ 8,868.	4.	7.
1937	11,643.	7.	9.
Year 1936	33,725.	19.	7.
1937	41,531.	19.	2.

Increase

4th quarter 1937	£ 2,775.	5.	2.
Year 1937	£ 7,806.	10.	7.

The increase in the 4th quarter is mainly due to s.s. Laonia and the 12 bonus payable to Camp employees in respect of 1937.

The increase for the year is mainly due to Stanley Office - Mr. Dreafter's salary is now included under this head instead of under Store. Services - heavy overtime being incurred on Laonia due to her late arrival end 1936 (discharged January 1937), "Boysar", Laonia and Fern.

Enc. 44. Medical Cases. I beg to enclose correspondence with Government re transport of urgent medical cases from the Camp to Stanley, for your information.

45. Mr. G.M. Goddard. With reference to my Paragraph No. 29 above, Mr. G.M. Goddard has been given a Power of Attorney to act during my absence from the Colony. Mr. J.D. Dreafter will be in immediate charge and will report to him as necessary.

46. Farming Industry. With reference to my 796. 4., I am bringing Home with me certain details and proposals re the Financing of the Farming Industry in the Colony, for discussion.



No. 895 per Lafonia via Montevideo 11th March, 1938

51. 1431. 5. "Lafonia" - Club Insurance. I note your remarks under this head but would point out that the claim referred to in my letter of 28th October last was for the Customs fine, not for the amount demanded by the consignees in satisfaction of the alleged shortage. I was under the impression that the vessel was not covered against the latter. If you will refer to the document enclosed with my letter you will observe that it is a customs receipt for the double duty; as that is the original receipt I am unable to forward any further primary document to support the claim but I attach Messrs Cranston Woodhead's debit note and a statement showing the amount converted to sterling. It would appear from your remarks that 11. 6. 5. (£21. 6. 5. less £10.) of this can be recovered.

With regard to the possibility of obtaining a refund of a portion of the fine, I quote from Messrs Cranston Woodhead's letter "According to Brazilian law, the ship is responsible for duties in double when whole packages are short delivered". I protested at the time without avail and I fear that it would be useless to make further representations at this long date.

The actual claim for the shortage by Messrs Del Molin Simon & Co. was not settled until 9th December last as per enclosed receipt. They refused to make any allowance for the grain overlanded on the subsequent voyage of "Lafonia" and insisted on settlement in full. After delaying payment as long as possible in the hope that they would moderate their demands, I was at last compelled to instruct Cranston Woodhead to pay them, as they threatened legal action. The amount of the claim is 9:07 1/100 Brazilian translated to sterling at 76/100 = £ (exchange ruling at the date of settlement); this is £119. 7. -. Under the terms of the Club Rules such claims suffer a deduction of 6d per ton (min £10) which in the case of "Lafonia" net register tonnage 1228 - amounts to £30. 14. 10. I am submitting a claim for the full £119. 7. -. leaving the deduction to be effected at your end. The total amount recoverable should therefore be:-

SHIPPING SECTION

No 305 per "Estonia" via Montevideo 11th March, 1938.

<u>Consignees claim</u>	119. 7. -.	
less deduction	30. 14. -.	88. 13. -..
<u>Customs fine</u>	21. 6. 5.	
less deduction	10. -. -..	11. 6. 5.
		<u>£ 99. 19. 5.</u>

52. "Reina del Pacifico" arrived on Sunday morning, 6th February at 6 a.m., one day later than her originally advised date, owing to the fire which occurred on leaving Liverpool. Vessel left Port William for Magallanes at 7 p.m. the same day, having discharged 157 tons of cargo. She carried 346 passengers, which included 297 T.S.S.A. Tourists.

Reverting to my 301/60, I decided after all to put "Fitzroy" in attendance on her. After due consideration it was decided that, without overloading the "Roydur" and "Kelp", it would be impossible to cope with all the traffic. Trips between ship and shore in the morning, and an excursion to Sparrow Cove in the afternoon, were made as in former years. Transport earnings for s.s. "Fitzroy" were £74. 1. -. from "Reina's" passengers and £26. 16. -. from Stanley passengers; in addition £1. 10. was earned by the "Kelp" and motor boats.

"Reina del Pacifico" took no cargo from Stanley, and only 3 passengers - Mrs G. Winneard and daughter for Valparaiso and Mrs M.J. Stewart for United Kingdom.

53. Freight Schedule (Handbook No.2. (Blue Cover) Referring to my 302/53, Messrs Maclean advise us that they have duly forwarded you 6 copies of the new edition. Would you please pass the enclosed copy on to Messrs J.D. Hewett? (Note addendum slip on page 5)

54. Transshipment Charges at Montevideo. The transshipment charges which we pay (covered by our inclusive freight rate of R.M.B. rate plus 40/- per ton) are standard only for ordinary cargo. We find that these charges are much more costly for certain types of cargo - e.g. motor-cars, livestock, dangerous cargo, firearms etc., and our experience shows that in the case of motor cars for example, these charges detract considerably from the freight earned by us.

-3-

SHIPPING SECTIONNo. 805 per "Lafonia" via Montevideo 11th March, 1938.

We notified the public by notice in "The Penguin" on 10th and 15th December last that transshipping charges on motor-vehicles would in future be for account of consignee or shipper, but it seems desirable to extend the application of this to cover all or any "special" types of cargo.

In the new Freight Schedule (mentioned above) we have inserted on page 3 of all copies in our possession an addendum slip worded as follows:- "TRANSHIPMENT CHARGES mentioned herein only cover charges in accordance with the standard Port Rates for ordinary cargo. Where extra costs are incurred (examples - motor vehicles, livestock, dangerous or other special cargo etc.) such extra costs are for the account of the shipper or consignee".

We suggest you insert a similar addendum to the copies sent to you.

But in order to be effective, we think that the Bill of Lading should bear a similar clause, and, if you agree, you might arrange with Hewett's to have a suitable stamp made with which to endorse the Bills of Lading now in use, keeping in mind to have such clause printed in the Bill of Lading when a new supply is printed.

55. R.S.S. "William Scoresby" (Captain R.S. Preaker, R.S.S.) arrived from the South on 26th February and sailed for Montevideo on 28th. From Montevideo she proceeds to England, and I am given to understand that this is her last commission.

56. Shaw Savill and Albion Ltd. 1427. 59. Freight on hay.

Referring to their letter to you dated 13th December, 1st paragraph, we would like to make clear that the freight commented on in our 798/54 applied equally to the 154 bales imported for the store as well as the 60 trusses shipped for the use of the sheep on board. Other points duly noted.

57. Ships' Movements - S.S. "Piteroy" arrived Stanley 2nd February (end of G.2.) with 324 bales and sailed for Berkeley Sound (first part of G.3.) on 4th, returning to Stanley the same evening. On 6th February (Sunday) she acted as tender for "Reina del Pacifico"

SHIPPING SECTION

No. 55 per "Lafonia" via Montevideo 11th March, 1938.

and left on the morning of 7th for Salvador after returning to Stanley on the 5th, with 349 bales between the Berkeley Sound and Salvador ports. She left at 9 p.m. on 10th February for Port Howard and Fox Bay with passengers and cargo (G.4.) and thence to Magallanes to fit out for sheep-shipping; she arrived Tres Puenteas on 14th, having experienced 2 days' bad weather. Vessel left X Tres Puenteas on night of 20th February and lifted 726 sheep at Saunders Island and 2166 at Port San Carlos; she left the latter port on 4th March and, again experiencing bad weather, expected to arrive at Tres Puenteas on the morning of 7th March.

According to present arrangements she will make 2 sheep-carrying voyages from the Falklands and will then make 2 voyages between Rio Grande (Argentine Tierra del Fuego) and Tres Puenteas with some 6,200 lambs. Gildersleefer offer freight for these 2 subsidiary voyages at  $\frac{7}{10}$  l.s. Arg. (approximately 1/6d) per head. It will not inconvenience the Camp Manager if shipping from our farm commences not later than 8th March, and I therefore closed with the offer.

For purposes of record we mention that Fitzroy's voyage numbers during sheep-shipping, commencing with the first load from the Falklands, will be "G.4a", "G.4b" and so on.

58. "LAFONIA" arrived at Fox Bay from Montevideo and Gallegos on 25th January and proceeded to Bleaker Island on 26th where she landed the 250 rams from Gallegos in quarantine. She arrived Stanley 6.30 p.m. on 26th (end of voyage A.C.1.). She left at midnight on 27th (voyage A.C.2.) for Harwin, Fox Bay and Port Stephens, and left the last-named port on 30th January with 1197 bales from Falklands, and 461 from Gallegos. At Magallanes she loaded 1197 bales, giving a total of 3076 bales on arrival at Montevideo on 11th February. Vessel left Montevideo on 19th with 177 ton cargo arriving Stanley 4 p.m. on 23rd (end of A.C.2.) She left again for a coastwise voyage (A.C.3) on the evening of 25th February, and should return to Stanley about 9th March and sail for Montevideo on 11th with approximately 2170 bales (Voyage A.C.3, continued).

845

SHIPPING SECTION

No. 395 for "Lafozia" via Montevideo 11th March, 1938.

59. S.S. "Boydur". This vessel was docked on 14th February and undocked 16th idem. Report on condition and work carried out is enclosed, together with surveyor's certificate regarding repairs and amount for same, amounting to £72. 17. -. for claim. Vessel left Darwin on the morning of 21st for sheep-moving for the Farm under command of H. Fuhlendorff. She was manned by 5 hands from Stanley (including Fuhlendorff), and, as last year, the necessary additional complement will be supplied by the Farm.

I telegraphed you on 15th February to effect insurance to cover these operations.

"Boydur" returned to Stanley on the evening of 3rd March, and I am telegraphing you in "Lafozia's" departure message that she ("Boydur") reverted to Port Risks on 4th March.

The Lighter "Harriss" was, as last year, used in the operations, and, at conclusion, was anchored at Lively Island on 20 March.

I am,

Sir,

Your obedient servant,

Manager.



846

No. 806 per "Lafonia" via Montevideo, 9th April, 1938.

E N C L O S U R E S.

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1. Despatch No. 806.
2. Statement on Accounts No. 105.
3. Remarks on Accounts No. 105.
4. Store Indent No. 770.
5. Remarks on Stores No. 770.
6. Remarks on Naval Fuel Depot No. 64.
7. Coasting Insurances & Statement of Deck Cargo - March 1938.
8. F.I. Shipping Report No. 5/38.
9. "Lafonia" - Note of Protest and Log Extract re touching in Reef Channel.
10. Coal and Oil Fuel Statement - March 1938.
11. Inventory of Manager's House, Spring Point. (2 copies).
12. "Lafonia" W/T. Messages Extract to 9/3/38.
13. Mr. Young's "Lafonia" homeward voyage folder.
14. Duplicate specification of "Lafonia" shipment 10/4/38.
15. Advice of change in telegraphic rates (British Empire) from 25/4/38.

CORRESPONDENCE:-

Copies of letters dated 23/9/37, 5/10/37 and 31/3/38 to Colonial Secretary and 29/9/37 & 30/3/38 from Colonial Secretary re engagement of Deck and Engineer apprentices in Company's vessels.

SPECIFICATIONS.

<u>MARK.</u>	<u>WOOL.</u>	<u>SKINS.</u>
S.I.	33	-
(F) S	-	6

...      ...      ...

Book

REPORT NO. 806 per "Lafonia" via Montevideo 8th April, 1938

P R O C E E D I N G S.

1. Acknowledges your Nos 1432 and 1433 and confirms our No 805 dated 11th March.
2. We will telegraph quantity of coal remaining at Magallanes at end May.
3. Confirms our cable of 30th ulto requesting you to pay \$1,000 to Crown agents. No resistance required at end April.

SHIPPING SECTION

51. Please add the word "Bleaker" to your list of produce for telegraphing.
52. Gives rate of freight for produce ex Vallegos and Punta Arenas. ~~Encloses copies of letters to Great Western and Eastern and to London and West of sailing.~~
53. Passenger reservations per "Lafonia" to Stanley are noted.
54. Board of Trade does not agree to candidates sitting for examinations here. Encloses copies of correspondence.
55. Encloses Note of Protest and copies of extract of Log in respect of "Lafonia" touching in Reef Channel.
56. Reports arrival and departure of S.S. "Discovery".
57. Reports people who intend sending our motor cars per "Lafonia" from I.X. Confirms quotation for freight.
58. Reports on movements of S.S. "Lafonia".
59. Sheep shipping - gives dates of sailing and numbers shipped.
60. Reports on same from coast. "Lafonia" to be put in commission to deal with rest of sheep on Bleaker Is.

No. 806. per "LAFONIA"  
via Montevideo.

8th April,

38

Dear Sir,

I have to acknowledge receipt of your Nos 1432 and 1433 dated 11th and 25th February last respectively and to confirm my No. 805 dated 11th ulto.

2. 1432. 3. Fire Insurance on Coal. Advice of the quantity of coal remaining at Bagallane at the end of May next will be telegraphed to you.

3. Remittances. I confirm cable dated 30th ulto. requesting you to pay £1,000 to the Crown Agents. This was necessitated by payment of export tax on "Lafonia" shipment of wool earlier in the month. It is not anticipated that a remittance will be required at the end of April.

The Managing Director,

The Falkland Islands Co. Ltd

LONDON.

DEPATCH NO. 806 FOR "LAFONIA" VIA SOUTHWICK 31st APRIL, 1938

SHIPPING SECTION

51. 1443. 54. Telegraphing Produce shipments. We should have included the word "bleaker" to cover Company's wool from Bleaker Island. Please amend your list accordingly.
52. 1443. 56. Shipment of Produce. The rate of freight for the produce ex-Sallegos and Punta Arenas is £ 3. 10. --. per ton of 1000 kilos or 21. 16. 8. per ton of 40 cubic feet at ship's option. This rate was notified you in Mr. Young's letter of 27th January (written at Port Stephens and enclosing copies of letters to Messrs Jacob & Hore and Maclean and Stapledon, and of the local Bill of Lading). You will have received this just after writing your despatch.
53. Passengers. Reservations per "Lafonia" in April for Mr. L.J. Wayne and Miss Betty Hamilton, to Stanley, noted, as per your remarks on accounts, 25th February.
54. Apprentices on our vessel. 796. 57. After communication with the Board of Trade the Government have now advised us that that body will not agree to candidates sitting for examinations for certificates here. Copies of the whole correspondence are enclosed, and Mr. Young will no doubt be interested to learn the latest position.
55. "Lafonia" - touching obstruction, Voyage A.S.3. We enclose Note of Protest and copies of extract of Log in respect of a touching in Stef Channel, West Falklands, on 3th March.
56. A.S.3. "Discovery" (Captain L.C. Hill), arrived from the South S.M. on 15th March. She loaded 111 tons of oil fuel, and sailed for South Georgia S.M. on 20th March.
57. A.S.3. "Lafonia" - voyage to U.K. The following persons intend sending out motor-cars by "Lafonia" 4th August - Mr. Aubrey Summers (or Mr. G. Pallini) for Mr. J.F. Summers; and Mr. H.C. Jennings. We have advised them, as soon as they have decided on their cars, to instruct their suppliers to get in touch with you with a view to reserving space.

One or two importers have now made enquiries regarding loading ports and rates of freight by this voyage, and we confirm that we are quoting equivalent of Royal Mail Lines rates ruling at time of

DISPATCH NO 846. per "Lafonia" via Montevideo 8th April, 1938

SHIPPING SECTION

shipment, 1 on an immediate rebate of 10%, plus 35/- per ton 1/4".

58. Ship's Movements.

S.S. "Lafonia" (A.S.3, continued), arrived from Berkeley Sound on 10th March and sailed for Montevideo at 6 p.m. on 11th, with 2155 bales wool and skins and 44 hides in transit for U.K. Mr and Mrs Young and Mr. J. Mitchell (wool classifier) were amongst the passengers.

Vessel arrived at Montevideo p.m. on 15th and left there for Stanley U.K. on the 19th. She arrived at Stanley a.m. on 24th, poor weather giving her a passage of 44 days, (end of voyage A.S.3.)

"Lafonia" discharged some 160 tons cargo and sailed at noon on 25th for South Georgia (Voyage A.S.4.) with 10 carcasses mutton for Keith Harbour and 75 live sheep and a ton of tallow for Tonsberg Company, and usual sundries for Government personnel at Grytviken. Her runs to noon were respectively 230, 185, 103 miles for the first 3 days, and she arrived at Grytviken about 5 p.m. on 29th March, (4 days 3 hours). Her telegrams of 27th and 28th respectively stated "foggy weather" and "bad weather, 3 fog and much ice".

At South Georgia she embarked the following:-

For Government,	75 drums Diesel oil
	1 ton guano
For store,	3 tons guano
For ship,	5 tons galley coal
	130 tons oil fuel.

"Lafonia" left Keith Harbour at 6 a.m. on 11st March and, again encountering much fog and ice, arrived at Stanley 8.30 a.m. on 14th April. She sailed at noon the same day for Fox Bay, Santa Renas, Fox Bay and Stanley. She left Santa Renas on 7th and expects to arrive at Stanley early a.m. on 10th April (Sunday), when she will be despatched for Montevideo as quickly as possible.

9. Sheep-shipping to Coast. Dates of sailing from Falklands, supplies, and numbers shipped to date are as follows. It should be noted that the figures are subject to slight modification according to the accounts ultimately rendered by Messrs Gildemeister.



-3-

Despatch No. 806 per "Laonia" via Montevideo 8th April, 1918

SHIPPING SECTION.

Sheep Shipping to Coast contd

		Departure Message.	Gildersmesters' receipts on Landing	
			Live	Dead
4th March	Saunders Island		624	42
	Port San Carlos		2035	127
11th March	New Island		489	4
	Boy Cove		1495	9
	Big Harbour		725	2
25th March	Barwin	2905		
1st April	North Arm	2845		
8th April	Barwin	2800		

The following are the figures for the voyages from Rio

Grande to Tres Fuentes:-

		Live	Dead
16th March	Lambs	3039	-
20th March	Lambs	2922	13

but we have not yet received a freight return from Gildersmester.

60. Name from Coast. Ex Panton & Laguna Blanca, via Phillimore Island to Goose Green 2nd March

Of the 300 purchased by the Company 16 were dead when "Moydur" took the remainder to Goose Green on 2nd March. Mr. C.M. Goddard has a note to advise you how many of the dead ones were ex Panton and ex Laguna Blanca respectively; those from Panton were insured for 35 per head, and those from Laguna Blanca for 27 per head. May we leave you to deal with the claim on receipt of Mr. Goddard's advice?

Ex Gallegos, to Bleaker Island 26th January. These are expected to be released from quarantine on 16th April, and immediately afterwards "Laonia" will call there to pick up those for Spring Point. As Mr. Goddard will now be away at the time, he has asked us to put the "Moydur" in commission to deal with the rest of the sheep on Bleaker Island, viz; to transfer surplus from Bleaker Island to Moffat Bay, and to take the remainder of the Gallegos rams from Bleaker Island. This will involve towage of the lighter "Marries" from Lively Island and back, and we will telegraph you regarding sea risks insurance as soon as a definite date for the operations is fixed.

I am,

Sir,

Your obedient servant,

For Manager

ENCLOSURES

1. Despatch No. 807.
2. Statement on Accounts No. 106
3. Remarks on Accounts No. 106.
4. Store Indent No. 771.
5. Remarks on Stores No. 771.
6. Remarks on Naval Fuel Depot No. 66.
7. Farm Quarterly Wages Sheets 31st March - all sections.
8. F.I.Gazette - 1st April.
9. Index to F.I.Gazette 1937.
10. Stanley Ledger Balances 31st March 1938.
11. Royal Mail Lines Account dated 23rd April.
12. F.I.Shipping Report No.6/38.
13. Wages Comparative Statement No.25.
14. Store Stock Sheets 1937.

P R E C I S

1. Acknowledges your No 1434 of 25th ulto and confirms No 806 of 8th inst.
2. Spring Point documents have been sent to Registrar - will be returned to you next mail.
3. Copy of letter re artificial wool fibre is to hand.
4. Encloses wages comparative statement which shows a decrease as compared with corresponding quarter last year.
5. Sealing Co. applied to Government for subsidy to enable them to seal this winter. Government declined to assist financially.
6. Workmen's Compensation Act comes into operation on 1st June next.

SHIPPING SECTION.

- 51.. Messrs Wilson admit probable shortage of coal stocks but do not agree to full 56 tons. They offer delivery of 30 tons free of charge to "Fitzroy" in June, which has been accepted.
52. Our No.805/57 will have explained "Fitzroy's" two voyages between Punta Arenas and Rio Grande with lambs. Gildemeister were instructed to pay balance of this freight to Houlder Bros for our credit and use for "Lafonia" homeward voyage. Gildemeister advise us they have remitted the sum to Houlder Bros.
53. Regrets to report death of Mr. L.F. Wayne, Govt. travelling auditor, who died at sea in "Lafonia" on the way from Montevideo to Stanley.
54. Gives latest figures of sheep shipping to Coast. Reports "Fitzroy" came to Stanley for two days then sailed for Lively Is & Darwin.
55. Advises names of passengers and connections at Montevideo.
56. Reports on movements of s.s. "Fitzroy" and s.s. "Lafonia".
57. "Lafonia" unable to ship rams from Bleaker Is. to Spring Point. "Moydur" will undertake operation.
58. Reports that Mr. A. Edwards has resigned suddenly from "Fitzroy" and will leave vessel at Punta Arenas.

No. 807 per "Lafofia"  
via Montevideo.

25th April.

38

Sir,

I have to acknowledge receipt of your Despatch No. 1434 dated 25th ulto, and confirm my No. 806 dated 8th inst.

2. 1434. 4. Spring Point. Documents have been sent to the Registrar and will be returned to you by next mail.

3. 1434. 13. Artificial Wool Fibre. Copy of letter from Mr. G.E. DuCroz dated 4th ulto is to hand.

4. Wages. Comparative Statement for the quarter ended 31st March 1938 is enclosed. This shows a decrease of £395. 3. 10. compared with the corresponding quarter last year.

5. Sealing Co. Mr. Watson advises us that he applied to Government for a subsidy to enable sealing to be carried on this winter, the subsidy asked for being the difference between actual sale price and a minimum of £21 per ton. After exchange of telegrams with the Secretary of State, Government declined to assist financially owing to the present low price of oil.

6. Workmen's Compensation. You will observe from the F.I. Gazette (dated 1st inst.) enclosed, that this Ordinance comes into operation on 1st June next. Please request the Royal Insurance Co. to forward us a supply of policy forms.

THE MANAGING DIRECTOR  
THE FALKLAND ISLANDS CO. LTD  
LONDON.

SHIPPING SECTION

51. 1434. 57. Coal Stocks. Messrs Wilson, while admitting a probable shortage, do not agree to the full 56 tons; they offer to settle the matter by a delivery of 30 tons free of charge to "Fitzroy" when she goes to Montevideo in June; this has been accepted.
52. 1434. 60 "Fitzroy" (Magallanes/Rio Grande). Our despatch 805/57 will have made clear the matter of the "Fitzroy's" two voyages between Punta Arenas and Rio Grande (Tierra del Fuego) with lambs. In accordance with Mr. Young's instructions, Messrs Gildemeister were instructed to pay the balance of this freight to Messrs Boulder Brothers, (Argentina) Ltd, Buenos Aires for our credit to be used for anticipated disbursements for "Lafonia" homeward voyage. Messrs Gildemeister advise under date 4th April 1938 that they have duly remitted the sum of / 5968.38 Argentine paper dollars to Messrs Boulder Bros.
53. 806. 53, Mr. L.J. Wayne. I regret to report that this passenger, Government travelling auditor, died at sea in s.s. "Lafonia" on 18th April on the way from Montevideo to Stanley. The body was brought to Stanley on 21st April and an inquest held the same day, the finding being "Death from natural causes".
54. Sheep Shipping to Coast. In continuation of my 806. 59. the following are the latest figures:-

	Departure Message	Gildemeister's receipt on landing	
		Live	Dead
25th March	Darwin (given previously under "Departure message")	2848	47
1st April	North Arm (do. do. do.)	2768	82
8th April	Darwin	2796	4
15th April	Fox Bay - Spring Point - Packe Bros	1482 1186	52
25th April	Lively Island Darwin	2138 571	

s.s. "Fitzroy" came to Stanley on the night of 21st April to give the crew 2 days' spell and to effect some changes in the crew etc. She sailed for Lively Island and Darwin at 6 a.m. on 24th, under command of Captain Adair who, with his wife and child,



Despatch No. 807 per "Lafonia" via Montevideo 25th April, 1936

ENTIRE SECTION.

will join "Lafonia" at Santa Renas on 30th April, proceeding homewards.

55. Passengers. I confirm that Mr. G.M. Hodder left for England, with the sanction of the Board, per "Lafonia" 18th April. The following Company's officials sail per "Lafonia", via Bleaker Island, Spring Point, Santa Renas and Montevideo, on 26th April - Mr. & Mrs L.F. Hodgson and child, and Mr & Mrs F.L. Campbell and daughter. The former tranships to "Alcantara" 7th May, and the latter to "Highland Chieftain" 13th May. Captain Adair, as above mentioned, travels from Santa Renas in "Lafonia", transshipping to "Alcantara".

56. Ship's Movements. S.S. "Fitzroy's" dates of sailing on sheep-shipping voyages to the Coast are given above.

S.S. "Lafonia" (304), arrived from Santa Renas, via Fox Bay and Lively Island at night on 9th April and left Stanley for Montevideo about 2.30 p.m. on 10th (Sunday). She arrived Montevideo early on 11th and left again p.m. on 16th with some 200 tons cargo ex "Highland Monarch" and miscellaneous cargo from Montevideo. After a bad voyage she arrived at Stanley 2 p.m. on 21st (end of voyage 304). She discharged part of her cargo, keeping "Clients" and "Tour" cargo on board, and left at midnight on 21st April for local ports (starts voyage 305). She expects to return to Stanley on night of 26th and we hope to despatch her for Bleaker Island (embarking 10 Gallegos rams for Spring Point), Spring Point, Santa Renas and Montevideo before noon on 26th.

57. Rams from Coast - ex Gallegos (306/60). The foregoing paragraph had been completed when we received an urgent telegram from Captain Roberts stating that, owing to certain delays which would necessarily be attendant upon shipping the rams from Bleaker Island to Spring Point, S.S. "Lafonia" could not <sup>now</sup> undertake the job.

S.S. "Fitzroy's" movements were quite unsuited to considering her for the work, and it was therefore decided to do the whole operation by "Hoydur". She will be commissioned ready to leave Stanley 26th April, will call at Lively Island for the lighter "Harrison" and will take the Spring Point rams to Port Edgar, some sheep to Corrit Bay, and the remainder of the rams to Lively Island.

Despatch No. 807 per "Lafonia" via Montevideo 25th April, 1938

SHIPPING SECTION.

As the operations will depend largely on the weather it is thought advisable to provision the vessel for 14 days, to be on the safe side. A telegram was sent you on 25th regarding this.

58. Mr. R. Edwards - Chief Engineer, s.s. "Fitzroy" Just as "Fitzroy" had completed loading sheep at Lively Island and Darwin about 1 p.m. on 25th April, Captain Adair telephoned to say that Mr. R. Edwards, Chief Engineer, had suddenly resigned and was going to leave the ship in Punta Arenas. It will be some time before we receive details of what happened, but from Captain Adair's guarded conversation I gather that the causes assume a serious aspect. I have advised Captain Adair by letter to call on you as soon as possible with all the information. As Captain Adair joins "Lafonia" in Punta Arenas, and Mr. Edwards will most probably want to travel in her as passenger to Montevideo, Captain Roberts may be able to get to the bottom of the matter, and we shall have to leave it in his hands to see that you receive the latest necessary information. I must also leave it, for the moment, in Captain Robert's hands to discuss with Captain Adair or Captain Johnston the matter of temporarily replacing Mr. Edwards.

I am,

Sir,

Your obedient servant,

for Manager.

P R E C I S

1. Deeply regrets to learn of death of Mr. R.B. Goddard.
2. Acknowledges your Despatch No. 1435 of 14th April confirms our No. 807 of 25th idem. Acknowledges Mr. Young's airmail letter.
3. Notes appointment of Mr. Bell to Board of Directors.
4. New cable rates are applicable to F.I. since 25th April.
5. Encloses correspondence re/loan to Sealing Co. made by the Financing Syndicate  
claim for
6. Encloses copy of Public Notice re Sheep Show and Horticultural and Industrial Exhibition to be held in February 1939.
7. Encloses Spring Point documents which were sent for registration.
8. Tripes have been purchased from Darwin by J. Schmitt at 3d each.
9. Presumes premium for insurance on rams from Coast for Holmsted Blake & Co. Ltd has been paid by themselves.
10. Gives details for which you asked re Sparrow Cove and West Cove.
11. The sum for stores and materials purchased from Stickney Bros has been transferred as directed.
12. Requested Board's ruling on as to our obligations towards Clients. Mr. J.F. Bonner has requested us to represent him in Magistrate's Court in an action which a dismissed employee was bringing against his firm for wages in lieu of notice.
13. Re registration of Spring Point documents - Registrar advises us that it is not necessary as they are already on record.

SHIPPING SECTION

51. Acknowledges Shipping section of your No. 1435 and Mr. Young's airmail letter.
52. "Lafonia" Club Insurance - recovery of these claims most satisfactory
53. Gives latest figures of sheep shipped to Coast. Only one more voyage then vessel will dismantle, clean and return to Stanley. No reply has been received re selling of Ruhr coal in hulk in Punta Arenas instead of loading it into "Fitzroy" for Stanley. Encloses copy of letter re shipment of Bullock from San Carloses.
54. Captain Roberts will reply to you by airmail from Montevideo re future of "Fitzroy".
55. Reports Mr. J.M. Thomson joined "Fitzroy" on 10th May then sailed for Egg Harbour, Foxbay and Tres Fuentes.
56. A full cargo of grain from Bahia Blanca to Antwerp or Rotterdam has been booked at 20/9 per ton for "Lafonia's" homeward voyage.
- 56A. Confirms your telegram of 13th May re Mr. Hannaford joining "Lafonia" as a passenger. Visas for Belgium or Holland will have to be obtained in Montevideo or Bahia Blanca.

57. Reports arrival and departure of s.s. "Pilar".
58. Reports on movements of s.s. "Fitzroy" and s.s. "Lafonia".
59. No instructions have been received about 455 telephone poles from Punta Arenas except that they were ordered by Mr. W.H. Dean. We should appreciate some instructions.
60. Arrangements re rams ex Gallegos had to be cancelled as rams found to be suffering from caseous lymph adenitis and mycotic dermatitis. Encloses Mr. Weir's report and correspondence ~~is~~ with the Government.
61. "Fitzroy" was to make a shipment of rams from Egg Harbour to Fox Bay for Spring Point but West Farmers telegraphed protest to Government against "Fitzroy" carrying stock to West Falklands without her being thoroughly disinfected after carrying sheep between Rio Grande and Tres Puentes. "Black Swan" was able to carry rams from Egg Harb. to Fox Bay for Spring Point.
62. Gives importers who intend to ship cargo on the outward voyage of "Lafonia".
63. Explains penalty of \$50 mentioned in letter from Colonial Secretary dated 18th May, copy enclosed)

No. 808 per "LAFONIA"  
Direct.  
Via Montevideo

19th May.

38

Sir,

I deeply regret to learn from your telegram of 6th instant of the death of Mr. E.E. Goddard, Chair-man of the Board. A message of condolence from the Company's staff in the Falklands was conveyed to Mrs Goddard, the family and to the Board in my telegram of 7th May.

2. I have to acknowledge receipt of your Despatch No. 1435 dated 14th April and Mr. Young's airmail letter dated 29th April and confirm my No. 807 of 25th idem.

3. Board of Directors. I note the appointment of Mr. Bell to the Board.

4. Cable Rates. The new rates are applicable to the Falklands Islands and came into force on 25th ulto. (See F.I. Gazette dated 2/5/38 enclosed.)

Enc.

Enc.

5. Sealing Co. I enclose copy of letter dated 2nd May 1938 from the Secretary of the Sealing Co. together with my reply dated 3rd inst. relative to a claim which is being made by the Financing Syndicate (1938) for repayment of the loan made by them to the Sealing Co. Copy of letter from the Syndicate to Mr. Watson and his reply - both dated 2nd inst. - are also enclosed. Please let me have your instructions.

Enc.

6. Stock Show. 335. 27. Copy of Public Notice dated 10th May, 1938 regarding a Sheep Show and Horticultural and Industrial Exhibition to be held in February 1939 is enclosed for your information.

Enc.

THE MANAGING DIRECTOR  
THE FALKLAND ISLANDS CO. LTD  
LONDON.



Message No. 838 per "Lafonia" 19th May, 1938.

7. Spring Point 1434. 4. The following documents have been registered as requested and are returned herewith:-
- Agreement for Sale dated 25th February 1938.  
 Conveyance, Notarially attested, dated 25th February, 1938 of 1613 and one sixth acres compulsorily purchased under Crown Grant No. 334.  
 Conveyance, Notarially attested, dated 25th February, 1938 of 55679 and five sixths acres, under Crown Grant No. 452.  
 Crown Grant No. 334 to Stickney Brothers  
 Crown Grant No. 452 to Stickney Brothers.
8. Tripes. 1434. 6. J. Schmitt has purchased 7,945 tripes from Darwin this season, at 3d each.
9. Insurance - Hans from Grant 824. 14. As we have not received a debit in account current for Messrs Holmstedt Blake and Co. Ltd, I presume that they have paid the premium themselves.
10. Reserves 1435. 15. Details called for are as follows:-
- |                      |   |
|----------------------|---|
| Sparrow Cove No. 57. | Murrel House and gear house                           |
|                      | Fences - Nil (other than fence bounding this section) |
|                      | Other immoveable property - Nil.                      |
| West Cove.           | Dwellings - Nil                                       |
|                      | Fences - Nil.   |
|                      | Other immoveable property - Nil.                      |
11. Spring Point 1435. 15. Transfer of sum of £328. 19. 10. for stores and materials purchased from Stickney Brothers has been made as directed.
12. Court Cases - Representation of Clients. The following matter is one upon which we should like the Board's ruling.
- Mr. J.P. Sonner asked us (as his Agents in Stanley) to represent him in the Magistrates Court in an action which a dismissed employee was bringing against his firm for wages in lieu of notice. The amount involved was about £7, and the Reform League had persuaded the man to lodge his claim. The case was such that, whoever conducted Messrs J. Sonner's side of it, Mr. J.P. Sonner or his foreman or a reliable senior hand would have had to come to Stanley to give evidence regarding the man's character and work. I am not at all clear whether our business obligations towards Clients include representing them in the lower Court in disputes of this nature.

Despatch No. 526 per "Lafonia" dated 19th May, 1938

Some years ago I was allowed by Mr. Young's special permission, in a private capacity, to conduct Mr. Barton's case in an action Dean Brothers v Stevenson in the Supreme Court, but that was a much bigger case and involved a number of technical matters and questions of custom. Any loss of prestige through my failure to win that case did not reflect back upon the Company.

In view of the somewhat unsatisfactory state of the labour market here at the moment, and the fact that the Reform League appears to be extending the scope of its activities daily, it is possible that disputes of a similar nature may increase; I therefore consider it advisable to ask for the Board's ruling as to our obligations towards clients should we be approached by them in cases similar to Mr. Bonner's.

At the time of writing I do not know whether the employee intends to persevere with his threatened action, but should Mr. Bonner still ask us to represent him I will telegraph for your ruling.

13. Spring Point. With reference to paragraph 7 above, the Registrar advises us that it is unnecessary to register Crown Grants Nos 334 and 432 as they are already on record.

-1-

DESPATCH NO. 808 per "LAFONIA" direct 19/5/38.

SHIPPING SECTION.

51. I acknowledge receipt of Shipping Section of your Despatch No. 1435 of 14th April, and also Mr. Young's Air Mail letter of 29th April.
52. 1435. 51. "Lafonia" Club Insurance. The recovery of these claims is most satisfactory.
53. s.s. "Fitzroy" - sheep shipping to Coast. In continuation of my 807/54, the following are the latest figures:-

	Departure message	Gildemeister's receipts on landing	
		LIVE	DEAD
25th April, Lively Is. (given previously under "Departure message")		2631	81
3rd May, Horseshoe Bay Douglas St.	2506		
11th May, Fox Bay McG Harbour	2754		

There will be one further voyage, Mill Cove and Pebble Island, after which vessel will dismantle, clean and return to Stanley. In accordance with Mr. Young's instructions, Messrs Gildemeister have been asked the prospects of selling the balance of the Ruhr coal in the hulk in Punta Arenas, instead of loading it into "Fitzroy" for Stanley, but no reply has so far been received.

Enc. Copy of letter to Gildemeister regarding a proposed shipment of BULLOCK from the San Carloses, after sheep-shipping, is enclosed.

54. s.s. "Fitzroy" - Future. I regret that insufficient time has prevented my being able to discuss with Captain Roberts the points raised in your Air Mail letter of 29th April, in time to incorporate a reply in this Despatch. I am therefore asking Captain Roberts to reply to you by Air Mail from Montevideo.
55. s.s. "Fitzroy" - Chief Engineer. Your telegram of 2nd May was received on 3rd when vessel was at Horseshoe Bay, thus preventing our getting into touch by telephone to instruct vessel to call at Stanley to embark Mr. J.M. Thomson before sailing for Tres Puentes that day. I telegraphed the ship at once but the message was not received until she had proceeded far out of Salvador Waters towards Tres Puentes. Up to this time we had not been advised whether

864  
DESPATCH No. 808 per "LAFONIA" direct 19/5/58

SHIPPING SECTION.

"Fitzroy" had secured an engineer in Punta Arenas, or had any prospects of doing so.

On leaving Tres Puentes for Egg Harbour s.s. "Fitzroy" advised us on Sunday 8th May that they were still without a temporary Chief Engineer, and she was therefore ordered to come to Stanley to embark Mr. J.M. Thomson and a greaser. She arrived Stanley at 12.30 a.m. and sailed for Egg Harbour, Fox Bay and Tres Puentes at 1.30 a.m. on 10th May. I fear this deviation was unavoidable; it was no use sending Mr. Thomson from Stanley until it was known that "Fitzroy" had still failed to secure an engineer, and as Mr. Gilruth had reported the track impracticable for motor transport the "Fitzroy" would have been much more delayed in waiting at Egg Harbour for Mr. Thomson.

56. "Lafonia" - Homeward Voyage. Negotiations with Messrs Moulders, Buenos Aires, have resulted in the booking of a full cargo of grain from Bahia Blanca to Antwerp or Rotterdam, at 20/9 (one pound and ninepence) per ton. Captain Roberts will keep you advised of his movements.

6A Mr. Hannaford. According to the list of instructions left for us by Mr. Young, the question of sending Mr. Hannaford, foreman carpenter, home in "Lafonia" awaited Head Office's approval. As no confirmation of this had been received by the 12th May, I telegraphed you on that day asking for your decision. I received your reply dated 13th May, to the effect that Mr. Hannaford was to join the ship as a passenger with passport valid for country of destination. As this will be Belgium or Holland, visa will have to be obtained for these countries in Montevideo or Bahia Blanca.

57. s.s. "PILAR" arrived from Punta Arenas and West Falklands with a miscellaneous cargo on 7th May and left again for local ports and Punta Arenas on 10th idem.

58. Ships' Movements s.s. "Fitzroy's" dates of sailing on sheep shipping voyages to the Coast are given above.

s.s. "Lafonia" (voyage A.C.5. continued) arrived Stanley from first



Despatch No. 808 per "LAFONIA" ~~direct~~ 19/5/38

SHIPPING SECTION

part of coastwise Tour Voyage at 6 p.m. on 26th April and left at 2 a.m. on 27th for Bleaker Island (to land Mr. Weir), Fox Bay (for homeward mails), Punta Arenas and Montevideo. She arrived Punta Arenas daylight on 30th, left about noon, and arrived Montevideo at daylight on 5th May. She left Montevideo at 4 p.m. on 7th with mails and cargo ex "Highland Chieftain" and "Alcantara" and arrived Stanley about noon on 11th May (end of voyage A.C.5).

"Lafonia" left Stanley at 9 p.m. on 12th May for all West Falkland ports, second part of the Tour Voyage, and expects to arrive back in Stanley on the night of Wednesday, 18th May.

Her sailing for the Homeward Voyage has been advanced to (provisionally) 9 p.m. of 19th May, as the Governor and family wish to be disembarked at Bobble Island on the way. A deviation charge will be made for this.

Telephone Poles from Punta Arenas. On her April voyage from Punta Arenas "Lafonia" brought over 455 18 foot telephone poles, the only information available being verbally from Mr. Dick to the effect that they had been ordered by Mr. W.M. Dean. Presumably they are to be landed somewhere in the Port Stephens/Spring Point/Port Edgar area, but we should appreciate some instructions on the subject. We telegraphed for this information on 7th May.

Rams ex Callegos. Further to my 807/57, after it was decided to take the Spring Point rams from Bleaker Island to Port Edgar by "Roydur", a message was received from Mr. Michael Robson offering to have them landed on his side at Fox Bay and intimating that he could and would establish communication with Mr. Vinson and keep him advised of movements on our behalf. Though it meant a longer drive for the rams, Captain Roberts and I (Mr. Gilruth being already on Bleaker Island and out of touch) decided to accept this offer as, apart from possible difficulties in effecting a safe landing near Lake Hammond off Port Edgar, it would have been impossible to keep Mr. Vinson advised of what was happening should operations be held up by bad weather.



Despatch No. 808 per "LAFONIA" direct 19/5/38

SHIPPING SECTION.

The Agricultural Adviser. Mr. Weir. left in "Lafonia" at 2 a.m. on 27th April with the intention of being disembarked somewhere on Bleaker Island at Captain Roberts' discretion, the "Lafonia" then to carry straight on to Fox Bay (for home mails) and Punta Arenas and Montevideo. Captain Roberts was asked to add to his departure message a note to the effect that, referring to our telegram of 25th April, the rams were now to be landed at Fox Bay West and not at Fort Edgar. s.s. "Roydur" left Stanley at 7 a.m. on 28th in accordance with the programme outlined in my 807/57 with Hjalmar Fuhlendorff in command.

On Sunday, 1st May, "Roydur" returned to Stanley (calling at Lively Island to re-moor the lighter "Harrise" there), bringing Mr. Weir who reported verbally that he had found the rams suffering from caseous lymph adenitis and mycotic dermatitis; he reserved his opinion as to what was to happen to the rams and other sheep on Bleaker Island until after submitting his written report to the Governor.

At this date all the 248 rams landed ex Gallegos were still alive, and this information was telegraphed you on 7th May in reply to your telegraphic enquiry of 5th May.

On 5th May I received the Colonial Government's letter enclosing the Agricultural Adviser's Report of 2nd May, the principal contents of which were telegraphed to you on 7th idem. It will be seen from the Report that Mr. Weir decided to revisit Bleaker Island and personally superintend the carrying-out of his recommendations. He first proposed to be picked up at Mare Harbour by the "Speedwell" but later decided to go out in s.s. "Pilar" on the 10th May; Mr. Elliott was instructed to meet him at Bleaker Island.

Mr. Elliott's Report on what has already been done under Mr. Weir's instructions will, I hope, be received in time to despatch to you by this mail.

When your telegram of 13th May was received here on the 14th Mr. Weir had, as mentioned, already proceeded to Bleaker Island and

Despatch No. 808 per "Lafonia" direct 12/5/38

SHIPPING SECTION.

has since been out of touch.

The substance of your telegram, which contained some mutilations, was at once passed on to the Colonial Secretary, but at the time of writing (18th May) no reply has come to hand.

Copy of Mr. Weir's report and correspondence with the Government to date, are enclosed. Copies have already been sent you by Air Mail under date 18th May.

51. Rams for Spring Point and Lively Island. When the above situation unexpectedly developed on the 1st May I telegraphed the position to Mr. Vinson and established communication between him and Mr. Gilruth with a view to deciding the best means of providing Spring Point with rams for use this month.

They first decided that it would not be necessary to supply additional rams from Darwin Section, and this was noted in my telegram to you of 2nd May. Later, however, Mr. Gilruth found that he could conveniently make a shipment of about 60 from Egg Harbour to Fox Bay by "Fitzroy", as she was due at those two ports on her sheep-shipping voyages about 9th May. At this stage the "Black Swan" was ruled out as her crew were to be engaged in the "Speedwell", taking rams from Darwin to Lively Island and then embarking Mr. Weir at Mare Harbour as noted under the preceding heading.

All arrangements for shipment by "Fitzroy" from Egg Harbour to Fox Bay were in hand when another hitch occurred. The West Falkland Managers' Association telegraphed an emphatic protest to Government against "Fitzroy" carrying stock to the West Falklands on account of her having carried South American sheep between Rio Grande and Tres Puente in March and not having been thoroughly disinfected since. A message to us from Mr. Vinson also intimated that Mr. Robson was apprehensive of a risk of possible infection and in view of these representations the arrangements were cancelled.

Late on 9th May Mr. Weir decided to go to Bleaker Island in the "Pilar". This released the crew of the "Speedwell" after taking

-6-

Despatch No. 503 per "Lafonia" August 1901/22

SHIPPING SECTION.

went from Darwin to Lively Island, and Mr. Gilruth thereupon decided to ship some 60 tons for Spring Point from Big Harbour to Fox Bay in the "Black Swan". This final decision, cancelling that contained in our telegram of 2nd May, was telegraphed to you on 15th instant.

By Friday, 15th May, the actual numbers of tons supplied from Darwin were 72 to Lively Island and 55 to Spring Point.

62. Despatch No. 57. "Lafonia" Voyage from U.K. We have received advice from the following importers that they intend to ship cargo on the outward voyage of "Lafonia":-

Mr. J.H. Hatchcliffe	approx:	2 tons W/M
Mr. F.F. Lellean	"	5 7 "

They have been instructed that their agents in U.K. should get into touch with either you or Messrs J.D. Hewett & Co. as early as possible.

63. Re: Ex Gallegos. Since writing the above we received late on 15th May a letter from the Colonial Secretary of same date, copy of which is attached to the rest of the correspondence. The reference to a penalty of \$50 per sheep requires some explanation. As you know, "Lafonia" came direct from Gallegos to Fox Bay and Bleaker Island where she was met by Mr. Marshall (Stock Inspector) and Mr. A.A. Sedlard. Apparently Mr. Marshall asked for the Health Certificates, which were not amongst the ship's papers. Captain Roberts told him they would presumably be in letters to our office in a Stanley mail bag, whereupon Mr. Marshall allowed the rams to land. Thereafter, the absence of the Certificates seems to have slipped the Stock Department's mind, and it was not until 2nd May that Mr. Marshall came to see me and asked me if we had them in the office here. This was the first we knew that they had not, apparently, accompanied the rams, and it was then that Mr. Marshall told me what had happened when "Lafonia" arrived at Bleaker Island. We immediately telegraphed to Mr. Gallie at Gallegos enquiring the fate of the Certificates and asking him to forward them

-7-

Despatch No. 808 per "Lafonia" 19/5/38SHIPPING SECTION.

without delay; so far we have had no reply from Mr. Gallie. Mr. Gilruth made a search at Darwin in case they could have accidentally got in amongst any of Mr. Goddard's papers, but without success, and Captain Roberts later assured me that they were certainly not on board his vessel.

Should the Certificates come forward from Mr. Gallie the position will, I imagine, be somewhat eased; but should it turn out that they are not (or possibly never have been) in existence, we may have some difficulty in defending our position by either pleading neglect on the part of the Stock Department or presuming that the latitude allowed by the Stock Inspector released us from strict conformity with Regulations.

I am,

Sir,

Your obedient servant,

for Manager.

870  
DESPATCH NO. 808 per "LAFANIA", 19th May, 1938 via Montevideo.

ENCLOSURES.

1. Despatch No. 808.
2. Statement on Accounts No. 107
3. Remarks on Accounts No. 107
4. Store Indent No. 772
5. Remarks on Stores No. 772
6. Royal Mail Lines Account -- 17/5/38
7. F.I. Shipping Report No. 7/38
8. F.I. Gazette dated 2/5/38
9. Coal & Oil Statement - April 1938
10. Public Notice re Sheep Show and Horticultural & Industrial Exhibition
11. Coasting Insurances - April.
12. Documents re purchase Spring Point.

CORRESPONDENCE.

Copy of letter	2/5/38	J.W. Grierson/Sealing Co.	re repayment of loan
"	"	"	"
"	"	Sealing Co/J.W. Grierson	do do
"	"	" / F.I. Co. Ltd	do do
"	"	3/5/38 F.I. Co/Sealing Co.	do do
"	"	30/4/38 to Gildemeister & Co.	re shipment of bullock
"	"	4/5/38 from Col. Sec.	re Bleaker Island sheep
"	"	2/5/38 " Agri: Adviser/Col: Sec:	re B.I. sheep
"	"	5/5/38 to Col. Sec.	re Bleaker Island sheep.
"	"	14/5/38 " " " "	" "
"	"	18/5/38 from " " " "	" "

SPECIFICATIONS

Mark	Wool	Skins	Hides
F.	14	3	
Z			23
J.L.W.	5		
S & S	2		



Back -  
 DISPATCH No. 839 per "FITZROY" via MONTVIDEO 1st June, 1938  
 -----

P E R C I S

1. Confirms No. 838 but has no despatch to acknowledge.
2. Encloses copy of letter from Government re proposal to bring the medical side of Company's camps under Government control.
3. Health Certificate for rams ex Gallegos has been received from Mr. Gallie (copy enclosed). There has been no opportunity to discuss the position with the Agricultural Adviser as he has been away on the West Falklands.
4. Acknowledges receipt of telegram advising that value of perquisites for insurance purposes is to be reckoned at 200 p.a. and that figure may be modified later.
5. Reports that news-sheet Penguin will not be continued after 30th June next but that C.C. Cathedral is taking over the equipment and will publish a similar paper weekly.
6. Mr. J. Schmitt was telegraphed asking him if he would make a firm offer for Darwin tallow. He offered £18 per ton net weight which information was telegraphed to you on 31st May.

SHIPPING SECTION

51. Reports on movements of "Fitzroy" and progress with sheep shipping.
- 51A. Gildemeister were unable to sell balance of Ruhr coal and advised that "Fitzroy" had to ship it all away on this last voyage in order to avoid Import Duties. She will call at Darwin, North Arm, Fox Bay and Egg Harbour on her way to Montevideo where she is due on 9th June.
52. Reports on movements of s.s. "Lafonia", passengers and cargo carried.
53. Understands that 120 of the telephone poles from Punta Arenas are for Port Stephens and presume balance are for Spring Point.
54. No Chief Engineer has been found for "Fitzroy" so Mr. Thomson will continue until further notice.

No. 809 per "FITCHROY"  
via Montevideo.

1st June,

38

Sir,

I beg to confirm my No. 808 dated 19th May last, and have no despatch from you to acknowledge.

Enc.

2. Medical Organisation - Darwin. I enclose copy of letter from the Government dated 18th May from which it will be seen that they would like to open negotiations with a view to bringing our Camps under the control of the Government Medical Department, as now obtains on the West Falklands. I understand from the Colonial Secretary that the proposal was mooted to Mr. Young in Mr Cheverton's time, but that nothing came of the suggestion.

Enc.

3. Items ex Collegos. At the time of writing there have been no further developments in this matter since my last Despatch, except that the Health Certificate has now been received from Mr. Gallie (copy enclosed). From the Camp Manager's Report (North Arm Section) dated 16th May, sent last mail, it will have been seen that the original orders respecting the fortnightly dipping of the other sheep on Bleaker Island had been somewhat modified, and that these sheep were to be dipped once shortly after 16th May and once again before the 24th July. Since leaving Stanley on 10th May for Bleaker Island, the Agricultural Adviser has been away on the West Falklands and we have therefore had no opportunity of further discussion on the position with him.

4. Workmens Compensation Ordinance. I have to acknowledge receipt of your telegram dated 30th ulto. advising me that the value of perquisites for insurance purposes is to be reckoned at £60 per annum and that this figure may be modified later.

THE MANAGING DIRECTOR  
THE FALKLAND ISLANDS CO. LTD  
LONDON.

-2-

Despatch No. 839 per "Pitzroy" via Montevideo  
1st June, 1938  
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Particulars will be forwarded to the Royal Insurance Co in respect of those farms which have requested us to insure their employees.

5. "Penguin" Please note that Government are discontinuing publication of this paper on 30th June next. The equipment is being handed over to Christchurch Cathedral who propose to publish a paper on somewhat similar lines but only once weekly. We understand that the subscription to this will be 12/- per annum. We will take out a subscription for your office from 1st July.

6. Darwin Tallow Darwin has 54 drums and 72 casks of tallow, weighing some 35 tons gross and 29 tons nett. In accordance with Mr. Young's instructions I telegraphed Mr. Joseph Schmitt of Punta Arenas asking if he would make a firm offer f.o.b. Darwin, he to pay freight at £2 per gross ton and all Consular charges. He has replied under date 26th May that he is prepared to offer £18 per ton nett weight, c.i.f. Punta Arenas. He writes:- "... I can offer to you no more than £18 per ton nett weight c.i.f. Punta Arenas. There is hardly any demand in Punta Arenas for this product as the market is still full from last year. Should you sell it to this price please let me know by cable so that I am able to arrange payment against documents through the Banco Central de Chile..."

This information was telegraphed to you on 31st May, and I await your reply.

REPATCH NO. 809 per "FITZROY" via Montevideo 1st June, 1938

SHIPPING SECTION.

51. S.S. "Fitzroy" - Sheep Shipping. In continuation of my 808/53, "Fitzroy" shipped her last load of sheep from Pebble Island and Bill Cove on the night of the 18th May - sheep numbered 2,670 according to vessel's departure message.

The total taken from the Colony, according to accounts received up to 20th April and Departure Messages subsequent to that date, was 27,426, but this figure is subject to modification when the final accounts are received from Messrs Gildemeister.

"Fitzroy" arrived at Tres Puentes on the night of 20th May. She was 7½ days dismantling and loading balance of the Ruhr coal, and left for Stanley at 10 a.m. on the 28th. She called in at Pebble Island en route for Stanley to embark The Governor and party and finally arrived here at 9 p.m. 30th May.

51a. Coal. Messrs Gildemeister were unable to sell the balance of the Ruhr coal, and advised that, in order to avoid Import Duties on the balance, the "Fitzroy" had to ship it all away on this last voyage. "Fitzroy" brought about 275 tons to Stanley, of which she is bunkering some 30 tons and discharging about 85 tons to an iron lighter; she therefore leaves for Montevideo (via coastwise) about 2nd June with some 160 tons of Ruhr coal in No.2 hatch. Figures were telegraphed to you on 31st inst.

Owing to her late arrival back from Punta Arenas it has been quite impossible to make the proposed voyage G.5. (provisionally coastwise between 16th May and 3rd June according to the Itinerary dated 14th January). Darwin and North Arm, however, have not had a call with cargo since February and I am therefore trying to sail "Fitzroy" some time on 2nd June with essential stores for those ports, embark a family at North Arm for N.Z., call at Fox Bay for West Falkland home mails, take the Agricultural Adviser from Fox Bay to Egg Harbour (Deviation charge will be made) and thence direct to Montevideo to arrive there on her scheduled date - 9th June.

52. S.S. "Lafonia" left Stanley on her homewards voyage on the night

+24  
SHIPPING SECTION

Message No. 809 per "Pitaroy" via Montevideo 1st June, 1938

of 19th May, calling at Pebble Island to land the Governor and party (vide 808/58). She took 97 bales of wool and skins, 23 hides, for transshipment at Montevideo, sundry packages of cargo for England as per advices sent with the ship, 8 passengers transshipping at Montevideo, and 8 passengers for England. According to latest advices, she arrived at Montevideo early on 24th May, left the same evening, and arrived at Bahia Blanca on the 26th.

53. Telephone Poles from Punta Arenas. Referring to my 807/59, we now understand that 130 of these poles are for Port Stephens, and Mr. Robertson has asked us to land them at 2 different creeks in Port Edgar. We presume that the balance are for Spring Point and are to be landed at various points in Symonds Harbour and the north creeks of Port Edgar, but we will await the Camp Manager's confirmation of this.

54. S.S. "Pitaroy" Engineer. We have so far been unsuccessful in obtaining a relief for Mr. Thomson, who will therefore continue in the vessel until further notice.

I am,

Sir,

Your obedient servant,

For Manager.



6

Despatch No. 809 per "Fitzroy" via Montevideo 1st June, 1938  
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ENCLOSURES

1. Despatch No. 809
2. Statement on Accounts No. 108
3. Remarks on Accounts No. 108.
4. Store Indent No. 773.
5. Remarks on Stores No. 773.
6. F.I.Shipping Report No.8/38
7. "Lafonia" Radio Accounts
8. Royal Mail Lines Account
9. List of passengers to Montevideo per "Lafonia" (A.C.6)
10. Copy of Health Certificate for rams ex Gallegos.
11. Memo for Mr. Young. Sealing Co's certificates for Mr. Cresswell. 206/215.

Copy of correspondence with Government re proposal to bring  
Medical side of Company's Camps under control of Government.

DESPATCH NO.810 PER "FITEROY" VIA MONTEVIDEO 13th JULY, 1938.

ENCLOSURES.

1. Despatch No.810
2. Remarks on Accounts No.109
3. Statement on " No.109
4. Store Indent No.774
5. Remarks on Stores No.774
6. Remarks on Naval Fuel Depot No.67
7. F.I.Gazette dated 1st June, 1938
8. Coal Statements - May & June 1938
9. F.I.Shipping Report No.9/38
10. F.I.News & Church Bulletin No.1
11. Statement of sheep shipped to Tres Puentes 1938 & account sales for Company's farm.
12. Coasting Insurances for May & June 1938
13. Quarterly Wages Sheet to 30th June, 1938, Farm, Fitzroy Section.
14. Copy of letter from Sealing Company dated 24th June advising no sealing this season.
15. " " " " Mr.J.Hansen dated 27th May re purchase of rams.
16. " " " " Royal Mail Lines dated 16th June re passengers from Punta Arenas.
17. " " telegrams & correspondence with Mr.Gallie re rams ex Gallegos.
18. Extract of Log covering loss of "Fitzroy's" starboard anchor and 30 fathoms cable.
19. Copy of "Penguin" dated 6th June offering S.L."Penguin" for sale by tender.

SPECIFICATIONS.

<u>Mark.</u>	<u>Wool.</u>	<u>Skins.</u>	<u>Hides.</u>	<u>Tallow.</u>
D.H.			155	54 drums 72 casks
S.	7	7	81	
N.A.	10	11		
W.C.			50	
S.I.	3			
Δ F.B.	4	4		
▽ Y	3	2		
AP	4	3		

878

Book

DESPATCH No. 810 per "FITZROY" via Montevideo 13th July, 1938  
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P R E C I S.

1. Confirms Despatch No. 809 of 1st June and acknowledges No. 1436 and airmail letter of 3rd ulto.
2. Advises that there are no documents relating to Weddell, Beaver or Passage Islands. They were handed to Mr. J. Miller on Mr. Hamilton's written authority.
3. Notes number of rams ordered from New Zealand for shipment in October next. Confirms telegram ordering flock rams for Mr. J. Hansen and enclosed copy of his letter re same.
4. Wool lost at Fox Bay - noted.
5. Only one tender, for £100, received for sale of Teja Cottage for demolition but further offers expected. Gives proceeds of sale of furniture.
6. Confirms telegrams re sale of seal oil and price, also ours of 24th ulto advising that there would be no sealing this season.
7. Stock of empty drums had already been stowed under deck on "Pennia".
8. Lindsay Middleton was advised that the Board had granted him a pension of £35 per annum.
9. The Camp Manager and Mr. Thomson have been advised to keep records of consumption of Petrol, paraffin etc.
10. Wool presses - noted.
11. Notes that Mr. A.M. Bell has been appointed to Board of Directors.
12. Reports that Messrs Packe Bros & Co. invite tenders for purchase of West Swan Island.
13. Workmen's Compensation - gives farms which have been insured. Telegrams re value of perquisites for single men living in cookhouse and rates of premium are noted.
14. Notes all you write re Trustees of Provident Fund in Airmail letter of 3rd ulto. Extra 90% dividend has been credited to subscribers. Detailed statement covering all employees in the Provident Fund will be sent next mail.
15. Information re W.Z. Loan & Mercantile Agency contained in Airmail letter of 3rd ulto has been passed on to Mr. Weir.
16. Encloses statement giving details of this year's shipments to Tres Puntes, freight earned and proceeds credited to various farms. Also copies of account sales for Company's farm.

SHIPPING SECTION.

51. Acknowledges Despatch No. 1436 and Air Mail letter of 3rd ulto.
52. If she has time, "Fitzroy" will call at Albemarle on way back from Punta Arenas and at any rate inspect "Owendolin". She may be able to make tow to Brenton Losh.
53. J. Cresvie was engaged as engineer for s.s. "Fitzroy" for an indefinite period.

54. Statement re sheep sold to Gildemeister has been dealt with by Accounts Dept.
55. Butchery sheep to Punta Arenas - this will be discussed with Camp Manager on his return. Mr. H. Thompson has instructions to go into this closely with Dick & Bravo.
56. R.M.L. have agreed to Dick & Bravo communicating with them direct re onward bookings from Montevideo. Encloses copy of their letter. Mr. H. Thompson will discuss this with ~~them~~ Dick & Bravo.
57. Mr. H. Thompson will discuss the matter of Marvin Tallow with Mr. J. Schmitt. If Mr. Schmitt does not satisfy him regarding his arrangements for payment the tallow will be sent to London.
58. Regrets that complaint was made re quality of Ruhr<sup>coal</sup> as both Capt Johnston & Mr. J.H. Thomson report it to be excellent.
59. Encloses copies of telegrams and correspondence with Mr. Gallie re Rams ex Gallegos, according to your instructions. Notes that Mr. G. Goddard will discuss matter with relative Government Depts on his return.
60. Encloses extract of log covering loss of "Fitaroy" starboard anchor and 30 fathoms of cable at Port Edgar 23rd June.
61. Encloses copy of "The Penguin" setting out particulars of steam launch "Penguin" for sale by tender. Confirms telegrams re this. Our offer of £150 was not successful..
62. Will report on "Fitaroy's" bullock carrying voyage after details have been got from Capt. Johnston and Mr. H. Thompson. Mr. H. Thompson accompanied "Fitaroy" on this voyage.
63. Reports arrival and departure of s.s. "Pilar".
64. Reports on movements of s.s. "Lafonia" and s.s. "Fitaroy".
65. Will give latest position re Gallegos Rams - Police summons, by airmail letter.

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DISPATCH No. 810  
Per "Fitzroy" via Montevideo.

13th July,

38

SIR,

I beg to confirm my despatch No. 809 dated 1st June last and acknowledge receipt of your No. 1436 dated 20th May and airmail letter of 3rd ulto.

2. 1436. 3. J. HAMILTON. We have no documents relating to Weddell, Beaver or Passage Islands. These were handed to Mr. J. Miller on 23rd December, 1937 on Mr. Hamilton's written authority.
3. 1436. 4. RAME EX NEW ZEALAND. I note that you have ordered from New Zealand for direct shipment October next 54 rams for the Islands also 6 rams and 6 ewes for transshipment at Stanley for S/A Grenadiera y Comercial Chymen Aike.

Enc. I confirm my telegram of 17th ulto. ordering 3 Roansey Marsh flock rams for Mr. Jason Hansen and now enclose copy of his letter dated 27th May last for your information.

The Stock Department have been advised of the above importations.

Clients have been circularised regarding this shipment and their requirements will be passed on to you when received.

4. 1436. 5. B & S - WHOL LOST AT FOXEY. Noted.
5. 1436. 6. TEJA COTTAGE. The minimum price required for the sale of this building for demolition is noted. So far we have only received one tender, for £100, but have also had a few tentative enquiries. Further offers are expected.

Furniture, has been disposed of as follows:-

Sold by private treaty	£ 15. 12. --
" " public auction	69. -- 1.
	<u>£ 84. 12. 1.</u>

THE MANAGING DIRECTOR,  
THE FAULKLAND ISLANDS CO. LTD  
LONDON.



Despatch No. 810 per "Fitzroy" via Montevideo 13th July, 1938

in addition to that purchased by Mr. Hodgson.

6. 1436. 7. SEAL OIL. We telegraphed you on 17th ulto. at the request of the Sealing Co. enquiring the price of oil and advising you that Government were considering a proposal to subsidise this year's catch to a maximum of £21/£22. Your telegram of 22nd inst. stating that £15 per ton could probably be obtained was communicated to Mr. Watson who advised us in reply that nothing further was being done. We therefore telegraphed you to this effect on 24th ulto. We now understand that the subsidy under consideration by Government was based on the assumption that the current price of oil would not be less than £17 per ton.
7. 1436. 8. STOCK OF EMPTY DRUMS. These had already been stowed under deck on "Fennia".
8. 1436. 10. LINDSAY HIDELETON, has been advised that the Board have granted him a pension of £35 per annum from the date he left our employ, i.e. 17/6/38.
9. 1436. 11. CONSUMPTION OF PETROL, PARAFFIN ETC. The Camp Manager and Mr. J.M.Thomson have been advised to keep the records referred to as from 1st July this year.
10. 1436. 12. WOOL PRESSES. Noted.
11. 1436. 14. MR. A.E.BELL. I note the appointment of Mr. Bell to the Board of Directors.
12. WEST SWAN ISLAND. In a recent advertisement in the "Penguin" Messrs Packe Bros & Co.Ltd, London, invited tenders for the purchase of this island with vacant possession on 31st March, 1940. This is no doubt known by you.
13. 809. 4. WORKMEN'S COMPENSATION. As instructed in your telegrams dated 30th May, 1st, 3rd, 7th and 20th June last the following farms have been insured as from 1st June this year:-

Anson & Luxton  
Baillon & Stickney  
Bertrand & Felton  
G. Bonner  
Dean & Co.  
Holmsted Blake & Co.Ltd  
Packe Bros & Co. Ltd  
J.L.Waldron Ltd.

Repatch No. 810 per "Fitzroy" via Montevideo 13th July, 1938.

We have also been requested to cover:-

Estate W.D. Benney  
Douglas Station Ltd  
Mrs G. Scott.

As no reply had been received from Dean Brothers or Port San Carlos Ltd, we telegraphed you on 3rd ulto. since when yours of 1st inst., stating that insurance for the former was being dealt with in London, is acknowledged. Further radios dated 20th June and 1st July last regarding the value of perquisites for single men living in the cookhouse and rates of premium to be quoted are noted. All other clients have again been notified.

14. PROVIDENT FUND - AIRMAIL LETTER 3/6/38.

Trustees. Noted

Dividend. Consequent on the payment of a dividend of 10% for 1937, subscribers have been credited with an extra 90% amounting to £1,950. 5. 1.

On 31st December 1937 an allowance was made for this dividend in the annual accounts amounting to . . . . . £ 2,071. 17. 11. Since that date a number of subscribers have left our employ. Their extra 90% has therefore been credited back to the Company. This amounts to 121. 12. 19.  
£ 1,950. 5. 1.

Statement covering all employees in the Provident Fund at 30th June, 1938, showing age, name, length of service, wages or salary, balance at 31st December, 1937 and Company's dividend credited year by year, is being prepared and will be sent by next mail.

15. NEW ZEALAND LOAN AND MERCANTILE AGENCY CO. LTD - Airmail 3/6/38.

This information has been passed on to Mr. Weir.

16. SHEEP TO TREES PUENTES (GILDERMASTER) 1938.

A statement, in

duplicate, giving details of this year's shipments to Tres Puentes, freight earned and proceeds credited to the various farms, is enclosed. Copies of account sales for the Company's farm are also sent herewith.

SHIPPING SECTION.

51. We duly received your Despatch 1436 of 20th May, and your Air Mail letter of 3rd June.
52. 1436. 56. "GWENDOLIN" If time permits, "Fitzroy" will call at Albemarle on her way back from the Punta Arenas bullock voyage, about 10th July, and at any rate inspect the "Gwendolyn". If time still further permits she may be able to make the tow to Brenton Loch then.
53. 1436. 57. ENGINEER - S.S. "FITZROY" J. Cresovic, whom we have employed before in "Lafonia", was engaged in Montevideo on 11th June for an indefinite period. Mr. Thomson therefore resumed his duties ashore on 16th June.
54. 1436. 58. SHEEP SOLD TO GILCHRISTER. The statement asked for, and any comments regarding finances, are being dealt with by Accounts Dept. in the earlier part hereof.
55. 1436. 59. BUTCHERY SHEEP TO PUNTA ARENAS. This will be watched, and will be discussed with the Camp Manager on his return to the Colony. As mentioned in another paragraph, Mr. Harry Thompson accompanies "Fitzroy" on her voyage to Punta Arenas with bullock, and has instructions to go closely into the matter with Dick and Bravo regarding prospects for two or three voyages later on in the year.
56. A.M.L. 3/6/38. PASSENGER (FROM PUNTA ARENAS). Royal Mail Lines have agreed to Dick & Bravo communicating with them direct regarding onward bookings from Montevideo. Copy of their letter to us is enclosed. This new arrangement should work well provided Dick & Bravo give close attention to detail. We have asked them to discuss the whole working closely with Mr. Harry Thompson so that everything is quite clear before the next season's passenger-movement starts.
57. A.M.L. 3/6/38. DARWIN TALLOW. We are a little dubious regarding the financial arrangements contemplated by Mr. J. Schmitt. He will probably want to discuss the matter with Mr. Harry Thompson, but unless he concurrently increases his offer and completely satisfies Mr. Thompson regarding the stability of his arrangements for payment, the tallow will be sent to London.

Despatch No. 310 per "Fitzroy" via Montevideo 13/7/38 - SHIPPING SECTION

-2-

58. A.M.L. 3/6/38. RUHR COAL. Details were given you in our Despatch 809/31A. With regard to our complaint to Gildemeister regarding its quality, it is to be regretted that we made it. Both Mr. J.M. Thomson and Captain Johnston report it to be excellent coal; our complaint, of course, was based on Captain Adair's written and telephonic reports, the first of which now appears to have been premature and the later ones exaggerated, partly due, no doubt, to the unhappy relations which existed between the Captain and his Chief Engineer.

59. A.M.L. 3/6/38. RAMS EX GALLIGOS. Copies of telegrams and correspondence with Mr. Gallie etc. are sent herewith in accordance with your instructions. We note that Mr. George Goddard is to discuss the matter with the relative Government Departments on his return.

With regard to the question of the absence of the Health Certificates escaping the notice of this Office; as "Lafonia" arrived in Stanley after discharging the rams, apparently without a hitch of any sort, it would not occur to anyone here to raise the question of whether the ship's documents had all been in order. According to custom, the Stock Inspector would retain the Certificate until the rams were released from quarantine, and unless our attention had been in some way drawn to the matter there would be no reason for imagining that he was not, in fact, in possession of any relative documents.

60. S.S. "FITZROY" - Loss of Starboard Anchor. We enclose extract of Log covering the loss of "Fitzroy" starboard anchor and 30 fathoms of cable at Port Edgar on 23rd June. Her spare anchor and cable were fitted in Stanley on her return from the coastwise voyage, 30th June, and a new anchor and 30 fathoms of cable are indented for by this mail. We fear there is no prospect of our recovering a claim. The cable is that which was recently overhauled and repaired in Montevideo. You will note that the accident occurred in hours of darkness. We will make an effort to grapple for the anchor and cable when "Fitzroy" is in Port Edgar next (she will be shifting a



DISPATCH No. 310 per "FITZROY" via Montevideo 13/7/38 SHIPPING SECTION

-3-

house from Fox Bay to Port Edgar at end of winter), but as it seems fairly certain that the cable parted as the anchor was actually being dropped, the chances of locating it without much loss of time are not good. In case there is any chance of claiming, the c.i.f. values were:-

Anchor	£ 28. 18. 5.
30 fathoms chain	£ 37. 2. 8.

1. GOVERNMENT STEAM LAUNCH "PERUJIN". Copy of "The Penguin" of 6th June is enclosed setting out particulars of the steam launch "Penguin" which the Government have put up for sale by tender. Mr. J. Thompson considers the boiler useless without its undergoing very extensive repairs which, as they could not be effected here, would possibly cost almost as much as a new boiler. As, however, you might have considered the hull as of being some use, we telegraphed you on 6th June asking if you were interested and confirm subsequent telegram - yours of 23rd and 25th June and ours of 24th ulto and 7th inst. From the latter you will have learned that our offer of £150 was not successful. We do not know whether any successful tender was placed.
2. BULLOCK TO TRES PUNTAS. I will report upon "Fitzroy's" voyage G.7. in a later Dispatch after I learn the details from Captain Johnston and Mr. H. Thompson.

He was roughly fitted-out in Stanley, and Dixon the carpenter accompanied the vessel to complete any penning work that would be required.

I also decided to send Mr. Harry Thompson on the voyage as the experience gained in this type of work by a member of the Office may be very useful in future. There were also a number of matters for discussion with Gildemeister and with Dick & Brave, particularly the question of Punta Arenas passengers, already mentioned above.

63. S.S. "PILAR" arrived Stanley on the night of 18th June and left again P.A. on the 20th.
64. SHIPS MOVEMENTS. S.S. "Lafonia" left Bahia Blanca at 10 a.m. on 1st June for Rotterdam, with some 1831 tons of grain, since when you have no doubt been kept in touch with her progress direct.



Despatch No. 811 per "FITZROY" via Montevideo 10th August, 1938  
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ENCLOSURES.

1. Despatch No. 811
2. Statement on Accounts No. 110.
3. Remarks on Accounts No. 110.
4. Store Indent No. 775
5. Remarks on Stores No. 775.
6. Remarks on Naval Fuel Depot No. 68.
7. F.I.Gazettes (1st July & 2nd August)
8. Quarterly Wages Sheets to 30/6/38 - Farms D.H., N.A., & Islands.
9. Stanley Ledger Balances at 30/6/38.
10. Wages Comparative Statement No.26.
11. F.I.Shipping Report No. 10//38
12. Coal & Oil Fuel Statement - July 1938
13. F.I.News Weekly No. 3 - 6.
14. Report on Bullock shifting voyage to Punta Arenas and account.
15. Statement of consumption of Ruhr Coal whilst sheep-shipping 1938
16. Copy of Summonses and Official Record of Hearings - Gallegos rams  
case
17. Copy of Office Order No.50.
18. Copy of letter to Agricultural Adviser re transport for Stock Show
19. Coasting Insurances - July 1938
20. Copy of letter to Camp Manager re Spring Point dated 12/1/38.
21. Letter to Managing Director re Workmen's Compensation.
22. Memorandum to Managing Director and copies of correspondence with  
Agricultural Adviser re slaughters and dippings of sheep on  
Bleaker Island.

SPECIFICATIONS.

Mark	Wool	Skins	Tallow	Hides
D.H.	5			53
(F) s		12	2	35
Heart	5	2		
J.B.	4	3		

DESPATCH No. 811 per "FITZROY" via MONTVIDEO 10th August, 1938  
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P R E C I S.

1. Acknowledges receipt of your Despatch No. 1437 of 24th June and confirms No. 810 of 11th ulto.
2. Notes appointments of Mr. Ainslie and Mr. Young.
3. Notes all you write re finance of F & B Sealing Co. Secretary has been advised. Confirms that there will be no sealing this season.
4. Workmen's Compensation - information asked for was given in last Despatch. Overdrawn Clients - Managers of Salvador and Rincon Grande have been written to.
5. Notes all you write re Stock Show. Encloses copy of letter dated 15/2/38 to Agricultural Adviser re transport
6. Representation of Clients in Court - noted.
7. Agricultural Dept. have been notified re importation of sheep from New Zealand.
8. Workmen's Compensation Ordinance, 1937 - requests your ruling regarding scale of compensation to be paid to employees.
9. Reports return of Camp Manager per "Fitzroy" on 27th ulto.
10. Encloses Wages Comparative Statement No.26.
11. Spring Point - confirms telegram of 5th inst. advising Fish Creek house burnt down.  
 Lively Island and Spring Point - confirms that insurance on these properties not taken out here.
12. Advises appointment of Mr. D.S.A. Weir to Executive Council.

SHIPPING SECTION

51. Acknowledges your Despatch 1437 and Airmail letter of 8th July.
52. Statement and accounts of sheep shipping to coast were forwarded to you last mail.
53. Assumed that flour quotation was for "per 280 lbs" and sugar price was "per cwt" and based Tour quotation accordingly.
54. Enclosed statement of consumption of Ruhr coal during sheep-shipping
55. Will arrange for some 300 tons steam coal to be on hand when "Fitzroy" lays up. g
56. Telephone Poles - 144 of these were landed in Port Edgar before receiving your instructions to delay shipment.
57. Shipment of bullock to Coast most disappointing. Encloses Mr. H. Thompson's report
58. Modification of "Lafonia" voyages AC 9 and AC 10 will be kept in mind and we await news of arrival of New Zealand vessel.
59. Through third-class fares - reduction noted. Information passed on to Maclean & Stapledon and Dick & Bravo. Presumes it is not your intention to apply new rate to 3rd class passengers travelling only from Stanley to Montevideo and return.

-2-

59. firms telegram enquiring what would be fare for adult female from Wexley to U.K. per New Zealand vessel. Enquiry was made by Mr. W. Benney for his wife.
60. Ports Government imported cement and drainpipes by "Fitzroy" last week also Admiralty shipped material for N.F.D. water catchment system and Lamport & Holt arranged for Port Authorities in N.V. to pay onward freight per "Fitzroy". Government have been advised that transhipment charges will be debited to them if paid by Maclean & Stapledon. Maclean & Stapledon are being advised not to pay transhipment charges on Admiralty cargo.
61. Ports "Fitzroy" damaged East Jetty on 27th July when coming alongside.
62. Ports on movements of s.s. "Fitzroy".
63. "Fitzroy's" starboard anchor - an endeavour to recover this was made but with no success.
64. Alleged Rams - Police Summons - reports on this. Encloses copies of summonses and Official Record of hearings.
65. "Fitzroy" cleared "Gwendolin" out of coal and towed vessel to Brenton Pier where she was moored on 7th August.

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-2-

59. Confirms telegram enquiring what would be fare for adult female from Stanley to U.K. per New Zealand vessel. Inquiry was made by Mr. W.G. Benney for his wife.
60. Reports Government imported cement and drainpipes by "Fitzroy" last voyage also Admiralty shipped material for N.F.D. water catchment system and Lamport & Holt arranged for Port Authorities in N.V. to pay onward freight per "Fitzroy". Government have been advised that transhipment charges will be debited to them if paid by Maclean & Stapledon. Maclean & Stapledon are being advised not to pay transhipment charges on Admiralty cargo.
61. Reports "Fitzroy" damaged East Jetty on 27th July when coming alongside.
62. Reports on movements of s.s. "Fitzroy".
63. "Fitzroy's" starboard anchor - an endeavour to recover this was made but with no success.
64. Gallegos Rams - Police Summons - reports on this. Encloses copies of summonses and Official Record of hearings.
65. "Fitzroy" cleared "Gwendolin" out of coal and towed vessel to Brenton Loch where she was moored on 7th August.

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Despatch No. 811 per "FITZROY"  
via Montevideo.

10th August,

38

Sir,

I have to acknowledge receipt of your Despatch No. 1437 dated 24th June last and to confirm my No. 810 of 13th ulto.

2. APPOINTMENTS. The appointments of Mr. P.D.L. Ainslie and Mr. L.W. H. Young are noted.

3. 1437. 3. F.I. & DEPENDENCIES SEALING CO. LTD.

Finance - Noted. The Secretary has been advised accordingly.  
Sealing 1938. As advised you in No. 810. 6. no sealing will be done this Winter.

4. 1437. 4. WORKMEN'S COMPENSATION. The information asked for was given in my 810. 13. So far no further requests have been received from Clients.

I have written to Mr. Alex Pitaluga, Salvador, and to the Acting Manager, Rincon Grande, pointing out to them the advisability of insuring and informing them that you consider it essential that they do so. As both Mrs H.J. Pitaluga and Mr. A.B. Pitaluga (Manager) are at present in England it would be as well if you advised them also.

5. 1437. 5. STOCK SHOW. Noted.

Enc. Transport. I enclose for your record copy of letter dated 15th February last to the Agricultural Adviser.

6. 1437. 6. REPRESENTATION OF CLIENTS IN COURT. Noted.

7. 1437. 8. SHEEP FROM NEW ZEALAND. The Agricultural Department have been notified of this importation.

8. THE WORKMEN'S COMPENSATION ORDINANCE, 1937. We enclose copy of  
Enc. Office Order No. 50, which has laid down, since November 1929, the

THE MANAGING DIRECTOR  
THE FAIRLAND ISLANDS CO. LTD  
LONDON.



Despatch No. 511 per "FITZROY" via Montevideo 10th August, 1938

procedure adopted by us with regard to accidents to our Stanley employees resulting in injury. Put briefly, we pay the men half-wages from the date of the injury (if the disablement is temporary but total). Under the new Ordinance, we are not liable to pay such half-wages unless the workman is off work for at least 10 days. (Section 3, subsection (1), paragraph (a)).

Is it the Board's intention that we should adopt the provisions of the new Ordinance fully, or continue to act more generously to our Stanley workmen by waiving the "minimum period"? The majority of injuries for which our Stanley workmen have been put on half-pay in the past, have lasted less than 10 days.

9. CAMP MANAGER. Mr. G.M. Goddard returned from England per s.s. "Fitzroy" on 27th July.
10. WAGES - COMPARATIVE STATEMENT no.26. is enclosed. This shows a decrease of \$1,152. 16. 11. for the half year as compared with the corresponding period in 1937.
11. SPRING POINT - FIRE. I confirm my telegram dated 5th inst. advising you that the house at Fish Creek, Spring Point, was burnt down on 3rd August. No further particulars are yet to hand and Mr. Vinson's report will be forwarded when received. I acknowledge receipt of your telegram of 8th inst. asking whether Spring Point and Lively Island property have been insured by us and confirm my reply of 9th informing you that it was presumed that insurance had been taken out by you. Lively Island. From your 1414. 7. it is noted that the question of a refund of premium due to the late Mrs Cobb's estate was being taken up with the Royal Insurance Co. in connection with insurances transferred to this Company. It was therefore assumed that the Company's insurances were being taken out at the same time.
- Enc. Spring point. I enclose copy of a letter dated 12th January last, addressed to the Camp Manager. Mr. Goddard now advises me that he discussed this matter with Mr. Young prior to the latter's departure for England whilst in Stanley in March last. It was therefore again presumed that these Insurances were being dealt with at your end.
12. EXECUTIVE COUNCIL. Mr. D.S.A. Weir has been appointed a member of the Executive Council for a period of 2 years from 19th July last.

Despatch No. 811 per "FITZ ROY" via Montevideo 10th August, 1938

51. We have for acknowledgment your Despatch 1437 of 24th June and Air Mail letter of 8th July.
52. 1437. 51. SHEEP TO COAST, 1938. The statement and accounts asked for were forwarded to you by the Accounts Department last mail.
53. 1437. 53. FLOUR & SUGAR PRICES. Should not the flour quotation be for "per 280 lbs", as customary? With regard to the sugar, quotations and invoices for some time past have been priced "per cwt", though the sugar is shipped in 100 lb bags; we assumed that the 8/3 given in your telegram of 23rd June was the cwt price, and based our flour quotation on that.
54. 1437. 54. COAL STOCKS. You will have learned from our telegrams that there will be no sealing this year. We will arrange to have some 300 tons steam coal on hand when "Fitzroy" lays up about September.
- Ruhr Coal. Statement showing particulars of consumption of this
- Mc. coal during sheep-shipping is enclosed.
55. 1437. 55. and A.M.L. 8th July. TELEPHONE POLES. We have communicated with Dick & Bravo in accordance with your instructions. Mr. Robertson's final request was for 144 of these poles to be landed in Port Edgar, and these were landed there on 23rd June (0.7), before the despatch of your instructions to delay shipment.
56. 1437. 58. BULLOCK TO COAST. Mr. Harry Thompson's report, and
- Mc. notes of his visit to the Coast generally, are enclosed.
- With regard to the shipment of bullock we need only place on record the fact that it was most disappointing, as will be seen from the pro forma account attached to Mr. Thompson's report.
57. 1437. 60. "LAFONIA", A.C.9 and A.C.10. Modification of these voyages will be kept in mind, and we will await news of the expected arrival of the New Zealand vessel.
58. 1437. 61. THROUGH THIRD-CLASS FARES. The reduction in Return 3rd-Class Through fares is noted, and the information has been passed on to Maclean & Stapledon and Dick & Bravo. Our local Notice regarding this will be found in the "F.I. News Weekly" of 4th August. With regard to our proportion being reduced from

Despatch No. 311 per "Fitzroy" via Montevideo 10th August, 1938

£20 to £18, we resume it is not your intention to apply the new rate to 3rd-Class passengers travelling only from Stanley to Montevideo and return.

59. NEW ZEALAND VESSEL - PASSAGES. We confirm our telegram of 12th July enquiring what would be the fare for an adult female from Stanley to U.K. by New Zealand vessel expected here towards the end of the year. We think it possible that these vessels are reluctant to carry passengers and that such matters are left to the discretion of the Captain, which would account for no reply yet having been received. The enquiry was made on behalf of Mr. W.G. Benney (for his wife).
60. TRANSHIPMENT EX LAMPART & HOLT'S VESSELS AT MONTEVIDEO. With reference to your letter to Messrs Maclean & Stapledon dated 23rd June on this matter, it is interesting to note that the Colonial Government imported 22 tons cement and drain pipes by the s.s. "BROWNING" and "Fitzroy" last voyage. The Admiralty also shipped 5 tons of material for the N.F.D. water catchment system per s.s. "DELIUS" and Lampart and Holt arranged for the Port Authority in Montevideo to pay the onward freight per "Fitzroy". We have advised the Government that transhipment charges if paid by Maclean & Stapledon will be debited to them. Maclean & Stapledon are being advised not to pay transhipment expenses on the Admiralty cargo.
61. s.s. "Fitzroy" - DAMAGE TO EAST JETTY. As "Fitzroy" was coming alongside our East Jetty on 27th July (end of voyage G 8) her steering gear jammed, with the result that she hit the jetty heavily. The vessel herself was undamaged, but the jetty suffered to the extent of complete breakage of 2 waling-pieces, 1 facing-piece, part of the decking, and other damage which will be more fully embodied in Mr. J.M. Thomson's Report. Extract of Log, Reports and Claim will be sent you next mail.
62. SHIPS' MOVEMENTS - s.s. "Fitzroy". Continuing our 510/64, "Fitzroy" arrived from Punta Arenas at 7 p.m. on 13th July (end of G 7A) and left at 6 p.m. the following day for Montevideo where she arrived

Despatch No. 811 per "Fitzroy" via Montevideo 10th August, 1938

at 6 p.m. <sup>on</sup> the 19th July (5 days' run). She left Montevideo with some 170 tons of cargo on 22nd and arrived Stanley at 4 p.m. on the 27th (5 days 2 hours), (end of G.8). She sailed early on 30th July (G.9) for Darwin with Mr. Goddard, thence to George Island for wool, Fox Bay, Port Edgar, Albemarle, Brenton Loch, Port Howard and the San Carloses. She returned to Stanley on 3th August (end of G.9) and sails for Montevideo on 11th August.

63. "FITZROY" - Starboard Anchor. Referring to our 810/60, we allowed Captain Johnston one day on voyage G.9 to endeavour to recover the lost anchor and cable, but regret to report that he had no success.

64. GALLIGOS RAMS - POLICE SUMMONS. Referring to our 810/65 and telegrams exchanged, you will have learned from our telegram of 25th July that the case was disposed of by the infliction of a fine of 5/- per sheep - or a total of £62. (The maximum could have been £12,400).

It was not easy to decide what line to take - whether to plead guilty and ask for all the peculiar circumstances to be taken into consideration and hope for leniency, or to fight on every possible point.

In finally deciding to fight on the flaw in the first Summons I considered we had just a reasonable chance of complete success and we could so discredit the action that the Government might consider it undignified to proceed further. The Government did not abandon their position, and a fresh Summons - without any flaw - was served on 21st July.

At the second hearing I pressed both Mr. Weir and Mr. Marshall as hard as I could on all the points where they might be considered to have been dilatory or equally negligent, and on their acceptance of the position by allowing the sheep to land without any question. They received - perhaps inevitably - a fair amount of protection from the Bench, and in giving judgment the Magistrate avoided any criticism of the Agricultural Department or officials; from the amount of the fine, however, I think it can be taken that the Bench saw clearly the difficulties of the case.



DESPATCH NO. 812 per "LAFONIA" via MONTEVIDEO 24th September, 1938  
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ENCLOSURES

1. Despatch No. 812 (Copy by airmail).
2. Statement on Accounts No. 111.
3. Remarks on accounts No. 111.
4. Store Indent No. 776.
5. Remarks on Stores No. 776.
6. Plan of houses for North Arm and Hillside.
7. Wages Sheet - Spring Point - March/June.
8. F.I. Gazette dated 1st September.
9. F.I. Shipping Report No. 11/38.
10. Coal and Oil Fuel Statement - August.
11. "Lafonia" Outward voyage report.
12. Coasting Insurances - August.
13. F.I. News Weekly Nos. 7/13.
14. Letter to Managing Director from Camp Manager re Fox Bay.
15. Camp Manager's Despatch dated 14th September.

CORRESPONDENCE.

Letter to Managing Director re Provident Fund.

" " " " Gallegos Rams.

Copy of letter from Managing <sup>SR</sup> Spring Point re Fish Creek fire.

" " correspondence with Colonial Secretary re Sealing Co.

" " letter to Lloyds Bank re Provident Fund.



897  
Book.  
DESPATCH NO. 812 per "LAFONIA" via MONTEVIDEO 24th September, 1938  
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P R E C I S.

1. Acknowledges receipt of Nos. 1438 and 1439 and airmail letters of 10th and 26th August.
2. H. Campbell advised has been granted pension.
3. Enclosed copy of plan of Hillside and North Arm houses.
4. Notes s.s. "Mahia" leaves New Zealand 30th prox.
5. Distribution of Cooper's circulars being withheld.
6. Copy of Mr. J. Mitchell's agreement to hand.
7. Acknowledges receipt of copies of Veterinary Certificates of sheep sold to Gildemeister.
8. Copies of booklet of Thornycroft/Ford engine to hand.
9. Notes appointment of Mr. W.M. Dean as Chairman.
10. Workmen's Compensation Insurance - rates quoted to Dean Brothers noted. Advises further insurances effected.
11. N.S.D. - Government Quarantine Station - copy of correspondence to hand.
12. Fire insurances - Lively Island and Spring Point. Gives Camp Manager's valuations and those of former tenants.

SHIPPING SECTION.

51. Acknowledges receipt of Nos. 1438 and 1439 and airmail letter of 26th August.
52. Copies of agreements of H.L. Rees, E.J. Maquire and H.W. Hudson, "Lafonia" to hand.
53. Encloses draft "Lafonia" itinerary Jan/June 1939.
54. s.s. "Port Richard" - Mr. J.M. Thomson's report follows.
55. Notes New Zealand vessel has no passenger accommodation available.
56. Sheep to Freezers, 1939 - matter will be dealt with on my visit to Punta Arenas.
57. Confirms telegram of 14th inst. giving fire insurance values of cargo ex "Lafonia".
58. Confirms allotment of £8 per month to Mrs G. Harris.
59. Confirms airmail letter of 3rd inst. re "Lafonia" claim.
60. Brazilian cigars - confirms purchases are to be made by Mr. Young.
61. Homeward produce freights - 1939 - presumes you will be advising us of rates.
62. Amcap oil fuel agreement 1939 - no further news.
63. Wilsons - Coal agreement 1939 - presumes this is being attended to by you.
64. Ships movements.
65. Rans of Callegob - statements and information required are being sent herewith (airmail copy).
66. Encloses "Lafonia" outward voyage report.
67. Propose to raise "Pennia" moorings for examination at an early opportunity. Hulk to be re-berthed.

"Lafolla" via Montevideo.

24th September, 38.

812.

Sir,

I have to acknowledge receipt of your Despatches Nos. 1438 and 1439 dated 29th July and 12th August and Airmail letters of 10th and 24th ulto. respectively.

2. 1438. 8. H. CAMPBELL has been advised that the Board have granted him a pension of £34 p.a. from the date of his retirement.

3. 1438.10. HOUSES - HILLSIDE AND NORTH ARM. Copy of Messrs. Bain's plan No. B/618/A is enclosed as requested. Alterations to be made and maximum cost framed Stanley are noted.

4. 1438.13. SHEEP EX NEW ZEALAND. I learn from your telegram dated 5th inst. that shipment will be made per "Bahia" sailing about 30th October next.

5. 1438.15. COOPER'S CIRCULARS. Distribution is being withheld pending your further instructions.

6. 1438.17. WOOL CLASSER. Copy of Mr. J. Mitchell's agreement is to hand.

7. 1438.22. SHEEP SOLD TO GILDEMEISTER. I acknowledge receipt of copies of the Veterinary Certificates covering shipments from the Islands for 1937 and 1938.

8. 1438.23. THORNYCROFT/FORD/B.4. ENGINE. Copies of the booklet are to hand, one of which will be forwarded to the Camp Manager.

9. 1438.24. I note the appointment of Mr. W.M. Dean as Chairman of the Board of Directors.

THE MANAGING DIRECTOR,

LONDON.

10. 1438. 4. WORKMEN'S COMPENSATION. The rates of premium quoted to Dean Brothers are noted. As instructed in your telegram of 19th ulto. Port San Carlos Ltd. have been insured. We have since been requested to cover the following -

Pitaluga Brothers, Salvador.  
Estate H.J.Pitaluga, Rincon Grande.

11. 1438. 8. NAVAL FUEL DEPOT - GOVERNMENT QUARANTINE STATION. Copy of Civil Engineer in Chief's letter C.E. in C. 6563/38/34a dated 9th ulto. together with plans, are to hand.

12. FIRE INSURANCE - Airmail letter 10/8/38. Lively Island. The Camp Manager confirms that all the buildings on the Island are as shown in your letter and that they are of the usual construction, i.e. wood and iron. He suggests the following valuations :-

Manager's house	£ 400.
Contents	25. (25)
Shepherd's house and gear house attached.	200.
x Cookhouse	100.
x Store and gear room.	50.
Contents	50.
Woolshed and yards.	500.
Press etc.	50.
Storage shed.	100.
Contents of storage shed.	100.
Horse stables and corrals.	25.
	<hr/>

£ 1600.

X *Separate buildings*

H. & G. Cobb's insured values were :-

Cookhouse, store and gear room.	£ 200.
Contents	100.
Dwelling house	500.
Contents.	200.
Storage shed.	250.
Woolshed.	800.
Shepherd's house.	200.
	<hr/>

£ 2250.

Spring Point. There is no trace of any correspondence with the Royal Insurance Co.Ltd. or Mr. Shannon in this connection. Copy of letter to the Camp Manager dated 12th January last was sent you with my 811.11. The Royal Insurance Co.Ltd. were not advised by this office of the coming change of ownership. I confirm my radio of 27th ulto. advising that Stickney Brothers policy, which expired 7th inst. covered the woolshed and contents only and that there is

901

DESPATCH NO. 812 per "LAFONIA" via Montevideo 20th September, 1938

SHIP INFO SECTION

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1. We have for acknowledgement your Despatches 1438 and 1439 of 29th July and 12th August, and Air Mail Letter of 26th August.
52. 1438 - 54 "LAFONIA" Officers. Copies of Agreements of Mr. H.L.Rees (3rd Engineer), Mr. M.J.Waguire (Wireless Operator) and Mr. H.W. Hudson (2nd Officer) are duly to hand.
53. 1438 - 55 ITINERARIES, JANUARY/JUNE, 1939. Draft Itinerary for "Lafonia" for the first six months of 1939 goes forward with Air Mail copy of this Despatch. One or two items warrant comment:- Voyage A.D.3 - the "Coastwise" part of this voyage will probably include, from 17th to about 28th February, special voyages for passengers and stock for the proposed Stock Show. A.D.4. - we suggest "Highland Monarch" from England 25th March as the first "Clients' Cargo" connection for 1939 as this vessel gets to Montevideo the same day as "Lafonia" and a later connection would leave Farms too long without a "Clients Cargo" connection.

We are submitting it to Government for approval, and if and when approved we will telegraph you the word WUAVP meaning "Itinerary January/June 1939 approved by Government". On receipt of this telegram, we shall be obliged if you would make yourselves responsible for sending copies to:-

R.M.Linco, London,  
J.D.Hewett,  
Jacomb Heare,  
Director of Sea Transport.

We will furnish copies to the various South American agencies etc.

54. 1438 - 56. s.s. "AFTERGLOW" ("PORT RICHARD"), is being docked next week and Mr. J.M.Thomson's report on her condition will be forwarded by first opportunity.
55. 1438 - 58. FARES BY NEW ZEALAND VESSEL. We learned from your telegram of 8th inst. that the New Zealand vessel calling here in November will have no passenger accommodation available.
56. 1438 - 59. SHEEP TO FREMERS, 1939. I will go into this matter when I visit Punta Arenas at the end of this year.

SHIPPING SECTION (2)

1439 - 58. FIRE INSURANCE ON CARGO EX "LAFONIA". The figures asked for were telegraphed to you on 14th instant.

A careful revision will be made on the December stock-taking figures according to the values of cargo stored in the respective hulks and buildings.

A.M.L. 26th August. MRS G HARRIS. We confirm that it is in order for Mrs G. Harris to be paid an allotment of £8 per month as from 31st August.

A.M.L. 26th August. S.S. "LAFONIA" CLAIM. I confirm my airmail letter from Montevideo dated 3rd inst.

REMARKS ON STORES 40/10 - BRAZILIAN CIGARS. We confirm that we would like Mr. Young to purchase these cigars, as "Lafonia" was unable to do so. Copy of our indent (original was enclosed with our A.M.L. of 12th July, page 2), is sent herewith by Air Mail copy for Mr. Young's information.

HOMEWARD PRODUCE FREIGHTS - 1939 SEASON. The 1938 rates were first considered in September last (Our 795/68), but not finally fixed until December (Our 801/56), and the complete schedule forwarded to you as per our 802/56 of 10th January 1938. We presume you will be advising us the 1939 rates (operative from 1st December, 1938?) in due course, or that Mr. Young will deal with the matter on his arrival.

62. "ANCAP" OIL FUEL AGREEMENT, 1939. We have no further news from Maclean and Stapledon since my Air mail letter of 3rd inst.

63. WILSONS - COAL AGREEMENT, 1939. We presume this is being attended to.

64. SHIPS' MOVEMENTS. S.S. "Lafonia" arrived from England via Montevideo on 9th September. She discharged part of her cargo to "Fennia", lighters, Warehouse, "Fitzroy" etc. and sailed on 14th September for West Falkland and Falkland Sound ports under Captain Johnston, with Clients Cargo, Tour and general cargo 'Voyage A.X.7.). She returned to Stanley on 23rd September and sails for Montevideo on 25th. S.S. "Fitzroy", continuing our 811/62, this vessel sailed for Montevideo on 11th August (U.10), arrived there 16th, left on 20th



DISPATCH NO. 812 per "LAFONIA" via MONTEVIDEO 24/9/38

SHIPPING SECTION (3)

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and arrived back in Stanley on 25th August with some 130 tons general cargo, 170 tons steam coal and 50 tons house coal. She sailed on 27th August on a short voyage to Egg Harbour, Fox Bay, Port Edgar, and returned to Stanley 31st August (G.11). She docked on 3rd September and undocked 7th.

She sailed from Stanley with Clients' and part Tour cargo etc. for Berkeley Sound, Salvador Waters, Fitzroy, Darwin, Bleaker and North Arm on 16th September (G.12) with Captain Roberts in command, and returned to Stanley on 21st September, which date we telegraphed you in reply to your telegram of 21st September.

65. RAMS EX CALLEGOS. The various statements and documents asked for in your A.M.L. of 10th August are sent with Air Mail copy herewith.
66. "LAFONIA" I enclose outward voyage reports. (2 copies).
67. "FERNIA". As the Hulk's moorings are long overdue for lifting and examination, I propose to do the work at the earliest opportunity and at the same time, shift berth to a position N.N.W. of the West Jetty. With so much cargo now stowed on board, the hulk can be kept under closer observation.

I am,

Sir,

Your obedient servant,

Manager.

4

DESPATCH NO. 813 per "LAFONIA" via MONTEVIDEO 12th October, 1938  
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ENCLOSURES.

1. Despatch No. 813.
2. Statement on Accounts No. 112.
3. Remarks on Accounts No. 112.
4. Store Indent No. 777
5. Remarks on Stores No. 777
6. Remarks on Navla Fuel Depot No. 69.
7. F.I. Gazette - October 1st.
8. F.I. Shipping Report No. 12/38.
9. Coal Statement - September.
10. "Lafonia" Itinerary Jan/June 1939.
11. F.I. News Weekly - Nos 14 & 15.
12. Coasting Insurances - Sept and Statement of Deck Cargo.
13. Camp Managers Despatch No. 2.

CORRESPONDENCE.

Copy of letters to Royal Insurance Co. re Workmens Compensation  
and Account.  
" " letter " " " " enclosing Account.  
Copies of letters to Maclean & Stapledon & Houlder Bros re  
Wool Shipments  
" " " " Dick & Bravo & A.M. Gallie re Wool prospects  
& "Lafonia's" Itinerary

SPECIFICATIONS.

Mark	Wool	Skins	Hides
McG.		12	40
L. Roy Cove		5	6
J.L.W.		10	
Z		4	
H & B	12	11	
N.A.		24	112
W.J.H.		1	
B.B.			

DISPATCH No. 813 per "LAFONIA" via MONTVIDEO 12th October, 1938

P R E C I S.

1. Acknowledges receipt of your No.1040 and airmail letter of 23rd September and confirms No.812.
2. Advises s.l. "Penguin" not yet sold.
3. Workmen's Compensation - no employers of labour have yet interested themselves in this insurance. Further circular being sent to Stations & Stanley employers.
4. Copies of "Seab Site - Life History & control measures", to hand.
5. Garden House - not yet vacated.
6. Offers reasons for decline in Store Sales to end of July.
7. Confirms cable of 27th ulto asking for remittance of \$6,500.
8. Milk & Sugar - emergency order - notes this is not being shipped.
9. Acknowledges receipt of your radio of 4th inst. giving Salvage meat requirements.
10. Stock Show 1939 - dates not yet fixed.
11. Encloses plan of proposed houses at Hill Side and Fish Creek, Spring Point.

S H I P I N G   S E C T I O N.

1. Transshipment charges on Government cargo ex "Crowning" - charged by us.
2. Sealing Co. credited with coal and fuel taken from "Guendolin".
3. Encloses correspondence with Maclean & Stapledon and Boulders, Buenos Aires re shipment of produce 1938/9.
4. Cancellation of 3 months return fares.
5. "Lafonia" and "Fitzroy" load line surveys - being attended to.
6. Visitors to Colony - noted.
7. Encloses "Lafonia" itinerary, Jan/June 1939. Clients have been advised of first connection without Stanley charges.
8. Ships movements.
9. Stock Show 1939 - transport arrangements.

Despatch No. 813  
Per s.s. "LAFONIA" & "Alcantara"

12th October,

38

Sir,

I have to acknowledge receipt of your Despatch No. 1440 dated 9th September also your airmail letter of the 23rd ulto., and to confirm my No. 812 dated the 24th ulto.

2. 1440. 3. "PENGUIN" has not yet been sold.
3. 1440. 4. WORKMEN'S COMPENSATION. No employers of labour have so far shown any interest in Insurance against this risk. Nor have any other Stations applied other than those whose proposals have already been sent forward. A further circular to Stations not yet insured, as well as to Stanley Employers, will be sent at an early date.
4. 1440. 8. "SCAB MITE - Life History and control measures". Copies of this reprint from "Veterinary Record" have been received and despatched for distribution as indicated.
5. 1440. 12. STANLEY HOUSES. The Garden House has not yet been vacated.
6. 1440. 13. STORE SALES. Reduction in totals to end of August must in part be due to the absence from the Colony of so many Farm Managers and others and also due in some measure to the low stocks in anticipation of arrival of s.s. "Lafonia". There is no indication that we are losing ground in any way.
7. REMITTANCE. With reference to our telegram of 27th September. This sum of 26,500 was required to meet heavy Import Duties on cargo ex "Lafonia" Voy. A.C.6. and also to provide for year end (September 30th) deposit to Government Savings Bank.

THE MANAGING DIRECTOR  
THE FALKLAND ISLANDS CO. LTD

LONDON.

(2)

Despatch No. 813 per "Lafonia" via Montevideo 12th October, 1938.

8. MILK AND SUGAR. In your telegram of 4th inst. I note the stores asked for are not being shipped. This was an emergency order in view of the serious European situation.

9. SOUTH GEORGIA. I note in the same telegram that Messrs Salvesen have increased their order from 50 live sheep and 200 carcasses to 400 live sheep and 200 carcasses. This has been communicated to the Camp Manager. Arrangements have been made to ship this consignment from Darwin.

With reference to Fuel Oil, the high price is noted and your remarks thereon. Captain Johnston and Chief Engineer Mr. Brown have been instructed to fill as much as possible at Montevideo and cut down their requirements at South Georgia to a bare minimum.

10. STOCK SHOW 1939. No date has yet been fixed for this. Negotiations for transport are still in progress. Offers are being made on the lines indicated in Mr. Young's letter to the Agricultural Adviser dated 15th February 1938.

11. New Houses for Hill Side & Fish Creek, Spring Point. A plan of the proposed houses is sent herewith. The foreman Carpenter, Mr. Hannaford estimates that these will cost approximately £363 each building, exclusive of Register grates and kitchen range. The extra cost is due to the fact that Red Pine material must be used. We have very little Brazilian Pine left in stock. As will be seen from the plans, a Bungalow type is asked for at both sites. Mr. Goddard has agreed to the plans submitted and the estimated cost. The plans are now being put forward for approval by the Board of Health.

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(1)  
Despatch No. 813 per "Lafonia" via Montevideo 12/10/38

SHIPPING SECTION.

51. 1440. 54. TRANSHIPMENT CHARGES AT MONTEVIDEO. The charges at Montevideo on the cargo ex "Browning" for Government amounted to 22. 8. 9. which was paid by Maclean & Stapledon and debited by us to Government. The amount of the charges on the Admiralty cargo is not available.
52. 1440. 58. "GWENDOLIN". The Sealing Company was duly credited in August with the value of coal and Patent Fuel taken out of "Gwendolin" by s.s. "Fitzroy".
53. 1440. 61. PRODUCE EX PUNTA ARENAS & CALLECOES 1938-9. We are writing by current mail to Maclean & Stapledon asking them to get into touch with Boulders regarding on-carriers and rates of freight homewards for 2-3000 F.I. bales on each of 3 arrivals at Montevideo next year - viz, 14th January, 10th February, and 16th March. Also regarding a possibility of from 1-3000 bales ex Patagonia to leave Montevideo mid-December in time to catch the January sales. We enclose copies of letters to Messrs Maclean & Stapledon and Messrs Boulder Bros & Co. Buenos Aires, in this connection. We await news regarding Conference rates.
- Enc. 54. 1440. 62. CANCELLATION OF 3-MONTHS RETURN FARES. The Tourist Return "B" fares shown on page 7 of our Fare Tariff No. 1, were withdrawn from our later Tariff No. 2. The similar facility offered for the Round Voyage (Stanley/South America), shown in the insets on pages 4 and 5 of Tariff No. 2 is, it is presumed, also to be deleted, and this will be done in next issue. We have never yet had a booking in this category.
55. 1440. 64. "LAFONIA" & "FITZROY" LOAD LINE SURVEYS. This is being attended to.
56. 1440. 65. VISITORS TO COLONY. The various expected arrivals and departures have been noted. It may not be possible to arrange all the "Ship Hotel" bookings in view of the present number of permanent boarders and previous advance-bookings, but the matter will be watched.
57. ITINERARY - JANUARY/JUNE 1939. We enclose for your records copy  
10. of "Lafonia's" itinerary for the first 6 months of 1939 as

(2)

Despatch No. 513 per "Lafonia" via Montevideo 12/15/38

SHIPPING SECTION.

approved by Government. It differs in no respect from that sent you with Air Mail copy of our 812/53.

"Clients' Cargo". Para Clients have been advised that the "Highland Monarch" from England 25th March will be the first of the connections which will avoid Stanley Charges in 1939.

58. SHIPS MOVEMENTS. S.S. "Pitroy" - continuing our 812/64, "Pitroy" has been laid up since her return to Stanley 21st September. S.S. "Lafonia" left for Montevideo on 25th September (A.C.7) and returned to Stanley on 5th October. She sailed on 8th, (A.C.8) primarily with passengers, for Seal Inlet, Brenton Loch, Port Howard, and Hill Cove, returning to Stanley on 10th October, going alongside "Yennia" to continue discharge of her Swedish timber. She sails for Montevideo and Punta Arenas on 12th October (A.C.8. continued) with a few bales of wool and sheepskins and bundles of hides, details of which will be found as usual in the Specification of Shipment.
59. WEEK SHOW 1939 - Transport Arrangements. The Chairman of the Committee has been advised that we are prepared to provide transport - as per copies of letters enclosed (Airmail). No decision has yet been made - but indications are that a further four days will be required for show purposes; viz. a whole week from Thursday 24th February to Thursday March 2nd. I informed Mr. Weir verbally yesterday that a further charge of £240 for detention would be required for this, and made it clear that it would also mean that we might not be able to ship any of the balance of F.I. wool (approx. 1500 bales) that voyage for the May Sales. It is important, in view of development of trade ex Punta Arenas and Gallegos, that any provisional calls offered them should remain open until the last moment. I am therefore adhering to the date March 5th for leaving the Islands for Punta Arenas and Montevideo on Voyage A.B.3.

I am,

Sir,

Your obedient servant,

Manager.

910)  
DESPATCH NO.814 per "LAFONIA" VIA MONTEVIDEO 9th NOVEMBER, 1938  
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ENCLOSURES

1. Despatch No. 814.
2. Statement on Accounts No. 113.
3. Remarks on Accounts No. 113.
4. Store Indent No. 778.
5. Remarks on Stores No. 778.
6. Remarks on Shipping No. 1.
7. Naval Fuel Depot Remarks No. 70.
8. F.I. News Weekly Nos 16/19.
9. Coal Statement - October
10. Stanley Ledger Balances at 30/9/38.
11. Farm Quarterly Wages Sheets to 30/9/38 - all Sections.
12. Coasting Insurances - October.
13. F.I. Shipping Report No. 13/38.
14. Wages Comparative Statement No. 27.

CORRESPONDENCE.

Copy of letter from Colonial Secretary re instalments due on purchase of Fox Bay West.

Note:- Mr. Young's and Mr. Blake's copies of Despatch retained.

DISPATCH NO. 814 per "LATONIA" VIA MONTVIDEO 9th NOV, 1938  
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P R A G M A.

1. Acknowledges receipt of your No. 1441 and airmail letter of 12th October and confirms No. 813.
2. Wool Sales - prices - noted with interest.
3. Correspondence between London and Stanley Offices - notes new system to come into operation on 1st January next.
4. Seaplanes - information passed on to Colonial Secretary.
5. South Georgia - Fuel Oil. Increase in price regrettable.
6. Workmen's Compensation - notes that Company's existing practice to be applied where more generous than present Ordinance allows.
7. Reports camp fire on Fairy Cove ground.
8. Encloses Wages Comparative statement for September quarter.
9. Confirms cable of 29th ulto giving balance required to complete purchase of Foxbay West.
10. Stock Show - transport arrangements - contents of your telegram of 26th ulto communicated to H.M. the Governor.
11. Docking of "O.C.82" - noted.
12. ~~Store Sales 1938 - comments on.~~

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s.s. "Lafonia" via Montevideo

8th November, 38

814.

Sir,

I have to acknowledge your No 1441 dated 30th September also your airmail letter of 12th October, and confirm my No. 813 dated 12th October.

2. 1441 - 3 WOOL SALES. It is interesting to note that prices were maintained during the September sales, when conditions were so difficult and uncertain.
3. 1441 - 4. CORRESPONDENCE BETWEEN LONDON AND STANLEY OFFICES.  
The change of system commencing 1st January next is noted with great interest. It should mark a great improvement in the existing methods and in many ways simplify matters to a very great extent. The details are being studied and further details waited with interest.
4. 1441 - 5. SEAPLANES. The information given has been passed on to the Colonial Secretary.
5. 1441 - 6. SOUTH GEORGIA FUEL OIL. The large increase in price is regrettable. Although we would welcome using the Stanley reserve stock if only on account of possible deterioration of drums, it has not been possible to do so on this occasion owing to lack of time. "Lafonia" has no means of hoisting the drums on to the Bridge deck which would necessitate the use of "Pennia's" steam and tackle. It would be very slow work in any case.
6. 1441 - 7. WORKMEN'S COMPENSATION ORDINANCE. I note that Company's existing practice is to be applied where more generous than the new ordinance. An office order has been issued to this effect.

THE MANAGING DIRECTOR  
THE FAULKLAND ISLANDS CO. LTD  
LONDON.



DESPACH NO. 814 per "LAFONIA" via MONTEVIDEO 8th November, 1938

7. CAMPFIRE ON FAIRY COVE GROUND. A serious fire occurred on this ground on the 30th ulto caused by some persons unknown lighting a pious fire in the vicinity of what is known as the Watt Cove Fence. No time have been posted prohibiting access to this ground without permission.
8. TABLES COMPARATIVE STATEMENT - for quarter ended 30th September 1938. This shows a decrease of 2329 for the corresponding period in 1937, and for the 9 months ending 30th September a decrease of 21992 for the same period 1937.
9. BALANCE A STICKNEY, FOXHAY WEST - Balance of Land Purchase. With reference to your telegram dated the 26th ulto, required information was telegraphed you on 29th ulto. As will be seen from the copy of the letter from the Treasury enclosed, the amount required to complete the purchase is £1,478. 3. 1.
10. STOCK SHOW - TRANSPORT ARRANGEMENTS. The salient points of your telegram dated 26th ulto have been communicated to H.E. The Governor and formal application has been made to the Colonial Secretary for permission to enter "Lafonia" at a West Falkland port on her return from Montevideo.
11. RECKING OF "O.C.82". Copy of Admiralty letter to you as per your airmail of the 12th ulto. noted. Your remarks thereon will be attended to.

I am,

Sir,

Your obedient servant,

Manager.

ENCLOSURES per "MAHIA" 25th November, 1938  
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1. Statement on Accounts No. 114.
2. Remarks on Accounts No. 114.
3. Remarks on Shipping No.2.
4. F.I.News Weekly Nos 21 & 22.& 20.
5. F.I.Gazette dated 1st November 1938
6. F.I.Shipping Report No. 14/38.

CORRESPONDENCE

Memorandum to Managing Director re stamps.

917

DESPATCH NO. 815 per "LAFONIA" via Montevideo 12th December, 1938  
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ENCLOSURES

1. Despatch No. 815
2. Statements on Accounts No. 115.
3. Remarks on Accounts No. 115.
4. Store Indent No. 779.
5. Remarks on Stores No. 779.
6. Remarks on Shipping No. 3.
7. Coal Statement - November.
8. Copy of Office Order No. 96
9. F.I. News Weekly Nos 23 & 24.
10. F.I. Shipping Report No. 15/38.

*Boasting Insurance (sent under separate cover).*

CORRESPONDENCE.

Copy of letter to Gildemeister & Co. re shipment of sheep  
 to Freezing Works.

SPECIFICATIONS

	<u>Mark</u>	<u>Wool</u>	<u>Skins</u>	<u>Hides.</u>
	D.H.	15	74	
/	F.B.		16	16
/	D.H.			24
	Heart	4		
	AP	2	7	25
	F		22	
	W.K.C.	52	18	
	L.		6	
	J.L.W.	14	18	
	J.H.D. Pebble		10	
	Z		14	
	T.R.	16	10	
	F	28	13	
	S & S	1	7	
	N.A.		12	
	D & S		9	

918

Despatch No. 815 per s.s. "Lafonia" via Montevideo 12/12/38.  
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P R A C I S

1. Acknowledges receipt of your No. 1442 and confirms No. 814.
2. Coopers' circulars - have been dealt with as instructed.
3. Fire Insurance - Spring Point - noted.  
Fox Bay Wharf - notes you are dealing with this.  
Royal Insurance Co. advised of coming change of ownership.
4. Baillon AmStickney - documents to hand.
5. Future of Chief Storekeeper's and Garden houses
6. Files etc for correspondence between London and Stanley Offices to hand.
7. Anticipate reconstruction of West Jetty will be completed in a month's time.
8. Encloses copy of Office Order No.96 re annual holiday for Stanley employees.
9. Store Orders - noted.

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"LALIA" via Montevideo

12th December, 38

815

2.

I have to acknowledge receipt of your No. 1442 dated 28th October last and confirm my No. 814 dated 9th ulto.

2. 1442. 3. COOPER'S CIRCULARS. The copies referred to have been destroyed and those received last mail have been forwarded to clients and other interested parties.

3. 1442. 4. FIRE INSURANCE. Spring Point. Alteration - noted. Fox Bay West. I note that this will be dealt with by you. I have advised the Royal Insurance Co. Ltd of the coming change of ownership and have requested them to advise us of the amount of unexpired insurance at 28th February next.

4. 1442. 8. BAILLON & STICKNEY, FOXBAY WEST. Crown Grant No. 270, Leases and Notice to purchase are to hand. Application has been made to Government for the Crown Grant which together with Conveyance forms will be sent by first opportunity.

5. 1442. 10. CHIEF STOREKEEPER'S HOUSE, GARDEN HOUSE. It is noted that these two dwellings are to be demolished when vacated.

6. 1442. 11. CORRESPONDENCE BETWEEN HEAD OFFICE & STANLEY OFFICE. Files etc, are to hand.

7. 1442. 13. RECONSTRUCTION OF WEST JETTY. Mr. Young has inspected the work which is proceeding satisfactorily. I anticipate that the job will be completed in a month's time.

8. 1442. 14. STANLEY EMPLOYEES. Copy of Office Order No. 96 relative to the grant of one week's holiday per annum on full pay is enclosed.

9. 1442. 17. STORE ORDERS. Your instructions are noted.

THE MANAGING DIRECTOR  
THE FAULKLAND ISLANDS CO. LTD.  
LONDON

I am,  
Sir,  
Your obedient servant  
for Manager.