

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Iberia.

No 925.

London, E.C. 23rd January, 1901.

Sir,

I confirm my last despatches per Orellana, and have to acknowledge receipt of your nos. 166 and 167, which arrived on the 8th inst.

2. 166-3. The question of shipping tallow to Valparaiso has been periodically raised, but the Directors have always refused to entertain the suggestion, and at the price you mention they see no reason for altering their decision.

3. Par. 4. The Pacific S.N.Co. have agreed to pay for the shortage in Whisky per Iberia, but decline to be responsible for the breakage, and such claims are very hard to enforce. If a case is actually seen to be handled roughly enough to cause breakage of bottles at the time, and a note is made of the occurrence and the mark and number of the case taken, it could be brought home to them, not otherwise. We consulted our Average Adjusters, and were told that the report of missing bottles on the same statement with the shortage would be fatal to any claim on the Underwriters, and even had there been a claim it is doubtful if it would be politic to put such a small one forward, as it might have the effect of raising our premium for the future. It was going beyond the mark to claim for freight from Glasgow, as the Whisky is f.o.b. Liverpool, and the details of un-^{were} broken necks and uninjured stoppers ~~was~~ superfluous. The P.S.N. say that all claims should be settled at the port of discharge, so you will have to take credit for the claim, of which a copy is enclosed, in your next account with them.

4. Par. 6. The Henry Failing's draft has been paid here in cash by the agents, less 5%, but under protest as far as the lab-

W.A. Harding, Esq.,

Stanley.

our account is concerned. I have explained the whole matter to Mighell's agents, and given them copies of the letters and your reports.

5. Par.7. I wrote the P.S.N.as to the extra cost of working cargo overtime, and they agree to pay as the Kosmos did. I mentioned that our agreement extended to all overtime incurred in the loading and discharging of steamers, and you should debit them in your monthly statement with all extra labour incurred in this way. They do not seem to query charges made from your side, but don't like parting with money here.

6. Par.11. You should keep a careful account of the extra cost entailed by keeping fires banked while waiting for steamers that are behind their schedule time, and if their unpunctuality continues I will attack the P.S.N. again on the subject.

7. Par.12. It was too late to do anything about buying the Beeswing's coals, and I see that she has sailed. These coal sales are a new thing in the Falklands since my time; they are upsetting to us, and I always used to make a point of having heated cargoes reshipped and forwarded. Shipowners and shippers naturally favour sales at an intermediate port, but it is against the interest of Underwriters. I observe that you have again had Schlottfeldt and a carpenter on a cargo survey. It is quite wrong on principle, and you do not do yourself justice. In such cases you should always do the survey yourself at the request of the Captain.

8. Par.13. We send the later numbers of Maritime Notes and Queries, which are undoubtedly useful, and as new numbers come out they shall be added.

9. 167-3. This despatch is probably from Mr. Girling, but as it was sent away unsigned we cannot be sure. I forwarded the list of passages taken on our account since the commencement of the service, but have received no reply from the Pacific Co. As they asked for this themselves, you had better take credit in your next account for the discount agreed upon, and they will probably pass it. To this you will have to add the passages of the men for the schooners and the sheeters, unless the tickets were

issued at the reduced rate in Montevideo.

10. Par.5. As the sailing of the Henry Failing has been reported it seems probable that Admiral Schley's intervention was unnecessary.

11. Par.7. The report about the small consumption of coal by the Samson is important. We should have an account periodically of this, as coal consumption should be narrowly watched, and this paragraph only alludes to a solitary instance, and does not give sufficient information from which to judge what she actually burns per hour, and what it costs to get up steam. We ought to have full details of this.

12. Par.9. By the "fourth" shoal you probably mean the "Forth," just outside the Narrows. I do not know whether the P.S.N.C. will move in the matter.

13. Par.10. We agreed with the Pacific some time ago that for the service of the tug when she is under steam for our own purposes we would charge £5 when assisting to get a steamer's head round; but I told them lately that it would be too little if specially employed, particularly if overtime had to be paid. They are rather slack in answering questions and remarks, and I think that the best way of dealing with this question will be to charge them in your account £5 for each tow they have had up to the present, and afterwards on any special occasion put it higher. They will either quietly accept it, or remonstrate, and then we can argue the matter out. Of course the coal consumption is an important factor in dealing with it.

14. Par.12. I wrote you as to my error about the payment of £1000 by the Government, which was overlooked. I particularly asked that an explanation might be afforded when the necessity arose for drawing further in favour of the Government, but another £1000 bill at 10 days' sight has come forward, making the second during the last few months, and there is not a word about it beyond the safe advice.

15. Par.14. I have asked the Pacific about sending out proper Bills of Lading; but questions of this sort would be better sent direct to them as from the agency.

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16. Par.17. I have written to Spreckels warning them against the Captain of the Henry Failing. I send a cutting from the Glasgow Daily Mail about Stanley, which is gratifying; the information was given by Browne & Watson owners of the Ada Browne which was under repairs some years before I left.

17. Par.18. The Directors are looking forward anxiously to hearing that the Samoa is ready for sea.

18. After an unprecedented delay the Athene at last got away with an easterly wind. You will have seen that we had some weeks of very heavy weather about the time she was supposed to have sailed, and to show you how bad it was I may mention that our agents at Newport loaded four vessels at the same time, the Athene being one: of these the other three went out and were all lost, while the Athene remained at anchor and was unharmed. It is a serious situation, but you can safely say that we did our utmost to hurry on the despatch of this vessel, and cannot be blamed for not being up to time. In the meantime you had better nurse the steam coal as much as you can, burning the Beeswing's in the Samson, and I suppose that if the worst comes to the worst you could sell some of that coal to take a ship to Montevideo.

19. With regard to the Samoa, the Board wish Sedgwick to be treated liberally, as they consider that he did well for us. They are contented to abide by whatever you may think proper to do in case further rewards should be desirable, as you know all the circumstances better than we do. On looking at the list of cargo it seems as if there must have been a fair amount of robbery after all, as there is a considerable shortage in many instances. How did this occur notwithstanding that there was an officer of Customs on the spot to seal the hatches? I never knew a wreck that was not robbed; it is an occasion on which a Churchwarden feels himself at liberty to help himself, but we hoped that on this occasion there might have been less. Did the Government say anything about duty on missing spirits?

20. You should warn clients sending specifications of their

Shipowners will be glad to learn that the Falkland Islands Company have bought a large tug, which will shortly arrive at the island, and that our Government also intend to invest in one. They will prove a great boon to shipping, and cannot be on the spot a day too soon. A shipowner informs us that some years ago one of his vessels put into the Falkland Islands in distress, and was obliged to discharge her cargo and obtain considerable repairs. On receiving the bill from the company he was surprised at the moderate and reasonable charges, and which he says compared very favourably with work done at a home port.

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produce not to enter skins and hides on the same sheet as wool, as they go to different Brokers.

21. We are still without any statement of wages on the Samson's voyage out, although it was asked for some time ago. I have already said that we had no account of the crew on sailing.

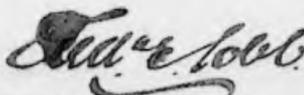
22. No report has been made on the subject of freight from Valparaiso to Stanley. Mr. Sharpe there I believe has referred you to Liverpool, and the P.S.N. refer us to Mr. Sharpe. This may go on indefinitely, but the fact remains that we should have 20% off all freights from the beginning of the service.

23. The following cables have been received:—on the 3rd, "Send two feet for new pillars Dunnose Head press argent" (urgent?); on the 4th, "Thomas charpie derrumamos Stanley recorvaron Sappho sixth Harding," i.e. Thomas will come direct to Stanley I will return (by) Sappho sixth; and on the 13th inst. "Cancel Buckworths cable Orissa stadtfeste" (720 bales). With regard to the ~~xxxxxx~~ ^{third} telegrams cancelling orders are practically of no use: in this case an order was sent to Howards within an hour of the receipt of the first urgent message, and the feet were on their way to Liverpool before the cancelling cable arrived. They cost 19/6d., and the cables about them 58/6d.

24. On the subject of Salvage the Expert consulted by Mr. Langridge says that a contract can be made by the owners of a tug with the crew for an apportionment of salvage that may be earned, and that in the case of a steamer performing the service the owners would never get less than $\frac{3}{4}$ of the whole. In the event of a case coming before an Admiralty Court there is no recognized rule according to which the crew's share is divided, it is always left to the Judge, who awards according to the service performed. In some cases the Captain, in others the Engineer might get a special award; in fact it goes according to merit.

I am, Sir,

your obedient servant,



Managing Director.

Duplicates

Enclosures:

- Despatches Nos 923 + 924.
- Budget + Journal Entries
- Remarks on Accounts
- Remarks on Stores + supplementary
- List of Enclosures.
- Remarks on Telephone.
- Chints reports + contracts

RBC. 11 cts. Tallow "Quellana".

- ~~IF~~ 19 " " "
- ~~PBB~~ 28 " " "
- DS 10 " " "
- F 10 " " "
- JD 6 " " "
- L 42 " " "
- W.P. 20 " " "
- RBC 5 bales Skins " "
- R 10 " " "

- ~~IF~~ 5 " " "Quellana".
- " Company's.
- " Parcels in Pearson's case
- " Dutiable Goods

Chints A/sales:-

- ~~DI~~ 140 Hides Lusitania
- S 240 " "
- L 50 " "

- General Invoice goods for "Quellana".
- " " "Propusa".
- " " "Annie".
- " " "Shetis".

- Particulars of Freight for "Shetis".
- M^{rs} Bonner's invoice goods for "Propusa".

Client's Invoices goods for "Shetis"

Baird & Stickney	299. 3. 3.
Holmsted Blake.	589 15 -
Packe Bros Co.	285 4 2
Stickney Bros.	207. 8. 1.
Bertrand Felton	600 8. 8.
Packe Bros Co.	179. 7. 2.
do.	149. 18. 7
Mr Bonner.	287. 14. 5
George Bonner	384. 18. 3.
A. Pituluga	432. 11. 2
Mr Williams	47. 16. 5
H. G. Cobb	47. 18. 9
Pertacke	421. 17. 3.
H. Waldron	463. 6. 2
Bertrand Felton	9. 10. 6
G. J. Mathews	24. 16. 5
J. J. Felton.	374. 1. 11.

Client's Invoices goods for "Annie"

Stanley Assembly Rooms	336. 8. 11.
Mr Bonner.	2. 11. 2.
Stickney Bros.	15 15 -
George Bonner.	3. 14. 6.
H. Waldron	38. 3. 11.
Packe Bros Co.	12. 0. 2.
Pertacke	18. 18. 11.
G. J. Mathews.	- 18. 8.
Packe Bros Co.	11. 5. -
J. J. Felton	1. 12. 2.
A. Pituluga	- 11. 2.
Bertrand Felton	- 16. 7.
Holmsted Blake.	14. 16. 7.

Mr Anson invoice Lombstone £ 27. 2. 0. per Crissa
 Bills of lading "Athene". (2) "Orlanda" (1).

Wool reports re.
Clients / sales.

IF 5 bales. Skins *Qropesa*.
 R.B.C. 5 " " "
 H.W. 6 " " "
 I-B 18. " " "
 S.I. 10. " " "
 A 10. " " "*Shetis*"
 DS 16 cks. *Sallow*. *Quellana*.
 F 10. " " "
 PB 28. " " "
 JD 2 " " "
 IF 19 " " "
 W.P. 20. " " "
 R.B.C. 11. " " "
 L 42. " " "
 I-B 30 " " "
 H.W. 10. " " "

Brighton College Schooling account for J. S. Felton
Langridges freight note coal for "Athene".

Hayman for J. S. Felton (professional services to)
cutting from Glasgow Daily Mail of 2nd Jan^y.
Correspondence with the Pacific Steam of 9th
12th, 14th + 15th out of 15th + 16th January

Extract from J. + F Howard's letter of 31st July
re breakage Tark Bros Co's woolpress.

Clients reports

IF 88 bales wool *Quellana*.
 F 18. " " "
 C.C.W. 11. " " "

contracts only { AN 5 cks seal skins *Qropesa*.
 IF 4 cks. " " *Quellana*.

Client's Invoices. Fuel per "Athene".

Pack Bros Co 25. 17. 6

do. 128. 15. 11.

Particulars of claim foods per "Iberia"

London 23rd January 1901.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary mail.

No

926.

London, E.C. 26th January, 1901.

Sir,

It is with deep regret that I have to announce to you the death of our Chairman, Mr. Foster Mortimore, which took place on the 22nd inst. He has been a Director of the Company since the year 1869, and has always taken the greatest interest in its progress. His genial presence will be greatly missed by his colleagues on the Board, and by all, in fact, who have had the privilege of coming in contact with him.

2. With regard to the cargo of the Samoa, we should like to know as soon as possible what you propose doing with those goods for which there is no prospect of an immediate sale in Stanley; but probably after your trip to Valparaiso and Montevideo you will have formulated some scheme for winding up the venture. It is in connexion with this and other matters that it is, perhaps, desirable to write you at some length on the subject of our finance. You are doubtless aware that the whole of our capital is invested in the Islands, and that having no reserve here to fall back on in case of need, we are dependent for the considerable funds needed to carry on our current business entirely on remittances from the Islands. Owing to certain outlays, to which I referred last mail, an unusual sum has been laid out this year which is at present unproductive, and it has unfortunately happened that owing to the low price of wool the value of the produce received has been less than usual. Consequently we have had to take advances against coming produce to a larger extent than at any time for many years, and although our credit is excellent, still our interest account will be on-

W.A. Harding, Esq.,

Manager,

Stanley.

erous, and the sooner we are placed in funds by you the better it will be. Now as we have not been informed what you are keeping in Stanley to represent the £5000 you mentioned lately as the value of goods to be retained, we cannot pass any opinion on the subject, but if you are hampering yourself with a quantity of wines and spirits, on which you will have had to pay duty down on the nail, although there may not be any prospect of selling them for some years, the policy of the arrangement is questionable, for the question of interest is one that must not be lost sight of, and it would be far better to get lower prices, paid in cash, at some of the neighbouring ports than hold for future sale in the Colony. We judge that you must be paying a large amount of duty, for this would account for the unexplained draft just paid to the Crown Agents. These Government payments, again, are an increasing drain on us. In arranging for the supply of cash through the Treasurer at Stanley, we found last year that the average sum in cash that we had drawn from the Government in the two previous years had been just over £13,000 per annum, and therefore we hoped that in agreeing to the simultaneous payments in London and Stanley of £1000 per month, we should be providing you, within about £1000, ^{with} of all the money you would be likely to require in the year. But on the 30th November you drew the second £1000 extra, only three months after the arrangement came in force. That is to say that if no more drafts are given until the end of next August, we shall have drawn through the Government £1000 more than the average of the previous two years, but that if your drafts continue at this rate we shall by the date mentioned have provided you with £20,000 in the twelve months. I think that I need hardly point out to you that if we do not get increased returns from Stanley this cannot be allowed to go on. To turn to another side of this question of finance, there should be by this time a large shipment of sheepskins ready from Goose Green and elsewhere, and this has usually been shipped from Stanley in November, once or twice I think in December, but never later, and these skins, coming at a lean time are a useful help. In reading your desp. 164-6, it did not occur to any of us that you were proposing to re-

tain these for the Samoa, as we concluded that you would naturally have got them out of the way at the usual time. It was supposed that you were referring to any odd lots that might arrive from the outports during the wool season, which it has been the usual practice to ship at the first opportunity; had we realized that you were proposing to keep in hand for months produce worth £3000 or £4000 we should have cabled orders to ship at once. It now appears only too likely that these are being retained for the Samoa, and if so the loss of interest will be very considerable. They must not be shipped by steam now to exclude wool, but we ought to have them if there is an opportunity, and at all events if they cannot be sent by mail they should go on board the Samoa, and you should send us a Bill of Lading for them.

On the subject of Stores, here again is a further explanation of our present financial position. In the year 1900 we sent out goods to the value of £23600, or about £7500 more than in 1899. We do not want to starve the Store, as was done formerly, but we rely on your watching your Storekeeper's indents and preventing as far as possible a further accumulation of dead stock. A certain quantity we must have; the shipping part of our business demands it, but it should not be allowed to run into figures that are too large. The Storekeeper should aim at having a good supply of as many articles of common use as can be got together, but not too large a quantity of each, as it is easy to order fresh supplies from mail to mail.

To sum up this matter, we are short of cash here on account of (1) the purchase of the Samson, (2) the Garland, (3) the Samoa and the incidental outlay, (4) the increase in shipments out, (5) the annual £1000 paid for land, (6) the fall in produce, (7) the retention of the same in Stanley, when it should have been shipped home, and there are doubtless other smaller causes. The remedies, as far as they can be applied seem to be, (1) to get the Samoa home and convert her into cash, (2) to reduce the indents where practicable, (3) to sell for cash at neighbouring ports the balance of the Samoa's cargo that is not readily saleable at

Stanley, proceeds to be remitted to us, (4) to restrict credit in the case of sheepfarmers whose accounts are not covered by their annual produce, and (5) to forward all produce without delay. I do not suggest that you can at once carry out this programme in its entirety, but I give it as laying down the lines on which you should endeavour to work. Our capital for the amount of business we do is but a small one, and unless we are to be perpetually in debt we must husband our resources as much as we can.

I have written at considerable length on this subject, as it has not been thoroughly thrashed out before, and I have perhaps in some respects thrown a new light on our affairs which may be of service to you. We are in a substantial position, and in the end it will all come right, but I want you to see that if we launch out too much on enterprises that only give a long deferred return, we might still get into temporary difficulties, even if we had a much larger capital than we have.

I am, Sir,

your obedient servant,



Managing Director.

Enclosure.
for Supplementary mail via Lisbon.

Jedger + Journal. Entries
 Remarks on Accounts.

Clients Invoices:

Stickney Bros.	17. 1. 10.
Park Bros & Co.	9. 10. 5
do.	4. 19. 2.
Baillet Stickney	10. 3. 5
Holmsted Blake.	119. 15. 6.
R. G. Cobb.	5. 14. 3.
Waldron.	11. 6. 10.

Bills invoice goods for "Iberia"
 Remarks on stores. + replies to Remarks.
 General Invoice goods for "Iberia"
 List of barges.

Credit note for the following

Per Park	10/-
to Tel	1. 12. 1.
J. McKay.	7. 2.

Clients reports + contracts.

	△ PB	13. bales skins "Orrellana".	
	L	21. " " "	
	DS	7. " " "	
report only.	F	21. " " "	
	JD	7. " " "	
	◇ IF	12. " " "	
	W.P.	7. " " "	
	C.C.I.O.	1. " " "	
Contracts only.	{	△ DIT	103. " Wool "Lusitania"
		C.C.I.O.	10. " "Orrellana"
		Y.	105. " "Lusitania"
		A.	243. " "Thetis"

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Orissa.

No 927.

London, E.C. 20th February, 1901.

Sir,

Since my last per Iberia your despatches 168 per Basilisk and 169 per Orissa have arrived, on the 28th ult. and 4th inst. respectively.

2. 168-3. With regard to the Samoa, I observe that she has been supplied with a new maintopmast, but as you remark in the same paragraph that the Garland's sails are exactly the same size the question naturally arises whether the latter vessel's maintopmast could not have been fitted at much less expense than a new one. The granting of the temporary Register does not depend, I think, on the repairs needed, nor has it anything to do with it. The Certificate gives her a British character, and should be granted when asked for; the question of seaworthiness is another matter, and the Board of Trade or the Government acting for them would of course require to be assured on that point before allowing her to proceed to sea.

3. Par. 8. I communicated your remarks on the certificates of delivery of mails to the P.S.N.C., who will probably instruct you direct on the subject.

4. Par. 9, and 169-9. It is unfortunate about the iron work for Mr. Buckworth, but as reported last mail the order was promptly put in hand on receipt of cable, and could not be countermanded.

5. 169-2. It was right to buy the Beeswing's coals, and at the price they cannot do us any harm.

6. Par. 4. When I left the Colony in 1891 Mr. Schlottfeldt asked leave to apply for the German Consulate, but on that oc-

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

casion our loyal friend, Mr. Staude, who happened to be in London at the time, asked me if I saw any objection to it. I said that I saw every objection, and he promptly put his foot down, and the appointment went to Mr. Baillon. This time the application may have been made after the severance of our connexion with the Kosmos, and in that case we should have no right to complain if they did not veto it; but if it was allowed while we were still shipping by them it was not quite straight on their part. I was German Consul from 1869 to the time I left, and although there is not much in it now that the Kosmos steamers have ceased to call, it is useful when German sailing ships put in, over and above which, as a matter of sentiment, it is not agreeable to see an appointment that has been held, since it was created, by the Company's Manager go into other hands. We must, therefore, do our best, should Schlottfeldt leave the Islands, to get it back again.

7. Par. 5. I have informed Rosenfeld's agents that Mr. Schlottfeldt is now German Consul, and I should not be surprised if the knowledge of this fact ~~may~~ ^{were to} create a situation that may lead to his retirement.

8. Par. 7. The situation as regards steam coal is serious, but I hope that it may be saved by the early arrival of the Athene. As you know, only 650 tons of the Talisman's are earmarked for the Admiralty, after which the Athene's coals ought to have arrived to be supplied at the enhanced price; but should you have to give them more of the first cargo the price will have to be a matter of negotiation with the Senior Officer, which must be left to you to carry out as best you can.

9. P.S. Our attention must be called to the two wet bales when reshipped, and the old and reweights specially noted, as well as actual cost of drying them.

10. In the accounts of the Beeswing a charge was made, according to an agreement previously reported, of £120 for towage in and out. I meant to point out when I heard of it that this was a mistake. When a ship puts into an intermediate port in distress or for repairs the towage in is General Average, but the towage out after repairs are completed and all danger is

past falls to the best of my recollection, on the owner, at all events is not General Average. I think that Captain Thomas will tell you that any shipmaster who knows his business will insist on the two tows being charged separately; the inward towage in all cases, whether there is distress or not, being the higher.

11. I send a copy of a letter from the P.S.N. about the Great Britain and the Forth Shoal. You will see by my reply that I do not think that we should accept their advice to double the width of the hulk's ports without due consideration. If you cut ports between the frames it would not materially affect her strength even if there were three or more, but if you cut away the frames themselves it is another matter, and I cannot help thinking that the effect would be prejudicial. Besides which, to the best of my recollection there is sufficient distance between frames to pass a bale of wool easily, and what more do you want? With regard to the Forth Shoal, if it had been necessary to buoy it the Naval people would have done it long since, and I question whether either the Admiralty or the Colonial Government would go to the expense; but the idea of hanging lanterns to the buoys to show the passage at night seems a good and practical one. It would, however, solely benefit the P.S.N., and therefore, if the Government departments will not move, I should recommend you to advise them to send out their own buoys, and perhaps the Admiralty would lay them down. At the same time there would be no harm in asking the Government to buoy the channel as a public benefit, and it is one of those things that might take the Governor's fancy.

12. There was a steam force pump with long lengths of hose on board the Wasp, specially supplied for watering ships; can this be turned to any use?

13. I enclose a copy of a letter from Lloyd's on the subject of the Samoa and of my reply. You will see that some amiable individual in Stanley, who has been too cowardly to give his name, has sent a copy of the Magazine reporting the ship's arrival with a note, "Enquire about this", clearly with the intention of injuring you and ourselves. After writing a full ac-

account of the circumstances, and detailing the efforts made both at Stanley and here to arrange for salvage, which failed, I followed up my letter a day or so afterwards by calling on the Assistant Secretary who had the matter in hand. I am glad to say that he expressed himself fully satisfied, and asked what we were going to do with her, as if she was coming home he would restore her name in the Weekly Shipping Index. I saw the Magazine, but the note was made in a feigned hand and partly printed, so that I could not recognize the sender. This is unfortunate, as it debars us from rendering our acknowledgments to him for an action, which, whatever may have been his intentions, has done us more good than harm.

14. I am pleased to be able to report that we have renewed the Fortuna's insurance at a rate that will save her ~~£60~~^{£59} per annum. You are aware, I believe, that she has always been insured against total loss only, while the Hornet is covered against all risks.

15. Remarks are occasionally made about the working of the Scab Act, and it is rumoured that the Establishment has been reduced, while the tax remains the same. Is it not understood that the money raised for this purpose is earmarked, and cannot be spent on any other object? I ask this question because it has been stated that the surplus obtained by cutting down the staff is liable to be used for brickmaking, and other wild-cat schemes, and although this seems impossible, if there is any foundation for the statement it should be represented to the Governor that the only legitimate course to be taken is to reduce the amount of the tax.

16. Correspondence with Earle's Company is enclosed on the subject of the requisition for sundries. If the Engineer is inclined to be extravagant you should tell him that the Samson has to be run on economical lines. She went out with three new sets of firebars, 80 to the set, and now there is an order for 100 more, which may be all right, but knowing how apt people are to ask for more than is really wanted it is just as well to look into these things. On the advice of Lowden & Co. we have

got Holzapfel's paint as being the best for the tug's bottom; but this must be an experiment only, as if the quantity sent is only sufficient for one painting the cost, £30, seems too much. The final coat is different from the first, and printed instructions for use are sent with the paint.

17. The arrival of the Oravia at Montevideo without advice of any wool, and the absence of news of a cargo boat are disquieting. If the Manager at Valparaiso fails to send the latter in time for the March sales, it will seem to indicate that we cannot trust the P.S.N.Co. to do our work as it should be done, and we shall have to make other arrangements.

18. It is to be hoped that the incoming mail will bring us more information about the Samoa than we have at present. Some time ago we heard vaguely that goods were selling in Stanley, but neither in the despatches nor in the accounts is there anything further about them. We should have a progress report up to date, stating clearly what sales have taken place in Stanley, what dutiable goods you have paid on, and decided to keep, what you propose to ship away, and all information that you can give as to the disposal of the large quantity of goods that have come into our possession. No doubt after your return from your trip you have been preparing a statement on the subject, and we hope to get it per Oravia; at present, if you look at the information hitherto afforded, you will see that we are very much in the dark.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures per Supplementary mail
via Lisbon

Ledger + Journal Entries.
 Remarks on Accounts.
 Remarks on Stores + supplementary
 - Replies to remarks on Stores.
 General Invoice Goods per "Orissa"
 List of Dutiable Goods "
 Williams invoice for Tobacco.
 - Blading cargo per "Orissa"
 Paice Bros. Co. invoice of goods per "Orissa"
 Copy of letter from Morton of 19th +
 our reply 21st re butter

London 23rd February 1901

Enclosures.

Duplicates

- Dispatches No 925 + 926.
- List of Enclosures.
- ~~Ledger + Journal Entries~~
- ~~Remarks on Accounts~~
- ~~Remarks on Stores + replies to~~
- ~~List of Cargos for "Iberia"~~
- ~~List of Clients Cargos "~~
- ~~List of Parcels~~
- ~~List of Dutiable Goods.~~
- Clients Appeals.

- 14 5 bales. Skins "Propusa"
- R.B.C. 5 " " "
- R 10. " " "Shets"
- J.D 6. rks Sallow "Quilana"
- 14 19 " " "
- 10.P. 20 " " "
- R.B.C. 11. " " "
- L 42 " " "
- D.S 10 " " "
- F. 10 " " "

General Invoice Goods for "Iberia"
Clients Invoices:

Parker Bros & Co.	25.	17.	6.
	128.	15.	11.
R. G. Cobb.	5	14.	2.
H. Waldron	11.	6.	10.
Bailton Stickney	10.	5.	5.
Holmsted Blake	119.	15.	6.
Stickney Bros.	17.	1.	10.
A. Petaluga.		10.	7.
Parker Bros & Co.	9.	10.	5.
"		14.	19.
			2.

-B/f cargo for "Sberia"
Contracts reports + contracts

L 21. bales skins "Quellana".

JD ✓ " " "

W.P. ✓ " " "

IT 12. " " "

DS ✓ " " "

△ 13. " " "

PB
C.C.W. 1. " " "

contracts
only. }

T. 182. " Wool. Skins

R 242. " " "

L 105. " " Luitania

△ 103. " " "

DIH
C.C.W. 10. " " Quellana.

IT 88. " " "

IT 14. " seal skins Orpua.

AN 5. " " " "

Originals

Wool reports.

- Copy of cablegram of 29th Jan.
- Copy of letter from Pacific of 4th + our reply of 5th Feb.
- Copy of letter from Charles of the Qth + our reply of 7th Feb.

Clients of sales:

SI	53	bales.	Wool.	Siquiria
SI	18	"	"	Oropesa
IT	88.	"	"	Quellana
L	104	"	"	Lunitania
L	1.	"	"	"
DI	103.	"	"	"
CCW	10.	"	"	Quellana
F	19	"	"	"
F	101.	"	"	Oropesa
F	64.	"	"	Shetis
R	243.	"	"	"
IT	4	cks	Seal Skins	Quellana
AN	5	"	"	Oropesa

Copy of letter from Lloyd's of 6th + 11th + our reply of 8th + 12th Feb

Copy of letter from Lambert Butler of 7th + 9th + our reply of 8th Feb

~~Copy of letter from Burgin Ball of 11th~~

Clients of sales:

DS	4.	bales	Skins	"Quellana"
FB	13.	"	"	"
W.P.	7	"	"	"
H.	12.	"	"	"
J.D.	7	"	"	"
L.	21.	"	"	"

SI 1. bale skins "iguaria"
 C.C. 10. 1. " " "Quellana"
 F. 21. " " " " "

Chints reports + contracts:
 42. Seal skins "Orpessa"
 upon 18. 17 hides "Quellana"
 1B 61. " " "
 to 21. " " "
 Copy of letter re provisions from Leavers of 12 Feb.
 Stockers, account for cleaning watches.^{18/10}
 Stolzappels book of instructions for using
 their paint for "Samson".
 Leads. Code for cabling orders for their beer.

London 20th February 1901.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851)

61. Gracechurch Street.

Per Oravia.

No 928

London: E.C. 20th March, 1901.

Sir,

Since writing per Orissa your despatches 170 per Sappho and 171 per Oravia have arrived, on the 25th ult. and 2nd inst. respectively.

2. Your remarks on interviews with the P.S.N. agents have been duly considered. So far the shipping of wool seems to have been well carried out, and in a surprisingly short time, the Oravia having a very good cargo, and yet keeping her time all the way to Liverpool. The word "possibility" applied to the shipment of wool by the Samoa is not quite understood; we expect her to arrive with a cargo of wool as arranged, and the sooner the better. With regard to the buoy for Stanley Harbour, there was an excellent one that we laid down for the Black Hawk's moorings years ago, but which was taken ashore when we gave up the mail service, that ought to answer the purpose, if still in order; do you know anything of this? On the subject of passages, both ourselves and the passengers we supply with tickets will suffer loss if there is any probability of their being turned out at Montevideo. I have written to the head office about this, but have not received their views yet. As to freight from Valparaiso, they agree to a concession of 20%, but I cannot extract from them what their rate to the public is.

3. Par. 4. Sir John Anderson is not now at the C.O. It is difficult to know how to bring home to the Colonial Secretary the fact that in a Crown Colony the Legislative Council is a pure farce. I have made myself objectionable in times past by

W.A. Harding, Esq.,

Manager,

Stanley.

protesting against the waste of public money, and I have brought obloquy on the Company by so doing; but it seems to me time to consider whether the game is worth the candle. We do no good by it, the Governor goes on wasting more and more money at his sweet will, and why should we alone try to stand in his way, when there is not a soul in the Colony who will back us up? Rather, I say, let the people who have to find the money be the first to complain, and then, if they like to send their protests home, we will back them as well as we can. Two years ago I went to see Mr. Anderson, and discussed with him, item by item, the Estimates for the year, pointing out many instances of extravagance. He was much obliged, and certain lines were vetoed, but what was the result? The Governor spent the money all the same, and no doubt my intervention increased the ill feeling he has for us.

4. Par. 6 (170). The P.S.N. Co. agree to the commission on homeward freights being paid here, and I have sent them a statement up to the Orissa. The way they conduct their correspondence is extraordinary; they leave letters unanswered for weeks and to some I can get no replies at all. On this subject I must send them a reminder before the Supplementary mail leaves. The only difficulty I see is in the case of shipments made by outsiders which are not consigned to us here; how are we to know the freight paid on these?

5. Same par. The state of the Sissie seems to be ~~very~~ bad, ~~and~~ and it is further bad news that you are not sure about the boiler. This requires explanation, as it was new only a few years ago. If you do lay her up for repairs you will still have the Samson for heavy work. There was no steam launch in Stanley until four years after the Kosmos boats started, and we used to manage in those days somehow with a gig and whaleboat; no doubt a launch is essential in these days, but is it not possible that having one makes our people more helpless than they used to be when they are temporarily deprived of her use?

6. Par. 8. I cannot think it possible that Mrs. Bonner has any fault to find with her treatment by the Company.

7. Par. 10. We agreed with the P.S.N. Co. to charge £5 to begin

with for turning the ships when we have steam up for another purpose, but £10 should be the sum when we get it up specially on their account. If eventually the lower charge should not be found to pay the question must be reconsidered.

8. Par.13. You have done excellently with the attempted strike of the labourers; to have given way would have been fatal. It reminds me of the strike of Carpenters which Mr. Dean and I successfully fought many years ago. Somehow or other the Falkland people have always lacked backbone, even in the matter of strikes.

9. Par.16. Your report of the treatment received on board the Orellana has been forwarded to the P.S.N.Co., who will call Captain Archer to account on arrival. You were certainly very long suffering to put up with it for so long. These all-night proceedings are something quite new; independently of the cargo what right had the P.S.N. or the Government to expect you to sit up till 2 a.m. getting the mail? If this sort of thing goes on much longer I should be inclined to try being high handed with them. They cannot do without us, I believe, and if you put your foot down and said that you would not be deprived of your night's rest for the convenience of anyone else I am sure that no one in this office would blame you.

10. Par.17. The Board would be willing to sell to Mr. Lingham as many sheep as Mr. Mathews may be able to spare. Either cash in Stanley, or drafts on a credit opened with the London & Brazilian Bank would be satisfactory. Considering the monthly remittance of £1000 through the Crown Agents, drafts would, perhaps, be preferable.

11. Par.18. Correspondence with the Admiralty about the Athene is enclosed; it will be a great relief to hear of her arrival.

12. Par.19. The report about the survey on the Samoa is satisfactory. You should not send her away short of anchors and chains, but probably you can make up the quantity required from the Garland, and if her tackle is too small there is surely some chain about the place that will do. You still keep up the

idea that the issue of the certificate of British registry was dependent on her seaworthiness. With regard to the cargo, it is hard to see your difficulty. In despatch 917-17 you were told that a freight of 20/. of 25/. from Stanley ought to do very well but that we left it to you to arrange. We also said that Mr. Blake would be glad to get some wool by her, so why it was necessary to further communicate with him is not clear. The above instructions gave you absolute carte blanche in the matter, and therefore no further reply was needed. You can fill her with clients' wool at a lower rate than the steam freight, and if they are contented, so shall we be. Briefly, you have to get her home; if you do so at no cost to us, you will have done well; but if, as we expect, you show a profit on the voyage, you will have done better. But get her home. As to the sheepskins, as they did not come in November, they may just as well be shipped in her, unless you see a chance of making a better freight on wool.

13. Par.20. The Board are quite satisfied that you have done the best thing with the barb wire in selling it to Curtze in exchange for wood

14. Par.21. In the matter of the Samoa's cargo I think that the feeling of the Directors is that you have got a very good thing for us, and that if it does realize less than you anticipated at first the profit on the venture is extremely satisfactory. They would have preferred turning more of it into money on the Coast, but since that cannot be done, the next best thing is to work it off in the Store, care being taken that that institution is not too severely handicapped by the prices you put on the goods for the benefit of the wreck. The goods which you have excluded from the Store list, as being in excessive quantity, might be shipped in Samoa for sale here, where we may reasonably expect to get a reasonable price for such things as soap and candles. Salt should be excepted, but surely this can be worked off at Sandy Point or elsewhere on the Coast.

15. Par.22. The Board had satisfied themselves long ago that you ought to have a second clerk, but have left it to you to ask

for one. In reply to your first remark on the subject in 153-17 when you said that you would be able to judge better later on, ^{told you} we ~~explained~~ that if you found the work called for a second clerk you would only have to say so after you had dealt with a few steamers; and later on, in 159-13, you said that you would not then say more as to the ¹ clerk, in reply to which the remark was made that the Directors were the last people in the world to wish to work a willing horse to death, and that any request on the subject would be favourably considered. I recall these remarks to show you that the matter has been in your hands entirely from the first, and that you are mistaken if you think that a word has been written or a hint given against the increase of your staff. In accordance with the request now expressed, we have engaged Mr. Louis V. Oswald, 24 years old, who looks to me to be made of the right stuff, and has good testimonials. He cannot possibly get ready in time for this boat, but will take his passage in the Yorkshire next month. This has been cabled you in our own code in the word "Fenestrate".

16. 171-2. In reply to the question about merchants' certificates on Navy Bills as to Exchange at par, it was the custom for years to get it done; but as the exchange has never been for the last forty or fifty years anything but par, and it is questionable whether there are two merchants in the place outside our office who know what exchange is, it was at last looked upon as a requirement which even the red tape of the Admiralty would not insist upon, and the practice ~~was dropped~~ ^{was dropped.} But if it would make anyone happier if you got your butcher and your carter to append their names to the drafts in future, there is no reason why you should not do so.

17. 17. Par. 4. The P.S.N. Co. are satisfied to adopt your suggestion to wait until there is a consensus of opinion among the Captains, before proceeding to cut more ports in the Great Britain.

18. Par. 5. The Directors have decided to continue the subscription to Dr. Jameson from year to year at their pleasure, the application to be made annually, with such remarks as you may choose to make.

19. Par.6. With regard to the Beeswing coal, your line is approved of; the Governor may mean well, but he does not know how dangerous it is to interfere by way of protest with the proceedings of a ship's Captain. You are not the representative of the Underwriters on any particular policy, and your interference should only take the form of advice. If you protest, the Captain, if he is sharp enough, will throw the responsibility upon you, and you have no more right to take that course, than you have to accept an abandonment without the authority of the Underwriters. The sale of coal at a port at Stanley means loss, and it is your duty to minimize that loss in every possible way. But it does not seem to us that putting the coal up to auction in any other way would have been to the advantage of the Underwriters, probably the reverse. The best way, in my opinion, one at least which I always followed myself, is to give what you think the best advice in the interests of all concerned, and tell the Captain that ~~you are offering that advice, and that~~ although you have no power of enforcing it, you will report it to Lloyd's, and if he disregards it he does so at his own risk, and that of his owners. That generally makes them sit up. It has the advantage of shifting the responsibility from your shoulders to those of the Captain. As regards forwarding coal, there was never a case of heating in any cargo forwarded after having been well turned over in Stanley in my time, and I always considered that advice the safest to give. I am afraid that it has been customary to give way too much to Captains in this matter of late. Should the Governor be ill-advised enough to interfere by way of protest on any occasion, you might make it rather hot for him.

20. Par.8. It is satisfactory to find that you have not been obliged to make use of the credit on the River Plate Bank.

21. Par.12. The mode of delivering cargo is now understood.

22. Par.13. You should charge the tows in one of your accounts according to the agreement reported.

23. Par.18. In order to understand the transshipment of goods from Hill Cove, you should supply us with all particulars, when we shall be able to see whether we could possibly afford to do the work. This arrangement was not made here, I think.

I came up in the middle of what has since proved to be an attack of influenza, and wrote some half dozen sheets as quickly as possible, fearing that I might not be able to get through. I then had to leave, and the despatch must go as it is; I have had no opportunity of reading and revising it, and it is very likely full of repetition and other faults, which under ordinary circumstances would have been eliminated. The doctor's orders are imperative, and I cannot go to town this week; fortunately I have answered nearly the whole of your despatches, and brought notes home with me on various matters, which I deal with in my private letters.

I am, Sir,

your obedient servant,

W. E. Lobb

Managing Director.

Brighton, 21st March, 1901.

Ledger + Journal Entries
Remarks on Accounts + supplementary
Additional Remarks on stores
Letter to W. A. Harding Esq.

London 25th March 1901.

Enclosures.

Duplicates

Despatch No 927. dated 20th Feby
 Ledger + Journal Entries
 Remarks on Accounts
 Remarks on Stores + replies
 List of Enclosures.
 Dutiable Goods for "Quisa"
 Parcels in Pearson's care.
 List of Cargo for "Quisa"
 General Invoice Goods for "Quisa"
 List of Clients Goods for "Quisa"
Clients Apales.

IT.	88.	bales.	Wool	"Quellana"
DT.	103.	"	"	"Luitania"
L.	104	"	"	"
R.	243.	"	"	"Ichetis"
T.	64	"	"	"
F.	101.	"	"	"Propusa"
F.	19	"	"	"Quellana"
C.C.W.	10.	"	"	"
L.	1.	"	"	"Luitania"
J.D.	9	"	Skins	"Quellana"
L.	21.	"	"	"
C.C.W.	1.	"	"	"
F.	21.	"	"	"
W.P.	7	"	"	"
IT.	12.	"	"	"
DS		"	"	"
FB	10.	"	"	"
IT.	14	"	Cks Seal Skins	"
AN	5	"	"	"Propusa"
J.F.	18.	"	Hides in	"Quellana"

(Report + Contract).

Packet Box. Invoice goods for "Sberia" £ 1. 7. 0.
 Blading cargo. for "Quisa"

Wool reports

Copy of Cablegrams of 11th + 15th March.
Draft on Mr Davis for £1. 16. 0. for collection +
Billading attached.

Copy of letter to the Admiralty of 5th ^{15th} ^{Supply}
Copy of letters to the Pacific of the 7th
8th + 12th + theirs of the 5th 6th + 20th March

Copy of letter from Edge Sons of 6th March.

Client's Appeals:-

upon 18 sides "Quilana".
14th - 20. " "
I-B 61. " "

Letters from Summers + Dittliff to Gills asking
for price lists returned.

Gills invoice goods for "Cravia"

Corrected list of Company Cargo.

General Invoice goods for "Cravia"

Copy of letter to the Eastern Telegraph Co.
of 18th March + their reply of 22nd.

Client's reports + contracts:-

I-B 80 bales wool "Cravia"
I-B 92. " "

Brokers. copies Company's wool report for "Cravia"

Client's Invoices goods for "Cravia"

J. J. Feltow 2. 12. 0.
Speedwell & Co 10. 7. 6.
Peru & Co 42. 11. 2.
H. W. Aldron 30. 15. 9.
W. H. Hansen 5. 5. -.

Copy of letter to W. E. Morton of 18th March
Remarks on stores + replies
Billading cargo for "Cravia"

Copy of letter from Gills of 21st March +
quotation for Eschmuns Butter
for 1901.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Yorkshire.

No 929.

London, E.C. 17th April, 1901.

Sir,

My last despatch went per Oravia, and for a reason which I explained I did not complete replying to your no. 171. Your despatch 172 arrived on the 26th ult., and 173 and 174 on the 1st instant. On the 8th inst. your cable from Montevideo "Liguria souplesse Blake" arrived, meaning that she has 412 bales, and that Mr. Blake is on board.

2. 171 - 19. No doubt the work for the P.S.N. Co. is done cheaply, but we have got more than the Kosmos agent was paid even during the dull six months, and commissions on passages and wool freights ought to look up well this half year. At the same time I am letting them know that we do not look upon the business as any great catch, rather the reverse. As regards stationery, it is a small matter, but if you represented to them that letters on their business would look better on their own paper it is most likely that they would provide some, just as they do on all the mail boats.

3. Par. 20 and 174-6. As long as the wool is consigned to us it will probably suit you as well to let it go in the Annie, instead of sending to Port Howard for it, unless you are making a sweeping-up trip to fill the Samoa, and can take it as cheaply as the other vessel. But we hope that the Samoa will be away before this reaches you.

4. 23. Your remarks on the Samoa have been read, and the various enclosures examined with interest. It would be waste of time to speculate about the reason for the shortage, or about the value of the whole being less than expected. It is sufficient for us to know that for a most moderate outlay we have se-

W.A. Harding, Esq.,
Stanley:

cured a vessel and cargo worth a great deal more than we gave for them. As regards the accounts, you have no doubt fully considered the values placed on the goods taken into Store; in some cases, particularly where they are likely to be slow of sale the prices look high, for instance ink, which you know you will be unable to sell for a long time you have taken at the home value. Of the goods remaining on hand which cannot be sold in Stanley probably you are shipping the bulk home, and yet it seems that some value ought to exist in such things as cigarette paper, Fertilizer, Paper, Candles, Soap, Shot, &c., in some of the neighbouring ports, if you only knew which, greater than we shall get here. Regarding your remark about the 25% off the valuation, it is probably safer as you have put it. Had you deducted it before debiting the Store, the latter account would have benefited; as it is, the venture of the wreck will profit this year by the allowance, but should the Store profit be unexpectedly small there would be time to make a transfer of a portion at least. If, however, on goods taken over at £5805 you expect to make a profit of £2345, the Store is not likely to want much help, but your prices should be kept low, so that importers cannot possibly sell against you.

5. 172-4. The fact that the Liguria has a small quantity of wool apparently leads us to hope that you are filling up the Samoa. It would certainly be a pity to send her away half full now that the opening of the Baltic season has been lost. I suppose that the wool screws are still in existence, and that Mc. Lauchlen has not forgotten how to use them.

6. Par. 5. It is satisfactory to hear that the windlass of the Glengowan has been made to move, as it looks like getting her afloat. Enquiries about her are constantly being made, and I heard from Mr. Townsend the other day that he had a definite order from the Argentine Government for a hulk. It will be interesting to hear whether you have been able to make use of the Samson's salvage pumps for the purpose of getting the water out; we have been disappointed at hearing nothing about these pumps, as we do not know yet whether they are in serviceable or-

*Only on Soap
Candles
making them
at 5 Paul*

4/6 1870

der or not, and you can never tell when they may be required.

7. Par. 6. You would be quite wrong in loading the Thetis with tallow, as you could not put casks enough into her to yield more than a few hundred pounds at the outside, seeing that it is carried by weight, and that we should have to regulate this by the low freight we get to Liverpool. I had made a note to say that no more hides should be shipped by steam, but that they should be kept for the Thetis, and all shipped together. In a large bulk they will always fetch a better price, and if properly salted down in the ship we get over the trouble of iron damage, which we cannot get the P.S.N.Co. to admit. Hides salted in the bottom of the Thetis will help her freight, and serve as ballast.

8. Despatch 173. By this mail I cannot go more into details of the accounts than is involved in answering your remarks in this despatch. Generally speaking, they look better than we expected.

9. Par. 3. Farm looks unusually favourable, but on looking into the abstract there are some matters that require explanation. The decrease in consumption stores is good, as also in schooner freights, if permanent. But we cannot overlook the fact that after settling the Camp for the winter Mr. Mathews left for a trip to England. Is it not possible, - I only put it as a question - that had the Manager been on the spot there would have been more to do, more materials therefore required, and more schooners to carry them up, that in fact after his departure the Camp went to sleep for several months? The accounts for this year ought to show whether there is anything in this suggestion or not. The decrease in wages should certainly go to Mr. Mathews' credit, he has been working for this for a long time. But in the item of Stanley wages charged to Farm, it is difficult to understand how there was such a large sum as close on £1000 expended in the previous year, as we assume that only the Butchery and Cooper's wages belong to this account, I should add the Garden. The arrangement of wages in the abstract is not understood where you arrive at the net amount by deducting the cheques on

Stanley cashed at Darwin. Some of the men pay for their goods in cash, and thus the Darwin Storekeeper gets a certain amount of money in hand, which he would remit quarterly to you were it not that he is in the habit, as far as it will run out, of purchasing cheques from men who do not want to go into Stanley to cash them; these cheques, therefore, represent money received in payment for stores, and how they serve to reduce the wages is not at all clear. The only way, it seems to me, of ascertaining the exact amount of wages earned during the year, would be to add up the Darwin pay sheets, which would give it precisely. Perhaps you can explain this puzzle. If the renewals of shearing machinery have been charged to Plant this year, which is quite right, what account has been credited with the sum paid by the shearers for combs and cutters?

10. Par. 4. The Store probably looks as well as it could have been expected to do under the circumstances; the sales for the year were the best for some time. I shall ask the Auditors whether we cannot show the compensation to Fleuret in a separate account, though in charging it to Store you have done what was thought best at the time instructions were sent out. Charging as stock in hand the large quantity of goods still at sea was an error; I do not know whether such a case has occurred for some years, but it was formerly the custom not to notice entries from London of cargoes still at sea on the 31st December, and if you have any of the old London Balance sheets you will see that there was almost invariably an entry of "Stores in transit". This is the only way of dealing with such stores that is correct, for if the ship happened to go down the goods would never get into the Store at all. With the sanction of the Auditors we shall adjust this account to show the value actually on hand on 31st December. It is different with the goods shipped for clients, as they are bought for them, and chargeable at once.

11. Par. 5. Company's Shipping looks healthy. I suppose that with the mail agency work the Sissie actually is worked at a profit? The Board would like to know this, as it would help to decide the question whether we ought to replace her or not. If

it is going to cost £200 or more to patch up a launch 31 years old, which has been a drudge in Stanley for 17 years, and is more than shaky in her machinery, it is questionable whether it would not be better to replace her with a newer one, which might be bought for not much more money than it would cost to thoroughly repair her, if the machinery is taken into account.

12. Par. 6. The schooners, as you say, are not satisfactory. It seems that to make them pay we have to give them work ourselves, and that is an expensive way of doing it. As the Thetis, owing to her capacity, can carry wool on the coast cheaper than the schooners, having also the advantage of lower wages, we ought to use her as much as possible, for it is better for the Company generally to bring the cost of carriage to the lowest point we can, regardless of the question whether the profit goes to the Island establishment or the London office. It is worth considering whether one of them at least could not be paid off and laid up in the slack season, more especially when in need of repairs. It seems that the loss on the working of the Fair Rosamond is due to some extent to her having been under expensive repairs, with the crew on wages, presumably, all the time. There are difficulties about letting the men go, we know, but if at any time this ~~can~~ ^{could} be got over it would be better for us. The position seems rather a curious one; we have knocked off practically all competition on the coast, and yet we cannot run our vessels to pay: It means, of course, that we charge too little, and how to raise the rates without inviting renewed competition is a problem that it rests with you to solve. But with our advantages we ought to make money by charging the rates that pay the small owners, if they do pay them; if they do not, are we not standing in our own light by supporting them financially, as we have done in more than one instance? As you mention that both the Hornet and Fortuna must undergo repairs this year, you will no doubt try to get the work done before engaging new crews.

13. Par. 11. As the action against the owner of the Enola C. is still proceeding in the U.S., the time for writing off the balance as a bad debt has not yet arrived.

14. The subsidiary accounts will be dealt with later on. The worst feature of the accounts is the position of our clients, owing, of course, to the low prices they have realized for their produce. The sundry creditors have decreased by £6938, while the sundry debtors have increased by £8007, and making allowance for a certain quantity of produce that was sold too late in the year to be credited the position is a serious one, which calls for immediate attention. Probably the Board will consider this question next week, but you should without further instructions let those whose accounts are unsatisfactory know that we cannot go on giving them unlimited credit, and that we may feel it necessary to take security for their indebtedness or cut off supplies altogether. As a matter of fact, if the wool market gets no better we shall be keeping a lot of our clients at our own expense, and this is a state of things that cannot be continued long.

15. 174-3. Considering the large quantity of cargo the despatch of the Iberia seems to have been good. I enclose a copy of Captain Kite's report on Stanley, which the P.S.N.Co. sent, and on which you may wish to make some observations. If not flattering it is always useful to see ourselves as others see us, and I do not think that in this instance there is much to which you can take exception. Naturally the Captains, who are hauled over the coals at Liverpool if they make long passages, like to get the lighters alongside at the earliest possible moment, and you are no doubt alive to this. When Captain Thomas arrives you will probably be relieved of a good deal of worry, and he will know better than Mc.Lauchlen does how necessary it is not to lose a moment. I enclose also a copy of my reply to the P.S.N.Co.

16. Par. 4. There is no reason why the Thetis should not go to Saunders Island next year, as the anchorage is good; that is assuming that she remains in the trade.

17. Par. 5. The P.S.N.Co. will write about the various questions raised with the Government when they have conferred with some of their Captains.

18. Par. 7. The Wasp will be insured for £200.

19. It is unfortunate about the ram having been injured, you

or Mr. Mathews will of course make a further report on the three. We hope to hear that the Thetis is not much delayed. Full allowance must be made for the congestion of work, but we hoped to hear that it was possible to give her a hulk into ~~which~~ which Thomas could discharge with his own men.

20. Par. 10. Remarks on finance are noted. The mention of Mr. Packe gives us the first intimation that he is still working for the Government; it was understood that he was only acting until the arrival of the Colonial Secretary.

21. Par. 11. 16 days have elapsed since the receipt of the last despatch, and no further advices by the Basilisk have arrived yet. This is disappointing, as although we fully appreciate the difficulties you are in through overpressure of work, the fact remains that we have had no answers to despatches of several months ago, and in many respects this is inconvenient.

22. I think that from the P.S.N. letter of the 20th ult. you will understand that the tariff rate from Valparaiso is 42/6d., and you will evidently do right to debit them with 20% on this from the beginning, assuming that this is the rate. On this subject you may have heard from Mr. Sharp.

23. With reference to the allowance granted to Dr. Jameson, as the list of debts shows that he has left his Store account unpaid for too long a period, you must let him know that we hold ourselves at liberty to credit the allowance on this account instead of paying it in cash.

24. I may mention that Underwriters have no great opinion of surveys held by Naval officers, and would prefer to see shipmasters appointed, as being more practical men. This is rather amusing, and I give it for your information only. We are in a difficulty about the Samoa's insurance, and cannot clear it up until we get the report of final survey. This is so important that I cabled you on the 4th inst. on the chance of a man of war going down before the mail, "Caparbieta Final survey Capiglia Samoa Scafificio", meaning, "Send soon as possible certificate of final survey, certificate must clearly establish (that) Samoa is perfectly seaworthy". We have insured the ship total loss only at 80/., with an additional 7/6 for the running down risk to the

amount for which she would be liable. With regard to the cargo, we shall endeavour to put it on our usual policies, but at present the Underwriters will not recognize her as a ship, it is therefore necessary that we should fortify ourselves with the certificate asked for, and that we should get it at the earliest possible moment. It rests with the Underwriters to prove unseaworthiness, and at present they are in a position to say that she is only a wreck; but if you send the certificate, which should state that the recommendations of the first survey have been carried out, and mention expressly that she is fit to carry dry and perishable cargoes to any part of the world, we shall be quite safe. If you do not send the original, which would be the best course, the copies should be certified by you as Lloyd's agent. Bills of Lading for any cargo on board should be forwarded by the first opportunity, and we can then get the values endorsed on our policies. In the absence of the Certificate our only course would be to insure at what rates we can get; you will therefore see the importance of this.

25. That was an excellent stroke of business about the hexagon steel, and I am glad that it went; I felt sure that it was for the Naval Works.

26. As the question of moving the Great Britain has been mooted, it may be well to mention that there is a messenger chain to the windlass from the steam winch, so that it would be unnecessary to use hand labour. I draw your attention to this, because I think that the last time the anchors were lifted was in 1887, and the chain may have been mislaid or forgotten.

27. You lately remarked that the crown of the Robey boiler showed signs of falling in; I do not doubt that it is beyond repair, but with regard to the crown I have some recollection of making the same remark in 1882, and finding that it was built with a concave crown, which led us to think that it was going wrong.

28. We have settled the freight on Cameron's wool by charging a local rate of 15/., the Pacific receiving the full 30/. In shipping wool for others than clients, however, the full charge

should have been made by you on the Bill of Lading, as if the consignees had disputed the local charges, we should have had no remedy against them in the face of the rate of 30/. entered on the B/L. I do not think that 15/. is an out of the way rate in such a case, where the work done was not for a client, but to oblige an outsider at his own special request.

29. I have repeatedly asked for the Samson's crew's account of wages up to the time she was paid off, but no notice has been taken of this as yet. It is not a matter for the office, but for Captain Rees, who must have all particulars in his possession.

30. By this mail the new junior clerk, Mr. Louis V. Oswald, goes out, and you will no doubt be as glad to see him as we are to relieve the pressure in your office. He is well recommended, and has given us here a very favourable impression. I hope that you will have heard of some lodgings where he can be accommodated as reasonably as Mr. Gorton was. He leaves this afternoon, and will have some expenses on the way to Liverpool, which you can settle with him.

31. I quite understood from you that Capt. Thomas would be able to leave the Kate Thomas in Iquique, and that you had written to him to go to Stanley at once; it was therefore with much surprise that I received a cable from him from Portland, Oregon on the 29th ult. as follows:—"I have no instructions from Harding expect every moment to hear waiting instructions to proceed". I cabled in reply, "Proceed Stanley", and had another message on the 2nd April, "Will proceed Stanley". Knowing nothing about steamers on the West Coast I cannot judge whether he would be in time for the Oropesa, leaving Valparaiso on the 23rd inst., if not he might try for the next boat from Montevideo. In any case this delay is regrettable.

32. We received notice that the annual survey on the Samson's boiler was due, but on learning the facts of the case Lloyd's Register have agreed to your appointing a Chief Engineer from a man of war of the P.S.N.Co., and I understand are communicating with you direct on the subject.

I am, Sir,

your obedient servant,

James S. ... Managing Director.

ENCLOSURES

per Consignee's Letter via Lisbon

B/Lading Cargo per "Yorkshire"

List of Cargo " " (Company's)

General Invoice Goods per "Yorkshire"

Brighton College schooling fees for J.J. Felton

Eills Invoices

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores & Replies to Remarks

Clients Invoices :-

H & G Cobb 7 .15 .8

Mrs Williams 40.3 .1

(debit note) Holmested & Blake 10/-

Wool weights for 1899/1900

Copy of letter from Mr A Robertson re sheeps'runners of 19th April

Letter for E. J. Matthews (2).
" " L.A. Boston

London 20 th April 1901

Enclosures

Duplicates

- Despatch No 928 dated 20 March.
- Ledger & Journal Entries
- Remarks on Accounts
- List of Enclosures
- General Invoice of Goods per "Oravia"
- List of Cargo per "Oravia"
- List of Enclosures per Consignees Letter
- Parcels in Pearsons Case
- List of Dutiable Goods
- Remarks on Stores & Supplementary Remarks
- Replies to Remarks on Stores

Clients Invoices :-

- Mrs Hansen £ 5. 5. 0
- Vere Packe 42. 11. 2
- J.J.Felton 2. 12. 0
- Speedwell, Islands/c 10. 7. 0
- H.Waldron 30. 15. 9

- J.J.Felton's A/sale for Hides per "Orellana"
- B/L Cargo per "Oravia"
- Copy of letter to W.A.Harding Esq of 20 April



Wool Reports

- Copies of Brokers' A/sales Company's Wool per "Orissa & "Oravia"
- Dawson's Account for W.A.Harding Esq £ 2. 19. 6
- Copies of Cablegrams of the 25 March & 4 April
- Letters from Mrs Kirwan & Mrs Davis to Eills asking for price lists
- Cowley's Account for B.Stickney

Clients A/sales:-

- HB.93.Bales Wool "Oravia"
- JB.80. " " "

- Mr Oswald's agreement & testimonials
- Brighton College schooling account for J.J.Felton
- Copy of letter from the Pacific Steam Navigation Co of 11 April
& Capt Kite's report attached & our reply of the 15

Copy of letter from Lloyds Register of Shipping of 19 March re

Samson's boiler survey

Copy of letter to E.T.Doxat from Langridge of the 3 April re

Samoa's insurance

Client's Invoices :-

A.Pitaluga 74. 10. 10

Packe Bros & Co 17. 4. 9

Dr Foley 4. 2. 11

Letter from Ripplingille's Albon Lamp Co of 16 April with illustrations
of thier ²¹ leading Stoves

Press copy of HB's A/sale remainder of Hides ex"Orellana"

Jaffrays agreement

Copy of letter from T.A.Hill of the 16 April & prices attached

& our reply of 17th April.

LONDON 17 April 1901

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Per Liguria.

No 930.

London, E.C. 15th May, 1901.

Sir,

My last despatch went per Yorkshire, and your despatches 176 and 177, per H.M.S. Flora and Liguria, have arrived, on the 28th and 29th ult. respectively.

2. 176-2. The Board have attentively considered your remarks on the subject of the Thetis. While giving you credit for stating what you believe to be the facts regarding this vessel, they cannot accept your unsupported statement that she is not a weatherly vessel, incapable of going to windward and beating a passage better than the majority of square rigged ships, for we have the written testimony of two out of her three Commanders which states precisely the opposite. Copies of their statements are enclosed. As regards making an annual profit, we have certainly hoped that she would give a good return on the money expended on her, instead of which we find that she loses steadily several hundred pounds a year, when we take into consideration her annual depreciation, and the interest on her cost. The business she brings in is inconsiderable, and we would rather be without a good deal of it in these bad times, when we have to find cash out of pocket for the purpose of supplying clients with goods for a commission of $2\frac{1}{2}\%$, and do not feel too easy about seeing this cash back again. If she goes out again, the sliding scale you propose may be adopted, and the idea is a good one, but that is an after consideration. With regard to the work to be done on the coast, if there is too much for all our vessels, those that carry least, and are relatively ~~the~~ the most expensive to work should be laid up. There can be no question of running her out and home two voyages a year, for two reasons at

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

least; she has a double bottom for extra safety in coasting, in the event of getting ashore, and this bottom contains when full 80 tons of water, while the space it occupies would probably take more in dead weight. In most cases I think she has had to go out with the ballast tank empty, which means that had that space been available she might have carried in light measurement goods considerably more cargo, and to run a ship backwards and forwards constantly with such a large space occupied by a totally useless double bottom would be absurd: if it became necessary to run a ship as you suggest a much less expensive and at the same time a more roomy one could be bought for much less than the present value of the Thetis. But there is another objection, and that is that in my experience of 34 years I have never known a ship make two complete voyages in the twelve months, although it has been tried frequently. That means that you would have an element of uncertainty as to the time wool could be shipped, which in good times would not do at all. You have only to imagine her arrival in September or October in a year when all our clients are clamouring to get their wool home to see that it would not ^{answer.} ~~answer.~~ If sailing ships are necessary, chartering would be cheaper. This question is not worth discussing further. We are of opinion that had it been possible each year to carry out the Thetis's voyages as we intended and hoped they would be when we bought her, she would have been a profitable investment, for the gross earnings have been undeniably good. But everyone connected with shipping knows that long delays are fatal to success, and it is here that the personal element comes in, and upsets calculations. Without throwing any slur on the capacity of her several Masters in the line they are at home in, deep sea sailing, we do not think that anyone of them has been capable of knocking her about the coast as, for instance, Rowlands would do. You would not find one man in a hundred to combine ability in coasting with the other kind of sailing, and when we consider that they have been naturally only imperfectly acquainted with the coast, we feel that we may have expected too much of them. That, however, does not alter the slow

progress round the coast which we see is inevitable. I may add that it does not appear that this progress is in any way hastened by the assistance given by the consignees at most of the ports she visits. Then there is the delay in Stanley. Last year we pointed out that a stay there of a month and a day at the outset was excessive; the reply to this is an increased stay of something like five weeks on the present voyage. Well, you having, no doubt, done all you could to give her despatch, and failed, we must assume that it is impossible to accelerate her movements as far as Stanley is concerned. That, however, does not alter the fact that these accumulated delays are absolutely fatal to success. The position, then, with which the Board is confronted is that we have a ship which is steadily losing money, and approaching the time when the second Lloyd's survey will become due, a survey of the most crucial character, and that to sell her only a short time before this survey will mean a serious depreciation in her value, while if we put her through it ourselves we cannot tell what the expense may be. On this position the Board will have to take action.

3. Par. 3. You have taken the right course with Ogilvie, and having plenty of time in hand we have succeeded in getting a man named David Dick, 29 years of age, with a wife and one child, who, if he fulfils the agents' expectations, will be the very man you want. Copy of their letter is enclosed, and you will see that they have had several candidates, of whom the one selected seems to be the most desirable. They have seen Mr. Gardiner, foreman of Gourlay's, who thinks that the one Blyth mentioned must have been a man named Hutton, who went to Glasgow some time ago, and whose address is unknown. The choice practically lay between two candidates, and both of them thought the wages offered, £10 per month, rather low; I told them however, that if he gave satisfaction Dick would have no cause to regret taking the place, and that there were certain extras to be earned quite outside the agreement. It has always been the custom to get such men at wages somewhat lower than the usual Stanley pay, and advance them if they showed themselves worthy after a

time. Fleming & Haxton pointed out that it has become usual in sending out mechanics to most Colonies and places abroad to give them second class passages, and that when going out on their own account men in their position usually took those passages; so to avoid any dissatisfaction at the outset I made this concession, saying at the same time that this should be taken into consideration in fixing the wages the man starts with.

177
 28²-65
 8¹/₂-9²/₁₀

4. Pars. 4 & 24. It is a good thing that the Athenè has arrived at last, but we stand to lose a good deal, I am afraid, over her delay. You do not say whether the Flora took coal direct out of her, nor have you mentioned the price at which she coaled, or whether you gave the ships more of our own cheaper coal at the lower price contracted for when the 650 tons had run out. Nor have you mentioned the stock in hand, which you have been asked to do whenever there has been a change. All these details are not only valuable but necessary to us in view of a further contract. The Admiralty have asked us to quote for 1200 tons for next year, excluding what remains of the Annie's cargo, which is rather a facer, and I am to see the Director of Contracts when he returns to London. If this is persisted in we shall not only have to suffer the present loss of interest on a large surplus stock, but shall have to use it ourselves over a term of years, and lay out several thousands more on the new supply for which we shall get no return until the ships go down next season. I am, however, in hopes that when I explain that our coal is kept under hatches the Admiralty will relax, although we can hardly expect to sell the balance at the unusually high contract price. If they will not, it will be for the Board to consider whether we should offer to contract at all, and from the fact that the enquiry is made at so early a date it is not impossible that the Admiralty may have foreseen this, and decided to hurry up their own coaling arrangements in the event of our declining.

5. Par. 6. If the labour difficulties at Stanley continue, the question of getting men from Chili or the Plate on short terms

and boarding them on the Great Britain will have to be considered, and such a step may put an end to the difficulties from which you suffer. This is assuming that you find it impossible to increase your staff of permanent labourers by taking on a number on monthly pay. You would have to work out carefully the cost of the passages spread over the time the agreement lasts, as well as of the provisions to be consumed. The difference between 3/6 per day and 6/. is considerable, but not so much when you consider the free board. On labour matters we hope that you will benefit much by the help of Captain Thomas when he arrives; one thing is certain, the state of congestion that has existed for so many months must not be allowed to continue, and the sooner the way out is seen the better it will be. As regards the passages of labourers, should the plan be decided upon, we must strongly urge on the P.S.N.Co. the necessity of giving them at greatly reduced rates, as it will be much to their benefit, and we may, if needful, tell them that without some assistance of the kind we must raise our agency charges, or give it up altogether.

6. Par.9. It is to be hoped that the refit of the Sissie may make her useful for some time yet. It occurs to me that if the boiler already wants retubing sufficient care can hardly have been taken of it, and as it has never been lagged there must have been great waste of fuel. It is strange that Kelway, who I suppose still drives her, has not reported the necessity of this. When she is again in working order, you ought to see that she is not put to work above her power; I am sure that any Engineer would tell you that a launch of her power, intended to run as a despatch boat, should never have a heavy drag put upon her; it is something like harnessing a pair of ponies to the Lord Mayor's coach, you must take the life out of her before long.

7. Par.14. I do not think that we should make a retrospective claim for extra wages on the steamers; it is a point gained that the P.S.N.Co. have agreed to bear the expense in future, and I should be rather afraid of reopening the subject.

8. Par.15. The consumption of coal in the Samson is less than we thought.

9. Par.16. If you do not like putting yourself on a survey as Lloyd's Agent you could appoint Mr. Felton or Williams, or any one connected with mercantile business; but a carpenter is not the man to give an opinion on coal. But you need not be too squeamish, you are the right man to hold a merchant's survey, whatever fools who know no better may say about it. If you give an honest opinion it cannot harm you at Lloyd's.

10. Par.21. Your remarks on finance are noted. It is satisfactory to hear that the sale of the Samoa's cargo is progressing well. A statement of goods shipped out in 1899 and 1900 is enclosed, and if you see anything wrong in it you will please point it out.

11. Par.22. A copy of your remarks on the Liguria was sent to Liverpool, as well as those on the Iberia and Yorkshire. Mr. Ward was here a few weeks ago, and we talked over the Stanley difficulties thoroughly. The P.S.N.Co. are most desirous of getting along smoothly with us, and special injunctions have been given to their Captains to avoid creating any friction, so that I hope that you will be treated with more consideration in future. As regards the Orellana, Captain Archer disclaimed any intention of doing anything discourteous, and thinks that you cannot have heard some remarks that he made to you. There was plenty of room in the ship, and had you expressed a wish to lie down a cabin would have been placed at your disposal, so that had you asserted yourself at all there would have been no need for pacing the deck all night.

12. Par.30. Mr. Stebbing, the Registrar of Shipping, who is one of the most polite men I have ever met in the Civil Service, called here last week about the Samoa. He said that the Shipping Master had made a disastrous blunder in giving you a number that was already appropriated for a ship belonging to another port. It appears that a set of numbers had been assigned to Stanley, but that they had all been used, and that instead of asking for more when the series ran out the number next follow-

*Orellana
29 Dec
6 January*

*Did ask
about cabin
said there was
none.*

ing had been taken. However, as the ship is coming to London the trouble will not be serious, as it will only entail carving another on the beam. Mr. Stebbing was fully acquainted by me with all the circumstances when I consulted him some months ago, and he ridiculed the position taken by the Governor in refusing the temporary pass, which the M.S. Act provides for. In buying a ship in a foreign port such a pass is constantly given by British Consuls, and as you know the Act extends the power to Governors. You were quite right, as he was obstinate, in getting the Certificate, and so ending the difficulty. The declarations required seem to have been numerous; I wonder whether the Government were aware that the Company has only one official seal, and that that is locked up in London. Probably they were satisfied with a piece of red sealing wax. It would serve no purpose to repeat what Mr. Stebbing said about the blunders committed by Colonial Officials.

13. 177-2. In desp. 168-3 you distinctly wrote that Johnson was putting a new maintopmast, not topgallantmast, on the Samoa.

14. Par. 3. I will endeavour to find out what the German Government are doing about the Consulate.

15. Par. 8. At present I have only got a quotation for the Fortuna's rigging from Camper & Nicholson, and it amounts to £78, which seems enormous. I have now sent the dimensions to a London firm, who have been recommended, and no doubt their price will be much lower. I could not very well ask the Gosport people for the draft, and the rigging must be worked on the measurements given. We used occasionally to lift the rigging from the mast heads of schooners to see if it was all right; if this had been done in time, would not the mischief have been discovered before it had gone too far?

16. Par. 9. From all we hear it is evident that strong protests against the Governor's excessive expenditure ought to be made, and any remonstrances from the Colony would be supported by us. But beyond certain vague statements we are much in the dark about what is going on, and so can do nothing. If you could supply us with a definite statement of all the iniquities that

are being perpetrated, probably the Board would not object to laying them before the Colonial Secretary in the interests of the Colony, but anything sent must be a solid fact, capable of proof up to the hilt. It is stated that a certain sum has been allowed for improvements to Government House, but that this sum has been nearly exhausted, and that there is nothing to show for it but a new stable, the old one having been quite good enough for all purposes; that a huge sum further is going to be laid out on sand, that bricks are being made in the Colony at many times the cost of imported ones, and that the native manufacture crumbles when exposed to the weather, that, in fact, it is only a faddy experiment carried on at the expense of the taxpayers; that two horses have been imported from Montevideo at £40 each, the animals proving to be useless and unbroken, and in any case the cost being much higher than what would have been asked in the Colony; that Government House at the present rate is going to cost many thousands over the sum allowed, that all the extravagant expenditure is being incurred for the personal convenience of the Governor and his officials, and nothing for the Colony; that the Government staff is excessive considering what work has to be done, and that the consequence of all this is that taxation is constantly increasing, that the Government's balance with the Crown Agents is always on the wrong side, showing that the surplus left by Governor Kerr has long ago been frittered away and that the Colony is getting more and more into debt. Whether this is all true, or partially true, or whether it is only Colonial gossip, we have no facts to prove; but if it is half true, it is a serious indictment. We know of course that there is an Export tax on wool and the principal products of the Colony, and if only we could make as much noise about it as the coal people ^{have raised} ~~are~~ about the coal tax here, we should have a much better case for its repeal than they have. Of course we cannot write to the Colonial Office and state that the above charges are facts, and I can only repeat that we cannot act until we are provided with statements that cannot be controverted.

17. Par.11. I have gone into the question of Mr.Felton's fencing, and am of opinion that he has no case. I have seen his original order, which is marked to be shipped by Orchid. For a long time it was in doubt whether the Orchid was going out again, and if so, when, and peridical enquiries were made on the subject of Captain Thomas's agents. When it was at last decided that she would not make another voyage, I took it upon myself to ship Mr.Felton's goods by the Thetis, although he had given no instructions on the subject, and in doing so I think that I am entitled to some credit for having saved him expense, for I might just as well have sent it by steam, or not shipped it at all, pending instructions. All the order, I believe, went but the fencing, and that having to be specially prepared was not in time, and had to be sent afterwards; that is the simple explanation. Mr.Felton is wrong in suggesting that there were plenty of other firms who could have supplied in time; fencing is a commodity that is not kept in stock, and anyone else would have been as long, probably longer.

18. Par.12. The roofing of the Charles Cooper looks a great improvement, and the Board hope that the increased storage may prove to be useful in the way you suggest.

19. Par.15. The remittances made came in very usefully.

20. Your despatch per Yorkshire was numbered 174, that per Flora 176; we do not appear to have received 175.

21. Your despatch per Liguria was disappointing to the Directors inasmuch as it gave us no further information about the probable sailing of the Samoa, in fact there was nothing about her at all. On the 22nd March you reported that you hoped to get her away within three weeks, that is the 12th April. The Liguria seems to have left on the 2nd or 3rd, and it is natural to suppose that you could on that date have told us more than you did by the Flora. But our surprise is increased at getting no news by cable, either direct or through Lloyd's, by the Oropesa, which arrived at Montevideo on the 5th of this month, and must have left Stanley about the 1st, or 19 days after the Samoa was expected to sail. You can hardly understand the interest the

*Returned on 17th
 Make per
 Liguria said
 well could
 so - also heard
 from Mr. King that
 her cargo
 that
 better
 as all
 said
 especially*

Directors take in this vessel's movements, or you would have taken care to keep us better posted. The crew seem to have gone down from Montevideo by the Orissa, which arrived in Stanley on the 21st March, and Mr. Blake, who arrived by the Liguria, tells us that he thought she was ready to leave. It is not only the vessel herself, but the cargo we are anxious about, and this state of uncertainty is most annoying. If anything serious had happened to prevent her sailing you would surely have cabled by the Oropesa, and we are absolutely puzzled. There is also the important matter of insurance, which should have been righted long since by the transmission of the final survey report, for which we cabled last month, finding that it had not been sent. We can only hope now that the Yorkshire will carry a cable to Coronel which will set our anxiety at rest.

22. In despatch 176 the letter said to have been enclosed for Mrs. Williams was not found.

23. In consequence of a difficulty that has arisen through wool consigned to Mr. Dean having to go to another warehouse from ours, delay being caused in sorting in the Liverpool steamer on arrival here, it has been arranged that you are, as far as possible, to have his marks delivered separately to the steamers, and a note of them given to the officer who receives them. This is done at the request of the P.S.N.Co., who probably are giving their people instructions. Next year Mr. Dean will send his wool to the London Docks.

24. The Tilton and Nimrod are written up in consequence of heavy repairs, increasing their value, having been undertaken during the last few years, but there does not appear to have been any such expenditure on the Fairy. Has anything been done to her since I left Stanley, and what is her condition?

25. In despatch 919-20 I said that we were not anxious to get all our own wool home in a bunch this season, and that you should endeavour to get a fair admixture of the clients'. For the first time, I think, you have sent every bale of ours that was ready, and it all arrived before the end of April. There may have been a reason for this; but when you find that you have to

act diametrically in opposition to your instructions, in justice to yourself you ought to give a reason. There is a very small admixture of clients' wool to hand as yet, and if the reason for this is that they have delayed to get it ready, the fact must not be forgotten when the markets are more favourable another year. For the first time on record we have withheld all the wool in hand from the present sales, the prices being desperately low. The outlook is bad, but it can scarcely be worse in July.

26. We received a cable on the 6th inst. about the Bertrand family, which was communicated to Mrs. Nichol, and also advice of 281 bales per Oropesa.

27. Three shepherds named H. Macmillan, W. S. Cargill, and C. Cruikshank go out by this mail, the latter having a wife and child.

28. The P. S. N. Co. are still urgent about moving the Great Britain, as they say that the Liguria grounded at low water when alongside. If it is possible to make an arrangement with the Government for a spot that will not seriously inconvenience us this should be done as soon as possible.

29. I send a copy of letters that have passed on the subject of the trade stated to have been done by the Kosmos Co. in potatoes in flour. You will know whether there is anything in it.

30. The outlook in the wool market is so gloomy, that the Directors are becoming alarmed about the large increase in our clients' indebtedness, and desire that you will, without any hesitation, take all the steps that you may consider necessary to protect our interests. By your despatch 176-7 you are evidently alive to this, and it is not necessary to do more than point out those accounts that require your special attention. Mr. Packe's is the worst; we have every faith in his integrity, but the fact remains that it is still increasing, notwithstanding that attention was called to it two years ago, and the Board consider that the time has now arrived when it becomes necessary to secure the Company by getting him to execute a mortgage. I may add that a little advice as to curtailing his personal expenditure

would be seasonable. Mrs. Williams's account is a difficulty; Mr. Dean has the produce, and we have no security, and the position is made worse by the fact that she has been unable to raise a loan of £1000 to help her to pull through. Mr. W. Williams should be told that we can only advance the barest necessities to enable him to carry on, and that it is possible that the credit already granted may be curtailed. Mr. H. Waldron has been ~~xx~~ asked to make arrangements here to put his account in a more satisfactory state before leaving, failing which we may have to stop his credit altogether. The small accounts want well watching, and it is questionable whether some of them ought not to be stopped altogether. Mr. Felton's, although reduced by the sale of his wool, is higher than it should be, and if there is anything coming to him from Roy Cove, he should place it to his credit. Perhaps he may have property in the Argentine Republic that he is thinking of realizing. Although Bertrand & Felton show, as usual, a good balance, it is not altogether satisfactory to see the individual partners with balances against them, especially as, in Mr. Bertrand's case, we have advanced him £2000 for his farm on the Coast. Mr. Anson has a private account that does not look healthy; is the firm good for this? Generally speaking, you must watch all clients' accounts carefully, insisting on security where necessary, and stopping supplies when you cannot get it. You must also bear in mind that under an ordinance passed many years ago liens can be given on growing crops of wool, and of this you may have to take advantage. As to the Stickneys and Baillions, I have told Mr. W. Stickney that we shall increase our charge for money, and I asked him for a cheque for the balance due in December, which he is at present unable to give. I enclose copy of his letter. ⁺ Regarding the shipment of goods on commission, we shall stop them unless people can supply cash, or their accounts are good enough to cover them. Times are exceptionally bad, and it behoves us to take the utmost care in dealing with our customers, or we shall get into a mess. ⁺ With these remarks it is left to you to do all that is necessary to prevent it.

I am, Sir,

your obedient servant,

Edmund Selby

Managing Director.

*Cheque for
Mr. Dean
of £1000
+ debit for
Mr. Dean's
of £2000
last 1/2
has a f 170*

ENCLOSURES

per Supplementary mail via Lisbon

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Eills Invoices goods shipped per "Liguria"

B/L Cargo per "Liguria"

List of the Cargo per "Liguria"

General Invoice goods per "Liguria"

P.O.O. for £ 3 for collection see remarks on accounts

Copy of letter from Eills & Co re Butter

Copy of quotations for "Fortuna's" new rigging Camper & Nicholson's of 10th & Binks Bros of 15th May .

Corrected copy of debit note P.S.N.C. commission on homeward freight per "Yorkshire" £ 29 . 18 . 2

Letter for E. J. Mathews

London 18th May 1901

ENCLOSURESDUPLICATES

Despatch No 929 dated 17th April

Ledger & Journal Entries

Remarks on Accounts

General Invoice goods per "Yorkshire"

Clients Invoices :-

Dr Foley 4 . 2 . 11

A.Pitaluga 74 . 10 . 10

Packe Bros & Co 17 . 4 . 9

Holmested & Blake 10/-

Mrs Williams 40 . 3 . 1

H & G Cobb 7 . 15 . 8

List of Dutiable Goods per "Yorkshire"

List of Clients Cargo per "Yorkshire"

Cargo per "Yorkshire"

Remarks on Stores and replies to remarks

B/Lading cargo per "Yorkshire"

List of Enclosures

XX

ORIGINALS

Wool reports

Cable of the 22nd April

Copy of letter from W.Stickney of the 25th April

Shepherds' agreements H.Macmillan & testimonials, W.S.Cargill and
C.Cruickshank.

Captains' reports on "Thetis"

Copy of letter from S.Birch & Co of 24th & our reply of the 25th
April re Mineral waters.

Kirkland Copes account for B.Stickney 5 . 16 . 2

" " " Company 1 . 16 . 0

Copy of letter to Pacific Steam Navigation Co of the 3rd May. (2)

Particulars of shipments out in 1899/1900.

Aldridge's letter to Eills of 3rd April returned .

Copy of letter from Spreckels of 19th April

Copy of letter from Fleming & Haxton of 8th May.

Packe Bros & Co invoice goods out per "Yorkshire" £ 50 . 9 . 3

Copy of letter to Bain & Co of 7th May re Standards.

Abbott's catalogue of Waterproofs

Burton & Ball's circular re sheep-shears (new pattern)

Client's reports :-

HGC 97 bales Wool "Yorkshire"

J.B 127 " " "

S.I 75 " " "

Particulars given on plan for making "Wasps" sails.

Copies of Broker's reports Company's wool per "Yorkshire"

Client's Credit notes :-

A.Pitaluga £ 17 . 9 . 8

Packe Bros & Co £ 6 . 1 . 3

Dean & Anson £ 5 . 10 . 4

C.C.Wesell £ 5 . 19 . 3

Press copies of debit notes on homeward freights "Oravia" and
"Yorkshire"

Remarks on Accounts for 1900

Copy of letter from Arthur & Co of the 14th May

LONDON 15th May 1901.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851)

61, Gracechurch Street.

Per Oropesa.

170 931.

London, E.C. 12th June, 1901.

Sir,

Confirming my last despatch per Liguria, I have now to acknowledge the receipt on the 28th ult. of your nos. 178 and 179. Your previous despatch, no. 177 came per Liguria on the 2nd ~~May~~ ^{April}, and the Board would like to know why you neglected to write or even send the Liguria's duplicates either by H.M.S. Basilisk on the 11th, or H.M.S. Nympe on the 23rd April. No vessel should be allowed to leave for Montevideo without a despatch, unless there is absolutely nothing to report, which is never likely to be the case. We received on the 3rd inst. the cable:—"Orellana riunitivo", i.e. 102 bales, and Lloyd's had advice via Valparaiso of the sailing of the Samoa on the 8th ult., though why you did not avail yourself of the new arrangement for cabling via Coronel is not understood.

2. 178-2. I never heard that the steam required for the watering pump was a tax on the Wasp's steam, but there is so little of this work to be done, and the cost of renewing the hose would be so great, that you are right in questioning the desirability of fitting it to the Sissie.

3. Par. 3. I do not remember hearing that the Egeria had sprung a leak, but of course the bottom could not be expected to keep tight for ever. When I first put her alongside the jetty she was so tight, that I thought it a pity not to use the lower hold; but she was carefully watched and pumped regularly. I suppose that you have now allowed her to fill like the Charles Cooper.

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

4. Par.4. I ought to have remembered that the iron buoy went to North Arm. You have done well to take the 20% on the Montevideo freight, and I hope that the P.S.N. will pass it. Your idea of paying the freight in Stanley is also a good one.

5. Par.5. Mr. Blake is of opinion that although people cannot help talking when they get together, the feeling of our clients towards us is not as bad as you think. With regard to the opposition to the Government, although we were responsible for a good deal of it, both here and in the Islands in Goldsworthy's time, I am sure that the present Governor has nothing to complain of. Here my action has been confined to having an interview with Sir John Anderson some time ago on the subject of the Estimates for, I think, 1900, and to giving him my opinion about bricks, which he may or may not have passed on. At that interview, you will remember, he expressed a hope that the relations between the Government and the Company might be more cordial in future, and with the idea of carrying that out on our part, I have studiously refrained from any criticisms or attacks. It does not seem that this abstention from hostility has had much effect. We shall in future confine ourselves to supporting any complaints or memorials from the Islands on the subject of the Government expenditure. If any should be set on foot, with our large interests in the Islands we are bound to join, but we must abstain from fighting single handed.

6. It is a great pity that the Sissie's boiler, for want of attention, has gone wrong so prematurely. You would do well to make heads of departments responsible for the property under their charge, machinery under the Engineer, hulks and vessels under the Marine Superintendent, and so on, and insist upon a periodical inspection and report to you, so that any defects may be remedied in time. I hope that the moorings of all the hulks are looked to often enough; I used to find this very necessary.

7. Par.8. Mr. Langridge and I had an interview lately with the Director of Contracts, and I am glad to say that he has allowed us to supply the Athene's stock next season. We shall therefore have to send a shipment to make up the 1200 tons to

arrive in November, to make ourselves quite safe. The question of price has not been discussed, but we must make some concession no doubt, and we shall be fortunate to escape without actual loss. Your account of the stock in hand came most opportunely, in fact without it I could not have stated the case clearly, and you will please bear in mind that we want this information by each mail. I think of having a form printed to be filled up whenever there has been a change.

8. Par. 16. I have written to W. Lowden & Co. asking them to fill in details of measurements in making out the Bills of Lading from Liverpool.

9. Par. 17. The Board have fully discussed the question of the Government Canteen, and consider that you have done quite right in not joining in the agitation raised by those whom it affects more than it does us, and particularly in refusing to pull the chestnuts out of the fire for Williams. The craze for direct importations is extraordinary, and is probably not ~~paralleled~~ ~~in~~ ~~any~~ ~~other~~ ~~part~~ ~~of~~ ~~the~~ ~~world~~, certainly not, we hear, at Sandy Point, where people are content to buy from the harmless necessary Storekeeper. There may have been a time when through absence of competition prices were too high in the Falklands, but it cannot be the case now, and it almost seems as though the fact that Storekeepers must live is not understood. The Colony is the only place where for a man to charge more for goods than he pays is accounted by the general public as a crime. J. T. Morton is accountable for a good deal of this, through his persistent habit for many years of sending out to every private individual whose name he could get a price list of his goods. If people buy through Government servants, and do not pay cash, ~~which~~ which is a thing entirely contrary to their principles, there will be a mess some day.

10. Par. 18. The survey reports on the Samoa are valuable, in fact we should have run serious risk had they not been forthcoming, and I think that we should have done better in the insurance of the sundries and the freight had they been here earlier. You will remember that I said months ago that a final

survey would be necessary. Fearing that it had been forgotten I cabled for it.

187-12
 11. Par.21. The Sissie's boiler will be returned as soon as possible after repair, unless your report, already asked for, should show that the launch is so profitable that it would be worth while replacing her, or if the repairs to boiler and hull should prove to be so expensive that it would be cheaper to do that. I have heard of what seems to be a very suitable launch, triple expansion, going for £400 to £500. Owing to her great age the hull of the Sissie cannot be worth much now, and the boat has been written down to next to nothing. Mr. Townsend, who is still keen about the Glengowan, suggested that we might work one against the other; of course we should want something in addition. What is your opinion of the value of the Glengowan? I cannot give an estimate, on account of the expenses that are going on, but I suggested at a venture £1000, which he thought too much.

12. Par.23. I have enquired, but I find that we cannot recover insurance on the sweated sugar per Annie.

13. 179-3. You have gone wrong over the freight charged to Cameron and Bonner by the Oropesa, but you had not received my remarks per Yorkshire. It must be clear to you that if you only put the ocean freight on the Bill of Lading when goods go to people like John Hoare & Co., over whom we have no control, we are entirely dependent on their courtesy in recovering our charges for local freight and labour. The right and only way is to charge the full rate, say 45/., which we or the P.S.N. collect, and then we debit the latter with the amount that represents what is due to us. As it happened, Hoares raised no objection to paying us 15/. per ton on Cameron's wool per Oravia, but they might have done. You know that we make our profit by taking on sheepskins the difference between 64/. weight and 35/. measurement in the case of our own clients, which experience has shown to be the right proportion, but in the case of these skins per Oropesa, which you say in the despatch you have charged at 76/. weight, although 64/. only is on the Bill of Lading, I do not

see yet what we are to do to get over your blunder. It is right that our clients should have an advantage over casual shippers, and this we give them with wool, charging them 35/. & 5% against the rate of 45/. in full which the payment of the local freight at 15/. has enabled us to establish, and which inclusive rate you should in future charge on all outsiders' Bills of Lading. But this is the first shipment of sheepskins, and Hoares will naturally only pay the rate of 64/. weight stated on the Bill of Lading. We cannot then ask them for the difference between this and 45/. measurement, as it would be excessive, and if we only claim the 35/. & 5%, we put them on a level with our own clients, and, as it is the first case, create a precedent. I think that the best course will be for me to tell Mr. Ansdell that there has been an error in Stanley, of which on this occasion they must take advantage, but that in future the rate on sheepskins must be more. A little care and forethought on your side would have saved us from this dilemma.

14. Bills of Lading should in no case be stapled together, or fastened in any way that prevents their being readily separated.

15. Mr. Bertrand has brought me his purchase business for advice, and has asked me to go to the Colonial Office to back him up. On examining the papers and correspondence, however, it seems clear to me that his claim to a Crown Grant for the whole of his station including the Islands is untenable. Probably you know the case and I will not go into details, but shortly his claim is for the whole of the above in return for a payment made for acreage, which the lease distinctly states is the area of the main land alone. I have told him that I believe the Governor to be in the right, and that I do not wish to try to press a claim which I believe not to be justified. On the other hand I have pointed out that as the acreage of the compulsory purchases was not included or rather deducted when the agreement was made, he has clearly paid twice over for some 1700 odd acres, and I have suggested to him that he will get very well out of a most loosely made bargain if he is allowed to pay for

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ENCLOSURES per "OROPESA" via LIVERPOOL

DUPLICATES

Despatch No 930 dated 15th May.
Ledger & Journal Entries.
Remarks on Accounts.
" " Stores.
" " Accounts.(1900)
Captains' reports on "Thetis".
List of Enclosures.
List of Client's Cargo per "Liguria".
List of Parcels in Pearson's case.
List of Cargo per "Liguria"(Company's).
General Invoice Goods per "Liguria".
Packer Bros & Co's invoice goods per "Yorkshire".
Particulars of goods sent out in 1899/1900.

ORIGINALS;

Wool reports.
Copies of Cablegrams of the 20th May & 7th June.
Dick's agreement.
Maw's receipted statement for Dr Foley £6.8.11
J.J.Felton's A/sale quantity Hair "Orellana".
Copy of Broker's A/sale Company's Hair "Lusitania".
Mrs Bonner's copies of report & contract Sheep Skins per "Oravia".
Copy of letter to the Admiralty of the 4th inst.
Letter for E.J.Mathews Esq.

London 12th June 1901

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary mail.

No 952.

London E.C. 15th June, 1901.

Sir,

The Board have had under consideration the business done for and with our clients in the Islands, and have come to the conclusion that it is not sufficiently remunerative to continue on the present lines, having regard to the trouble involved and the risks run on overdrawn accounts, as compared with the profits earned. When sheepfarming became a business in the Colony, we and Messrs. Deans' firm entered into relations with the farmers, principally at first as Storekeepers, but eventually as financial agents also, and in consideration of the profits we derived from the sale of stores we advanced them such funds as they required for their current expenses. The business was a profitable one while it lasted, but as the farms prospered changes took place, and without going into the history of the almost insensible alterations that followed from time to time, it is sufficient to say that there is very little left of the old relations, and that they are in fact almost entirely reversed. Instead of selling stores to our customers we buy for them in London for a commission of $2\frac{1}{2}\%$, and at the same time their cash requirements are in many cases excessive, altogether out of proportion to the rest of the business done. As we have to finance heavily in London to meet the drafts from the Islands, it follows that this is a business that leaves so little profit that we would rather be without it. Again, in order to secure control of the wool shipments to enable us to make favourable terms for freight with the Kosmos Company, we have been content to work on a very narrow margin of profit; that consideration is no longer

W.A. Harding, Esq.,

Manager,

Stanley.

a pressing one. The result of running wool at cutting rates has been that our schooners earn far less than they should, and in some instances show a loss, notwithstanding the rather large sums which are charged to the Farm for their use. This is not to be wondered at, since owing to the direct shipments from London they carry but little out from Stanley on which they earn freight. Notwithstanding the labour of executing the indents for the Thetis, and this labour, involving dealing with orders which are quite retail in character, though the lines are numerous, can hardly be understood by anyone who has not undertaken it, the total amount of commission on clients' orders for the year 1900 amounted to £172.^D The commission on produce home reached £710, that is to say that our total commissions, out and home, did not reach ~~£900~~ £900, while to gain this very moderate sum we have had to find our clients many thousands of pounds. This, I think, is a fair statement of the position at present. We make nothing to speak of on Stores or money, we lose on our schooners, and the only small profit that we get is in the shape of commissions on produce, which charge most of the farmers seem to grudge, while there are a few who consign direct and pay none at all. While wool was selling at good prices we were in a position to make some sacrifices for the purpose of keeping people together; as things are now, it is necessary for us to make what we can out of our other branches of business to lessen the loss on the Farm. The Directors have, therefore, decided that the execution of indents from clients in the Islands must cease, and they will, consequently, not send a ship round the outports again. We must revert to our original position as Storekeepers, but in doing so they wish you to make it as easy for the farmers as you can. They have to sell goods to their men, and you must frame a liberal scale of discount on their orders, larger, of course, on goods in unbroken packages, but on all sufficient to enable them to sell at some profit. Between $2\frac{1}{2}\%$ and Store prices there is a considerable margin to work on. This applies to goods that are kept for sale in the Stores, but in case of orders for goods that do not come under this head, such as mach-

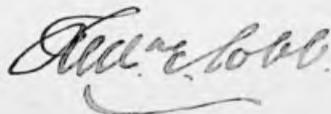
inery' or fencing, we are willing still to buy for them, and give the benefit of our experience, but we think that this is worth 5%, and we will not undertake it unless the account is in credit, or cash is remitted in advance. When I say in credit, I mean that allowance may be made for the estimated value of the year's produce, it being the wish of the Board that all credit should be limited to that, and that long standing debit balances should not be allowed. This cannot be carried out at once, but it is a condition of things at which you should aim. No doubt there will be a good deal of dissatisfaction over this new departure, but the Board are at least entitled to say whether it is worth their while to do business or not, and to discontinue what does not suit them. If others can make a profit where we have failed, let them do so by all means. Probably the more intelligent among our clients will be prepared to recognize the fact that we cannot work for nothing, and to admit that in prosperous times we have given them the benefit of our prosperity. In laying down the lines on which the Board wish you to work in future, they leave the settlement of details in your hands, and will not only be glad to have your opinion on the subject, but to consider any proposals with regard to it that it may occur to you to suggest.

2. John Hoare & Co. have sent in a claim for £7 for damage to their friends' cargo per Thetis and Annie, but in the absence of any survey report or certificate, or even particulars sufficient for a claim, I do not think that we can entertain it. Have you heard anything of this? I enclose copy of their letter. The claim should in the first instance have been made on the spot.

3. Since closing my letter to Mr. Mathews, I have heard from our Chairman of a likely man as successor to him, of which please let him know. Particulars may follow next mail.

I am, Sir,

your obedient servant,



Managing Director.

ENCLOSURES per "OROPESA" via LISBON

Ledger & Journal Entries.

Remarks on Accounts.

Remarks on Stores, & supplementary remarks.

Replies to Remarks on Stores.

B/L Cargo per "OROPESA".

Corrected List of Cargo per "OROPESA".

General Invoice Goods per "OROPESA".

Amended Profit & Loss Statement for 1900.

Brady's invoice goods supplied.

Bain's " " "

Instructions for using Ellam's Duplicator.

Client's invoices :-

Packer Bros & Co	£48	.10	.4
A.E. Felton	£-	.11	.9

Eills' credit note for allowance on Eno's Fruit Salts £2 .11 .0

Copy of letter from John Hoare & Co re Claim on goods per "Thetis" & "Annie" & our reply to same .

Letters for the following :-

-
- W.A. Harding Esq. (2)
 - E.J. Mathews

Copy of letter from Lloyds Bank Ltd of 14th June re credit Capt Thomas.

LONDON 15th June 1901

The Falkland Islands Company,

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street,

Per Orellana.

No 933.

London, E.C. 10th July, 1901.

Sir,

My last despatches, nos. 931/2, went per Oropesa, and the Orellana has since delivered your nos. 181/2, dated the 28th and 30th of May respectively. No cable by the Iberia has as yet been received, which seems to point to a large shipment of produce by a cargo boat.

2. 181-2. The cargo per Samoa seems a fairly good one; she was spoken on the 9th ult. in 5 N. 27 W., so may be looked for any day.

3. Par. 5. The Board have discussed at some length the question of the Weddell account, and regret that they cannot accede to Mr. Williams's request for an extension of the credit granted. They do not doubt the correctness of your statement that the place cannot be worked for that sum, but they do not feel that it is incumbent on the Company to find the extra money required. It is a particularly unsatisfactory account, for we have not only no security, but there is a mortgage taking precedence of our claim; the debt is already large, and we have not the advantage of handling the produce, which is consigned to the Mortgagee. We are thus in the position of making advances, the greater part of which is cash, while we do not even earn commission on the wool which we collect and ship, and, as remarked in previous despatches, when we get no commission on wool the rest of the business we have been doing lately has been of but little account.

4. Par. 7. I hope that we may do well with the Samoa's returned cargo. We shall have to be careful not to infringe the

W.A. Harding, Esq.,

Manager,

Stanley.

Merchandise Marks act; but our Broker, Mr. Langridge, has already seen the Customs about this. Possibly the best thing to do will be to reship a portion to Hamburg.

5. Par. 8. I should have thought that if the scuttle holes were plugged up the Glengowan would float with the cargo she has on board, which must have been considerably lightened by fire; but this you will find out.

6. Par. 10. Your remarks on Farm wages are noted.

7. Par. 11. If the Thetis's cargo was taken as goods on hand on any occasion when she did not arrive until after the 31st December it was wrong, and ought to have been noticed here; but I thought that she had always got in before the end of the year. In such a case the right thing is to ignore the London entry until January. Perhaps the very large stock on hand drew our attention to it specially this time. You will see that it has been righted in the published Balance Sheet.

8. Par. 13. Your remarks on labour are very satisfactory, as a way out of the difficulties that have hampered the work so much seems to be practicable. It will be excellent news that you have been able to lay up one or two of the schooners, as their expenses have been a dead weight which wanted removing. I understand that labour is also to be got at Sandy Point, so that between that place and Chiloe it is to be hoped that you will be able to supply yourself promptly when another rush comes. There should be no hesitation about this, for time is all important in most cases; I am afraid that the delay of the Samoa and her cargo will be answerable for a loss not to be reckoned in hundreds but thousands of pounds, an estimate of which it may be possible to make later.

9. Par. 14. Remarks were made at the General Meeting by some of the Shareholders about the large increase in debtors at Stanley, and they were informed that the matter was receiving due attention. Regarding the visit of the Rippling Wave, and our clients drawing on the Company for purchases from her, it will be necessary for you to put your foot down, and decline to pay such cheques when the drawer has a debit balance and insuffi-

ent
 produce to cover it. The sooner that people can be made to understand that it is our intention to restrict advances to a moderate estimate of the wool produced each season, and that it is no part of our business to act as Bankers and advance money at interest beyond that estimate, the better it will be. As to the indents you speak of, you have already been informed that they will not be executed.

10. Par.15. You take the remarks made by the Captains of the P.S.N.boats too seriously; there is no use in troubling about them, I will not forward them if they disturb you so much.

11. Par.16. The Board have decided that in view of your representations it will not answer our purpose to move the Great Britain, unless she can be placed in a position nearer the jetty than the Government propose. If she could be dropped some 200 yards lower down it would be a different matter; as it is, if the P.S.N.Co. can influence them they had better try.

12. Par.17. You will have to get a hulk cleared to receive 800 tons or so of ~~xxxx~~ coal, which the Admiralty wish us to ship as soon as we can. I have asked our Brokers to look out for a ship, but have told them that if they cannot find one to sail before the middle of September it will suit us just as well.

13. Par.19. The fact that a ship makes little water is no proof that she is fit to carry a dry and perishable cargo, in fact it has little to do with it. Cargoes are damaged more by water that goes through the decks and other places than by a steady leak that can be kept under by periodical pumping. Although we had to pay 80/-% insurance on the ship for the want of the final survey report, as soon as we had it in hand we did the freight at 40/., you will see, therefore, how necessary it is to be prompt and particular in all insurance matters.

14. Par.23. It is most satisfactory to hear that Mr.Oswald has given a good impression; I thought that he would.

15. Par.25. If Atherton misbehaves himself he will have to go. You will have to find out what amount of misconduct would be equivalent to a breach of agreement, which would render him liable to immediate dismissal without passage or compensation.

The man named Asquith has again written from Hull offering himself when a vacancy occurs.

16. Par.26. I have looked into the question of discount on passages, and find that it was incorrectly entered to the credit of Mail Agency, it should have gone to Farm for the shepherds' passages, and Samson or whatever account may have been charged with Mrs. Atherton's passage.

17. Par.27. From cable received on Monday it appears that the Antisana has 500 casks tallow, but as there is no mention of wool it can hardly be on board. Do not lose an opportunity of shipping everything you have as promptly as you can, as we are badly in want of all the produce we can get.

18. Par.28. Probably it will be better to shift the Cooper to Goose Green as suggested; the only objection at present is to putting up another house at that very unprofitable place.

19. 182-3. You will be surprised to find that Captain Thomas has not carried out his orders to proceed to Stanley, but has been here on the way, and still more when you hear that during a stay of some weeks in this country he did not consider it necessary to communicate with this office at all, so that the first intimation we had of his proceedings was after the departure of the Oropesa. In doing what he has he has been guilty of gross disrespect to his new employers, and he gives us a very bad impression on entering our service, which it will take a good deal to remove. If I had had the slightest idea that he was within reach, I should have made a point of seeing him at Liverpool, and talking over the management of the mail boats with some of the Captains, besides discussing the duties of his appointment generally. Some correspondence is enclosed, both with the P.S.N. and the Bank Manager at Carnarvon, the latter of whom writes in a way that is not reassuring. I do not know what arrangement was made with him about passages, but we cannot be answerable for his trip across the American continent, and you will have to be careful about this. If we had taken the tickets ourselves, we should have been entitled to the usual discount, and in crediting him you must only allow what we should have

paid ourselves. We hope that notwithstanding this unpromising start he may yet turn out a useful servant to the Company.

20. A copy of the Annual Report and Resolutions is enclosed, and you will please convey the thanks of the Company to those mentioned in the latter.

21. In the last three volumes of the C.O. list the compiler is good enough to say that the Company for some years past has paid a dividend of over 20 per cent. What we pay is the concern of no one but the shareholders, but it might be well to let the official who must have communicated this to the C.O. know that the statement is a false one, although the exact amount of our distribution is no business of his.

22. Messrs. John Hoare & Co. have asked whether we have been instructed to pay them £500 on account of Braun & Blanchard, which, of course, has not been the case. It may be well to mention that some of the firms in Sandy Point are said to be in straits through over advances to sheepfarmers, and they may not have the same facilities for financing as ourselves; it would be well, therefore, to use judgment as to current accounts with them, and not let the balance be too much in our favour.

23. Messrs. Baillon & Stickney's order is the only one in hand at present; you will, of course, let them as well as all others know that we are discontinuing the commission business, and that the indents will not be executed.

24. In the event of our parting with the Thetis, should you, from what you have seen of him, think Thomas suitable to be engaged for one of the schooners?

25. I happened to hear quite accidentally some weeks ago from an influential member of Lloyd's Committee, who has twice been Chairman, that they had a disagreeable matter in hand about a late sale of coal in the Islands, which had been reported to them, and was the subject of enquiry. I wrote at once to the Secretary offering to give what information I had on the matter, and was asked to supply it. I enclose copy of the letter I then wrote, and hope to hear shortly what they think of it.

26. We have heard on the best possible authority that there has been a good deal of trading done by the master or masters

of the Thetis on the coast, by Rees certainly, but whether Thomas has also been a culprit is not clear. It is entirely wrong that the servant of a Company doing a business in Storekeeping should use his employer's vessel to carry his own goods freight free, and trade in opposition to them, and I assume that this will come to you as a surprise, as you would never have allowed it had you known of it. It was given as one of the reasons for the falling off in the demand for goods on the part of men outside Stanley, and it is only one more instance of the unprofitable nature of the work in which the Thetis has been engaged.

27. At the last Board it was decided that I should not only confirm but emphasize the instructions given with regard to the restriction of credits and the return to our old legitimate business as Storekeepers, in which capacity we are willing to make limited advances to clients on the security of their coming crop of wool, which in all doubtful cases should be secured to us. It is perfectly clear that we have not the capital to go on financing everybody in these bad times, and you will see that the responsibility of regulating these advances rests with you. We cannot too often say that to lock up large sums in mortgages is not our business, however good the security. If necessary, we must get the security mentioned on Mr. Packe's property, but we would far rather have the money, and if he could get it from some of his friends, sufficient that is to say to clear his debt, we would go on finding him in means to the amount of his wool each year. With people who simply use us for the purpose of finance, and keep from us every kind of business that yields a profit, we would rather cease to deal altogether. When Mr. Felton returns to Stanley, you must point out to him that it is not satisfactory to us to have him drawing at both ends; he gets what he wants from you for the use of his house and station, and at the same time writes here to have payments made, amounting to a large sum in the course of the year, while all the time the balance of his account is on the wrong side. I have written to him on this subject to Buenos Ayres, and hope that I may have been in time to stop him from asking for sums which we should

have to refuse. To a smaller extent Mr. Clement of Roy Cove is irregular in his ways; he is constantly writing here for small sums to be paid on his account, which ought to be advised through your office. It is more than ever necessary that our clients should be made to understand that their accounts are kept in Stanley, and that they have nothing whatever to do with London; most of them conform fairly well to this, but the rule should be adhered to without exception. In the case of those farmers who are in England temporarily^y, there should be an understanding as to how much they are to draw here, otherwise if they are absorbing advances at both ends they can easily get into arrears.

28. With regard to the question of the flour that has been hawked round the Islands, for which we have been asked to pay, is it not possible to reduce the price charged by us so as to meet this competition? I understand that it is delivered at 15/6 per bag, while our price is 21/. in Stanley. How can the Sandy Point people sell so much cheaper than we can, seeing that they have to import it themselves? In initiating the new order of things it is important to treat our clients as reasonably as we can as to all prices, consistently with making a profit.

29. I am glad to say that the Samoa is reported this morning off Dungeness, and she may be up in dock this evening.

30. Our wool is up this afternoon, and prices will be sent by Supplementary mail. There appears to be no hope of any improvement, rather the contrary.

31. I am able to inform you that Mr. A. L. Allan has been engaged for us as Camp Manager by the Napier house of Messrs. Dalgety & Co. lim., and that he will leave New Zealand in September.

I am, Sir,

your obedient servant,



Managing Director.

ENCLOSURES VIA LIVERPOOL

DUPLICATES

Despatches Nos 931 and 932.

Replies to Remarks on Stores.

Remarks on Stores & Supplementary remarks.

List of Enclosures.

Corrected Balance Sheet for 1901.

General Invoice goods per "Oropesa".

Clients Invoices:-

Packe Bros & Co £48 .10 .4

A.E. Felton £- .11 .9

Ledger & Journal Entries.

Remarks on Accounts.

Dutiable goods per "Oropesa"

List of Cargo per "

List of Parcels in Pearson's case

B/L cargo per "Liguria" (omitted last mail)

B/L " per "Oropesa"

ORIGINALS

Wool reports.

Copy of letter to Lloyd's of the 3rd July.

Kirkland Cope's accounts £1 .10 .6 and 13/-

Copies of letters from Pacific Steam of 18th 24th & 28th June.

" " " Capt Thomas to Pacific Steam of 21st & 29th May

Copy of letter from Birch of 4th. & our reply of 5th July.

" " " Pinto Basto & Co. of 1st & our reply of 5th July.

Stocker's account for repairing Watch.

John Lehen's letter to Eills returned .

Munford's account for H. Clement.

Client's Wool reports:-

S I 45 bales Wool "Oropesa"

W. Fell 44 bales Wool "Liguria" W. Fell 4 bales Wool "Oropesa"

W.P. 45 " " " S & S 112 " " "

J.B. 104 " " " Z 109 " " "

Copy of Messrs. reports...
Copy of Mrs. Banner's A/...
Commission on the... U.S.C.

Enclosures per Supplementary Mail via Lisbon

Wool reports.

List of Cargo per "Orellana".

General Invoice goods per "Orellana".

Stanley Drs and Crs.

Eills & Co's invoices.

Remarks on Stores & replies to remarks on Stores.

Copy of letter from the Bank of Carnarvon of 20th June.

Client's contracts:-

S.L.	120	bales	Wool	"Yorkshire"	&	"Oropesa"
J.B.	231	"	"	"	"	"Liguria"
H.G.C.	97	"	"	"	"	"
W.Fell	48	"	"	"Liguria"	&	"Oropesa"
W.P.	45	"	"	"	"	"
Z	109	"	"	"Oropesa"	"	"
S.S.	112	"	"	"	"	"
O	29	"	"	"Orellana"	"	"
T.R.	25	"	"	"	"	"
M.V.	11	"	"	"	"	"

Bill of Lading Cargo per "Orellana"

Letters for the following:-

W.A. Harding, Esq.,
E.J. Mathews, Esq.,

*Contract from letter from Valparaiso
dated June 1st/01*
LONDON 13th July 1901

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Per Iberia.

No 934.

London, E.C. 7th August, 1901.

Sir,

Since last writing per Orellana we have received your despatches as follows:-183 on the 15th, 184 on the 25th July, and 185 on the 6th inst., the Antisana having arrived at Swansea.

2. 183-3. The Board would have been glad to hear that you had refused to pay cheques drawn on you for goods sold ex Rippling Wave, except where the drawers had a credit balance. We should like to know how it is that we have drifted into a business with Braun & Blanchard, and why, having been treated by them as we have, we should not at once decline to do any more with them, and take up with some other agent in Sandy Point? It was going beyond all bounds to poach on our ground as they did, and they would no doubt resent it if we sent a schooner to visit their clients in a similar manner on the coast.

3. Par. 4. Mr. W. Stickney is leaving for Spring Point in October, and will in future consign all his firm's produce to the Company. The charge for money this year will have to be made as the Board may decide.

4. 184-4. We have not yet fixed a ship for coal, but hope to get one shortly. We shall get off the remainder of the 1300 tons at 72/6d., and send about 800 tons to make up the total of 1200 that the Admiralty require. We do not know what the local consumption is, but assume that you can use some of the Beeswing's or any other bought at auction, so that we can tell the Admiralty that the whole of the 800 tons will be at their disposal. Do not fail to let us know each mail what your stock of coal is; it would be well to get out a form showing stock by

W.A. Harding, Esq.,

Manager,

Stanley.

last return, and details of subsequent deliveries.

5. Par.5. If you see your way to employing men from Chiloe for a few months, and of keeping them going all the time, it will be an interesting experiment, and it is one that might with advantage be extended to farm labour, instead of going to the expense Mr. Mathews wishes to incur of sending large numbers from here to be added to the permanent staff. As things are at present no economy is too small to be considered.

6. Par.6. The boiler is being overhauled and repaired by Bellamy, and will be sent out thoroughly renovated. We rely on your seeing that it is better treated after this than it has been.

7. Par.9. I know that the P.S.N.Co. are most anxious to make things pleasant for you, as Mr. Ward told me that each Captain had had strict injunctions to be civil, and the Manager at Valparaiso had been told to remind each of them on leaving to be on his best behaviour. Considering the character they have for being overbearing it is not to be regretted that you have established a sort of terror among them, and you are probably able to bear with equanimity the rather frequent offers of refreshment of which you speak.

8. Par.11. As the rigging for the Fortuna is on the way out it is too late to do anything with the measurements given by Johnson; but I shall be interested to hear how it turns out.

9. Par.22. Arthur & Co. are well satisfied with the amount obtained from Dawkins; it seems that they wrote to you and your letters crossed. It was quite regular for them to write to us as they had asked us to get the debt collected in the first instance, and we agreed to do it. Strictly speaking any commission on this is due to us, and they no doubt thought that in sending Mr. Baillon a small present some time ago they had done what was necessary.

10. Par.23. The Board wish me to write to the C.O. about the waste on Government House, but I have been too much occupied of late to go into the matter, and I should have liked to have the details of expenditure on Government House, which you say are to

be laid before the Council. However, there is plenty to be said on the score of extravagance, which the C.O. will find hard to rebut. With regard to the bricks, I want to know whether the Governor had any right to spend money on such a costly experiment that had not been voted by the Council for the purpose, and if not, why the money should not be charged to his private account? The whole thing is wrong, and always has been; a sum is voted for public works as a matter of form, and the Governor spends this just as he likes, and if he exceeds it the surplus expenditure is provided for by a supplementary vote, and the C. O. acquiesce. Your report of what took place at the Council is interesting, and the idea of a local Council seems to be making way. Generally speaking, the absorption of the surplus left by Governor Kerr and the creation of a debt is an unpleasant fact, and the imposition of the export tax to meet this is still more so. The headlong career of the Governor will not be checked before strong representations have been made in Downing Street, no sign of retrenchment having been shown yet. With the farmers barely making their working expenses we have fair grounds for asking that his hands may be tied more tightly than they have been yet..

11. With regard to Mr. Packe's debt, should a mortgage be given the Board consider that it should not be for £5000 only, but should cover the whole amount of his debt; we could then make him advances up to a moderate estimate of his year's produce to enable him to meet current expenses. But as advancing money is not our business and is unprofitable to us except when taken in conjunction with other business that pays, the Board would far rather see the money than take a mortgage, and if Mr. Packe could raise it and pay us off it would suit us infinitely better. As he is related to very wealthy people possibly he could do this, and then the advance of cash for local expenses would be a minor matter. You must have an understanding with Mr. Felton about his account, and try to persuade him to sell land if he has not already done so. Mr. Mathews must not sell stock to people who cannot pay cash, like Robson and MacKay, and unless you see a

certain return of the money in beef, this should also apply to the sale of Butchery cattle to Mr. Packe. Regarding Mr. Anson, I have refused to let him have money he asked for on his own account, but as there is a balance always standing to the credit of his firm, Dean & Anson, I have given it to him on that, and he must settle it as best he can with his partner. It is a new departure the last few years keeping the private accounts of members of firms, and one that must increase the office work, without any corresponding advantage. Such accounts must not be overdrawn, and you must take care that the sums Mr. Anson draws here do not eventually find their way to his account, except as far as it will bear them. The preferable lien on wool should be taken in those cases in which the farmer is likely to want more money that you think it prudent to advance; you can always stop further advances when you think it necessary, and, having the lien, need not be afraid that he will go elsewhere, to Williams for instance, for money, giving him security on the wool. I have written to Mr. H. Waldron asking him to put his account in a more satisfactory state, but have had no reply. He has shares in the Waldron & Wood Co., and can pay if he likes, I believe; at all events, if he does nothing you will have to stop his credit altogether. Baillon & Stickney have hitherto paid up their accounts regularly, and I am waiting to see what they do when the wool arrives; but in any case we shall ship no more goods out for them, and shall require security on the wool next year if they wish us to continue to do their business. If in any case you think it necessary to stop credit do not hesitate to do so; if a few rents or taxes were not met it might be a valuable object lesson to the Government. If you have any idea as to what Williams would do in the event of our throwing up the business of any firms, let us know; my idea is that he could not command the cash necessary to do much.

12. 185-2. The weather seems to have been unusually severe, and it is fortunate that the vessels on the coast have not been more damaged. As regards surveys, John Campbell, if in Stanley, could have been employed, as he holds a Master's certificate.

You will have the Thetis's damages repaired, I suppose, but not replace the long boat, which can be valued.

13. Par. 3. Probably the Cable Co. at Corónel will have learnt your address before this. I complained to the Eastern Co. about the delay, and they told me that the message had been forwarded by post, and a copy also given to the Purser of the Orellana. Mr Ward has also promised to tell the agents at Corónel that the prompt transmission of these messages is of importance to them.

14. Par. 4. It does not appear that the Government are carrying out the arrangement about money as strictly as they should. Our arrangement was that cash should be simultaneously paid on the last day of each month both in London and Stanley, and when, on the first occasion, we posted the Crown Agents a cheque on the 31st of August they wrote to complain that it had not come into their hands until the 1st of September. Your arrangement with the Government, if I am not mistaken, was that if they were actually short of money, you would consider any deficiency for the time being to be a deposit in the Government Savings Bank, and to that no objection was raised, as it was reasonable enough. But this time they had money, for you say that the Governor asked you to give him a draft for £2000 in exchange for cash, from which it appears that he is more anxious to send money home than to meet his liabilities in the Colony. Why, instead of placing £1400 in the Savings Bank did not you get at least £1000 of this money out of him? You speak of having a settlement with the Treasurer on the 30th June; am I right in supposing that you credit the Government with rents, duties, and other payments against the monthly £1000, and do not draw it in cash? If so, you should see that we are fairly treated; I think that when the balance is against you they drop on you pretty smartly for a draft on the Directors. The £12,000 a year which we send through the Crown Agents is understood to square the transactions between us pretty closely; why should you not have a half-yearly settlement, and come to an understanding that we are not to be drawn upon at irregular periods? Then again there is the question of interest; we get $2\frac{1}{2}\%$ only I believe from the Bank, and

the probability is that the Governour, owing to extravagance, is deeply in debt to the Crown Agents, who charge him, or rather the Colonial Government, 5% in account current. So he remits the £1000 which he ought to have paid us, saving 5%, while we only get 2½. Of course the saving is not as much as 5%, because there is time lost in transmitting the money, but still he is making use of us and our money to square his account with the Crown Agents. I would suggest that you should keep an account with the Government with interest at 5%, or, if we find the account much in our favour, that we should drop the payment for one month to equalize matters.

15. P.S. I do not think that we have had a copy of the Samson's log previous to the 1st of January; we want it to deal with the matter of returns on the policy.

16. I must impress upon you the necessity of restricting your drafts to such sums as you may actually want to meet your current outgoings, and not to take money that you do not actually want. I do not say that you do so; but the Board would like to know why you drew over £1100 lately in favour of our foreman carpenter, M. Johnson. We cannot have any transactions with him to that amount in the ordinary way of business, and these drafts must have been given to facilitate some operation of his on the Coast, where he is understood to have an interest in a farm. Taken in connection with the default of the Government in the payment of £1000, it does not seem right that we should have the burden of an extra £1100 thrown upon us, and if in consequence of that default you were short of cash, I suggest that the Government should have authorized our omitting the August payment of £1000 to the Crown Agents, thus nearly meeting these bills. You will readily understand that with a shortage of what seems likely to be £35,000 this year in produce, i.e. the difference between £90,000 and £55,000, financing is a very serious matter to us, and you must do your utmost to lighten both drafts and orders to pay sums in England. Money you must have of course, but do not ask for more than you actually want. We have lately been making estimates of our cash requirements up to the end of the

year, but your drafts are difficult to forecast, and if there are more of these like Johnson's we shall be quite thrown out.

17. In forwarding bills you purchase it is of the first importance to see that the endorsement agrees to the letter with the name on the face. A draft is returned this time unpaid, drawn in favour of Mrs. E. Kearey, but endorsed E. E. Carey, and altered in another hand and by another pen to Kearey. This should not have occurred, and I feel sure that it must have escaped your eye. Of course the Bank returned it marked "endorsement irregular", and this blunder necessitates its travelling 14,000 miles. The amount is small, £15, but it might very well have been larger. I may mention also that bills have lately arrived payable to the Falkland Is. Co., the endorsement having been written in the office. It would not take much longer to write Islands, and it must be done in future. These slap-dash careless methods will not do where Banks are concerned.

18. We have arranged with the South American Missionary Society that in future drafts for their accounts are to be signed by Dean Brandon, and the account, which is to be made up to a day or so before the mail, is to bear interest at 5% in account current, with a commission of 1%, or whatever may be the usual rate for 30 days' bills. A letter from the Secretary accepting these terms is enclosed. This takes the place of the old arrangement by which we charged 3% on cash, the drafts having had to be drawn here on receipt of the accounts vouched by the Superintendent at Keppel and at 90 days' date, the effect of which was that we were sometimes nine months or so out of our money. As the Society only use us for their money requirements and import all their own goods, the Board decided that we could not continue such an unprofitable arrangement.

19. I sent you last mail a copy of a letter I had written to Lloyd's in defence of the proceedings re the Beeswing's coal. I was rather taken aback at hearing from the Secretary that the Committee proposed to send a copy of the letter to the Colonial Office. This, of course, confirmed your expectation that the Governor would make a personal attack on you, and as my letter con-

tained remarks that I feel sure he will not like, I made it my business to find out what was thought of it. Mr. Langridge kindly saw someone who was present at the meeting of the Committee, and was informed by him that the Secretary had been directed to say that the Committee saw no reason for disapproving of their agent's action, and was directed to forward to the Secretary of State a copy of my letter, which was virtually their reply to the complaint, although this was not expressed in so many words. I think that on reading it the Governor will not think that he has scored this time.

20. The mail by the Iberia was not delivered until the 24th ult, not 25th as stated above, but letters from Valparaiso came on the 22nd. It seems that the Falkland bags were carried on to Liverpool, having been addressed there from Stanley, and I have written to the G.P.O. to call attention to the delay.

21. Referring once more to the Rippling Wave, can you explain why Mr. Greenshields, who has no account in our books, drew on the Company for the amount of his purchases?

22. I wish to draw your attention to the system of charging goods to the Darwin Store. It is a very old system, having been in force when I arrived in the Islands in 1867 and for probably long before, but at the same time it is not strictly correct. Goods for the men are invoiced to the Farm account at selling price, just as they would be if sold to another farmer, and from the moment they leave Stanley they pass out of the Store books, and the Store has no further control over them. Having been charged to Farm account, the stock on hand on 31st December goes to the credit of that account, and here is where the error comes in, for they are credited at the price at which they are charged, the effect of which is that we take a profit on goods to that extent that has not been realized. You may say that looking at it from the point of view of the Stanley Store, it has parted with the goods, and taken its profit, but if you view the establishment as a whole there is undoubtedly an error, though not a serious one. I can see no way out of this but making the Store at Darwin a branch of the establishment at Stanley; in

which case the stock would still belong to the Stanley Store, be taken at cost price, and be added to its return. I shall be glad to have your views on this.

23. Account sales of wool are sent this time, and the result is disastrous, the Company's showing a falling off in value of £11,000. It is consoling, however, to see that on last year's accounts this would have by no means wiped out the profit, and as we hope that prices have at last touched bottom, we see that we can still make money at 4d. a lb. The diminution of profits on farming make it still more necessary that we should use every effort to increase those on other branches, and we hope that the late alterations in the Stores may lead to this. The decision to stop the unprofitable shipment of goods on commission has not been taken a day too soon, and provided too much credit is not allowed, the fact that our clients will have to purchase goods instead of getting them out as they have done should help to improve the results. But, as said before, we must be content with a fair profit, and make the new system as easy for our clients as we can. On the subject of the Store itself there are a few remarks to be made. The stock is undoubtedly large, and has been criticized by Shareholders. You and I know that if we desire to carry out ship repairs properly there is a certain amount of stock, a large amount, which we cannot help keeping, and for which we charge proportionate prices when a ship puts in. Take all these shipping materials away, and the stock would look surprisingly small. But are we sure that of the general stock we have not a quantity of old, and possibly unsaleable stuff that it would be desirable to get rid of at any price? Are the indents always made out judiciously, or is too much asked for of certain articles? I do not say that it is so, but it should be looked into. You have lately sent home some shot pouches that have probably been in the Store since a period previous to the general use of breechloading guns. The value is not great, but it raises an uncomfortable feeling that there may be other antiquated goods of the same ~~kind~~ kind. You would do well to look into this, and if you find a quantity of stuff that is not sale-

able, get rid of it. Either sell it for anything it will fetch in the Store, or put it up to auction. We make large shipments of apparel and other things for the Drapery Store; it often occurs to me that if this stock is not thinned by periodical sales, such as are held here constantly, there must be an accumulation that it is not profitable to keep. You have a new Store-keeper, whom we credit with more activity and intelligence than the old hands; get him to work on this, and see what he can do. Everything may be as right as possible, but we want to know that it is so, and not to run the risk of representing that we have made profits by taking into stock goods that are not worth the cost price they are valued at. Another thing, do not let him ask for too much, or for goods that are not readily saleable; the Directors have expressly said that they do not wish to starve the Store, but goods cost money, and we want to know that that money is well laid out.

24. Altogether you will see that the management of the Company at the present time wants unusual care, and there is an immense amount of responsibility on your shoulders. I think that everyone here feels that you are quite equal to it.

25. We have sold the Samoa for £2500 clear after paying commission, the purchaser taking all risk as to the condition of the bottom. We found that if we had put her into dock the expenses would have run up to £400 at least, if we only had to do the repairs that the diver's report indicates as necessary, and there might have been more besides. It is not a great price, some £1500 to £2000 less than we could have got six months ago, when sailing ships were booming, but we have to be content. As regards the cargo, I cannot say much at present, but the condition is not good; the sardines are in bad order, the tins being rusty, the wines and spirits have been freely sampled, and generally speaking the cases are hardly in merchantable order. We are having the various goods sampled, and hope eventually to sell them, either here or in Hamburg.

I am, Sir,

your obedient servant,

J. A. E. 1006

Managing Director.

ENCLOSURES per "IBERIA" via LIVERPOOL

DUPLICATES

Despatch No 933.

List of Enclosures.

Remarks on Stores & replies to Remarks.

List of Cargo per "Orellana".

General Invoice.

Client's reports & contracts:-

W.Fell	48	bales	Wool	Liguria & Oropesa
W.P.	45	"	"	"
Z	109	"	"	Oropesa
S & S	112	"	"	"
M.V.	11	"	"	Orellana
J.R.	25	"	"	"
O.	29	"	"	"

List of Dutiable Goods per Orellana.

List of Parcels in Pearson's case.

List of Client's Cargo per Orellana.

B/L Cargo per Orellana.

ORIGINALS

Wool reports.

Client's A/sales as follows:-

J.R.	25	bales	Wool	"Orellana"
S & S	76	"	"	"Oropesa"
W.R.	35	"	"	"Liguria"
W.Fell	144	"	"	"
"	4	"	"	"Oropesa"
M.V.	11	"	"	"Orellana"
J.B.	104	"	"	"Liguria"
"	127	"	"	"Yorkshire"
S.I.	75	"	"	"
	45	"	"	"Oropesa"
Z	109	"	"	"
HGC	81	"	"	"Yorkshire"

A/sales

Broker's copies Company's wool per Sundry ships

Copy of letter from the South American Missionary Society of 19th Ju

Copy of Cablegram of the 15th July.

Commission on homeward freight per "Oropesa" P.S.N.Co.

Draft on the Bank of Tarapaca returned endorsement irregular

Brighton College schooling accounts for J.J.Felton.

Client's ~~W/Sales~~ reports & contracts:-

	S&S	36	bales	Wool	"Oropesa"
	O	27	"	"	"Orellana"
	W.P.	10	"	"	"Liguria"
	B	90	"	"	"Samoa"
	PH	82	"	"	"Annie"
	S	102	"	"	"Samoa"
	"	23	"	"	"Orellana"
	H&B	89	"	"	"Samoa"
	F	60	"	"	"
Hummock	L	7	"	"	"
	HB	146	"	"	"
	H	30	"	"	"
	L	223	"	"	"
	MV	2	"	Skins	"Orellana"
	O	1	"	"	"
	S&S	5	"	"	"
	SB	1	"	"	"

Copy of letter from J. Bellamy re boiler per "Samoa" dated 1st Aug.

Mr Anson's receipt for £250.

Army & Navy Co-operative Society's invoice for H. Clement £10.2.10.

Copy of letter from the Pacific Steam Navigation Co. of the 1st and our reply of the 2nd July

Copy of Cablegram of 2nd August.

London 7th August 1901.

[Faint, illegible text and markings, possibly bleed-through or ghosting from the reverse side of the page.]

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street,

Per Supplementary
mail.
No 935.

London, E.C. 10th August, 1901.

Sir,

I now write by way of supplement to my despatch via Liverpool of the 7th inst.

2. We received on the ~~11th~~ ^{31st ult.} inst. your cable about the Marguerite Mirabaud, and advising 790 bales per Orissa. We find that the owners are a substantial firm, having as agents in London Messrs. Langstaff Ehrenberg & Pollak, and we have arranged with them through the latter that you are to take the Captain's draft on them, ^{which} while they will domicile in London; the usual commission should therefore be charged. At the request of Messrs Langstaff we wired this, adding "Reamaron Reanimamos", meaning: - "if you can repair what will be about the cost of repairs and time required?" Being a new steel ship leakiness is ominous, and is considered to mean that she has been insufficiently riveted.

3. The P.S.N. Co. wrote lately enclosing a letter from Capt. Thomas about his furniture, and asking what I thought of it. I said that under the circumstances we could not undertake to make any payment for him, but that it might suit them to treat him leniently; a copy of their letter is enclosed.

4. You have made a mistake in shipping the tallow to Liverpool at 29/6 instead of consigning it to London. Although we arranged for a rebate of freight last time and sold in Liverpool, we do not leave it to you to say where we are to sell our produce, and in this case we had already arranged to have it up here, which arrangement cannot be altered. As regards produce shipped on account of outsiders like Smith and Greenshields, you should remember that they are not entitled to be put on such terms as our own people enjoy, but that both we and the P.S.N.

W.A. Harding, Esq.,

Manager,

Stanley

should get something extra. In the case of Greenshields' tallow you have made the freight precisely the same as ours, i.e. 45/ less 15/6. We succeeded in getting 15/. a ton for ourselves out of J. Hoare & Co. on Cameron's wool, but as remarked before the gross freight should have been on the B/L, and it ought not to have been left to us to collect this. If the P.S.N. Co. are satisfied, this establishes a rate of 45/. on outsiders' wool and skins. I think you might get to learn from the P.S.N. what they wish to charge to people not under contract; they are very bad at answering letters, and when I put the question to them some time ago, they replied vaguely that there was not much profit on present rates, but they relied on your doing the best you could, so I did not pursue the subject.

5. The Iberia takes out 74 tons cargo from here, which it is unnecessary to cable.

6. Since writing the other day we have had further evidence of the bad condition of the Samoa's cargo. The firm whom we employed to examine the sardines have now sent samples here which look very bad, the tins are badly rusted and many of them blown. They have an offer of 5/. a case, buyers to be at liberty to reject all blown and rusty tins, or 4/. as they stand, buyers taking the risk. As we should have to pay 6d. a case for sorting, and the probability is that 50 cases would be condemned, which we should have to remove at our own expense, and moreover as some of them already small badly, and the sanitary authorities may be down on us at any time, I have without hesitation agreed to take the lower price. Beach & Co. have seen the soap, which they also say has evidently been under water. It is of poor quality, only fit for the natives of Central America, and must be remelted to make it merchantable. They offer £7 per ton, which I have deferred accepting, until I can get a report from Hamburg on a sample that is going over there. You did not prepare us for this, as we have never been told that the cargo had been under water.

7. The Directors desire that clients visiting England shall in future bring with them a definite credit from you, to which they will be restricted during their stay. You must also make

it clear to all that orders for cash to be paid in England must in every case be advised through your office, and that letters sent direct here asking for such payments will be referred back to you. They must see that this is only reasonable; they do not keep their accounts here, and supervision by you will be impossible if they draw both ends. The Board hope that it may be possible to show a reduction in the Sundry Debtors when the accounts are made up in December, notwithstanding the low proceeds of the wool sold; but this can only be done by putting restrictions in force at once. There is a question worth thinking of, that is, in the event of our helping clients by reasonable advances in those cases where security is undoubted to carry on their farms, and so save them from going into liquidation, how we can bind them to us for the future. Otherwise, if better times come there will be a tendency on their part to kick up their heels and throw us over, notwithstanding that we may have been instrumental in saving them.

7. As the Thetis will not go out with the orders some of which are already ~~on the~~ here, it occurs to me that you may not have sufficient shearing and dipping materials for sale in the Store. The Thetis would only have delivered these at the beginning of next year, and there is consequently plenty of time to send out what may be needed; but if you think that we should at once buy an extra supply of bagging, hoop iron, shears, and dip, you had better cable for them.

8. I think that it may fairly be said now that we are at an end of our capital expenditure, which has been such a drain on us. Look where you will, we have everything we want, a tug, a steam launch, schooners enough for the work, machinery sufficient for both Stanley and Camp requirements, buildings for our people and for the accommodation of sheep at shearing time, dips I believe in order, and pens and fencing on an extensive scale. In addition to this, the freehold outside Lafonia will be ours on the payment of the final £1000 next January. All we shall have to do in the immediate future is to keep the property in good order by attending to ^arepairs that will doubtless be needed. If

later on, an odd house, or a stretch of fencing should be found needful; they may have to be put up, and we may be able to afford the outlay, but at the present time capital expenditure must not be indulged in, and every possible economy must be exercised. I think that the need of this has been put sufficiently forcibly before you, and the Board rely on your carrying out their wishes.

I am, Sir,

your obedient servant,

A handwritten signature in cursive script, appearing to read "J. D. & Co.", with a decorative flourish underneath.

Managing Director.

Enclosures per Supplementary mail via Lisbon

Ledger & Journal Entries.

Remarks on Accounts.

Remarks on Stores.

Replies to Remarks on Stores.

Clients A/sales:-

F	60	bales	Wool	"Samoa"
H	30	"	"	"
O	29	"	"	"
SI	75	"	"	"Yorkshire"
SI	45	"	"	"Oropesa"
S	102	"	"	"Samoa"
S	23	"	"	"Orellana"
HGC	16	"	"	"Yorkshire"
WP	10	"	"	"Liguria"
S&S	36	"	"	"Oropesa"
L	223	"	"	"Samoa"
PH	82	"	"	"Annie"
L	7	"	"	"Samoa"
H&B	89	"	"	"
HB	146	"	"	"
Hummock	L 7	"	"	"
	B 11	"	"	"
S&S	5	"	Sheep Skins	"Oropesa"
MV	2	"	"	"Orellana"
JR	1	"	"	"
O	1	"	"	"

Copies of Broker's A/sales Company's wool & skins per Sundry ships.

Commission on homeward freight per "Orellana" £ 8 .7 .2 P.S.N.Co.

Client's Invoices :-

Peter Noble £ 2 .4 .3

Mrs. Robson 12/6

H & G Cobb £ 4 .2 .11

Vere Packe £ 7 .7 .0

Hills & Co's invoices for goods per "Iberia"

Morton's " " "

List of Dutiable goods per "Iberia" "

General Invoice goods per "Iberia"

Letters for the following:-

H. Clement, Esq.

Dr Foley.

Dr Jameson.

E. J. Mathews, Esq.

Austin's invoice goods shipped per "Iberia"

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Re. Supplementary mail.

No 936.

London, E.C. 7th September, 1901.

Sir,

Your despatch, No. 186, with confidential letter dated 20th July were received on the 22nd August, but in the absence of Mr. Cobb and other Directors, I cannot reply to same.

2. Your Cables "Reamado" and "Send labourers scorpene Millinery Oravia rohrstab" have duly reached us. With regard to sending as little Millinery as possible we take your meaning to be to curtail any extra orders given by Mrs. Turner as you had not sent any orders home to which your cable could apply. We have stopped an order given to Cooks by Mrs. Turner and have halved the one sent by you to Foster Porter & Co. and hope that by doing so we have met your views.

3. We have Chartered the "Vega" for steam coal and she will leave early next week taking 870 tons and from this we have contracted with the Admiralty for 800 tons at 57/6, with the usual delivery, leaving 70 tons for your disposal.

4. We are sending 7 labourers by this mail, 3 others having defaulted at the last moment after signing agreements but hope to fill these places by the next steamer.

5. The General Post Office reply that the delay in delivering our mail of the 25th July was due to the packet being addressed to Liverpool and they have drawn the attention of the Post Office authorities at Stanley to the matter.

6. Mr. Allén, the new Camp Manager, agreed to leave New Zealand on the 31st. ulto. and states that he will come on to England, sending his wife and family on to Stanley from Monte Video, and we hope you will be able to arrange for lodgings for them on arrival. Mr. Cobb suggests that either Johnson or Aldridge might take them in for a time.

7. Our Tallow has met with a good market and the top price of that already sold is 29/6, We hear from the Wharfingers that most of the casks were in a very bad condition and we should be glad to hear how they left you.

8. We are ^experiencing great difficulty in disposing of the "Samoa's" Cargo. The quality of the goods sent home is not suitable for the London Market and we are sending most of them to Hamburg but are afraid that after paying freights and expenses, they will show a very small return.

9. We have got the "Samson's" insurance reduced to 9 quineas % and hope if she survives to get a further reduction next year.

10. "Marquerite Mirabaud" The Owners of this vessel take a great exception to your survey report as to the vessel not being strong enough for the cargo she was carrying, and at their request, we sent the following Cable "Ouragan declinado perfazer Sordecemos Vagasters perler Elegiese reciente espropiado desapuesto trionfo". Owners will not accept decision we protest against surveyors report as very unsatisfactory vessel's pumps are greatly in excess of requirements Bureau Veritas. When will the 1500 tons be discharged?. They have arranged with the Pacific Steam Navigation Co. to ship the 1500 tons by the "Inca" and she will be at your port about the 15th. October. We told the P.S.N.Co. in answer to their enquiry that the Ore was probably in two hulks and could be lightered to steamer.

11. The "Antisana" sails to-day and is taking out about 400 tons weight and measurement for the Government, consisting of Galvanised Ironwork, Girders, Columns, Iron-bars, etc. We shall advise this by cable

I am, Sir,

your obedient servant,

Walter H. Giles

for Managing Director.

W. A. Harding, Esq.,

Manager,

Stanley.

Enclosures via Lisbon per S.S. "Orissa"

Duplicates

- Despatches Nos. 934 and 935.
- Ledger & Journal Entries.
- Remarks on Accounts.
- List of Cash Payments (omitted from last mail).
- List of Parcels in Pearson's case.
- List of Client's Cargo per S.S. "Iberia"
- List of Dutiable Goods " " " "
- Remarks on Stores and replies to Remarks.
- List of Cargo per S.S. "Iberia"
- General Invoice goods " " " "
- List of Enclosures " " " "

Client's A/sales :-

S	102	bales Wool	"Samoa"
S	23	"	"Orellana"
O	29	"	"
S&S	36	"	"Oropesa"
W.P	10	"	"Liguria"
M.V.	11	"	"Orellana"
W.Fell	4	"	"Oropesa"
"	44	"	"Liguria"
W.P.	35	"	"
S&S	76	"	"Oropesa"
T.R.	25	"	"Orellana"
P.H.	82	"	"Annie"
L	223	"	"Samoa"
F	60	"	"
L	7	"	"
L		"	"
Hummock	7	"	"
B	11	"	"
S.1	45	"	"Oropesa"
S.1.	75	"	"Yorkshire"
S&S	5	" Sheep Skins	"Oropesa"
M.V.	2	"	"Orellana"
O	1	"	"
J.R.	1	"	"

Client's Invoices :-

Peter Noble	£ 2 .4 .3
Mrs. Robson	12 .6
H & G Cobb	4 .2 .11
Vere Packe	7 .0

Bill of Lading Cargo per "Iberia"

Originals

Copy of letter from the G.P.O. of 15th Aug re delay.

"Santal". D. S. req. modaid siv normalitar

Charter Party ship "Vega" coals.

Mrs Buse's letter to Eills returned with the remittance, 3 stamps.

Copy of letter from the Admiralty of 27th Aug re coals.

Brighton College Account for J.J. Balton, Esq. £ 11 6 11

Client's reports & contracts:-

W. Fell	3	bales	Sheep Skins	"Sanco"
B	5	"	"	"
S.	3	"	"	"
Goodwin				
Roy Cove	4	"	"	"
S				
Stanley	27	"	"	"
J.B.	113	"	"	"
H.G.C.	7	"	"	"
H	4	"	"	"
H & B	11	"	"	"
HB	12	"	"	"
L				
Roy Cove	14	"	"	"
J.B.	78	casks	Tallow	"Antisano"
W.P.	16	"	"	"

Broker's copies reports & contracts Companies' Tallow & Sheep Skins

General Invoice goods per S.S. "Orissa" £ 20 0 0

Client's Invoices :- " " £ 33 3 3

Packe Bros & Co. £ 3 13 7

W.C. Girling £ 4 6 4

G.A. Gorton £ 5 6 3

(credit note) Mrs. Bonner £ 28 7 10

Eills' invoices goods shipped per "Orissa" £ 23 1 1

Langdon's invoice " " " " £ 7 1 1

Ledger & Journal Entries. " " " " £ 7 1 1

Remarks on Stores. " " " " £ 1 1 1

Remarks on Accounts. " " " " £ 2 2 2

List of Company's Cargo per S.S. "Orissa" £ 1 0 0

Labourers Agreements in favour of David Young, A.B. Bell, James Hay, James Scrymgeour, James Cantlie, G.M. Grant, James Wilson.

B/L Cargo per "Orissa" £ 1 1 1

Copy of Cablegram sent on the 30th. August

Pearson's account for H. Clement 15/6

Copy of letter from Langstaff re Marguerite Mirabaud dated 6th inst

Copy of letter from P.S.N. Co. of the 6th inst re Thomas' Baggage

Report on Sheep Skin Sale.

List of Enclosures per "Orissa" via Liverpool. (Consignees' Letter)

Supplier's Invoices Company's

" " Client's

List of Parcels in Pearson's case No.860.

List of Dutiable Goods per "Orissa"

List of Client's Cargo per "Orissa"

LONDON 4th September, 1901

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street,

Per Oravia.

No 937.

London, E.C. 2nd October, 1901.

Sir,

Your despatch no. 186 was acknowledged per Orissa on the 7th ult., but not answered in my absence; since then we have received your no. 187, which came to hand on the 16th of September.

2. 186-2. I think that your attention was called to the departure of some vessels from Stanley bringing no advices from you, because several bills were presented for acceptance unadvised; this should never occur, and can be prevented by sending the advice promptly.

3. Par. 6. The Admiralty asked for 1200 tons of coal, and you have been informed that they accepted our tender at 57/6; the Vega loaded 859 tons, which added to the stock of 500 tons will leave 159 for general purposes; some of this will have gone before the ships arrive, but there ought to be a sufficient margin, and I think that we may fairly say that the quantity taken by the last ship, of which we were advised after the requisition for 1200, should be a portion of it. Of course you will understand that the old price has to be charged until the stock at Athene is exhausted.

4. Par. 8. Mr. F. H. Townsend carries a letter to you asking you to give him facilities for inspecting the Glengowan. You will know what has been expended upon her, and the Board leave it to you to name whatever price you think suitable. We fear, however, that we have a less chance of selling than we should have had a year ago.

5. Par. 9. There have been several mistakes over freights, and they have been committed both on your side and in Liverpool. For instance, you say that you charged on the Tallow per Antisa-

W. A. Harding, Esq.,

Manager,

Stanley.

na 45/.to Liverpool,with a return of 15/6 to us. This appears to have been right,although the amount of the return is not explained,but the P.S.N.Co.delivered this tallow in London,notwithstanding that the B/L is clear on the subject of the port. On the other hand there was an undoubted error in sending WKC tallow to Liverpool at 40/.with a return of 15/6 to us,as it leaves the P.S.N.only 24/6d. If you will take care that the steamer receives in each case the full freight due to her,and safeguard the proportion of the gross freight due to us in the case of outside consignees,it is all that it is necessary to do,but the instances of errors that have been brought to your notice show that it has not been uniformly done. Assuming that everyone is in a flurry on the mail day,why cannot it be arranged in a calm moment ~~to~~ beforehand what freight is payable on each lot of produce that you have in hand awaiting shipment? I send copy of some correspondence with the P.S.N.on this subject,and must point out that the remark on the JG tallow was made before finding out that they themselves were in error.

6. Par.10. I have seen the Roy Cove lease,and it is true that the islands were rented conjointly with the mainland; but the acreage of each was separately stated,that of the main land being 61,400 acres,the islands being a few thousands more. Now it is a most unfortunate fact that according to the letter from Sanguinetti dated 16th September,1891,the area of the land the sale of which had been sanctioned by the Secretary of State was stated as 61,400 acres,the sale price as £9210,and this was accepted by Mr.Bertrand in his letter of the 30th September. How then,when all this money had been paid could he with any show of reason ask for a Crown Grant of the main land and the islands,when the figures clearly show that he had not paid for the latter? His explanation now is that it was a mistake,and that he pointed it out at the time; but there is no record of this,and the consequence is that he is entirely in the hands of the Government in the matter: The correspondence to which I have referred was sent in the Stanley despatch 529.

7. Par.11. Possibly you may have heard more before now on

the subject of the Beeswing coal, as a copy of my letter to Lloyd's had not reached the Colony when you wrote.

8. Par.13 and 187-20. Full extracts from your remarks on the Samson have been sent to the Engineer Surveyors, and I enclose a copy of their reply. I will now communicate with Earle's, and get the necessary stays for next month's boat. You will see that Jacobs & Barringer ~~think~~ think that the original pressure may be re-instated.

9. 186-15. If wireless telegraphy can be established as suggested it will be about the most important advance ever brought about in the Falklands.

10. Your remarks on Colonial finance have been read with interest, and the Board are glad to hear that the Governor is apparently beginning to see the error of his ways. You do not say anything yet about a memorial from the Colony generally pointing out the extravagance and waste that have taken place.

11. Par.17. We see no reason for declining to take risks on cargo by the Shamrock. It is not unusual to insure sufficient to cover cost freight insurance and 10% profit, but perhaps it would be better to leave the latter out.

12. Par.18. I do not know what to say in reply to Capt. Thomas's letter; if he could not see why he should make his presence in England known to us, there is not much use in trying to explain. The P.S.N.Co. have already made him a concession, and I shall endeavour to get the discount on his passages. As a matter of fact we ascertained that if he had come down the coast he would have been with you earlier; but there is no use in going into that question now, and we had better wipe out the bad impression he created by his singular actions, hoping that he will turn out as useful a servant as you expect him to be. Of course we do not pay the cost of getting out his furniture.

13. Par.19. Regarding the ballast that the Samson ought to carry, no doubt I ought to remember, but I cannot be sure about what became of the kentledge or pig iron that the Thetis carried for several voyages. If that is still in existence, it would be useful.

14. Par.20. Letters to me from some of the farmers do not

seem to indicate that they think that we have been too precipitate in stopping the supply of goods on commission, taking into consideration the present state of affairs, but rather that we have done the best we could for them in good times and now have to look after ourselves, which is satisfactory. As regards the possibility of Williams taking over Petaluga's debt, do you mean what he owes us, or the advance made him by Mr. C.M. Dean? Williams is hardly likely to fall into the mistake of securing clients by offering to buy goods for them at $2\frac{1}{2}\%$, and give them credit for the money; if he does, he will regret it in the course of time, as we have done. If there are any of our clients who would be willing to ship by sailing vessel at a lower freight than by steam, no doubt we can accommodate them if we have notice in time, and we are in the position of being always able to fill a ship outwards, which with others would be a difficulty. We expect you to keep us fully advised as to any moves on the part of Williams or any other possible agents. As regards buying fencing or machinery for clients, we should always be willing to get anything that is not commonly kept in the Stores, provided that people requiring such luxuries can afford to pay for them.

15. Par. 23. There can be no objection to your cabling the number of bales in numerals if pressed. The objection is that an error in one numeral would throw the whole thing out, whereas if the code word is manifestly wrong we have it repeated at no cost to ourselves.

16. Par. 25. We may send a little hay by the next sailing vessel, but I am afraid that it is dear this year owing to the drought in the early summer.

17. Par. 26. We have had a good deal of communication with the agents for the M. Mirabeau, and you were informed by last mail that the P.S.N. Co. had arranged to send the Inca for a portion of the cargo. The statement that the ore would be lightered to the steamer was made in error; no doubt the hulks will be placed alongside. Commission will be due to us on this freight, and I do not suppose that the P.S.N. Co. will raise any question

about it, as independently of its being due on all shipments from the Islands the arrangement with the owners was suggested from this office. It is satisfactory to hear that Capt. Thomas handles the tug so well.

18. 187-2. Mrs. Williams is to pay us next week all the money she receives from the sale of wool, and in consideration of Mr. Dean having engaged to let us have the consignment of all produce next year we have agreed to extend the credit allowed to £1200. The idea of course was that in limiting it to £1000 we should be receiving rather more than that sum towards the extinguishment of the debt, but the wool market has upset that. We do not feel satisfied that the management is all that could be desired, and it may be necessary to insist on a change.

19. Par. 5. We recognize the fact that the mail agency must raise the amount of the Stanley wages, but hope that it will be sufficiently remunerative to compensate us for this. We trust to your doing your best to keep the account down.

20. Par. 10. I have always been of opinion that Rees was the kind of ass of whom an Engineer with a sufficiently good opinion of himself like Atherton would be sure to take advantage, and your report that Thomas gets on all right with him shows that he knows how to treat that kind of man, which Rees did not. The man is evidently a good tradesman, and only wants handling.

21. Par. 12. Further excuses on behalf of Capt. Thomas do not make the matter any better; let us leave our judgment of him to the future, and forget his blunder if he turns out well. If the Board is a body of gentlemen who control finance, and do not enter into details, why did he cable to us at all? Paying for passages, by the bye, is a matter of finance, why did he not ask us to do it? Of course during the weeks of his stay in Stanley he never heard that I had been so long in the Islands, that is extremely likely. As regards the letter from the Bank at Carnarvon, the interpretation I put on it was that the Manager had been told not to say that he had been in England if asked; I enclose a copy of my letter.

22. Par. 18. Care was taken to prevent the knowledge of trading on the coast by the Captain of the Thetis reaching you.

Payment was not taken in cheques on you, but conducted in a roundabout way through Dr. Keay, and it was through Mr. Blake asking Mr. Miller for details of a sum paid to that gentleman that he was made aware that it was for ~~making~~ ^{goods} from the Thetis. Mr. Blake says that some of the farmers did not import clot^hing.

23. Par. 19. It is questionable whether Chilian is the best flour; some say that there is a better king in the Argentine, and again that the wheat crop failed so completely of late in Chili that large quantities have been imported by the millers. At any rate it will be worth while trying a small sample of Australian from Liverpool.

24. Par. 21. If there is time we will send you particulars of freights, though you probably have them all by now as far as we have gone, since we have sent you regular returns of all commission received from the P.S.N.

25. In writing about the Samson, I should have mentioned that the log from the beginning of January which you sent us is of no use by itself, as it should have begun from the date of her policy, a month after her arrival from England. If we have particulars of what she has done during the whole year we may get some return, and you should let us have this as soon as you can.

26. Par. 22. The Board are willing to share the expense of Mr. Booten's services, provided that the Government will carry out Mr. Appleyard's undertaking to switch you on to the Lighthouse.

27. Par. 23. It is not considered that the Governor of a distant Colony can impose on the shareholders of a Company registered in England any obligation towards the Government of that Colony, and it is hardly necessary to point out that the shares of this Company are not real estate. I have never been able to understand the difficulties that have arisen with regard to the Probate of Mr. Benney's will, or to find out whether it is really a fact that Probate has been paid both in the Colony and here on the same property, and that the second payment cannot be recovered. I think I heard that it was also the case with Mr. R. C. Packe's property, and I do not know how that was settled.

28. Par. 24. The question of the ownership of Swan Island is an old one, and I should say that it was first raised about the

time the Governor was in his perambulator. Among the pile of papers left by my predecessor at Stanley I remember coming upon correspondence relating to the subject, and I have also discussed the question with the late Mr. Bailey and to the best of my recollection seen a chart in his possession with the dividing line drawn down the Sound, passing between Swan and West Swan. It is not a fact that the grant of Lafonia includes all islands south of the Boca wall, I have had the grant over from the Bank, and have extracted the portion relating to the Islands. There is a fair proof by implication that it has always been recognized as the Company's in the fact that when the great land rush took place about 1867, and every available piece was snapped up, the Government gave a lease of ^{West} Swan Island to either Baillon & Stickney or Packe Bros., I forget which, but left Swan Island, a much more important one, alone. Had the Government had any claim to it, can it be supposed that with a Surveyor General on the spot to support them they would not have let it with the others? A few years later I went round the Islands with Governor D'Arcy and Captain Packe in a man of war, and we landed on Swan to shoot some sheep that I had put there a year or two before. I mention this, because from that date to this I think we have always had stock on Swan, or let it to David Smith, at all events asserted our right to it without the slightest question having been raised until now, notwithstanding that there have been Governors who would have been only too much delighted to have a slap at us had they had any grounds to act on. What is the next article of property that the Governor will try to grab?

29. Par. 26. Do you get rent for the house lately occupied by Yates, to compensate us for the allowance made to Dettleff?

30. Par. 28. We await reply to remarks made on the subject of Government finance, or rather of our financial relations with them. It does not seem reasonable, considering how much they have held of our money of late, that if the balance comes against us they should at once rush us for a bill, and if you can bring off an arrangement for half yearly settlements with the same interest on each side it will be a good thing.

31. Par.29. The agents of the Marguerite Mirabeau asked us the other day about the probable expenses at Stanley, as they wished to insure them. I said that I could not give anything but a very wide opinion, as I knew so little about it, but that it seemed to me that as the ship could not be repaired at Stanley the bulk of the expenses would consist of charges on the storing and trans-shipping of the cargo, and that the cost of the hulks would be £5 per day for the first two months, and £4 afterwards. With regard to labour, I said that if the ship used her own crew it would not amount to much, but that if, as is more likely, labour should be engaged from the shore, the wages would probably be 8/4d. per day per man. Mr. Pöllak then said that they would cover £1000, which seems sufficient, although shortly afterwards I noticed that the Captain had drawn over \$1000 in Montevideo. Still there ought to be a margin, but I have advised the agents of this.

32. Par.31. With regard to coal, ships of the size required being scarce, we can do no more than fill one when she has been chartered, and in the case of the Vega, although we said we would take up to 870 tons, she could not receive that quantity on board.

33. Par.32. Mr. Bernard Stickney is the last person who ought to complain of the Board's action with regard to goods out, as his firm, above all others, has made use of the Company and given us the least possible return for the credit given. What he asks is practically that we should buy fencing and pay for it in November, waiting for our money until about this time next year or later, no security whatever being given. This kind of business is absolutely stopped for the future, and you must inform Bailon and Stickney, if you have not already done so, that the main condition on which we are prepared to go on doing business with them is that in the future we are to have the consignment of their produce unconditionally. This has been arranged with Stickney Bros., and in consideration of their having agreed to it the Board has consented to waive the charge proposed to be made for extra interest and commission ~~and~~ on cash payments

this year. For the same reason Baillon & Stickney may be allowed to fall into line with our other clients as regards interest in account current from the beginning of 1902. I do not know how they propose to pay us the balance due us this year, nor is there any information as to when their wool is to be shipped. If, as I think likely, a portion or the whole of it was in the Thetis they will have come off well. Generally speaking you are at liberty to make advances to a moderate extent on wool that is secured to us, but your aim must be so to reduce each account that the wool will cover the balance due to us at the end of December. When you think it necessary you must take liens, but of this you are the best judge. I would point out, however, that should you expect any client to exhaust the credit that he can get from us, and then go to anyone else to obtain further advances on the security of produce, you must protect us by taking a preferential lien at the earliest possible moment, and failing to get the security that you think necessary you must not hesitate to get a writ served on any debtor who may be inclined to play tricks. More than two months ago I wrote to Mr. H. Waldron asking him to make arrangements for reducing his account before leaving for the Islands. As he did not reply I wrote him again a few days ago, and as he is still silent I infer that he is purposely impolite. If he goes by this boat, and you hear nothing further, do not spare him, but have it out with him on arrival. He has been fooling about here for a long time, dabbling in speculations, and professing to be concerned in Company promoting. Considering his limited intelligence there is no one more likely than he to come to grief over enterprises of that sort, and it would be a good thing to get clear of his account altogether. You cannot believe his promises, and nothing short of good security for what he owes should satisfy you.

ult.

34. On the 12th ~~inst.~~ we received your cable via Coronel, reporting that the Marguerite Mirabeau would be discharged about the 12th September, and that various wreckage had been picked up on the north coast recognized as belonging to Thetis, crew supposed to be lost. The Directors received this news with deep concern on account of the sad loss of life which it seems too

likely has taken place, especially as no further news has come forward. I hoped that the ship might have been dismasted and picked up to the eastward, but there seems to be little chance of this now. We await mail advices with much interest, and hope that you have given us full information on every point. This unfortunate occurrence serves as an example of the want of information supplied by you of which I have had to complain before. Although the ship had left Stanley, we are entirely without information as to what she had on board in the shape of cargo, and this is awkward for us at the present time, as we do not know what to do about insurance. It would be well if you could remember that all details of this kind ought to be supplied promptly. We have had notices from the Customs House and B. of T. officials on the subject of the loss, calling for a list of the crew and other particulars, which I have been unable to answer, and I thought it desirable to cable for details, as per copy of message enclosed, in case you should have overlooked them. I do not know how the shipping Master deals with the accounts of crews that have been totally lost; there must be some system, but in this case there must be much difficulty in arriving at a true state of the accounts, as no doubt Thomas drew money for advances from time to time, all record of which must have come down with the vessel, unless by chance you know anything on the subject. As regards the vessel, our Underwriting account will contribute \$1000, but she was insured with Underwriters for \$3500, which is not only more than her book value, but probably more than she would have realized in the present depressed state of the shipping trade.

Re
937-34

55. Some time ago you sent forward a survey report dated 26th January on one bale wool that had been damaged at Darwin, and was taken ashore to be dried. This bale has apparently come forward and been sold, but as we had no advice of it it cannot be recognized, and it is doubtful whether we shall recover anything, especially as we have had no account of expenses.

56. Mr. Rupert Vallentin goes out again on another scientific expedition, and we shall be obliged by your making things as easy for him as you can.

185-2

185-18

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36. Mr. Rupert Vallentin goes out again on another scientific expedition, and we shall be obliged by your making things as easy for him as you can.

37. I am sorry to have to complain again, but another cheque has been remitted from Stanley with an irregular endorsement, and returned by the Bankers. It was payable to the order of the Stanley Assembly Room Co. limited, and endorsed "John F. Summers, Secy. Assembly Room Co." A child of ten, if informed of the fact that an endorsement on a cheque or draft to order must correspond in every detail to the name on the face, would not commit the blunder of taking such an endorsement as the above, and this must have been allowed to pass through carelessness in the office. In future please look over all remittances of this kind personally, so that these errors, which are not creditable, may be prevented. Fortunately in this case the drawer was in England, and he gave us a cheque in exchange.

38. Murdo Bethune called here lately, and said that you were going to write about him, why I do not know. Is he a man to be reengaged if he wants to go out?

39. The Brokers say that the condition of the wool this year has not been good, the tares in many cases having been a good deal stained, and presenting the appearance of having been stowed in a damp or dirty warehouse. For our own credit you should make our Captains call the shippers' attention to any bales that may have been soiled in the sheds, and if there is any reason to suppose that the Great Britain is at fault, steps should be taken at once to remedy any defects. I said that I believed that she was kept in perfect order, and I attribute the stains to some extent to the handling in the Liverpool and London boats.

40. Just as the scrap iron per Samoa was about to be delivered the firm who acted for us discovered among it a gun metal propeller, probably one of the Wasp's, which they rescued, and sold at 4d. per lb. No advice of the shipment of this propeller was sent, and it was by the merest chance that the buyer did not get it thrown in. Are there no more of these propellers, or have they been returned already? I think that there were three altogether of different pitches.

41. W.E. Morton's credit being limited to £250 per month, unless special arrangements are made, when you send a Captain up to Montevideo you should let Morton have a draft for his esti-

mated expenses. The account lately received was some hundred dollars over the credit, and this amount he carried forward.

42. The tallow has sold this year at good prices, and it is considered that we did better by having it round to London, even allowing for the extra freight.

43. The Samoa's cargo has turned out very badly for us, and the net realization will be poor. The Fertilizer has been sold privately at £6 per ton, and we have disposed of the Sardines, zinc, and soap here. The sardines were in wretched condition, and we had, as previously reported, to take the first offer made. Beach & Co. bought the soap at boiling down price. The Candles, Paper, and liquors have been sold in Hamburg, but not at very good prices, as all the goods seem to have been more or less damaged with salt water, a fact of which you did not advise us. As for the liquors, the result has been disastrous. After infinite trouble with the Customs, who would not only not allow the sale here, but prohibited their export for some time, we sent them to Hamburg, whence we received the pleasing report that the supposed cases of Gin consisted principally of empty bottles with others filled up with water, and we had to allow our agents to sell the whole in a lump for a nominal sum. The wine was but little better, and was sold for Marks 450, the gin having gone for 150, probably not enough to pay freight and expenses. Can you explain how it was that the wholesale robbery that must have taken place was apparently not even suspected in Stanley, and say what the person in charge has to offer in explanation? The Hewers, Castor, and Almond oil have gone to Hamburg, but have not yet been sold. We cannot send full accounts this time, but hope to clear up the shipment by next mail.

44. We have tried to sell the Wasp's engines, but have not yet got an offer, their age being against them. We may, perhaps, have to put them up to auction. As to nets, shot flasks, and other rubbish, if you have things that are unsuitable you must not necessarily make us a dust heap or dumping ground for such things, before finding out whether they will even pay the cost of getting them here; we have done nothing with them as yet.

45. Reverting to the subject of the Samson, we shall be glad

to hear what Atherton has to say about zincs for arresting galvanic action, and whether you have a supply; we used to have them in our other marine boilers.

46. The Sissie's boiler is ready, and will be shipped by the Annie, which we have again joined in chartering for cargo outwards. The cost of getting it to Liverpool and out by the mail steamer would have been very great.

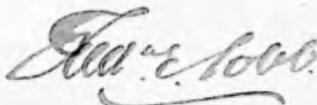
47. It is worth while noting that Spearing & Waldron are somewhat dependent on us for getting ships for their clients' wool homewards, as they cannot command nearly enough cargo to fill them out, and as long as they confine themselves to their own people it does us no harm. But should they try to cut into us, we can soon put difficulties in their way, for it is inconceivable that they can ever have anything like the quantity of freight outwards necessary to make chartering a ship a paying venture, and chartering in the River Plate is apparently a thing of the past, ships there being of larger tonnage than could be dealt with in the Falklands.

48. I may add a few words about finance. The whole question is in a nutshell: for the last ten years we have received from the Islands in produce just about £90,000 annually, and on these remittances in produce we have had to depend for carrying on our business. Latterly, owing to certain capital outlays, even with undiminished produce financing at times has been a matter of some difficulty, but we have got through, and should have continued to do so had the value of wool been maintained. But this year we have been faced with a deficit of what seems likely to be £35,000, and it is just about this sum that we are short. ~~Step~~ Steps have been taken this time to raise what is required by means which will be explained to you later; but it is obvious that in the future, should wool still continue low, we shall have to decrease our outgoings on account of the Colony by just such a sum as the produce may be short of £90,000, or we may be in a difficulty again. For this reason, it is hardly necessary to say that the lock up of money in the shape of advances, however undoubted may be the security, is not a kind of business that suits us, and should be carefully avoided. This, notwithstanding

the popular idea that we are always on the look out for a safe investment for our surplus capital. The limitation of advances to sheepfarmers will materially help to reduce the payments made by us here, the avoidance of indents for goods not immediately saleable will be another auxiliary, and the total stoppage for the present of all outlays on capital account must be enforced. Property must not be allowed to deteriorate, and supplies for judicious repairs should be issued, but let us have no new buildings, fencing, or plant of any kind until things get better. At the sales now in progress there has been a decided improvement, chiefly in the finer sorts of wool, but coarse cross-breds have been going rather irregularly the last few days, and we are not out of the wood yet. I think that you have been sufficiently posted now to know what to do.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicates:-

Despatch No.936, dated 7th September.

Ledger & Journal Entries.

Remarks on Accounts.

Remarks on Stores.

Replies to Remarks on Stores.

Charter Party ship "Vega" (coals)

List of Cargo per "Orissa"

List of D²uitable Goods per "Orissa"

List of Client's Cargo per "Orissa"

List of Parcels in Pearson's case.

List of Enclosures in mail via Lisbon & Consignees' letter via
Liverpool

General Invoice goods per "Orissa"

Client's reports & contracts:-

◇ B 3 bales Sheep Skins ex "SAMOA"

S
Stanley 30 bales Sheep Skins ex "SAMOA"

W. Fell 3 bales Sheep Skins "

Goodwin
Roy Cove 4 " " "

W.P. 16 casks Tallow "Antisana"

Client's Invoices:-

Packe Bros. & Co. £ 3 13 7

W.C. Girling £ - 4/6

C.A. Gorton £ - 5/6

Bill of Lading Cargo per "Orissa"

ORIGINALS

Copy of Cablegram of the 9th September.

Client's Reports & Contracts:-

D S 16 casks Tallow "Orissa"
 W P 16 " " "Antisana"
 53 " " "Orissa"

Press copies of Broker's contracts Company's Tallow & Skins ex
 "Samoa" & "Antisana"
 B/Lading 859 tons Coals per "Vega"

Extract from Crown Grant of Lafonia etc dated 28th Sept. 1859

Labourers' Agreements :-

John. Taylor, John. M. Hogarth, David. Smith. Short,
 John. Bisset, Alex. McCarl, John Angus,

Client's reports & contracts:-

T R 160 bales Wool per "Orissa"
 D S 68 " " "
 S 111 " " "
 F B 199 " " "
 Z 108 " " "
 B 9 " " "
 R B C 28 " " "
 D H 176 " " "
 C C W 18 " " "

Duplicate receipt, Mrs Turner, £30 (Loan)

List of prices Blankets & Rugs from C. Early & Co.

Copy of letter to W. A. Harding of 26th Sept (Original per F. Townsend)

Wool reports.

Copy of Cablegram of 27th Sept.

Letter from Major Howe & Co, Ltd of 24th Sept. re Boots.

List of passages per "Orissa"

Copy of letters to F. S. N. Co. of the 30th Sept. 2nd Oct. & theirs of
 27th Sept.

Copy of letter from Jacobs & Barringer of 30th Sept.

Copy of letter to the Lloyd's Bank, Carnarvon dated 19th June.

London 2nd October 1901.

Enclosures per Supplementary mail via Lisbon

Ledger & Journal Entries.

Remarks on Accounts.

List of Cargo per "Oravia" (Company's)

List of Goods shipped per "Oravia" (Clients')

General Invoice Goods per "Oravia"

B/L Cargo per "Oravia" & measurement slips attached .

Copy of letter from C.J.Howe of the 27th August.

Morton's invoice goods per "Oravia"

Clients' A/sales :-

J.B. 78 casks Tallow "Antisana"

D.S. 16 " " "Orissa"

△ 53 " " "

W.P. 16 " " "Antisana"

S 27 bales Sheep Skins "Samoa"

Goodwin 4 " " "

◇ H 4 " " "

◇ B 3 " " "

S 3 " " "

W.Fell 3 " " "

L
Roy Cove 14 " " "

◇ HGC 7 " " "

H & B 11 " " "

HB 12 " " "

J B 113 " " "

Skins

Copies of Broker's A/sales Company's ~~xxxx~~ & Tallow ex "Samoa" & "Antisana"

Langridge's invoice & freight account Coals per "Vega"

Copy of letter from the Guarantee Society of 2nd & our reply of the 4th inst

Clients' Invoices :-

Packe Bros & Co; £ 2 .6 .0

David Smith £ 12 .3 .1

Remarks on Stores

Benson's Invoice for W.A.Harding, Esq.

Letters for the following:- W.A.Harding, Esq. 3, Capt.H.Thomas
E.J.Mathews, Esq.

London 5th October, 1901.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Lake Megantic.

No 938.

London, E.C. 30th October, 1903.

Sir,

I last wrote per Oravia, and received on the 18th ult. your despatches nos. 188 and 189 per Yorkshire. The following cablegrams have also been received:—on the 10th inst. "Thetis Riordan Priggen Taylor Whitewick three nachguss consult Taff Williams implicais abtanzen", on the 17th "Federal Circe Lequellec dorde-laux", (Bordeaux) and on the 21st. "Scontrazzo shepherd acamparse Packe jagdhund winkelicht returning wettsingen", all of which are understood, and the message has been delivered to Mr. G.A. Packe.

2. 188 - 2. We note that you think it would be well to continue to transact exchange business with Braun & Blanchard. The only remark to be made on this is that in the event of the balance against them being a large one you should arrange that they should give you a draft on London on account, and that you should do the same in the contrary event.

3. Par. 4. The Annie is coming from Swansea to London, and it may be possible to arrange to put 200 tons of steam coal on board her to supplement the last supply.

4. Par. 5. If necessary Mr. Mathews had better go across to get labour from Sandy Point as suggested.

5. Par. 7. As there has been a misunderstanding about the commission from Arthur & Co. it may be better to hand it over to Mr. Baillon, and I will write to him.

6. Par. 8. I have written to the C.O. about the extravagance at Stanley, but although the remarks about the increase in the staff may be useful, I am not satisfied that the indictment of

W.A. Harding, Esq.,

Manager,

Stanley.

Bernard (Page 603)
V. Paske (Rev)

Mathews

much for them, our business must not be allowed to suffer at their expense, and I would remind you that on occasions, which were not I think very frequent, such as stocktaking or when a large supply of goods arrived, the school was allowed a holiday to get over the pressure in Frazer's time.

11. Par.15. Having chartered the Annie I did not understand that there was any immediate necessity for sending wood by mail, nor should I have done so in any case before hearing in what condition the supply sent some time ago arrived, of which you have not informed us yet. It is an expensive way of getting wood out, and should be resorted to as little as possible. Knowing the reputation the P.S.W.Co. have for damaging cargo, I expected to hear that the lining was mainly matchwood on arrival. The Board have already said that they do not wish to cut down supplies if they can avoid it, and I do not think it will be necessary. What you say about the Millinery Store is rather a shock; that goods should have been so hidden away as to be now brought out as new importations is altogether wrong, and you have no doubt taken steps to prevent the recurrence of such an incident. We are curious to hear how you propose to deal with Mrs. Turner, who will have to alter a good deal to make her fit for her position.

12. Par.16. Your ideas about the wholesale supply of stores are approved, and we have been through the list, which seems in most cases a fair one, Mr. Blake is of this opinion also. But the prices are so much lower than retail ones that there seems hardly room for allowing a discount of 5%, especially if you only charge them to the general account once or twice a year. If this discount is allowed they should be transferred to the office ledger monthly, and then those accounts which bear interest would get the discount for cash, but pay interest from date of delivery. It would hardly do to give this discount, and not debit the purchases as once as you do cash. In this way those who keep a balance with us would profit by doing so, as they would get their discount and not pay interest. But details of this kind you must settle as you think best. With regard to the goods we are willing to get out on commission, I do not think

Ally

that we ought to be too obstructive in the matter. If we stocked all the various sizes of woolpacks, all the different lengths of hoop iron, and every kind of dip that each farmer fancies, it might be inconvenient, and the two former it would probably be better to send on commission at any rate, whatever may be done about the dip. In the case of the latter, if we shipped from here on their account we should not be responsible for leakage of casks and drums, whereas if we sold we should have to deliver full quantities, and the loss in case of leakage would be ours. After all, if we sell the principal stores required, these farm necessaries would not make much difference, and you certainly might at least meet those whose accounts are in credit. We must leave it to you to do as you think best, and you can also decide whether the reduced prices should be net, or subject to the proposed discount, for which after all, in the case of those who cannot pay us cash there does not seem much reason. As to what you say about Port Howard, you are quite right; as long as we get the wool it is no catch for us to send for it.

13. Par. 17. We hear that the Samoa's bottom turned out very badly, that there was, in fact, no false keel at all, and that the buyers had to give her a new main keel at an expense of about £500, so that we may congratulate ourselves on having sold her as she stood without any warranty. We have received from Vor^ewrks a bill for the proceeds of the rice.

14. Par. 18. The Directors have read with much interest your reports about the loss of the Thetis, and are deeply concerned to find that the loss of life is so fully confirmed. The alteration about the dip was unfortunate, but these things have so often been carried on the local schooners that the idea that there was any danger in shipping it by the Thetis may be dismissed, and it looks as though the objection raised by Thomas was due to some personal feeling against his namesake. That she was afloat the day after the first gale shows pretty clearly that her safety was not prejudiced by the deckload, and there seems to be no reasonable doubt that the casualty was due to an error in navigation. I am afraid that Thomas was hardly up to his work, but this we have not suspected until now. I am sorry

to have to point out that you have neglected to supply us with information on various points connected with this occurrence, the want of which is causing inconvenience. The ship engaged her crew in London, and for payment of their wages we are responsible to the Mercantile Marine Office here, and the Registrar General of Shipping and Seamen has already asked for a full account of the crew. I had previously cabled you to send this in case you had overlooked it, but I did not mean you to cable the names as you did through Coronel, and this cable is of no use, as you report three men with names unknown. Surely the Shipping Master at Stanley keeps some record of the changes in crews made before him, and could have supplied the information wanted. According to law the Board of Trade will see that the wages in full are paid to the heirs of the lost men in full from the date of signing articles to the assumed day of loss, without deduction except advance notes and such other advances for which there may be written evidence. If these men had advances or stores, and there is no evidence forthcoming, we or the Captain will be the losers. What evidence can you give of advances? If they drew stores in their own names, the bills, if properly certified, may be allowed. But of the crew originally shipped some left in Stanley, and one we know died; how were their wages paid, and what evidence can you give of this? Although you say that there were three with names unknown, you only account for eight men including the Captain, but we hear of two Betts's supposed to be on board, what about them? We must have every detail within your reach. Again, as regards accounts, the ship having gone down, you should have sent her account complete, showing the advances made to Thomas; why has this been overlooked? You must have known that we should have to settle with the widow as soon as possible, and this it seems to me we cannot do ~~until~~ until we get more information. Again, there was cargo on board, and this cargo was insured. But there is not only no Bill of Lading but not even a receipt, and the settlement of the claims are postponed indefinitely. You could hardly suppose that Underwriters would pay up on our simple assertion that there was such and such on board; evidence in these cases is always required.

It is particularly awkward with regard to the wool, as it belonged to Baillon & Stickney, and they have been enquiring about Bills of Lading, which they want of course to enable them to put their claim forward, and this reacts on us, as until they get their money they cannot pay us the account due for last year. Please do your utmost to remedy the omissions at the earliest possible date. If there were no receipts you must send certificates in your capacity of Lloyd's Agent, but you can hardly have allowed the ship's work to be done as loosely as that would imply. I am sorry to say that a claim has been sent in against Thomas for £49.14.11 for tobacco and cigars taken out on his own account. This is five times as much as Rees used to take for use on board, and I am afraid lends confirmation to the suspicion that he did a good deal of trading sub rosa, in addition to which it is significant that last voyage the cash advances made during the voyage to the crew far exceeded in amount what he drew from your office. There were 3000 cigars in this bill, and I think that you had better keep this information to yourself, as it is suggestive of smuggling. We shall get the insurance on the ship paid next week, and I hope that on the freight also; but about the latter the average adjusters are asking a great many pertinent questions about dates of advices and telegrams, in the direction of suggesting that you ought to have cabled your apprehensions to Lloyd's. I am saying as little as possible about this.

15. Par.20. As to freight to outsiders who only make a convenience of the steamers, I had a conversation with Mr. Ward here after last mail left, and I think that he is going to instruct you to follow the Kosmos printed tariff. You will take your instructions on this point from the P.S.N.Co., seeing that you safeguard us as to the collection of your local freight, the consignees being always people over whom we have no control.

16. Par.21. The Directors will have to be guided as to advances here by what you think safe; in the case of Mrs. Hansen, her demands are small, and if there should be a bad season for seals you had better cable a warning.

17. With regard to our clients, I do not think that it is the wish of the Board that we should let anyone go under if there is a reasonable chance of his pulling through; but should there be any cases which you consider hopeless it would be necessary to refuse all further advances, and get what we can out of the wreck; there is no use in throwing away good money after bad. You should take care that doubtful creditors are not weakening our security by getting credit from Williams or anyone else, and it might be politic to hint to any of these that they must not rely on the Company for payment of debts contracted with them. With regard to gratitude, it was defined a long time ago as "a lively sense of favours to come", and I am afraid must be looked upon as a negligible quantity as far as securing future business goes; the safest way would be to get doubtful people who are likely to make use of us as long as it suits their convenience to agree, in consideration of our pulling them out of the mud, to continue with us after they are out of it, instead of kicking up their heels and going somewhere else.

18. Par. 22. The Board having decided to discontinue capital expenditure for the present, the two new houses proposed to be put up by Mr. Mathews should have been sanctioned by them before being undertaken. No doubt the work must be done fairly soon, but is there such immediate necessity for it that it could not have been postponed until next year, and would any other farmer in the islands, suffering under $3\frac{1}{2}$ d. per lb. for wool, have thought of doing it? The dip has been spoken of and practically sanctioned for some time, and this is a necessity; possibly the enlargement of the Cookhouse also, though what has sufficed for a good many years might have been used a year longer. In future the Board would wish any outlay on new buildings to be submitted for their sanction in the first instance.

19. Par. 23. It really does not matter about the reference to us in the C.O. List as long as the Editor confines himself to the truth, though why the concerns of a semi-private Company should be brought before the public, unless for the purpose of emphasising the propriety of taxing sheep farmers, is not clear. But Burdett is truthful, and the report has not been taken from

that publication: the last time we paid a dividend of over 20% was on the accounts of 1896.

20. 189 - 1. We have ordered the wood for the Annie, and when she is loaded we shall see whether there is enough rough cargo to warrant our sending another sailing ship. Bass & Co. had notice some months ago that we should want to send 50 hhds. of ale by this steamer, but there is always a difficulty about the October brewings, and we heard last week that they could not possibly get them to Liverpool in time. We shall ship by the Liguria, and probably send 100 or 150 by the Annie. When Mr. Ward was here last he said that he would send a cargo boat in if we had some hundreds of tons to give, and possibly load in London; we may perhaps be able to squeeze a low freight out of the P.S.N. if they know that the alternative is a sailing vessel.

21. The remittances this time are very welcome, and the absence of drafts on us together with the omission of the payment this month to the Crown Agents is a relief in these bad times.

22. Par. 3. I am having the price list printed in pamphlet form by W.B. Whittingham & Co., who are turning it out very well. In order to give room for additions and alterations it is printed on one side of the paper only. Considering the small number of people altogether who will make use of it I cannot understand your asking for 250 copies, for with variations in prices the issue would become a mass of corrections before being exhausted. I am therefore having 100 printed with prices, and 150 left blank to be filled in, and there are some prices about which some mistake seems to have been made and which we cannot reconcile with the cost here which are left to you to insert.

23. Par. 4. No objection would be made to the relief of Dr. Foley taking place when you think it convenient. With regard to Dr. Jameson's agreement, you suggested that he might go for less money than his predecessors; but it would be better to continue on the same terms, which would give him a comfortable position without the need of getting into debt, but at the same time provide for no return passage, to which, as he is engaged on the spot, he is not entitled. I think that I have remarked more than

once that the free passage given in some cases by the Company has been misconstrued into being a kind of fee or reward for long service; it is nothing of the kind, it simply means that when we send people from here to an outlandish place like the Falklands, where no employment is likely to be offered on leaving our service, it is considered right to replace them where they came from. As regards the cabins, the Board consider that an inside first-class one is the kind of passage that we should give, and that anyone wanting an outside one should pay the difference himself. I came home myself in an inside cabin with my wife, and could not wish to be more comfortable, as the ventilation is good, and fresh air is to be had in bad weather. Mr. Blake has lately made two voyages in an inside cabin in the Liguria, and says that it is good enough for him.

24. Par.5. We have put the accounts relating to the damage to the Thetis on her coasting voyage before the Underwriters, and I think that we shall recover something

25. Par.7. The news you send of the Glengowan is promising; it is unfortunate for those working that there is a bad smell from the water, but it proves that there can be no ebb and flow through a hole in the bottom which is satisfactory.

26. Par.9. I am sorry to say that mistakes have been made about the Marguerite Mirabaud's account which should not have occurred, causing a good deal of trouble and possibly delay in getting the money. You will remember that I both cabled and wrote you to take the Captain's draft on the owners, and that in the despatch confirming the cable I said that we had arranged that they should domicile the bill in London. Instead of following these instructions you took a draft on Langstaff Ehrenberg & Pollak, the London agents, which they cannot accept, and it has been necessary to draw on the owners ourselves for the amount. You will see that if your instructions had been to draw on Langstaffs, the question of domiciling would not have come in; perhaps I should have explained that what it meant was that the owners in Paris would accept the bill and make it payable in London, but I thought that you would understand the expression.

Another difficulty has unfortunately arisen, through the accounts having come forward without any Consular or other certificate, and the owners say that they cannot recover a sou on them until this omission has been rectified. Under these circumstances they have done as much as we could expect; they have accepted the bill, and placed it in the keeping of Langstaffs as third parties, who will hand it to us in exchange for a set of accounts properly certified. Knowing that you have or should have a third set for your own use I cabled in code to catch the Oravia, "Please send duplicate accounts Mirabeau signed Governor in the absence of French Consul bill will not be paid before arrival". I am sorry to see that I left an "f" out of affosato^s, but the meaning of the rest is clear. I thought that you must be aware that the accounts of every foreign vessel must be signed by the Consul of the country to which she belongs, or if there is no Consul by the Governor, some other Consul, or even Lloyd's Agent. It is simply a vise, and does not pledge the official to anything, no doubt you have forms for the purpose in some of your Consular instructions. The two principal points are that the certificate must state that it is given "where no French Consul is appointed", and that there should be plenty of official stamps attached to the signatures. I hope that the accounts will be on the way before this reaches you, in which case you can keep the set of accounts now sent out; but if not you will learn precisely what is wanted from the enclosed copy of letter from Langstaffs. I remember getting certificates of this kind from the Governor on Bottomry Bonds going round the Horn, but you would probably be unable to find them now as they date back 15 or 20 years.

27. Par. 11. We are responsible to Mr. Packe for damage done by rats to his sheepskins while in the Great Britain, and this must be assessed either at Stanley or here. It does not do to leave skins on board a rat infected hulk without providing for the animals; we used to feed them with offal from the slaughter house. I suppose that it would be impossible to smoke the vessel and kill them all, but it would be worth trying.

28. Par.12. As we had already advanced Mrs. Turner £30, we did not take any steps on receipt of your cabled credit for £25.

29. Par.13. We are daily expecting to hear of the Inca, and wonder what you will have done about drawing for the extra hulk hire for the M. Mirabeau.

30. With regard to the Samson, Mr. Barringer has seen a Surveyor to Lloyd's Register, and it turns out that the Engineer of the Antisana was quite wrong in reducing the pressure in the boiler to 95 lbs. Although the stays are $2\frac{1}{4}$ in diameter, they are screwed at each end down to 2 in., which makes their effective diameter the latter, and as 1 15-16ths is the prescribed strength for that boiler they are still 1-16th more than necessary. The calculation made by the Engineer is not understood, but that does not matter, and Lloyd's Register are writing to you that the pressure is to be restored. I thought it better to cable this, as she is of no use as a tug in the meantime. Mr. Barringer recommends that the stays should be periodically coated with white zinc and paraffin, and carefully watched; he says that he sees no necessity for sending out new ones at present, but that you should ask for them some months before they are wanted. The price given for them at Hull is £20 for the set of nine. Mr. Barringer asked whether zinc plates were used, and said that if not they should be supplied at once. We used to keep them in stock.

31. That interminable case about the Enola C. is still going on at Boston, and we are told that a commission will be sent out shortly to take your evidence as to certain questions that have arisen.

32. The Blue Book report strikes me as being an unusually good one this time, but it occurs to me to ask what kind of ship work is done by stone masons.

33. Dr. Otto Nordenskjold, in charge of the Swedish Antarctic expedition called on me last week, and asked whether he could get supplies of all kinds at Stanley, including a little coal. I assured him that you would show him every attention, but as regards coal he would probably have to make friends with the Sen-

ior Officer, as the supply was limited.

34. Reverting to the Thetis, I send a list of the crew who sailed in her from London, and want to know dates and particulars of all changes that took place in Stanley, how wages were paid to those discharged, who took their places and on what dates, whether the substitutes received advances, and if so what amounts, all of which you ought to be able to get from the Shipping Master, and certified by him.

35. It will be a convenience if you will send with each despatch four carbon copies; by next mail we will send an extra supply of copying paper.

36. Mr. Robertson of Oban would like to take some dip and other articles off his hands, and I enclose a copy of his letter with pro forma invoice. The terms seem reasonable if there is any sale for the stuff. I have told him that if you approve we will send him a cheque, but you must be sure that it is all there.

37. I am sending you an urgent letter separately telling you to be careful not to allow a clean receipt to be given for the Government bricks, if they are chipped and broken. I can hardly suppose that they will be delivered whole, and we must not allow any blame to be thrown on the lighters.

I am, Sir,

your obedient servant,



Managing Director.

Erratum. On reading this over I find an inaccurate expression that is probably due to too rapid writing. On the top of the fourth page I said, "our business must not be allowed to suffer at their expense"; this is, of course, nonsense, what I intended to write was "suffer for their benefit".

ENCLOSURES.

 Duplicates.

Despatch No. 937 dated 2nd. October/01.

Extract from Crown Grant of Lafonia dated 28th Sept. 1859.

List of Cargo per "Oravia".

List of Dutiable Goods per "Oravia".

List of Parcels in Pearson's case.

List of Enclosures per Consignees' letter.

Remarks on Stores.

List of Enclosures per mail via Liverpool and via Lisbon.

General Invoice of Goods per "Oravia".

Ledger & Journal Entries.

Remarks on Accounts.

Client's Account Sales:-

D.S.	16	casks	Tallow	ex	"Orissa"	} & reports & contracts.
W.P.	16	"	"	"	"	
△	53	"	"	"	"	
S.	3	bales	Sheep	Skins	"Orissa"	
W.Fell	3	"	"	"	"	
S	27	"	"	"	"	
Goodwin	4	"	"	"	"	
381	◇	B	3	"	"	"

Client's reports & contracts:-

T.R.	160	bales	Wool	"Orissa"
S	111	"	"	"
△	F.B.	109	"	"
△	D.H.	176	"	"
D.S.	68	"	"	"
C.C.W.	18	"	"	"
◇	B.	9	"	"
R.E.C.	28	"	"	"
67	Z.	108	"	"

Bill of Lading Coals per "Vega"

Bill of Lading General Cargo per "Oravia"

Client's Invoices:- D. Smith £ 12 . 3 . 1 Packe Bros. & Co. £ 2 . 6 . 0

Originals via Liverpool

Wool reports

List of passages out per Oravia.

Lofey

Cablegram of the 7th. October.

Vorwerk

Copy of letter from Schwann & Co. of 27th. Aug. advising draft also copy of cablegrams.

Invoice of goods sent per Parcel Post for Bertrand & Felton.

Copy of letter from Jacobs & Barringer of 14th. October.

Plans of "Samson's" Boiler etc. etc. (2)

Clients' A/Sales:-

- ◇ B 79 bales Wool "Samoa"
- S 111 bales " "Orissa"
- T.R. 161 " " "
- △ D.H. 176 " " "
- △ F.B. 109 " " "
- Z. 108 " " "
- D.S. " " "
- G.I. 68 " " "
- ◇ B 9 " " "
- C.C.W. 18 " " "
- R.B.C. 28 " " "
- E 126 " " " (and reports & contracts)

Clients' Credit Notes for claim recovered on Sea-damaged Wool per "Samoa"

Bertrand & Felton 17 .17 .2

J.F. Felton .12 .10

W.D. Benney's Estate 2 .15 .9

Mrs. Hansen 1 .6 .1

Vere Packe 3 .11 .0

Holmsted & Blake 43 .2 .3

W. Fell 1 .10 .9

Mrs. Bonner 2 .12 .4

Copy of letter to the Colonial Office of the 16th. October.

Shepherds' health certificates (11)

Copy of letters from Alex. Robertson of the 21st. & 23rd. October and invoice attached.

Press copy of Commission on homeward freights per "Antisana", "Oris" and "Oravia"

Copy of letter to Mr. Thomas Sharp of 23rd. October.

Copy of letter from Messrs Langstaff & Co. of the 23rd. Oct. together with Marguerite Mirabaud's accounts.

Copy of letter from Bass & Co. of the 19th October re shipment of Ale.

Downton & Co's quotation & sketch of ships' pumps.

Debit note error in A/sale J.B. 113 bales Wool, "Samoa"

Clients' reports & contracts:

Z. 7 bales Sheep Skins "Orissa"

F.B. 3

R.B.C. 1

D.S. 2

H. (1)

C.C.W. 1

D.H. 6

T.R. 4

Z 98 Hides. "Oravia"

Copy of Cablegram of the 24th October.

Colonial Reports on the Falkland Islands for 1900 (2)

Clients' Invoices Goods shipped per "Oravia"

West Falkland Medical Asscn. 17. 10. 6

Baillon & Stickney " " 2. 12. 4

Mrs. T. Robson " " 28. 7. 1

W.A. Harding, Esq. " " 6. 2. 6

(Collecting & Storage) " " 12. 8. 4

Stanley Assembly Rooms Co. 7. 2. 3

Mrs. Benney " " 66. 14. 11

W. Stickney, Esq. 14. 6. 2

Copy of letter from the Lloyd's Register of British & Foreign

Shipping dated the 18th October.

List of Thetis' Crew on leaving London.

Debit note for Local freight & charges on Wool & Skins "Antisana" Stickney Brothers.

Copy of Broker's A/sale Company's Skins ex "Samoa"

London 30th October, 1901.

Enclosures per Consignees' letter per "Lake Megantic"

Supplier's Invoices good shipped per "Lake Megantic"

" " " " (Clients)

List of Dutiable Goods per Lake Megantic:

List of Parcels in Pearson's case.

List of Goods shipped for Clients.

London 30th. October, 1901.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Liguria.

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939.

London, E.C. 27th November, 1901.

Sir,

Since writing you per Lake Megantic I have to acknowledge receipt of your despatch no.190, which arrived on the 11th inst. with enclosures in order, also your letter of the same date.

2. Par.2. We hope to get full particulars from you as to the dates of engagements and discharges of the Thetis's men, and with regard to the sons of Mrs. Betts, if the Shipping Master claims the sum due to them you will of course let us know. The Official Enquiry will probably fix the approximate date of the loss, up to which wages will have to be paid.

3. Par.4. With regard to steam coal, I have been in correspondence with the P.S.N.Co. and have seen Mr. Ward. There will be no difficulty about sending you an extra lot by one of the cargo boats, as they are willing to carry 250 tons from Swansea or 500 or more from Birkenhead, but the difficulty with the latter would be that it must be North Wales coal, which I am afraid is not on the Admiralty list. Freight would be 22/6 net from Swansea or 21/. from Liverpool, and the P.S.N.Co. will give us their policy at 8/6 f.p.a., which is very favourable, as comparing with five guineas by sailing vessel. You may depend on our shipping 250 tons by the first available boat. As regards discharge, you speak of supplying men for the steamer's hold, this will be a help no doubt if they want to engage labour on their own account, but the duty of putting it over the side falls on the ship, and when I told Mr. Ward that we could put hanks alongside, and trim it away as fast as the steamer could discharge he seemed quite satisfied.

W. A. Harding, Esq.,

Manager,

Stanley.

4. Par.5. I think that I can correctly answer your question about the Admiralty coals. On the 3rd May last ~~year~~ they asked us to quote for 1200 tons of fresh coal, and wished to disregard the remainder of the stock that had arrived late the previous season, evidently wishing to punish us for what they considered dilatory despatch. This they abandoned after I had personally seen the Director of Contracts, and then, assuming that there were about 400 tons on the previous contract still remaining to be delivered, I offered to supply 800 tons to make up the quantity required. In the meantime, unknown to us, the Nymphe went down and took a quantity of coal which left less than 400 tons still to be delivered, the actual quantity being according to your return 345 tons. From this it seems that when that quantity has been delivered at the high price quoted they will have taken the full quantity to which that contract related, and should begin on the new stock, and in view of the abandonment of their original intention this seems the only fair way of treating the matter. Whether the 85 tons to the Nymphe should be included in the 1200 asked for is another matter, but I do not think that the question is likely to crop up unless you should run short, when you can fairly say that when the contract was made we had not been told that the Nymphe would deplete the stock to that extent.

5. Par.7. Mr. Allan with his wife children and Governess go by this boat, and the Board hope that you will manage to find some place for them. I have told him that there may be a difficulty, which would have been avoided had the family gone down from Montevideo; but he did not like sending them to a strange place alone, and will take his chance. He says that they do not mind roughing it. We are paying his expenses through from New Zealand including those of his family, as the Board wish to give him a good start; for Miss Elyth he pays himself. He was at the last Board meeting, and several of us have seen him since; he has given us a very good impression, and we all hope that it will be followed up by success in his management.

6. Par.9. Langstaffs have paid the small account on behalf

of the Marguerite Mirabeau.

7. Par.11. From what you say about the drying of the sheepskins I hope that the Inca is bringing the lot. It would have been better if you had told us that 20 bales were dried over the boiler, as the Brokers could have specially examined them. A quantity of those per Samoa are full of weevils, which is probably due to insufficient drying, and the buyers are giving some trouble about them. Mr. Allan thinks that treating them with arsenic is a course to be adopted. The skins per Orissa must be carried forward to 1902 as you say; this will have to be done on your side.

8. Par.12. With regard to the Stores required by clients, I have anticipated your wish by sending you the indents we have received from them. As you know the importance of not ordering too much we can rely on your scrutinizing the Storekeeper's indents, and reducing them where necessary^s. I asked Mr. Blake what he thought about the clients' orders, and enclose copy of his reply. As far as we can see the stores sent out this year will be about £4000 less than in 1900, but that year was heavier than the previous one. I have looked through the Stock returns lately and have made a rough estimate of £7000 as representing the stores and materials we keep solely for the supply of ships, which in many cases lie on hand a long time, but when we do sell them yield a good profit. I should be glad to know if this agrees with what you think. Even deducting this £7000, the stock of general stores is a heavy weight, and we hope that it will be possible to lessen it.

9. Par.16. The Board have read your account of the proceedings in the case of the Circe with much interest, but wish that you had given some intimation of what the Samson was to earn for saving her. From your account it seems that the vessel was saved by her from being burnt to a shell, as the pumps did not give out until the fire was extinguished, and if this was not actually a case of salvage it was one for which the remuneration should be very high indeed, much higher than would be represented by a charge at so much a day. You may have been alive

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to this, but if so we should have liked to know it. The owner writes us that the Captain has cabled that the expenses would be £2000, and that the ship would be ready in 15 days; if this is correct it means that a large sum has been earned by the Samson in all probability, as repairs occupying 15 days only could never run into that sum. We insisted on having a credit on London, and the owner wired last week in time to enable me to catch the Lake Megantic at Montevideo that the expenses would be met by Henry Bath & Son, of 53, New Broad St., London, which I cabled out. Your remark that you had put Johnson on the survey although I might say that he was not an authority on coal calls for notice, as it shows that you have quite misunderstood what I said on this subject some months back. Johnson was not called by you on a coal survey, but on a ~~the~~ ship in immediate peril, and as surveyor or agent for a Shipping association was not out of place; a little consideration will show you the difference. A survey on a ship should be held by experts on shipping, on cargoes by experts on goods, the latter is, in fact, a merchant's survey, and if you appointed a carpenter to give an opinion on coal or any other cargo you would be wrong. While on this subject I am bound to tell you, and I write as an old Lloyd's Agent myself, that you went astray in going on the survey yourself as such. In the case of a survey on a vessel it is your duty according to Lloyd's instructions to see that properly qualified men are appointed as surveyors, and being our Manager as well as their agent it is all the more necessary that you should strictly carry this out. None of the Board would doubt for a moment that you would take advantage of your double position to gain an unfair advantage for us, but there is no disguising the fact that while the interests of the Underwriters demand that expenses should be limited to the smallest possible sum, as Manager for the Company you naturally wish to get out of the vessel as much as you fairly can. You have to run absolutely straight, and when I say this I mean straight not only as we should understand it, believing that you would do nothing wrong, but in such a way that the most censorious critic could not possibly say

that your action was bordering on impropriety. Now in this case in which you as surveyor recommended that the vessel should be flooded, knowing that the only way of doing this was to employ your tug's salvage pumps, for the use of which you would put in a claim for salvage, I suggest to you that your presence on the Board of survey was out of place. In saying this you must not understand that the Board are finding fault with you for an action which greater experience would have shown you was irregular, I am merely pointing out to one rather new to work that abounds in pitfalls how a course of action which at the time you considered right was a dangerous one to follow.

10. Same par. With regard to the breakdown of the hoses, I wrote on the 17th April that we did not know whether the pumps were in serviceable order or not, and that you could never tell when they might be required. In reply on the 28th May ^{you said} that you had tried the pumps and found them in excellent order. This examination must have been rather a perfunctory one, for we find that the hoses were rotten, that a spindle was so worn as to break on the first hard work, and that the plungers were out of order. Fire extinguishing we expected to have to do, and it is disappointing to hear of such a breakdown on the first occasion the pumps had to be used. When anything of this kind occurs the proper course to take is to have it remedied as soon as possible, and I must point out that in addition to reporting the collapse of the hoses it would have been wiser to give particulars of the lengths required and the diameter so as to enable us to replace them by return steamer. However I got from Earles a drawing of the pumps from which I found that it is $4\frac{1}{2}$ in. hose, and have sent by Mr. Barringer's advice 50 ft. from the Silvertown Company, which you will have to cut into suitable lengths. We assume that the metal connections are all right, although you do not say so. After buying this hose I received a quotation from Earles for 72 ft., which appears to be the length originally supplied, their price delivered in Liverpool being £50, or about $2\frac{1}{2}$ times as much as that from Silvertown. If you want the remaining 22 feet or so let me know. With regard to the so called Ramsbottom rings, both Earles and Mr. Barringer say

that they are plain ones, and although the latter suggests that they jammed through inattention, and you do not ask to have them replaced, I have told Earles to put them in hand, as it is imperative that everything about these pumps should be in perfect order. The hose goes this mail; the rings cannot be got ready in time. Correspondence on this subject is enclosed. The moral of this episode is that you must insist on your Engineer seeing that both the internal as well as the external parts of the machinery under his charge are fit for work at a moment's notice, and I would suggest having a dress rehearsal of the pumps at least once a quarter.

11. Perhaps it would be as well to say a few words about the Samson, as I believe you think that we might have sent you a better boat. When we were thinking of sending a tug we had a number offered, but nothing as cheap as the Samson, in fact the prices ran from £5000 up to £12,000 or more. We were not blind to the Samson's defects, but we believed that the hull, machinery and boiler would be serviceable for a good many years to come, we knew that she was being offered cheap on account of the financial difficulties of the owners, we wanted to get a tug out quickly, and we thought and still think that notwithstanding the neglect to which she had been subjected the various parts that might prove to want renewing could be supplied and fitted after her arrival at the Islands. We were not prepared to spend a larger sum, and it was a case of the Samson or nothing. She went out, and was immediately useful in connection with the Samoa, and she has since proved herself indispensable for the mail agency. The scare about the boiler stays was a false alarm, which has been rectified, but as soon as ever the Engineer considers it necessary we will replace these with new ones, we have taken immediate steps to put the pumps in order, and we will do anything else that may be found necessary. We never expected that ordinary use as a harbour tug would show a profit worth having, but we do think that every now and then she will get a plum in the way of salvage that will show that we were right in sending her out. This Circe business is a plum that we hope has been a good one.

12. You will remember that we hold the exclusive agency of John Jameson's Whiskey, which I got with some difficulty on promising to take a certain quantity every year. Their agents have lately approached us on the subject, pointing out very justly that while they are getting orders from others which according to their compact with us they cannot ship, our orders have fallen off considerably. On looking it up I am surprised to find that the last case whiskey was shipped in August 1900. Although there is no order from your side, I am temporarily putting this right by sending 100 cases by this steamer, and if in reply you say that this, the best Irish Whiskey in the world, is slow of sale, we must tell them that they can do as they like in future; we cannot act the part of the dog in the manger any longer. The quantity we guaranteed to take was 300 cases per annum, and you will see how far short of this we have dropped.

13. I send a copy of letter from Mr. E. F. Baillon complaining that his remaining wool has been ready for shipment since last March, and has not yet arrived in London. I have told him that I will write to you on the subject, but if the 110 bales per *Thetis* were all that he had ready at a date much later than the one he gives he must be mistaken. I assume that if the rest had been ready the *Thetis* would have had room for it as far as Stanley.

14. I regret to inform you of the death of Mr. Montague Dean, which took place a few weeks ago. I do not know yet what arrangements will be made for the consignment of the Port Stephens produce, as our Director, Mr. J. M. Dean, has already said that he is not going to attend to business any longer, but no doubt instructions will be sent to you. I hope that you will be able to arrange to collect this produce; whether rightly or wrongly the manager had frequently complained to Mr. Dean that he cannot get the stuff away without employing outside vessels.

15. I have to report a further loss in the matter of the *Thetis*. From correspondence enclosed you will see that the Underwriters on the freight have raised the objection that in writing by the mail of the 19th August you reported your fears

as to her safety, but that you did not cable either to us or to Lloyd's that she was 25 days out and long overdue at Salvador. For this omission the Underwriters, under legal advice, say that we have to suffer for the act of our agent. Where you went wrong in the first instance was in not informing us of the intended movements of the vessel. We could not have insured the freight until we knew that she was loading for London, for it would have been premature to do so if she had been going for another coasting voyage, and I have searched your despatches in vain for any indication of her destination after she returned to Stanley the last time. The July mail brought no news, but some time after its arrival Mr. Egles in my absence from the office thought it unsafe to keep the matter open any longer, and insured the freight for £1000, this was on the 7th September. On the 12th the cable announcing her loss arrived, and on the 16th the despatch conveying your apprehensions as to her safety. It is obvious that we could not have insured had we been in possession of that despatch, and you will see that the Underwriters' contention is that we ought to have been warned by cable. The end of the matter has been that rather than engage in a lawsuit which would probably go against us, and which would in any case bring into unpleasant prominence your name as our Manager and Lloyd's Agent, the Board agreed to accept a compromise offered by the Underwriters, and settle for 50% of the claim. This unfortunate occurrence will show you how necessary it is to keep us advised on all material points. We want facts, with as little uninteresting detail as possible, and the sort of information we require will suggest itself to you by instinct in the course of time, especially after your visit to England which we hope will not be long delayed.

16. The P.S.N. Co. have despatched the Magellan for Stanley, with 114 tons weight and 466 measurement, probably the bulk of it for the Admiralty. As she is likely to anticipate this steamer by a few days they have shipped all cargo by her that arrived in time, and what is left will probably be inconsiderable. I shall cable the Magellan's tonnage via Coronel.

17. We are informed that an enquiry has been made for a steamer to carry 3000/5000 sheep from a safe port in the Falklands to St. Helena, but do not know by whom. Should any people owing us money be concerned in this you will of course see that the proceeds are paid to us. If there is a chance of selling sheep at a remunerative price we ought to be in it as well. Mr. Neame tells me that the man Lingham who was in the Islands is not a responsible person.

18. The Annie is now loading, and I have arranged to put from 100 to 200 tons house coal on board.

19. As the last account for the S.A.M.S. has been drawn for I have now arranged with the Secretary that we should draw for the previous quarters in the old way, and in future you will send Dean Brandon's drafts as instructed. They must not, however be made up to the end of the quarter only, but bear interest up to the date of the mail, and the commission, which is for drawing, should be calculated on the total, not on the cash payments only.

20. Messrs. Bertrand and W.K. Cameron go by this boat; particulars of cash payments to be made for the former will be found in the Statement on Accounts. Mr. George Cobb was to have gone, but illness in his house will keep him back a month.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

"Samba" re bales wool

Duplicates.

- Despatch No. 938 dated 30th. October, 1901.
- List of Enclosures.
- Bill of Lading Cargo per "Lake Megantic."
- Abstract of "Samoa" account (with copies of A/sales.)
- List of Parcels in Pearson's case
- List of Clients' Cargo per Lake Megantic
- List of Dutiable Goods per Lake Megantic
- List of Cargo per "Lake Megantic."
- Remarks on Stores and replies to Remarks.
- Clients' Credit notes claim recovered on damaged wool per "Samoa"

Mrs. Bonner 2 .12 .4

W. Fell 1 .10 .9

Vere Packe 3 .1 .0

Holmsted & Blake 43 .2 .3

W.D. Benney's Estate 2 .15 .9

Mrs. Hansen 1 .6 .1

J.J. Felton 12/10

Bertrand & Felton 17 .17 .2

Ledger & Journal Entries.

Remarks on Accounts.

General Invoice of goods per "Lake Megantic"

Debit note re error in Insurance of B. 113 bales Wool per "Samoa"

Clients' A/sales :-

△	F.B.	109	bales	Wool	ex	"Orissa"
	Z	108	"	"	"	"
	D.S.					
	G.I.	68	"	"	"	"
◇	B	9	"	"	"	"
	C.C.W.	18	"	"	"	"
	R.B.C.	28	"	"	"	"
◇	B	79	"	"	"	"Samba"
	S	111	"	"	"	"Orissa"
	T.R.	161	"	"	"	"
△	D.H.	176	"	"	"	"
	Z	126	"	"	"	"

Clients' Reports & Contracts :-

Z	98	Salted Hides ex "Oravia"
T.R.	4	bales Sheep Skins "Orissa"
D.H.	6	" " " " " "
C.C.W.	1	" " " " " "
B	1	" " " " " "
D.S.	2	" " " " " "
R.B.C.	1	" " " " " "
F.B.	3	" " " " " "
Z	7	" " " " " "

Clients' Invoices Goods shipped per "Dravia"

W. Stickney	6	14	6	2
Mrs. Benney	66	14	11	
Stanley & E. Co	7	2	3	
W.A. Harding	12	8	4	
"	6	2	6	
Mrs T. Robson	28	7	1	
Baillon & Stickney	2	12	4	
West F.M.A.	17	10	6	

01461 no. 107.3.3

U. VI. VI. notice & instruction

Jointly issued & signed

by the undersigned

"Contract and" and goods to general invoice

Goods note in invoice & bill of lading "Contract and"

:- clients' invoices

"Contract and" no. 107.3.3

"	"	"	108	2
"	"	"	20	1.1.0
"	"	"	2	
"	"	"	21	1.1.0
"	"	"	22	1.1.0
"	"	"	23	1.1.0
"	"	"	24	1.1.0
"	"	"	25	1.1.0
"	"	"	26	1.1.0
"	"	"	27	1.1.0
"	"	"	28	1.1.0
"	"	"	29	1.1.0
"	"	"	30	1.1.0

Originals via Liverpool per "Liguria"

Wool reports.

Copy of Cablegram of 5th. November.

Copies of letters to F. Barkworth & Co. of 14th. 15th. and our reply of 19th. Nov. re Thetis freight insurance.

Copy of letter to the South American Missionary Society of 11th. Nov.

Dr. Keay's letter and order to Hills returned.

Copy of letter from Jacobs & Barringer of 15th. Nov. re Samson's pumps.

Mr Blake's remarks on Stores for Clients.

Copy of letter to the Registrar General of Shipping etc. of 12th. Nov.

Kirkland Cope's account 8/6 for W.A. Harding, Esq.

" " " 17/- for F.I. King

Clients' A/sales as follows:-

Z 47 Salted Hides "Oravia"

D.S 2 bales Sheep Skins "Orissa"

T.R.4 " " " "

K.B.C.1 " " " "

F.B.3 " " " "

D.H.B. " " " "

G.C.W.1 " " " "

B. 1 " " " "

Z 7 " " " "

Copy of Broker's A/sale Companys' Sheep Skins (pt 20 bales) "Orissa"

Plan of Samson's Pumps.

Copy of letter from E.F. Baillon of 21st. Nov.

Copy of Cablegram of 23rd. Nov.

B/L Cargo per "Magellan."

Mr. Allan's Agreement.

Copy of letter from P.S.N. Co. of the 22nd. Nov.

Credit notes for Claim recovered on sea-damaged wool per "Orissa"

Dean & Anson £1 15 .7

C.C. Wesell 15/2

Mrs. T. Robson 12/4

Copy of letter from Earles of the 26th. November.

Account Current for A.L. Allan, Esq.

Particulars of payments allowed to Mr. Allant (£29 17 6)

Clients' Invoices as follows:-

Packe Bros. & Co. 12/9

Mrs. T. Robson £5 11 9

Packe Bros. & Co. 2 4 4 (credit note)

London 27th November, 1901

Account of Mr. Allant

Account of Mrs. T. Robson

Account of Packe Bros. & Co.

Account of Mr. Allant

Account of Mrs. T. Robson

Account of Mr. Allant

Account of Mrs. T. Robson

Account of Mr. Allant

Account of Mrs. T. Robson

Account of Mr. Allant

Account of Mrs. T. Robson

Account of Mr. Allant

Account of Mrs. T. Robson

Account of Mr. Allant

Account of Mrs. T. Robson

Account of Mr. Allant

Account of Mrs. T. Robson

Account of Mr. Allant

Account of Mrs. T. Robson

Account of Mr. Allant

Account of Mrs. T. Robson

Account of Mr. Allant

Account of Mrs. T. Robson

Account of Mr. Allant

Account of Mrs. T. Robson

Enclosures per Supplementary mail via Lisbon

Ledger & Journal Entries.
 Remarks on Accounts.
 Remarks on Stores
 Replies to Remarks on Stores.
 B/L Cargo per Liguria
 List of the Cargo per Liguria (Company)
 General Invoice Goods per Liguria & Magellan
 List of Dutiable Goods per Liguria
 Copy of letter from the Colonial Office dated 28th. November;
 Langdon's Invoice goods shipped per Liguria
 Hills's Invoices goods shipped per Liguria
 T. & S. Plum's price list.
 Copy of Cablegram received on the 16th inst.
 Letters for the following:-
 W. A. Harding, Esq.
 E. J. Mathews, Esq.
 Lawrence Stickney, Esq.
 Account Current for W. W. Bertrand, Esq.
 Dalgety's Wool report.

London 30th. November, 1901.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851)

61. Gracechurch Street.

Per Oropesa.

No 940.

London. E.C. 20th December, 1901.

Sir,

Since writing per Liguria I have received your despatches 191 and 192, the former per Inca on the 2nd and the latter per Oropesa on the 7th inst.

2. You are under a misapprehension as to Official Enquiries. They are held at the instance of and on behalf of the Board of Trade, and your action in the matter should have been limited to giving such facilities as might have been asked for. It does not matter in the least whether one is held or not, as far as we are concerned, the recovery of insurance, which has already taken place, not depending on it, but on your reports as Lloyd's Agent. The expense should be borne by the Board of Trade, but if you asked for it the Government may try to place it on our shoulders. If so, precedents will show, I think, that the cost has never been defrayed by us.

3. Par. 3. The Board regret to hear of the accidents to labourers. In the case of Kelway, I will endeavour to find out the price of a finger. James Lewis, (is he the carpenter?) is reported in the Magazine to be recovering from his squeeze; if so we assume that if he is paid for lost time it is all that he can recover, and the same applies to Andrew Bell. There is no doubt, I suppose, that the latest Act has been extended to the Colony; if so, does this apply to labourers afloat? It was held that it did not in the case of a carpenter. I will see your friend Mr. Andrews if I can. I have seen the Employers' Liability Assurance Co. about risks at Stanley, but they decline to take them.

W.A. Harding, Esq.,

Manager,

Stanley.

4. Par.4. The Board are much pleased to see how well the Samoa's cargo is selling. Probably it would have been better to keep more at Stanley than you did, of the candles certainly, though you could not have known it at the time.

6. Par.6. The Board are willing to let Mr. Fell have the use of Trist Island by the year, at a rental that you may consider suitable.

7. Par.7. The letter from the French owners seems to show that surveyors should confine themselves to reporting on damages and the repairs necessary, without stating their views on the subject of construction, which may be assumed to have been dealt with by the Surveyors of the Register in which a ship is classed. I regret to say that the account sent for supplementary expenses on the Marguerite Mirabaud is as irregular as it was possible to make it. There was no signature of any sort on it, nor were there any accompanying vouchers for the subsidiary accounts, no commission was charged, and it was not drawn for on the owners. You should have arranged with the Captain that you should draw in his absence as Lloyd's Agent, and I return you a copy to show what should have been done, of which please take note for the future. Had we had to depend on the French Company it would have been hopeless to attempt to get the money without referring the account to you; but Messrs. Langstaff helped us a good deal, and managed to get the money out of the consignees less a commission of 1%, with which we had to be satisfied, that is to say we paid 1% where we should have got 5. The bill of lading as sent was no security to us at all; it was in the name of the Nickel Co. as consignees, and we had to hand it to them; had it been to order we could have held it. A bill of lading to order, I may add, must be endorsed by the shippers.

8. Par.8. You will have seen by the cable sent you that the hoses had been shipped. I assume that any good sailor man can seize on the unions, and you can cut them to whatever lengths you like. Without these hoses you were running the risk of losing a good salvage, if another ship on fire turned up. As to a wheel chain carrying away, we hope to hear of no such accid-

ents when Captain Thomas gets into his stride; all gear liable to wear, wherever it may be, should be watched by the person in charge, and replaced before there is a chance of its carrying away.

9. Par. 10. The letters ~~from~~^{to} the P.S.N. Co. are interesting. I notice that you did not understand the freight on ore, stated as 30/. less 5%, which of course meant 5% commission to us; over this you have been saved from a blunder. Mr. Ward was here lately, and told me that they would not give way on the subject of broken glass. The Government's remedy would be to buy their glass in the Colony. As we have lost through damaged potatoes it would be interesting to know what the claim preferred by the Canteen was. Mr. Ward says that if unjust claims succeed in Court they must raise their freights to provide a fund for meeting them; they do not propose to raise ill will by questioning the position of the Colonial Secretary as head of the Canteen and Police Magistrate.

10. 192-3. Your remarks on the subject of freights to outsiders are approved, and the rates proposed will do, excepting on tallow, on the subject of which it is impossible to understand how after reading my despatch 935-4 you still hanker after the rate of 29/6. There is no such rate; it should be 40/. from Stanley to London: if, as happened last year, we find that the Liverpool market is good, we may arrange here for a rebate for landing there, but this has nothing to do with your office. 50/. & 5% is the charge to our clients, that is 40/. to the P.S.N., and 12/6 to us, therefore the rate to outsiders should be at least 55/. & 5%. I may mention that Mr. Ansdell of Hoare's told me lately that Greenshields had cabled home to defer payment of freight until the mail arrived; this of course cannot be done, but it means that some protest will be raised that will lead to a settlement of the question.

11. Par. 6. All that you can do about the Samson is to see that all repairs, whether to boiler, machinery, deck gear or anything, are taken in time; whatever is necessary to make her efficient should be attended to at once. As regards her limited

towing powers, I hoped that my cable about the restoration of pressure would have shown you at least that Atherton need not restrict himself to the 95 lbs. fixed by the Surveyor.

12. Par.7. Although I intended on account of the expense to send the boiler for the Sissie in the Annie, I decided afterwards to get it out as quickly as possible, and it went by the first steamer after the repairs were completed.

13. Par.10. I can quite understand the mess Williams has got into, if he continued to give the public unlimited credit after we drew in. Probably his books are no worse than ours were in 1895; the excellent way in which our debts have been reduced and kept down since attention was called to the subject will have increased those of the other Storekeepers generally, for the Stanley people will take as much credit as they can get.

14. Par.11. You have not taken in the charter of the Annie. Last year and this she was taken up on ^{joint} ~~joint~~ account with Messrs. Langridge for a lump sum on the round of £1400. For the outward voyage she was put on the berth, and we accepted freight from Spearing & Waldron and Hoares at 30/. paying 25/. ourselves, in each case with 5% primage, coals at 20/ net. For the homeward voyage we chartered her to Spearing & Waldron for £720 for Port Howard only, and on the last voyage we made a profit of some £150, which we divided equally. You will see, therefore, that when the Captain talked of getting 18/. per ton he was in error. I said that if necessary we could take her up entirely on our own account, but Spearing & Waldron were bound to have a ship home, and I thought this the best way of drawing their teeth. Ships outward are difficult things to handle, and I hope will soon be superseded entirely by steamers; we cannot think of chartering unless we know of wool sufficient for a cargo, and in that case chartering in the Plate or Sandy Point would be better. The Svithiod, outward bound to the latter place, has been offered us, and if you thought it desirable I have no doubt you could manage it. In such a case you should provide for $2\frac{1}{2}\%$ address commission; see old Montevideo charters of 15 years ago or so, if you can find them. But we should stick to the P.S.N. if we can.

15. Par.14. We are trying the Liverpool market for flour by shipping 200 98 lb.bags by this steamer,and the price works out at a little over 7/7d.per 100 lbs.,which I think compares favourably with Chilian. At the time of writing I cannot say whether we shall have to double bag this flour; the Brokers say that the bags are strong enough to stand shipment,but the ultimate decision will rest with the P.S.M.Co. Chilian flour is not of a very high class,and this experiment may show that we ought to ship from Liverpool always.

16. Par.19. The Governor's certificate is accepted as satisfactory,and we have received the Marguerite Mirabaud's bill.

17. Par.21. There were other goods on board for London besides wool when the Thetis left Stanley,and it would have been more regular if you had had Bills of Lading signed for everything before her departure. I think that Hoare's underwriters will settle on your certificate,but we have been asked for either a Bill of Lading or the receipt given by Thomas when the wool went on board. I said that possibly this had been kept by Mr.Stickney instead of having been sent to you by him to be exchanged for a Bill of Lading. I have already written about the information required by the Board of Trade; in all cases of loss they ask for a list of the crew on board,which need not necessarily ^{consist of} ~~be~~ the same men who signed in London six or seven months previously. You were very likely unaware of the necessity of providing this information,for which reason I cabled. The ship's account ought to have been sent at once; we have it now, but the receipts signed by Thomas for advances were not attached as they should have been,consequently we cannot settle the amount due to his Estate. If not in duplicate please let the Auditor see them,and then pass them to us. I think that I have already suggested that a record of the changes in the crew ought to be obtainable at Government Office.

18. Par.27. It is impossible to find out now how the liquor on board the Samoa was broached,and it would not benefit us to know; the fact remains that many of the cases contained little but water,and such wholesale robbery could not take place in

either the Docks or the ship. As regards sea damage, the proof that much of the cargo was injured by sea water is too strong, and the condition of the barb wire serves only to confirm it. You will have to make the best arrangement with Curtze that you can; if he bought it after inspection I do not see that he has any case against us.

19. Par.32. The Board willingly gratⁿ you leave of absence next year, and will leave it to you to come when you think that you can best be spared. You will be paid full salary during your absence, and will, as usual, make such arrangements on your own account for carrying on the business as you think right.

20. Par.33. It is satisfactory to hear that the Circe will be able to go on with her cargo, and that the delay will enable you to get the credit on H. Bath & Son that was cabled. You still are silent on the subject of the Samson's earnings, whether salvage or otherwise, and must understand in any future case that information of this kind is what the Directors look for and take the greatest interest in.

21. Par.34. As regards the boiler of the Great Britain, there seems reason to fear that it has been left too long; you will see the imperative necessity of adopting a system by which periodical inspection of all perishable plant and other property can be assured, and not left to chance. I would suggest your keeping a record of dates when inspections take place, and noting the condition of the machinery or whatever it may be, and the steps taken to renovate it. If the Great Britain's boiler is past patching up do not hesitate to say so, and should this be the case find out what size or horse power of boiler should be sent to replace it, taking into consideration the work it has to do. Possibly a smaller one might be sufficient, as it is only required for hoisting cargo in and out. The boiler was not new when we bought the hulk in 1886, and it has had a good life.

22. I enclose a copy of letter from an Analyst on the subject of the mineral specimen you sent home a short time ago. You will see that there is not much hope of its turning out valuable, but you had better send a bag of it when you have a chance.

23. The Annie has left with a full cargo, and I am sorry to say that notwithstanding positive instructions given by me that in any case the wood must all go a quantity has again been shut out, the fault lying between the loading Brokers and the Stevedore. I am glad to say, however, that I have made arrangements that will prevent any inconvenience through delay on your side. Having a quantity of coal to ship, and a further order for wood, I approached the P.S.N.Co. on the subject, with the result that they are putting on the Corcovado for Stanley to take all we have to ship. 200 tons Steam coal will be shipped at Swansea or Cardiff at 22/6 per ton, and 200 tons House and 50 Smithy at Birkenhead at 20/. The Cardiff coal will, owing to a rush at this time cost us 18/1½d, but the house, which is Lancashire coal, is only 14/. against 23/6 in London, and the insurance, which we shall do through the P.S.N. is only 8/6% instead of £5.5/. by sailer, so you will see that they are doing very well for us indeed. For the wood from London they are going to quote us a low through rate, this will be about 100 tons, and the balance of the order we are going to buy in Liverpool to save coasting freight and knocking about. I enclose correspondence on the subject, and I think that we may congratulate ourselves on seeing a way out of the trouble and uncertainty experienced over cargoes by sail, for it stands to reason that with the latter in 19 cases out of 20 the exact tonnage cannot be judged, and we either have cargo over or space to fill up with stuff that we may not actually want. The Corcovado is to close on the 16th prox., and this will give you time to make your arrangements for taking delivery of the various lots of coal and the timber.

24. I regret to have to point out that out of 16 lines of produce per Inca seven have the freight stated incorrectly, notwithstanding all that has been written on the subject. I enclose a statement showing where you have gone wrong; the principal blunder is in the tallow, but you have not yet realized the necessity of stating the gross freight in the case of consignments to others than ourselves, (excluding Mr. Dean) so that the P.S.N.Co. may collect the whole, and return us our share.

With a certain amount of trouble I have succeeded in getting these freights put right; but in such a simple matter errors should not occur. I enclose a copy of the table given some time ago to the P.S.N.Co., which is the same that you have with one or two explanatory notes, and I cannot see how, with a reasonable amount of care you can go wrong.

25. Since writing about accidents to workmen I have received a letter from Mr. Harold Lafone on the subject, a copy of which I enclose. You have already had a copy of the law, and I think that some treatises on it were sent to you also.

26. I have been surprised at receiving from four firms applications for payment of invoices of tea, toilet requisites, perfumes, and provisions, all of which are stated to be in fulfilment of orders given by you to their agent, a Mr. Martinez. I need not say that I have repudiated them all, stating that I have heard nothing from you, and that orders for goods come from you to this office, and in no other way.

27. I have received your letters of 29th October and 12th ult., which call for no reply, excepting with regard to your remark that Captain Thomas thinks that lengths of iron piping are required as well as the rubber hoses. This is not understood, as it seems natural to suppose that with sufficient lengths of the latter they must from their flexibility be more easy to handle.

I am, Sir,

your obedient servant,



Managing Director.

M. was told that what was to be done was to order him to...

ENCLOSURES

Duplicates

- Despatch No. 939 dated 27th. November, 01.
- Ledger & Journal Entries
- Remarks on Accounts
- List of Enclosures
- Account Current for W.W. Bertrand, Esq.
- List of Cargo per "Liguria"
- General Invoice goods per "Liguria" & "Magellan"
- List of Dutiable Goods per "Liguria"
- List of Clients' Cargo per "Liguria"
- " " " "Magellan"
- List of Dutiable Goods per "
- List of General Cargo per "
- Remarks on Stores and Replies to Remarks
- List of Parcels in Pearson's Case

Clients' Invoices :-

Packe Bros & Co.	12/-
Mrs. T. Robson	5 .11 .9

Clients' A/sales :-

C.C.W.	1	bale	Sheep	Skins	"Orissa"
	1	"	"	"	"
Z	7	"	"	"	"
	6	"	"	"	"
D.S. G.I.	2	"	"	"	"
T.R.	4	"	"	"	"
R.B.C.	1	"	"	"	"
	3	"	"	"	"

n/m or Z 47 Hides "Oravia"

B/Lading Cargo per "Liguria"

Clients' Credit notes:-

C.C. Wesell	15/2
Dean & Anson	1 .15 .7
Mrs. T. Robson	12/4

Originals via Liverpool

Wool Reports.

Copy of letter from Edward Riley of November re minerals

Pain Brothers' account for W.A.Harding, Esq. 10/-

Copy of Cablegram of 2nd. December, 01.

Copy of letter to the War Office dated 9th. December,

Copy of letter from the Sunlight Soap Co. of 3rd. December to Mills & Co.

Copy of letter to the P.S.N.Co. dated 3rd. & 10th. December

Copy of letter from Bass & Co. of 29th. Nov. and our reply of 10th. Dec.

Bill of Lading Cargo per "Annie"

Manifest of Cargo per "Annie"

List of Dutiable Goods per "Annie"

General Invoice Goods per "Annie"

also our letter to Langridge 2nd.

} press copies

Clients' A/Sales, reports & contracts:-



10 Hides ex "Annie "

n/m 51 " " "Oravia"

F 299 bales Wool ex "Inca"

S.I. 30 " " " "Yorkshire"

} reports & contracts only

Copies of Broker's A/sales Company's Sheep Skins per "Samoa" (remainder)

Whittingham's account for printing Store Price Lists \$5 5 .0

List of Rates of Freights per "Inca"

Copy of letter from ~~Ge~~^{H.} Lafone dated 18th December.

Copy of letter from H. Langridge & Co. of 16th. December re "Annie"

Copy of letter to Crossmith & Co. of 18th. December.

Copy of letter from J.E. Gadelius of 30th. October.

Copy of letter from P.S.N.Co. of 17th. December & 19th. December.

Copy of "Marguerite Mirabaud" account (with corrections)

Debit note for insurance on 34 packages Private Effects W.W. Bertrand,

Remarks on Stores and replies to remarks on Stores

Remarks on Annie's Cargo

Copy of letter from Paul Thomsen Crasemann & Co. of 11th. December

Letters for the following:-

Mrs Allen (four)

W.A.Harding, Esq.

London 21st. December, 1901.

Enclosures per "Annie"

B/Lading General Cargo (Company) per "Annie"

" J. Greenshield's Cargo per "Annie"

Suppliers Invoices

" " J. H. Dean's Cargo

List of Debitable Goods per "Annie"

Manifest of Cargo per "Annie"

Incompleted General Invoice

London 12th. December, 1901.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

Dear Sir,

61, Gracechurch Street,

Per Corcovado.

No 941.

London, E.C. 17th January, 1902.

Sir,

As this steamer leaves tomorrow, and will anticipate the mail by a few days, I write to acknowledge the receipt of despatch no. 193, together with your letters of the 10th and 11th ultimo, which arrived on the 8th inst.

2. First I must express the very great regret with which the Board, of the cause which for the time incapacitated you for work, and convey to you their sincere sympathy in your loss.

3. Par. 3. Mention is made of men having been picked up in Stanley for the season's work, but there is no allusion to the labourers from Chiloe of whom you write in your second letter.

4. Par. 7. On hearing that the sealskins were on board the Orellana I at once wrote to the P.S.W. Co. to send them up by rail, with the result that they just caught the present sales, and averaged about 42/. each. There are only four fur sales in the year, and the market just now is good.

5. Par. 9. The mention of Dr. Jameson reminds me to say that you will of course explain to him that although the Company finds drugs for their own servants, he will be expected to keep on his own account whatever may be necessary for the supply of his outside patients.

6. Par. 15. It would be interesting to know if the landing of bricks can be done on the tariff rate without loss; if not a special arrangement should be made.

7. Par. 16. We hope that as the Circe was, as far as our work went, ready for sea, you got a draft from the Captain for the expenses up to date, though your cable "Circe credit is insufficient increase it to £2500" throws a doubt on the subject. You have made a mistake over this; although the Captain wired £2000

W.A. Harding, Esq.,
Manager,

Stanley.

as the probable amount of the account my cable was "Draw upon Henry Bath & Son London for the disbursements"; had there been a limit to the credit I should have stated it. I am replying today with the word "Cochedura", meaning "The credit referred to in your telegram is quite correct and all in order". A copy of Messrs. Bath's letter is enclosed.

8. Pat. 11. With regard to the insurance on sheepskins, it is just the same as wool, against all risks, from the place where they are baled to London.

9. It is a pity that you did not mention Mr. Martinez before, as I should then have understood those orders. As it is, he evidently took too much on himself in sending them as having been given to him. We have shipped the samples, but as some of the suppliers do not pay carriage to Liverpool it is doubtful whether it will be to our advantage to go on with them.

10. Your cable:—"Circe cocaron masiliense scorsojo enternecer water gauge fittings estendeis sissie iberia 726" arrived on the 13th inst. The portion relating to the Circe I have already referred to, the remainder reads:—"Send per steamer safety valve, water gauge fittings $\frac{3}{4}$ in. (for) Sissie, Iberia has 726 bales wool". This shows that the boiler sent lately is hung up for fittings, which is a serious matter, and I have taken it in hand at once. Water gauge fittings have been obtained from Belamy and forwarded, but the safety valve has been a puzzle. Belamys had not seen it, and Rees, to whom I both wired and wrote, could throw no more light on it than is contained in the enclosed letter, nor could I ascertain what kind of valve to order in its place, as it was the valve off the old boiler if I read the correspondence of 1894 rightly. Moreover, Pollock & Macnab, the builders, are no longer in existence. At last I thought of getting Mr. Barringer to send to the London Docks to overhaul the gear lying with the still unsold machinery ex Wasp, and there it was, the explanation given by the Wharfinger being that Captain Rees had told him that he did not know what it was, and that it had better be stored with the engines. There has been much carelessness over this, of which I am afraid that the London Of-

fice must bear a share. I find that in advising the despatch of the boiler on 28th May last, you wrote that there was "one safety valve complete which will be handed in by Captain Rees". By the way Captain Rees is a fairly muscular man, but hardly up to "handing" in an iron fitting weighing 1½ cwt. But Rees says that he knew nothing about it, and unless his memory is at fault, his attention was not called to it. Bellamys were instructed to receive the boiler and fittings direct from the Docks, and we assumed that they had done so. As things have turned out, I think that we ought to have called his special attention to the question of the valve at the time, but we took it on trust that everything was in Bellamy's hands. While I have been writing this, Bellamy's chief Engineer has been here, and has upset everything again. He was despatched to the Docks as soon as we got Barringer's man's report, and now he tells me that although a portion of the valve is there, the main parts are missing, and he thinks from what he heard that they have gone away with the scrap iron. I have therefore given him instructions to get a new valve ready, which he says he can do as there is one in stock to which a blank flange can be fitted, and this will be sent to Liverpool by passenger train tomorrow to avoid all risks of being too late. I have thus made the best of a bad matter, but the question now arises why the safety valve was sent home at all. It was not stated to be out of order, and as a matter of fact all the necessary repairs were done without it. The new valve will be set to the pressure that Bellamys consider safe, as to which I will report later.

11. The cargo by this steamer is an experiment which I hope will be successful. The P.S.N.Co. have met us in every way possible, and although they are precluded from shipping the gunpowder you will see from the correspondence enclosed how they propose to get over this difficulty in future. As we sent 300 lbs. by the Annie, I hope that the want of it will not prove a serious inconvenience. We are scoring immensely in shipping the timber on suppliers' measurements, probably saving 100 tons on the freight, if not more, judging by the Annie.

*new spring
bought
overhauled
recently.*

*then was 2
years before
on hand*

f

12. The letter containing the specification of cargo, bills of lading, and supplementary statement on accounts per Orellana was carried on to Liverpool, and did not reach us until two days after the mail. I do not know whose fault it was, but I wrote the P.S.N. Co. to ask their pursers to forward these letters via France, and they have suggested that they should always be marked "Via Lisbon".

Other matters must wait until next week's mail.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures

Duplicates

Despatch No. 940 dated 20th. December, 1901.

List of Enclosures

Remarks on Stores

Supplementary Remarks on Stores

Ledger & Journal Entries

Remarks on Stores

List of Dutiable Goods per "Oropesa"

List of Cargo per "Oropesa"

Bill of Lading cargo per "Oropesa"

List of Parcels in Pearson's case No. 2186

List of Client's Cargo per "Oropesa" and corrected list

Remarks on "Annie's" cargo

General Invoice goods per "Oropesa"

Client's A/sales as follows :-

n/m	51	Salted Hides	ex	"Oravia"
	10	" "	"	"Annie"(and reports & contracts)
F	299	bales Wool	"Inca"	(reports and contracts only.)

via Liverpool per "Corcovado"

Originals

Copy of letter from W. Lowden & Co. of 31st. December, 01.

Rev. H. Wimble's schooling account for Mrs. Benney

Copy of letter from Rowson Drew & Co. of 31st December re Insertion Washers.

Copy of Cablegram of 30th. December, 01.

Clients' A/sales as follows:-

S.1. 30 bales Wool per "Yorkshire"

F 299 " " " " Inca "

Brighton College schooling account for J. J. Felton, Esq.

Copy of letter from J. Dewar & Sons, Lim. of 30th. and our reply of 31st. December, 01.

Standing rates of Freights with the P. S. N. Co. omitted from last mail Despatch No 940 par 24

Invoice of goods shipped per "Orpesa" for H. Clement, Esq.

Copies of letter from the P. S. N. Co. of the 1st., 13th., & 14th. and our of the 15th. January.

Clients' Reports & contracts:-

F. 17 bales Sheep Skins "Inca"

H 9 " " "

AP 11 " " "Orpesa"

AP 260 " Wool "

H 35 " " "

F 15 pkgs Tallow "Inca"

H 8 casks Fur Seal Skins "Orellana"

reports only

Press copies of Brokers' reports & contracts Company's Skins & Hides

Copy of letter from Capt. Rees of 15th. January re safety valve

Copy of Cablegram of the 17th. January, 02

Copy of letter from Henry Bath & Sons of the 26th. November, 01.

Remarks on Cargo per "Corcovado"

Suppliers Invoices Goods per "Corcovado"

" " " "

Port Stephens

London 17th. January, 1902

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Orellana.

No 942.

London, E.C. 22nd January, 1902.

Sir,

I wrote to you last week in reply to your despatch no. 193, leaving other matters to be dealt with by the present mail. I understand that the Corcovado sailed from Liverpool on the 20th inst., but have had no definite information on the subject.

2. The Board have sustained a loss through the death of their old friend and colleague, Mr. W. Hughes-Hughes, who was a Director of the Company for 29 years, and Chairman for a quarter of a century. From a very early date he took the greatest interest in the progress and development of the Company, and maintained it to the last, never failing, notwithstanding his declining health, to give us the pleasure of his presence at our General Meetings. To you and to the other officers of the Company now in the Islands he was little more than a name; but by those who were associated with him so long his invariable courtesy and charm of manner will never be forgotten, and his death has created a void which it will be difficult to fill.

3. I send you a copy of a letter from Uzielli & Co. about the wool on board the Thetis, which will show you how necessary it is to be precise in the smallest details. The incorrect mark given in your certificate seems to have delayed the settlement for a considerable time; I explained it, and I hope that it was allowed to pass.

4. The new safety valve for the Sissie was sent by passenger train to Liverpool, and has gone on board the Orellana. It occurs to me to ask what has become of the one belonging to the

W. A. Harding, Esq.,

Manager,

Stanley.

Wasp, and whether that and the gauge cocks from her boiler could not have been turned to account.

5. On applying to the Pacific for commission on the freight on Nickel ore, they informed us that as it was a special arrangement made here with the Charterers to whom they had already paid a heavy commission, and was outside the regular business of the port, they were unable to recognize it. There is no use in making a fuss about it, so I simply wrote them in reply that as I gave them information that led to the business I had virtually introduced it, and that in quoting the rate to you they had given it as 30/. less 5%, which we understood to mean the commission due us. In future cases of the sort it will pay us better to keep such information to ourselves, and to endeavour to charter in the Plate reserving a commission for ourselves.

6. I have written to the P.S.N. Co. saying that you will be coming by the Oravia in March, and asking whether the reduction of one-third off the tariff rate will apply to your fares. If so, and you have any special fancy for an outside cabin, I do not think that the Board would object to it, especially as there is a precedent for it nearly 35 years old. But from my personal experience, I consider that in the tropics the ventilation of an inside one is to be preferred.

7. The Brokers have called our attention to the absurdity of sending tallow home in iron drums, as Mr. Felton has done. It is objectionable in every way; it is impossible to arrive at the tare, and this is not settled yet; to get the tallow out it has to be melted or the drums cut to pieces; no large buyer will look at it, and at the first sale the highest bid was 28/. Fortunately the market was unusually good, and there happened to be a man who was ready to bid for them, and the price realized was fairly good. But in a slow market they would either not have sold at all, or a very low price would have had to be accepted.

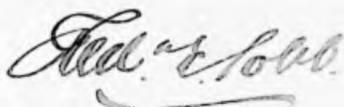
8. The Woolsales began yesterday, and I have to report the cheering intelligence of a substantial rise in coarse cross-breds, which there seems to be hope will continue. If so, the

situation in the Islands will be saved.

9. I hoped to be able to report before now that the Company
● had been registered under the Companies Acts, but there have
been legal difficulties in the way that have caused delay.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures per "Orellana" via Liverpool.

DUPLICATES,

Despatch No. 941 dated 17th. January, 02

Remarks on Cargo per "Corcovado"

A/sale P. 299 bales Wool ex "Inca"

Invoice of goods shipped per "Oropesa" for H. Clement, Esq.

Clients' Reports & Contracts :-

AP 260 bales Wool ex " Oropesa" (report only)

AP 11 " Skins "

P. 17 " " "

P 15 packages Tallow ex "Inca"

List of Enclosures per "Corcovado"

ORIGINALS

Wool Reports,

General Invoice of goods per "Corcovado"

Copy of letter from Dewar dated 17th. January.

List of Company's Cargo per "Corcovado"

List of Clients' Cargo per "Corcovado"

Anglo-American Oil Co's invoice Paraffin per "Corcovado"

Spratt's invoice Poultry Food per "Corcovado"

B/Lading General Cargo per "Corcovado"

Copy of letter from Uzielli of 3rd. January and our reply of 6th.

Letter for E. J. Mathews, Esq.

London 22nd. January, 1902.

11

Enclosures per Supplementary Mail via Lisbon

Originals

Ledger & Journals Entries.

Remarks on Accounts

Remarks on Stores and replies to Remarks

List of Cargo per "Orellana"

B/L Cargo per "Orellana"

Corrected General Invoice Goods per "Corcovado" & Davies' invoice
(corrected) attached

Corrected List Dutiable Goods per "Orellana"

General Invoice Goods per "Orellana"

Sanders & Co's letter dated 13th. inst re Tombstone

Langdon's Invoice goods per "Orellana"

Mills's Invoice goods per "Orellana"

T.C. Williams's Invoice Tobacco per "Orellana"

Day's price list of Jameson's Whiskey

Lowden's debit notes for Export Duty on Coals per "Corcovado"

Sight Draft on John Kirwan for 17.17.10 & B/L attached for collection

Letter for W.A. Harding, Esq. I

London 25th. January, 1902

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Iberia

No 943.

London, E.C. 19th February, 1902.

Sir,

Confirming my last despatch per Orellana, I have now to acknowledge receipt of your no. 194, which arrived on the 4th inst.

2. Par. 3. Mr. Moir had to be described as a schoolmaster in the agreement, as that was his calling when he was engaged, but it was never intended that that was to be his principal occupation, or that he should be on a footing different ^{from} to Frazer's.

3. Par. 7. A bill can only be domiciled in London when the ^{acceptor} payee's place of business is elsewhere; if it is in London it is assumed that he has an account at a London Bank, and the expression would not be used: this should have made clear the ambiguous use of the word "them". When an account has been drawn for, and there is a supplementary one, it should not be sent in the form of a statement to be paid, but made up with the usual commission, and drawn for. The commission lost on the Marguerite Mirabeau was over £15. The charge of £1.1/. has not been paid, and will have to be written off.

4. Same par. In the case of foreign ships, although a properly worded certificate by Lloyd's Agent attached to the accounts goes a long way, it is safer to have the papers also certified by the Consul, or if there is not one, by the Governor, who is ex officio Consul for all unrepresented nations.

5. Par. 12. Lloyd's Agent may if a Captain desires it state in his certificate to a survey that he approves of the course recommended by the Surveyors, but he should not be one of the Board of Survey himself.

6. Par. 13. I understand that in using the pumps for filling a vessel the hoses deliver the water, and therefore are not sub-

The Manager,
Stanley.

jected to any severe strain; but that when pumping out they become suction hoses, which should necessarily be much stronger. The Board wish to know if the hose sent out from the India-rubber Co. was of the right description, and if so whether they have had the unions seized on, and are fit for use when required.

7. Par. 16. The Executors of Mr. C. M. Dean will carry on the business themselves; but have given no instructions as to the consignment of the produce. You had better, until an arrangement has been made, make out the Bills of Lading for Port Stephens produce to order, and send them here, not forgetting to endorse them for the Company; we will then deal with them according to the Executors' wishes.

8. Par. 22. A copy of a letter from the Credit Lyonnais is enclosed, from which you will see that the unexpired balance of some £800 on a credit with a Swedish Bank has been transferred to them, and that you can accept Dr. Nordenskjold's drafts on them to that amount.

9. Par. 26. With reference to the acquisition of our land for public purposes, and to your cable on the subject which is translated as follows:—"Colonial Office has wired instructions to Governor steps must be taken immediately land and submit the matter to arbitration here cabling what amount has been awarded before 31st March what is the lowest we may accept for should it be offered most strongly advise you negotiate", I enclose copy of a letter I forwarded to the Colonial Office lately and of two private letters from Sir John Anderson, and have to add that I called on Sir John yesterday, and suggested the basis of an arrangement. I told him that if we could get the Admiralty to allow us to retain a few acres or one of the blocks near the coaling station, and that if a suitable piece of land for our sheep could be put at our disposal near Stanley, our main objections would fall to the ground, and the settlement would be an easy matter. I also pointed out, and I think made him see that there would be an almost insuperable difficulty in finding a perfectly neutral Umpire in the Islands, and that whatever might be done as regards Arbitrators, their report and the evidence

given before them, if they were unable to agree, should be referred to an Umpire in London. I think that he saw the reasonableness of this, for it cannot be denied that a Naval Officer or a Colonial Official would be equally objectionable from our point of view, while among the Colonists independent of the Company, who is there of sufficient weight, and with a knowledge of the principles on which arbitrations are conducted, whose decision would be certain to be accepted as just by either party? I expect to hear from Sir J. Anderson before the Supplementary mail leaves, and will therefore drop the subject for the present.

10. Par. 28. Bellamys say that the gauge cocks were not on the boiler when received; not having any list of fittings they took stock carefully of what they received, and the case of fittings mentioned was not received by them, nor was it on the Bill of Lading, or mentioned in any way from your side, until just now.

11. Par. 29. The sale of Glengowan coal to the Vega as ballast is very satisfactory.

12. Par. 33. The drafts on account of the Circe have been accepted, as will be the further one for supplementary expenses. With regard to the salvage I enclose copy of a letter from our Solicitors, of which you must take careful note for your future guidance. They do not consider that the salvage service rendered in putting out the fire and saving the ship and cargo ought to have been affected by the fact that the hoses broke down after all danger was over. The subsequent pumping out was merely labour, and not salvage at all. The value of the property saved is placed at £8000 for the ship, cargo £1300, freight £1800, total £11,100, and not only Messrs. Ince but another expert I consulted said that the award should have been at least 10%. But in every salvage case the percentage of salvage varies according to circumstances, and in case of extreme difficulty and danger the amount earned would have been much more. No doubt there are valuable precedents to be found in Maritime Notes and Queries. In conversation with Mr. Ince he said that it would have been better, if there had been time, to let us know what was

proposed to be charged, so that we might have cabled instructions if necessary, and he remarked that when, as in our case, a vessel with salvage appliances was stationed at a port for the purpose of rendering assistance to shipping, and that whether she paid or not practically depended on the earnings she gained in salvage, the Court always took that fact into favourable consideration.

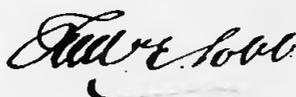
13. Par. 34. The remittances in this despatch are most welcome.

14. Par. 35. We do not want a copy of the evidence in the Thetis enquiry. As regards the cost, the enquiry is understood to have been held on account of the Board of Trade, and it is usual for the Court to make no order as to costs, which are paid by the Board. There is an exact precedent in this case in that of the Black Hawk, an enquiry as to the loss of which was held in Stanley in 1881, in April or May I think. The Governor had written some nonsense under a misapprehension about prosecuting me on a charge of manslaughter, and I took the unusual course of asking for an enquiry into the circumstances. If by turning to despatches and letters of that date you can find out when it came off, and cannot find in the Cash Book of the same period any payment for the cost of the Enquiry, you may be sure that we did not pay it, as, to the best of my recollection, was the case.

15. Since writing the foregoing I have seen Mr. Carpenter, one of Mr. C. M. Dean's Executors, and have arranged with him that all Bills of Lading are to go to Mrs. A. S. Dean, Arkley House, High Barnet.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures via Liverpool.

● ORIGINALS

Wool Reports.

Certificate of Steam Coal per "Corcovado"

Copy of letter from the Mazawattee Tea Co., Lim. of 20th. Jany.

Copy of Cablegram of the 27th. Jany.

Clients' A/sales, Reports & contracts:-

	RBC	15	casks	Tallow	ex	"Orellana"	
	L	31	"	"	"	"	
(press copie	HW	7	"	"	"	"	
	F	15	packages	"	"	"Inca"	
"	H & B	2	bales	Wool	ex	"Orellana"	
"	HW	60	"	"	"	"	
	AP	260	"	"	"	"Oropesa"	
"	H	36	"	"	"	"	(2 a/sales)
"	HB	6	"	"	"	"Orellana"	

Copy of quotations for Ships' Pumps Downton's of 17th. & Austin's of 29th. January.

Corrected General Invoice Goods per "Corcovado"

Copy of letter to the Colonial Office dated 11th. February

Clients' A/sales as follows:-

	F	17	bales	Sheep	Skins	ex	"Inca"
	AP	11	"	"	"	"	
press copy	H	9	"	"	"	"Oropesa"	
"	H	8	casks	Seal	Skins	"Orellana"	

Broker's Copies Company's A/sales Skins & Hides ex "Inca" & "Samoa"

Copy of letter from J. Bellamy, Lim. dated 5th. February.

Copy of letter from W. Greer & Co., Lim. dated 4th. February.

Credit note for J. J. Felton claim recovered on sea-damaged wool per "Inca" £ 8 .12. 0

Extracts from letters. to & from Mr. Craigie-Halkett

Copy of letter from the Credit Lyonnais dated 14th. February..

Copy of letter from Ince Colt & Ince of the 14th. February and Statemen attached.

Copies of letter from Sir John Anderson of the 13th. & 15th. and our replies of the 14th. & 17th. Febr

London 19th. February, 1902

Enclosures per Supplementary mail via Lisbon

ORIGINALS

Ledger & Journal Entries.

Remarks on Accounts.

Remarks on Stores & Replies to Remarks.

List of Cargo per "Iberia"

Bill of Lading Cargo per "Iberia"

Copy of letter from the Credit Lyonnais dated 21st. February.

Kirkland Cope's account for Bernard Stickney, Esq. £ 5 .16 .2

" " " G.A. Cobb, Esq. £ 2 .11 .0

" " " Company £ 1 .16 .0

Clients' A/sales as follows:-

 37 Salted Hides ex "Orellana"

HB 117 " " "

Copy of Brokers' Reports & ²¹~~contracts~~ Company's Wool per "Iberia"

T. & S. Plum's Butter prices for 1902

Letter for W.W. Bertrand, Esq.

" " E.J. Mathews, Esq.

Copy of letter from Sir. John Anderson of 19th. and our reply of the
20th. February re land.

Supplementary Remarks on Stores.

London, 22nd. February, 1902

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary mail.

No 944.

London, E.C. 22nd February, 1903.

Sir,

I enclose a copy of a letter from the Stockholm Bank to the Credit Lyonnais, showing that the credit in favour of Dr. Norden-skjold is reduced to £100, of which you will have to take note.

3. Since writing to you via Liverpool I have received another note from Sir John Anderson, of which I send you a copy. You will see that the Admiralty refuse to let us have a small piece of land near the works, and that nothing is said as to the block proposed to be given in exchange on the south side of Stanley. If the Government persist in forcing on the matter before the 31st March they will do us an injustice, as they will entirely prevent our exchanging any communications with your office. The position has, of course, changed since we were first asked to sell the land. We did not want to part with it, and asked a prohibitive price in hopes of dissuading them from pursuing the subject; moreover, at that time there was no law under which the land could be compulsorily acquired. The new Ordinance changes the situation altogether, and as we are at last given to understand that the land is to be given up whether we wish it or not, just as it would be in the case of a new Railway, we have to make the best terms we can. If it were possible to get a piece near Port Harriet or at Goose Green, with water on it, a portion of the land, at least, hard, and fenced securely, there is no reason why we should not exchange it acre for acre. Unfortunately after 11 years I do not quite remember the lie of the land there, nor have I any plan or chart that gives much information. There will be no Board until the 24th, and in the absence of any

The Manager,

Stanley.

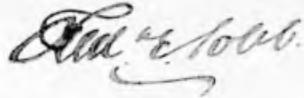
further letter from the C.O. I hardly know what to advise. I think that it is almost certain that we shall come to an arrangement here, or that we shall be allowed further time for consideration and consultation, and that at all events there will be some modification of the arrangement regarding an Umpire. But assuming that the matter is to go forward at once, this is the line I should take. For our Arbitrator I should choose Mr. Felton, who is the oldest resident of any standing capable of forming a judgment as to land. He, of course, will be expected to agree as to an Umpire; but should he be unable to come to terms with his co-Arbitrator on this point - and this is quite possible in so small a community - the final decision if they were unable to agree would have to be referred to some one outside the Colony. As regards the other Arbitrator, if the Government were to nominate anyone in the service of the Crown, either a Colonial Official or a Naval man, it would be necessary to enter a respectful protest. Arbitrators are supposed to be independent and impartial, and no Government servant, if a dutiful one, could be either. As regards the value of the land, you will observe that it is to be the market value, not the value at the time it was bought. An examination of the records shows that nearly all the land had been acquired in 1865, in most cases at or a little above the upset price. How is the market value to be obtained? There can be no better way than by ascertaining the value of contiguous land when put up to auction at a later date. In 1871, at the request of a Colonist, the remaining two blocks, 33 and 34, were put up to public auction, and bought by me for the Company. No. 33 measuring 14a.2r. was sold for £95, and no. 34, 13a.3r.8p. for £100, the two fetching just about £7 per acre. Therefore from 1865 to 1871 land opposite Stanley appreciated considerably in value, and we should be content to take this £7 as the value now, although it is fair to assume that it has still further increased. In addition to this I am told by a good authority, a land Surveyor, that we are within our rights in asking 10% for disturbance, and this should be added to the claim. As a proof of the increased value of land so immediately opposite Stanley it is fair to refer to the

enormous rise in land in the town, which according to the return lately sent home I make out to average about 500 %. If town land rises, it is fair to infer that suburban lots, especially those immediately opposite must have appreciated also. So far as to the value of the land, but there are one or two other things to be considered. The cost of the fence at Fairy Cove must be refunded to us, and then there is the question of damage. Under the Ordinance, sec. 23(3), we are to be compensated for any damage sustained by reason of the acquisition injuriously, affecting our earnings. Now if the result of our being turned out is that we have to give up supplying Stanley with sheep, of which I believe we sell about 2400 per annum, the compensation ought to be very heavy. Unless we have a piece of land that is equally suitable for holding them, we certainly suffer some damage; if we have none the damage will be very much increased. It will not do to accept anything the Government like to offer; it might be urged that an equal acreage anywhere in the neighbourhood would do, and the Colonial Secretary might be asked to mark it out; but Mr. Mathews, or someone equally capable of judging must be asked to say whether the piece offered is or is not suitable for our purpose, that is to say it must be fairly dry and hard, or the gate will be soon impassable, and there must be both grass and water on it. As to this question of damage to our business I can only suggest general principles; the actual claim must be made on the spot according to circumstances. All this is written on the assumption that the Government are going to press hard and make as stiff a bargain with us as they can. But I hope it will not come to this, and that I shall be able to cable that we have settled the whole thing here amicably. What I shall suggest is that they should put us up a rectangular fence in the neighbourhood of Goose Green, or elsewhere within three or four miles of Stanley, enclosing 500 acres of land and a pond of fresh water, and that we should accept this in exchange. A fence running into Port Harriet or an arm of the sea would often be troublesome, and although this would be larger in acreage than our present holding, I think that the Government

ought to waive that in consideration of disturbing us. We do not wish to be disagreeable or to assume an impracticable attitude, and hope that the exchange may be arranged without going to arbitration.

I am, Sir,

your obedient servant,

A handwritten signature in cursive script, appearing to read "J. M. 1000." with a decorative flourish at the end.

Managing Director.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street,

Per Orissa.

N^o 945.

London, E.C. 19th March, 1902.

Sir,

Since writing per Supplementary mail on the 22nd ult. I have received your despatches as follows:-195 on the 24th ult., 196 on the 3rd, and 197 on the 17th inst.

2. Par.2. I have been in communication with the P.S.N.Co. on the subject of the short shipment of wool, and they have expressed their regret, and instructed their Manager on the West Coast to send in a cargo boat if the mail steamers cannot take all that you have ready in future.

3. Par.3. When extra work is done for the steamers as in the case of the Liguria, you would do right to charge £10, and let us fight it out here if they say anything about it.

4. Par.10. With regard to the Marguerite Mirabaud, the misfortune was that the cargo was not consigned to us, as I have already explained that through the Bill of Lading not being to order we had no control over it.

5. Further correspondence on the subject of the land is enclosed, from which you will see that we have arrived at no conclusion, and that therefore there was nothing to cable. Although in my despatch last mail I suggested at the beginning that we might accept acre for acre, I mentioned towards the end what I was going to ask for, the grounds being that the land we have to give up is much better and more valuable for our purpose than any that can be offered us.

6. 196 - 3. The draft for the Circe's final account was accepted, and the accounts were rendered in perfect order.

7. Par.7. I will take an opportunity of approaching the Ad-

The Manager,

Stanley.

miralty on the subject of letting them have hulks for the purpose of discharging coals. I do not know whether the P.S.N. will care to take out large quantities in their cargo boats. They limited us to 200 tons, because the coal has to be taken in at the South Wales port before the completion of the homeward voyage, and as the steamer has to go afterwards to Liverpool and Glasgow to discharge and load, and probably also to dry dock, a quantity of coal on board might embarrass them. Still, if the shipment should run into a thousand or more tons, perhaps they might be prepared to make a special arrangement.

8. 197 - 4. The Board will be glad to learn that the Glen-gowan, after resting on the ground for about $6\frac{1}{4}$ years, is at length afloat.

9. The first wool was sold last week, and brought rather disappointing prices, though better than what were ruling in the autumn. The lot per Orissa will be put up tomorrow, and catalogues will go per Supplementary mail.

I am, Sir,

your obedient servant,



Managing Director.

ENCLOSURES

DUPLICATES

Despatches Nos. 943 & 944

Remarks on Stores

Supplementary Remarks on Stores.

List of Clients' Cargo per "Iberia"

List of Dutiable Goods per "Iberia"

List of Parcels in ^{2/}Perason's case

List of Enclosures

Credit note for J.J. Felton, Esq. £ 8 .12 .0

Clients' A/sales, reports & contracts:-

	37	Salted Hides	ex	"Orellana"
RBC	15	casks Tallow	ex	"
L	31	" "	"	"
F	15	" "	"	"Inca"
F	17	bales Sheep Skins	"	"
AP	11	" "	"	"Oropesa"
AP	260	" WOOL	"	"

List of Cargo per "Iberia"

Ledger & Journal Entries

Remarks on Accounts

General Invoice Goods per "Iberia"

" " " "Corcovado" (corrected)

B/Lading cargo per "Iberia"

ENCLOSURES Via LIVERPOOL

ORIGINALS

Wool Reports.

Copy of Cablegram sent on the 24th. February.

Pacific Steam Navigation Company's letter of 7th. September
(returned)

Copies of letters from Sir John Anderson of 28th. February &

7th. March, to of 26th. February, 7th. & 17th. March.

Clients' reports & contracts :-

HB	21	bales	Sheep	Skins	ex "Orellana"
H & B	4	"	"	"	"
	3	"	"	"	"
H W	8	"	"	"	"
L	33	"	"	"	"
Hummock	1	"	"	"	"
	26	"	"	"	"
	4	"	"	"	"
W.P	7	"	"	"	"
R B C	5	"	"	"	"
D.S					
G.1	6	"	"	"	"
A.N.	2	casks	Seal	Skins	ex "Iberia"

Broker's press copies

~~Copy of letter from Messrs Duhamel & Co. of 17th. March re Sheep's~~

Tongues

Debit note freight on 1 case Saddlery per "Iberia for C.G.A. Anson

Broker's copies of A/sales Company's wool per "Iberia"

Credit note from Foster Porter & Co., Lim. 2/9

" " " W.H. Hindley & Co. £12.14.6

" " " Huntley & Palmers, Lim. 14/10

Letters for the following :-

E.J. Mathers, Esq.

Miss E. Allan

R.H. Buckworth, Esq.

W. Stickney, Esq.

London 19th. March, 1902

Credit note for Matt Anderson 1. 8. 5
Copy of Cablegram received 10th inst.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Oravia.

No 946.

London. E.C. 16th April, 1902.

Sir,

I have to acknowledge receipt of your despatches 198 and 199 per H.M.S. Nympe, and 200 per Oravia, and to report Mr. Harding's safe arrival by the latter.

2. Despatch 198 and the accompanying accounts are not pleasant reading, the profit shown being the smallest for many years. This is, of course, mainly due to the disastrous fall in wool, but it is an unfortunate fact, and it calls for the utmost care in the matter of expenditure. No work must be undertaken that can be avoided, and wages must be limited to what is actually necessary.

3. 199 - 3. The question of land will be settled here probably; it is not urgent at present, as the Government allow us the grazing for a time. When the Governor arrives we shall come to terms I hope.

4. 200 - 5. Bellamy's Manager has been here, and has seen Mr. Harding. They will take back the unsuitable gauge cocks, and supply us with a pair of the proper size for a stand-by.

5. On the 14th inst. your cable reporting the *Cyprone*'s arrival in distress, and 515 bales on board the *Lake Megantic* was received; the *Orissa* had already left Montevideo, and there was no opportunity of replying, but we are in communication with Henry Fernie & Sons, who seem inclined to pay cash. The credit will probably be advised via Coronel. The number of bales is small, and we have no advice of the *Inca* having called; if she has not, the shipment this year will have been much delayed, and we shall have to complain strongly to the P.S.N. Co.

I am, Sir,

your obedient servant,

The Manager,

Stanley.



Managing Director.

Enclosures

Duplicates (Originals via Liverpool & Lisbon per "Orissa")

Despatch No.945 dated 19th.March.

Ledger & Journal Entries..

Bill of Lading Cargo per "Orissa"

Clients' A/sales,reports & contracts:-



2 casks Seal Skins "Iberia"



26 bales Sheep Skins "Orellama"

Hummock	1	"	"	"
	4	"	"	"
RBC	5	"	"	"
WP	7	"	"	"
L	33	"	"	"
DS	6	"	"	"

(report & contract) Z 57 " Wool "Orissa"

Remarks on Stores

List of Cargo per "Orissa"

List of Dutiable Goods per "Orissa"

General Invoice goods per "Orissa"

List of Parcels in Pearson's case

List of Enclosures

Bill of Lading & second of Exchange for £48.2.5 on J.Kirwan



Enclosures via Liverpool

ORIGINALS

Wool Reports

Copy of Cablegram sent on 25th March.

Credit note drawback on Sugar in Biscuits from Morton 1/-

Clients' A/sales as follows:-

Z	57	bales Wool ex "Orissa"			
	HB 150	" "	"	"	"
	 H	35	" "	"	"
	JB	84	" "	"	"
	 B	8	casks Tallow	"	(and reports & contracts)

Copies of Broker's A/sales Company's Wool per "Orissa"

Brighton College Schooling Account for J.J. Felton, Esq.

Copy of letter from W. Dawson & Sons with account for W.C. Girling, Esq.

Ledger & Journal Entries.

Remarks on Accounts..

Letters for the following:-

E. J. Mathews, Esq.

A. L. Allan, Esq.

Lawrence Stickney, Esq.

London 16th April, 1902

Enclosures per Supplementary mail via Lisbon.

Wool Reports.

Ledger & Journal Entries.

Remarks on Accounts.

Remarks on Stores.

Bill of Lading cargo per "Orissa"

List of Cargo per "Orissa"

General Invoice goods per "Orissa"

Clients' A/sales as follows:-

DS	6	bales	Sheep	Skins	ex	"Orellana"
RBC	5	"	"	"	"	"
L	33	"	"	"	"	"
Hummock	1	"	"	"	"	"
	26	"	"	"	"	"
	4	"	"	"	"	"
WP	7	"	"	"	"	"
	H	3	"	"	"	"
H&B	4	"	"	"	"	"
HB	21	"	"	"	"	"
	NA	2	casks	Seal	Skins	ex "Iberia"

Eills & Co's invoice goods shipped per "Orissa"

Parcel receipt for 1 bundle of Tubes ex "Orissa"

" " 1 box Prunella "

Clients' Reports & contracts:-

J B	84	bales	Wool	ex	"Orissa"
HB	150	"	"	"	"
	H	35	"	"	"
Z	57	"	"	"	"

Letter for E.J.Mathews, Esq.

London, 22nd. March, 1902.

Enclosures per Consignees' Letter per "Iberia"

Suppliers' Invoices goods per "Iberia"

General Invoice goods per "Iberia"

List of Dutiable Goods per "Iberia"

List of Parcels in Pearson's case No.3637

List of Clients' Cargo per "Iberia"

London 19th. February, 1902

Enclosures in Consignees' letter per "Oravia" via Liverpool.

Suppliers' Invoices goods per "Oravia"

List of Dutiable Goods per "Oravia"

List of Parcels in Pearson's Case.

London 16th. April, 1902

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

No Iberia.

No 947.

London, E.C. 16th May, 1902.

Sir,

Confirming my last despatch of 16th ult., I have to acknowledge the receipt of your no. 201 per H.M.S. Basilisk, 202 per Lake Megantic, and letters of 22nd March and 8th ult.

2. 201-2. You can go on selling coals from the Glengowan, and we will try to find out here if Mr. Townsend is disposed to buy the hull.

3. 3. When we receive the estimates and other particulars from Sandy Point, we will decide what is to be done with the Fortuna. The Board are inclined to send her there to be overhauled if the expense is not too great and it can be done with safety.

4. Par 6, and 202-6. We are not sure whether the Annie is responsible for bad stowage, but will take care that the claim is put forward in the right quarter. The clause about leakage does not exonerate the responsible party if the stowage is defective. Our Marine Superintendent should be employed on any survey in a case of stowage, not the foreman Carpenter; very likely the latter knows as much about it as anyone, but the custom is to employ a carpenter only on matters which are supposed to come within his ken, that is to say anything relating to the structure or spars of a ship. In the report three hds. and two kilds. are mentioned, but the sale by auction only accounts for one of the latter. If it turned out to be all right mention should have been made of the fact, as the two documents without it are conflicting.

5. Par. 7. We await a further report on the wood before saying anything to the suppliers.

The Manager,

Stanley.

6. I should have added in par.4 that the suggestion as to the coffee having been dropped overboard in the Docks is too far fetched to be credited by anyone who knows anything about loading in London. No doubt they (the bags) were damaged by sea water, and if insured f.p.a. there would be no claim.

7. In former years the drafts on W.B.Waldron used to arrive here sooner after the end of the half year than they do now. If the delay is on the part of Mr.Waldron you should ask him to be more prompt in returning them.

8. 202-2. The accident to the Fair Rosamond is very annoying, and if we knew of anyone we could safely put in charge of here we would make an alteration. This matter will be discussed with Mr.Harding. We hope that the repairs will be done as quickly and cheaply as possible, as we are the sole Underwriters, the vessel not having been insurable at any rate that was at all reasonable. We must expect losses at times, but of late our Underwriting fund has had some heavy pulls on it.

9. Par.3. The loss of the Allen Gardiner also affects us to a small extent, as we have a line on the wool. To carry the claim out in a ship-shape manner, the Master ought to have extended his protest, and a copy should have been sent here to be sent in with the receipt for the wool. No certificate from you could throw any light on the cause of the loss, which the Underwriters always look into. You have not mentioned whether there is any hope of salvage.

10. Par.7 We are glad to hear that the hoses are satisfactory. The diameter was taken from the drawing of the pumps, as we had no information from your side. Evidently they should have been a size larger. We have asked the makers if there is any way of stretching them, but they say that they would not give more than 1-8th of an inch, being canvas lined, and suggest that the unions might be reduced. You might see if there is substance enough to take anything off in the lathe. With regard to the further lengths wanted, you had much better send the unions home to be fitted. If Mr.Harding will explain the exact kind of force pump required we will look one up.

11. Par.8. When I wrote to Mr.Harding in Montevideo the question of the consignment of the Port Stephens wool had not been settled, but by the mail a fortnight later I was able to report the arrangement, and you were, therefore, right in consigning it to Mrs. Dean.

12. Par.11. We are sending this time a code book and a new set of signals for the Samson, and Mr.Harding and I are going to Edginton's to select new flags to complete the codes belonging to the other vessels, as to the size of which he thinks he will be able to judge when he sees them. The code books are a guinea each, but of course our vessels must have them.

13. Letter of 8th April. We have asked the P.S.N.Co. to give us an extract from the Lake Megantic's log relating to the loss of a bale of wool, and will see if the Underwriters will accept it. The extract from the log which you say was enclosed turned out to be a letter from the Captain asking you to make a protest, presumably as the agent of the P.S.N.Co. Was there no chance of recovering it after it got overboard?

14. With regard to your refusal of Baillon & Stickney's cheque, there was no harm in making a difficulty about it, and it may make them less likely to draw on you in this way in future; but the Board think that as we have the consignment of their wool we cannot very well decline to make such payments, unless the state of the accounts leads you to believe that we shall not be covered by the proceeds of their produce.

15. The cushions of the billiard table in the Manager's house are to be sent home by the next homeward mail, packed in a case large enough to admit of its being tin-lined on its return, that is to say just a little large; this Johnson will no doubt see is properly done.

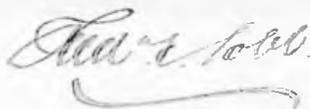
16. It is important to get the whole of the Speedwell Island wool &c. home by the earliest opportunity, and if through the accident to the Fair Rosamond you have no means of doing it at once you should contract with one of the outsiders. Should you do this, as the vessel will be working under us it would be legitimate to put the freight at the distant rate.

17. We hear that the Estrella got into trouble in one of the harbours, and was materially assisted by the Hornet in extricating herself from a dangerous position. Without knowing any details we cannot judge whether our schooner became entitled to claim salvage or not; but the cargo being wool, and more or less of it having been removed by the Hornet for the purpose of lightening her, it seems that there might have been a claim on the Underwriters for assistance if not for salvage. Any occurrence of this kind should be reported without fail.

18. Wool is again better these sales; we have sold our own ex Oravia at an advance of about $\frac{1}{2}$ d., and that per Lake Megantic will be offered shortly. We should like to know how many bales of stragglers there will be to complete our clip for the year. Tallow is up and still rising, in fact ours would probably fetch 40/. or thereabouts today. There should be no delay in shipping the lot from Goose Green.

I am, Sir,

your obedient servant,



Managing Director.

When the tallow is shipped use the code word denoting casks or barrels in addition to the word about wool.

Enclosures per Supplementary mail via Lisbon

Remarks on Stores & replies to Remarks..

General Invoice for goods per "Oravia"

List of Cargo per "Oravia"

Bills invoices

B/L cargo per "Oravia"

Clients' Reports & Contracts as follows:-

S	Stanley	25	bales	Sheep	Skins	ex	"Orissa"
◇ B ◇		14	"	"	"	"	"
S	Fitzroy	11	"	"	"	"	"
S	Port Louis	9	"	"	"	"	"
Z		28	"	"	"	"	"
◇ H ◇		7	"	"	"	"	" (press copies)

Broker's press copies of above also Company's Sheep Skins ex "Oravia"

Sight Draft on J Kirwan for £ 32 .9 .5 with B/L attached for 2 cases

Sundries shipped per "Oravia" for collection &c.

London, 19th. April, 1902

ENCLOSURES.

DUPLICATES, (Originals per "Oravia" 17th.& 19th.April.)

Despatch No.946 dated 16th.April.

Ledger & Journal Entries.

Remarks on Accounts.

General Invoice goods per "Oravia"

Remarks on Stores.

List of Enclosures.

Clients' Reports & Contracts:-

S
Fitzroy 11 bales Sheep Skins ex "Orissa"

S
Stanley 25 " " "

S
Port Louis 9 " " "

Z 28 " " "

 H 14 " " "

List of Cargo per "Oravia"

List of Dutiable goods per "Oravia"

List of Parcels in Pearson's case

Clients' A/sales:-

 B 8 casks Tallow ex "Orissa"

Z 57 bales Wool "

B/Lading cargo per "Oravia"

B/L & Sight Draft on J.Kirwan for £ 32 : 9 : 5

Enclosures per "Iberia" via Liverpool

ORIGINALS

Wool Reports..

Paston's Grammar School Account for Mrs. Benney.

Brighton College Schooling Account for Mrs. Felton..

Copy of Cablegram sent on the 22nd. April.

Kirkland Cope's account for B. Stickney, Esq. £ 5.16.2

Measurements of Cargo per "Corcovado"

Clients' A/sales:-

S
Stanley 25 bales Sheep Skins "Orissa"

S
Fitzroy 11 " " " "

S
Port Louis 9 " " " "

◇ B 14 " " " "

Z 28 " " " "

◇ H 7 " " " "

HB 53 " Wool "Oravia"

Broker's copies A/sales & reports on Company's wool & skins "Oravia" & "Orissa"

Ledger & Journal Entries..

Remarks on Accounts.

Remarks on Stores.

General Invoice goods per "Iberia"

List of Cargo per "Iberia"

Gramophone Co's invoice for Mainspring for No. 6 Motor 2/6

London 16th. May, 1902

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

No. Liguria.

No. 948.

London. E.C. 11th June, 1902.

Sir,

I have to acknowledge receipt of your despatches 203 and 204, which arrived together on the 29th ult., the former although marked per H.M.S. "Cambrian" having evidently been delayed. As other people in London received the Cambrian's letters more than a week earlier we should like to know how this occurred; the despatch came through the Stanley Post-office, but the post mark was, as usual, illegible, so we cannot tell the date of posting.

2. I have been in correspondence with the Admiralty about the assignment of the surplus coals to the Antarctic. It was an irregular proceeding, as the contract is for delivery to H.M.'s ships only, and payment is to be made by draft on the Accountant General of the Navy. Coals to outsiders should not be sold at less than 65/. per ton, but in the interests of scientific discovery we are willing to waive that. Payment, however, must be as certain and prompt as if the bills were drawn on the Admiralty, and I have enquired whether the Expedition is under the auspices of the Swedish Government, for if not we shall hold the Admiralty responsible for parting with the coals without our concurrence. They have not replied to my letter on this point as yet. It will certainly not do ^{to} the risk one of our schooners by sending her to South Georgia.

3. 203-3. The sale of Glengowan coals is excellent, and we hope that more will be disposed of at such a good price.

4. Par. 4. We must await the decision as to local certificates. In other Colonies, I understand, they are not required.

5. Par. 5. It was right to refuse payment of Mc.Kay's rent,

The Manager,

Stanley.

and the same remark applies to J. Robson's.

6. Par.6. You do not say how much coal is still due to the Admiralty on the contract for 1200 tons, a portion of the 675 on hand being the extra quantity sent out for our own use.

7. Par.9. Do not forget that it is necessary, especially in making claims on Lloyd's, to get the Captain in all cases to extend his protest. The Underwriters pay for this, so a receipt should be sent. We shall recover on the West Point wool, as we have to deal with the British & Foreign, but the receipt written in pencil on a bit of cardboard is a thing I am almost ashamed to send in, and we must have some proper forms prepared.

8. 204-2. In writing par.6 I had overlooked the information about coals. I see that as the ships have taken 949 tons only, 251 remain on the contract, and yet I am not sure whether this is quite correct, as they might claim to have some over from the previous one. I will ask Mr. Harding about this, and you must bear in mind that we may not be able to buy as cheaply again, as coals are said to be rising.

9. Par.5. We have already informed Mr. E. F. Baillon, who wrote us some months ago, that we would send their wool to John Hoare & Co.

10. On the 26th ult. we received cable as follows:—"Rhuddlan Castle federal Gwladgarwr Liverpool", and have arranged with R. Thomas & Co. to protect their Captain's drafts. The message should have begun with the word "Federal". On the 3rd inst. we received a further message, "Calceta (send instructions about appointment of Captain immediately) Rosamond Oropesa 473". This is altogether too vague to be acted on, and should not have been sent; we must wait your despatch before taking any action. Willis's agreement expired early this year, and we suppose that he is leaving; you will see that he is not entitled to a passage home. On the subject of cable-grams I have to point out that you misled us by cabling 507 bales per Liguria, which we of course took to be the number of bales of wool consigned to us, whereas 507 was the total number of packages on board the ship, including shipments for others: such mistakes as this should be

avoided for obvious reasons.

11. We hear from the P.S.N.Co.that the Antisana is to be in Stanley about the 14th inst.,presumably for the purpose of loading the tallow,and we hope that you have also been able to get that from Hill Cove as well as Goose Green.

12. You did not mention whether any wool was shut out by the Liguria except a portion of Mr.Packe's; whenever a Captain insists on leaving with room in the hold for more you should report the quantity left behind,so that I may make a complaint to the Company.

I am,Sir,

your obedient servant,

A handwritten signature in cursive script, appearing to read "James Lobb".

Managing Director.

Enclosures per Supplementary mail via Lisbon.

Originals

Bill of Lading Cargo per "Liguria"

List of Cargo per "Liguria"

List of Dutiable goods per "Liguria"

General Invoice goods per "Liguria"

Remarks on Stores & Replies to Remarks.

Sight Draft on John Kirwan for £ 94 : 16 : 6 with B/L attached
for collection

Bills invoices goods shipped per "Liguria"

Letters for the following :-

_____ J.J.Felton, Esq.

E.J.Mathews, Esq.

LONDON 14th. June, 1902.

ENCLOSURES via Liverpool.

● ORIGINALS

Wool Reports.

Corrected Profit & Loss Statement for 1901

Copy of letter to the Admiralty dated 29th. May

Clients' Reports & Contracts & A/sales :-

J.B.	156	bales	Wool	ex	"Lake Megantic"	
	53	"	"	"	"	
	103	"	"	"	"	
S1	63	"	"	"	"	
F	92	"	"	"	"	
W.Fell	47	"	"	"	"	
	1	bale	Sheep	Skins	ex "Lake Megantic"	
W.Fell	4	"	"	"	"	} reports & contracts only
	7	"	"	"	"	
S1	7	"	"	"	"	
J.B.	62	"	"	"	"	

Copy of letter from John Dewar & Sons, Lim. dated 4th. June.

Press copies of Broker's reports & contracts Sheep Skins per "Lake Megantic"

Invoice for Messrs Bertrand & Felton for Saddlery shipped from Crout per Iberia £ 5 : 11 : 1

Journal Entries

Remarks on Accounts

Copy of letter to the Admiralty dated 5th. June

Copy of Cablegram sent 11th. inst.

Letter for E.J. Mathews, Esq.

London 11th. November, 1902.

Enclosures per Consignees' Letter per "Liguria" via Liverpool

Suppliers' Invoices goods shipped per "Liguria"

List of Parcels in Cooks Case No. 3922.

London, 11th. June, 1902.

47

Parcels enclosed in Cook's case No.3922 per "Liguria"

1 parcel Records from the Gramophone Co.

1 Colonial Office List for Stanley Office

2 packages

London 11th June, 1902

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street,

Per Oropesa.

No 949.

London. E.C. 9th July, 1902.

Sir,

I have to acknowledge the receipt of your despatches nos. 205 and 206, which arrived on the 24th and 30th inst. respectively. The delay of the latter was caused by neglect of the instructions given in despatch 941-12 to mark any letter sent through the Pursers "via Lisbon". The want of this gave rise to much inconvenience, as it contained a long statement of payments to be made, the draft on account of the Cypromene, and all the Bills of Lading together with the specification of produce per Oropesa.

2. 206-2. I regret to say that up to the present Messrs. Henry Fernie & Sons have not accepted the Cypromene's draft, on the ground that the charges are excessive. We are in communication with them on the subject, and the Board have agreed to make certain reductions in consideration of their paying us in cash, which we hope to receive shortly. These constant objections and complaints are very annoying, and we are discussing with Mr. Harding the practicability of contracting for all work.

3. Par. 3. I shall be glad to get some German beech, which I remember was very tough when used for wool boxes, but you have omitted to say what sizes are wanted.

4. Par. 4. The Board have the strongest objection to selling any of our wool to private purchasers on the spot, and think that any of the farmers who are tickled with the idea had better drop it. To speak plainly, the buyers are smarter men of business than the would-be sellers, and would inevitably gain the advantage: it would be safer in the long run to get the best prices obtainable at the London sales. Should any of our

The Manager,

Stanley.

clients who owe us money, wish to try their luck, we must insist on the purchase money being made absolutely safe before we part with the wool, that is to say, the buyers must be provided with an approved Bank credit, if they are not prepared to pay cash.

5. Par.5. The Board have discussed the subject of Captain Willis with Mr. Harding, who will write to you about it. You must let Capt. Willis know that as his agreement has expired, and his health renders him unequal to the management of the vessel, we may give him a month's notice at any time. When he was engaged he assured me that although he had suffered from diabetes he was completely cured; he may have thought so, but time has proved the contrary.

6. 205-2. Until we know the total quantities of wool per Antisana and Orellana we cannot understand how the consignments cabled are so small, but infer that there must be a number of bales for outsiders. With the Spring Point and Weddell wool added this year there ought to be a substantial increase in the consignments. If you will state in a final note each time how much a ship is leaving behind it will give us grounds for complaining to the P.S.N.Co.; at present we have nothing to go on.

7. Par.5. We have been able to sell the sealers' drafts to a Canadian Bank at a small discount.

8. Par.6. As our men are running the Sissie for Mr. Hayes, the wages and coal will prevent our making much at 50/.per day. We should like to know what the daily expenses are.

9. Par.8. The outturn of the Bakery venture is considered very satisfactory.

10. Par.9. No remark has been made by the P.S.N.Co. about the Liguria, or anything about the difference with Captain Lindsay Hay, who, I understand, made himself very objectionable at other ports.

11. Par.10. With regard to coal, we have to keep in hand the balance of the 1200 tons ordered by the Government, that is to say 249 tons according to your latest report. The Admiralty say that the Swedish Expedition is under the auspices of their Government, and that they understand that payment will be made on

the spot; but in the unlooked for event of there being any difficulty they admit their responsibility. I pointed out to them that we did not admit their right to sublet the contract, which was for the supply of H.M.'s ships only, but this point ~~they~~ we waived. When the full quantity has been taken we have only to look after ourselves, and not run short for the Samson and Sissie. If you can sell more than the 249 tons and still remain on the safe side, you can do so; but bearing in mind that we may not be able to replace the coal as cheaply as the last lot, you ought to charge the Swedes for any sold over and above the contract 60/., and any outsider 65/., letting us know by cable when a further supply is wanted, and how much. I doubt if we can get the P.S.N.Co. to take more than 200 tons at a time.

12. Par. 13. I think that Messrs. Stickney Bros. are right in their contention about the interest to be charged to them. Up to the beginning of 1901 they had paid 5% in account-current, but early last year they were told that the rate would be raised, and a commission on payments also charged. Upon this Mr. William Stickney asked whether in consideration of their consigning their produce to us and doing all their business on the same lines as other clients we would waive this raising of the rates, and we agreed to do so.

13. Par. 14. In dealing with the Fair Rosamond please take note that we are our own Underwriters on this vessel. We found that we could only get her insured at such an exorbitant rate that we had to take the risk ourselves.

14. The P.S.N.Co. have asked us to impress upon you that you should without fail send a Manifest of cargo shipped by each vessel.

15. A remittance from Kirwan has been received which does not agree in amount with the draft sent for collection. This draft was forwarded with documents attached on account of Neale & Wilkinson, to whom we are responsible for its collection. Should Kirwan have difficulty in meeting any of these drafts, you must bear in mind that you cannot take payment on account; if the whole amount is not forthcoming you must hold the goods, and note and if necessary protest the bill. If there is any

difficulty with this man we shall decline to take charge of these drafts in future.

16 The Annie has arrived, and the question of the beer is likely to prove troublesome. It would have been better to spile and taste the contents of each cask as soon as the beer had settled, so that a definite report might have been sent, in view of the obvious fact that the matter could not be kept open here, but must be settled one way or another.:

I am, Sir,

your obedient servant,

Managing Director.

Enclosures per "Oropesa" via Liverpool

DUPLICATES (Originals per "Liguria" 11th. & 14th. June, 02)

Despatch No. 948 dated 11th. June

Remarks on Stores & Replies to Remarks.

List of Dutiable goods per "Liguria"

General Invoice goods per "Liguria"

List of Cargo per "Liguria"

List of Parcels in Cook's case

Journal Entries &c.

Remarks on Accounts

Amended Profit & Loss Statement for year ending 1901

Bill of Lading cargo per "Liguria"

Sight Draft with B/L attached on J. Kirwan for £ 94 : 16 : 6

List of Enclosures

— Clients' A/sales as follows:- (reports & contracts)

	F.	92	bales	Wool	ex	"Lake Megantic"	
	W. Fell	47	"	"	"	"	
		53	"	"	"	"	
		103	"	"	"	"	
		1	"	Sheep	Skins	"	} reports & contracts only.
		7	"	"	"	"	
	W. Fell	4	"	"	"	"	

Enclosures per "Oropesa" via Liverpool.

ORIGINALS

Wool Reports:

Copy of Cablegram of the 16th. June, 02

Clients' Wool reports :-

AP	236	bales	Wool	ex	"Liguria"
S					
Port Louis	62	"	"	"	"
F	94	"	"	"	"

Clients' A/sales & reports & contracts :-

A N	1	cask	Seal	Skins	"Orissa"
A N	2	casks	"	"	"Iberia" (remainder)
J B	62	bales	Sheep	Skins	ex "Lake Megantic"
	1	"	"	"	"
	7	"	"	"	"
S1	7	"	"	"	"
W. Fell	4	"	"	"	"

Copy of Broker's A/sale Company's Sheep Skins ex "Lake Megantic"

Letters for the following :-

- W.C. Girling, Esq.
- A.L. Allan, Esq.
- W.W. Bertrand, Esq.
- W. Stickney, Esq.
- H. Clement, Esq.

London 9th. July, 1902.

Enclosures per Supplementary Mail via Lisbon.

Originals

Ledger & Journal Entries.

Remarks on Accounts.

General Invoice Goods per "Oropesa"

List of Cargo per "Oropesa"

List of Dutiable Goods per "Oropesa"

Remarks on Stores & Replies to Remarks

Bills' Invoices

Denison's Invoice

Sight Draft for £ 12 .6 .8 on J.Kirwan with B/L attached

Bill of Lading Cargo per "Oropesa"

Letter for W.C.Girling, Esq.

London 12th. July, 1902.

The Falkland Islands Company. LIMITED.

(INCORPORATED BY ROYAL CHARTER 1851.)

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

61, Gracechurch Street,

London. E.C. 9th July, 1928

Per Oropesa.

W.C.Girling, Esq.,
Stanley.

Dear Sir,

Since closing the despatch I have heard from our Solicitors that the registration of the Company at Somerset House has been completed at last, and our style will consequently be in future "The Falkland Islands Company, limited".

You will have to get the word "limited" painted in small letters in addition to the Company's name on the Stores, and the word must be appended on all letter paper, bill heads, and other documents, including bills and cheques. For the purpose of using up the present supply of stationery we send you some rubber stamps, and the full supply asked for will now be printed and sent out.

Here there is a penalty attached to neglect in this matter, and although it might not be enforced in the Islands, it is as well to be on the safe side.

I am, Dear Sir,
yours faithfully,
James Robb
Managing Director.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

LETTERS SHOULD BE ADDRESSED TO
THE MANAGING DIRECTOR.

TELEGRAMS TO "FLEETWING" LONDON.

TELEPHONE NO AVENUE 443.

61, Gracechurch Street, LIMITED.

London, E.C. 11th July, 1903.

Per Supplementary mail.

W.C. Girling, Esq.,

Stanley.

L 100

Dear Sir,

I have to inform you that we have compromised with Messrs. Henry Fernie & Sons, who have paid us the sum of £1757.6.7 in full of our claim on the Cypromene, and we have cancelled the draft. Particulars of this will be shown in the accounts. They ask for a voucher for Lloyd's Agency fees, as it has to go into the average account; you had better sign and send this in case a suggestion I have made that Mr. Harding should give one should not be in order.

I observe that Johnson signed the final Survey Report; this is an innovation which is quite wrong in every way. The foreman Carpenter goes on the first Survey, and afterwards carries out the work; but that he should afterwards certify to the excellence of his own work cannot be defended for a moment. In former days our Carpenters and Dean's did the final Surveys for one another, and there is no reason why old Biggs should not have a few guineas put in his way, in fact I think something of the kind was promised.

Yours faithfully,

Edw. E. Jobb
Managing Director.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Orellana.

N^o 950.

London, E.C. 6th August, 1902.

Sir,

My last despatch went per Oropesa on the 9th ult., and your nos. 207 per Antisana and 208 per Orellana arrived on the 21st and 28th id., as well as your letter of 30th June by the latter. We have also received your cable dated 28th ult. from Montevideo, as follows:—"Mathews Panama nothing". You are probably unaware of the standing order that the minimum number of bales to be telegraphed is 100, or would not have sent this; of course the date of Mr. Mathews's return is of no importance to the Company, and we assume that this is a private message.

2. Par. 2. No cablegram was sent about the Iberia because her late departure made it uncertain whether the message would get to Coronel in time or not, and the quantity was so small that it was doubtless easily dealt with.

3. Par. 3. A reply was sent about the Rhuddlan Castle by the first opportunity, but the Iberia's delay prevented it from reaching you in time. The draft has been accepted without any hesitation. The trouble with Fernie's firm arose from their being to a large extent their own underwriters.

4. Par. 5. It is a good thing that you have been able to get rid of some of the damaged coke, and perhaps if it is found useful for road mending the Government may take more.

5. 208-2. There will be a Board tomorrow, and the question of the Fortuna's repairs and other subjects will be discussed, so that I shall be able to write further by Supplementary mail.

6. Par. 3. Surveys on damaged cargoes are more properly held by merchants. I am sorry to say that owing to the delay in forwarding a complete and definite report on the beer there is but

The Manager,

Stanley.

little chance of recovering anything from the owners of the Annie, the ship's accounts having been settled. We have been paid for the short deliveries, but this should have been claimed and recovered in Stanley, as there was no doubt about it.

7. Par.4. If it had been mentioned that the Mate of the Annie was the author of the report that coffee had been dropped overboard we might have looked into the matter; but it must be clear to you that if he knew this and yet signed a clean receipt he neglected his duty grossly, so that he would hardly be likely to speak about it.

8. Par.6. It was impossible to send you instructions about the Fair Rosamond by cable, as we had not sufficient information to go on. I have already reported that the Board left this matter to be arranged by Mr. Harding, and I hear from him that Osborne is the man he wished to put in charge.

9. Par.7. It will be understood in future that in any case of loss in which the Company or their clients are interested the Master of the vessel lost must be called upon to extend a protest, the cost of which, on the receipt for the fees being produced, will be refunded by the Underwriters.

10. Par.8. It is very satisfactory to hear that the hoses are working ~~satisfactorily~~ successfully, and I will go into the question of further supplies with Mr. Harding. We should have been glad of the information supplied by Captain Thomas months ago, as the Board have always expressed a wish to keep the pumping apparatus up to the mark.

11. Par.,11. We should not have been justified in refusing to pay Baillon & Stickney's cheque even for stores, in view of the fact that we were to have their wool, unless there was any chance of the account being overdrawn. We cannot tell people whose accounts are in credit how they are to spend their money.

12. Par.15. Unfortunately wool has gone back again, and the Tallow market is not what it was a few months ago.

13. Please inform Messrs. Packe Bros. & Co. that bale 109 in the last catalogue was found to have been wrongly described, as it turned out to be locks. The buyer refused to take it, and it

was resold.

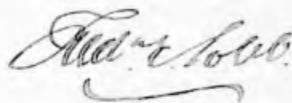
14. Clients making out their own specifications of produce should not include sheepskins, hides, &c. with wool, as they so often do. The specifications go to different Brokers.

15. Lamb Bros. have enquired about the promised report on their wool, and I think that Johnson, notwithstanding the ship work, might have said something by this time, as it is a long time since it was received. Being the first shipment from these people the report is looked for with interest.

16. The P.S.N. Co. chartered the Orissa to the Government, and missed a sailing from Liverpool. She ought to have been the homeward boat of the 19th of this month, and they have told us lately that the West Coast Manager has been instructed to send a cargo boat instead. I am sorry that this information has come too late to advise you in time.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures per Supplementary Mail via Lisbon.

Ledger & Journal Entries.

Remarks on Accounts.

List of Cargo per "Orellana"

List of Dutiable Goods per "Orellana" (corrected)

General Invoice goods per "Orellana"

Remarks on Stores.

Brighton College Account for J.J.Felton, Esq. for £ 1 . 1 . 0

Hills & Co's invoice goods shipped per "Orellana"

Langdon's invoice goods shipped per "Orellana"

Bill of Lading General Cargo per "Orellana"

Stickney Brothers Account Current (^{item} enclosed with letter addressed to ~~him~~)

Printed Notices re alteration in stile of Company.

Wilson's invoice Code Book sent per parcel post

Sight draft for £ 53 . 16 . 8 on J.Kirwan with B/L attached for collection.

Letters for the following :-

J.J.Felton, Esq. A.L.Allan, Esq. Stickney Bros. Dr. Jameson

London, 8th. August, 1902.

Enclosures per "Orellana" via Liverpool.

Duplicates

Despatch No.949 dated 9th.July,1902

Ledger & Journal Entries

Remarks on Accounts.

Remarks on Stores & Replies to Remarks.

List of Cargo per "Oropesa"

List of Dutiable Cargo per "Oropesa"

List of Parcels

General Invoice goods per "Oropesa"

List of Enclosures.

Clients' A/sales as follows :-

A.N.	1	cask	Seal	Skins	"Orissa"	
A.N.	2	"	"	"	"Iberia"(remainder)	
W.Fell	4	bales	Sheep	Skins	ex "Lake Megantic"	
	1	"	"	"	"	
	7	"	"	"	"	
F	94	"	Wool	"Liguria"	} reports only	
AP	238	"	"	"		
S						
Port Louis	62	"	"	"		

Sight Draft on J.Kirwan £ 12 .6 .8 with B/L attached

Bill of Lading General Cargo per "Oropesa"

[Faint text]

Enclosures via Liverpool

ORIGINALS

Copy of Cablegram sent 14th. July, 02

Bill of Lading Potatoes & Onions per "Oropesa"

Clients' A/sales, Reports & contracts :-

HB	48	bales	Wool	per	"Oropesa"	
WED	51	"	"	"	"	
F	65	"	"	"	"	
JR	26	"	"	"	"	
Z	90	"	"	"	"	
S	62	"	"	"	"Liguria"	
AP	250	"	"	"	"	
	167	"	"	"	"Oropesa"	
F	94	"	"	"	"Liguria"	
	25	"	"	"	"Oropesa"	
P H	110	"	"	"	"Annie"	
	1	"	"	"	"Oropesa"	(Report only)
P H	1	"	"	"	"Annie"	
AP	4	"	Sheep	Skins	"Liguria"	
	17	"	"	"	"Oropesa"	
JR	1	"	"	"	"	
F	27	"	"	"	"	

Broker's copies of Reports & contracts

Charter Party Coal-ship "Glenfarg"

Draft on J. Kirwan for £ 2 . 1 . 6 for collection.

Copies of letters to the Director of Navy Contracts of 23rd. & 24th. July
and reply of the 25th. July. re coal.

Brighton College Schooling account £ 12 . 11 . 9 for J. J. Felton, Esq.

Wool Reports

Letters for the following

W. C. Girling, Esq., Mrs. Dean, A. L. Allan, Esq.

Debit Note for H. Clement, Esq. goods shipped per "Oropesa".

London, 6th. August, 1902.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851)

61, Gracechurch Street.

Per Supplementary mail.

No 951.

London, E.C. 8th August, 1902.

Sir,

I now write in continuation of my despatch via Liverpool.

2. The Board have discussed the question of the Fortuna, and are averse to sending her to Sandy Point, both on account of the expense and the risk. As Johnson considers that the work could be done at half the cost in Stanley by heaving down, it is thought that this plan will be the best; but before positively deciding I am going to ask the opinion of Camper & Nicholson. Probably they will say that if the precaution is taken of properly shoring her up inside to prevent straining, it can be done with comparatively little risk, and if so I will cable the word "Tuchladen", which will mean "Heave down Fortuna". No doubt Captain Thomas and Johnson between them will be able to take all necessary measures to insure her safety.

3. I have spoken to Mr. Harding about the hoses, and we shall send what we consider necessary; but the lengths of leather hose, which I believe is most expensive and needs much care to prevent rotting, will probably be replaced by rubber.

4. 208-9. I am sending a complete set of flags for the Fortuna, but cannot complete the Hornet's as the size given, 8 feet, does not correspond with any stock size, which ought to be in multiples of a yard, and this measurement refers to the square flags. Possibly the 8 ft. length is that of a pennant, and what we must have is the exact size of one of the square ones.

5. Letter of June 30th. As Mr. Harding says that the Sabino is not of much use, and her size, 1224 tons, seems suitable for Messrs. Stubenrauch & Co., the Board authorize you to offer her for £1000 as she stands, coupled with the stipulation that she is to be taken away from Stanley and not returned, nor sold to any one in the Islands. She cost us £900 in 1891, and with in-

terest for 11 years stands us in more than that; however I may mention that we should be willing to take even less to get rid of her, and if Stubenrauch does not agree to the price asked you may ask them for an offer, and cable it home. As an inducement to purchase we should be willing to place at their disposal all the spars and gear remaining that originally belonged to her, should they wish to sail her across, but could not make up anything that may have been used. But if they intend to tow her over, this would not matter to them.

6. The Board decided to allow James Smith a pension of £30 a year. I find that he has arrived in Scotland, and have heard from him.

7. We have bought a cargo of steam coals from E.C. Downing of Cardiff at 35/.c.i.f., which is a more favourable arrangement than we have ever had before, and comes out without doubt a good deal cheaper than if we had chartered and done our own insurance. There will be 1350 tons more or less, and of this quantity we have sold 1000 to the Admiralty on the usual terms. Copy of Charter party is enclosed. The coals are Hill's Plymouth Merthyr, double screened, and are approved by the Director of Contracts.

8. The Board have discussed the question of shipping bricks for the Church, and with every desire to meet the wishes of those interested do not see their way to doing it at the present time. There is an order for goods of the class usually shipped by sailing vessel, but as there is no wood, and Ale, House Coal and other goods are not wanted before January, in fact the Ale cannot be sent until after the October brewing, the order is premature, and would not amount either to a cargo for a sailing vessel, or be sufficient to induce the P.S.N.Co. to send in a cargo boat on special terms. When the more bulky goods can be shipped, and are supplemented, as the order no doubt will be, by one for wood, we shall probably be in a position to ship 800 tons or thereabouts, ^{and} we shall be able to decide either to take up a vessel of suitable size, or approach the P.S.N.Co. with a shipment that it will be worth their while to consider. But to

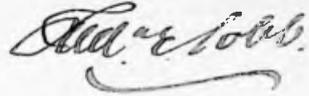
split this probable cargo up into two of 400 tons each would be unsuitable, and in fact impracticable. I think that when we have sent a sailing vessel about this time of year it has been because there has been a large order for wood, or something that has been urgently wanted. The end of the year is the most suitable time for these shipments, and we must be sure that we have all orders in for rough stuff, so that all can go in one shipment. There is a further difficulty about the bricks; the samples have arrived, and, unless I am much mistaken, they are of a kind that will not stand the weather of the Islands. The architects who superintended the supply of materials for the Manager's house sent a red brick that they thought suitable, but as everyone knows it was most unsuitable, and began to fret away from the first. The only brick that I know of that stands the climate is one with a hard smooth surface, like those used in the main building of the house; these are soft and more like bath bricks, and the alternations of wet and frost would be ~~sure~~ almost certain to cause them to perish. I see that cost, freight and insurance, at rates quoted by Cliff & Sons, would amount to about £7.15/., to which would have to be added the cost of delivery, and probably so much a thousand for taking in and stowing, which is always done on special terms. Then again, the Company have ceased shipping goods on commission, and if we made an exception our clients could throw it up against us. If I can, I will find out what kind of red bricks of a sufficiently hard nature can be obtained near Liverpool, and send out a sample, with a price at which we could ship them; this would be necessary, as we might ship a kind of which those concerned would disapprove. Finally, the Board wish to be informed if the Committee are able to pay cash down, and if so they will be prepared to quote a price showing a very moderate profit. To get the bricks out by next month would, as will be seen by the explanations given above, entail their shipment by one of the mail steamers, and as the two bricks we have before us have got rubbed and broken even in the tin in which they were sent, you may imagine what they would be in bulk after being handled by the

stevedores and the steamer's crew.

9. We hear this morning that the Orellana has 25 tons weight and 79 measurement, which will be cabled to Coronel next week.

I am, Sir,

your obedient servant,



Managing Director.

The Manager,

Stanley.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

Limited.

REGISTERED 1902.

61, Gracechurch Street.

Per S.S. "Panama"

via Liverpool.

London, E.C. 3rd. September, 1902.

No. 952.

Sir,

Your despatch No. 209, and letter of 24th. July, were received on the 21st. August, but Mr. Cobb being away for his holiday. I can only make a brief reply.

We have received your Cable, dated 27th. August, from Montevideo, as follows "Magellan Sporco". We also cabled you on the 30th. August, on the chance of catching the "Orellana": - Sending bricks "Sarmiento", as our last despatch might have led you to think that we could not undertake the order at all, or at least for some time to come. Further remarks on this subject, regarding price, freight &c. will be made by Mr. Cobb in next despatch. In addition to the bricks we are sending part of your Sailing vessel orders per "Sarmiento", leaving Liverpool on the 13th. instant. (as per detailed list enclosed)

1. 209-6. Whether produce comes in by a Company's vessel or an outsider it is equally our duty to protect the interests of the shipper if the goods are consigned to us. To see that they are insured is one of the duties for which we are paid by commission on the sale, and no step by which the settlement of the claim can be facilitated should be neglected. The Company are interested therefore in the insurance of all produce consigned to them. Lloyd's Agent does not come into this at all, except that he may sign the protest as examined, though this is not actually necessary.

2. 209- 9. It would have been most useful had you reported the number of bales left behind by the "Panama", as it would have given point to complaints made by Messrs Cobb and Harding, who visited Liverpool lately for the purpose of conferring with the P.S.N. Co. The wool will now not come up for sale until November

3. The "Glenfarg" sailed from Cardiff on the 23rd. Ult. taking 1385 tons Coal, 1000 tons of same being contracted for by the Admiralty.

The Manager,

Stanley.

4. We are sending copy of letter dated 19th. August, received from
● Lloyd's Register respecting boiler survey of " Samson" and you will of
course arrange for the same to be done as before.

5. Captain Willis has written asking us to reconsider his case or to
give him some kind of employment, but you will see by open letter sent
him in reply, that, we consider this impossible:

I am, Sir,

your obedient servant,

For THE FALKLAND ISLANDS CO. LTD.

Walter Hughes
..... Managing Director.

Enclosures per Supplementary Mail via Lisbon

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

General Invoice goods per "Panama"

List of Cargo per "Panama"

List of Dutiable goods per "Panama"

B/L goods per "Panama"

Sight draft with B/L attached on J.Kirwan for £ 22 . 0 . 8 for
collection

B/L Wines &c. shipped by Army & Navy Stores for ~~Baird~~ & Stickney, Esq.

Eills & Co's invoices goods shipped per "Panama"

Shorter Brothers ditto ditto

Credit notes for the following :-

A.Pitaluga	1 . 15 . 6
J.J.Felton	6 . 0 . 0
Mrs.Williams	3 . 10 . 7
J.Mc Kay	1 . 4 . 0
Packe Bros.& Co.	1 . 2 . 6
J.J.Felton	1 . 19 . 6
A.E.Felton	307 . 17 . 2
W.D.Benney's Estate	10 . 6 . 3

Replies to Remarks on Stores.

London 6th. September, 1902.

Enclosures via Liverpool per "Panama"

Originals

Copies of Cablegrams of the 11th. & 30th. August.

Corrected General Invoice Goods per "Orellana" (Pearson's invoice attached)

Copy of letter from Neale & Wilkinson of the 8th. August re Kirwan's drafts
Bill of Lading & Invoice, Potatoes, Onions & Grapes per "Orellana"

Copy of letter from Camper & Nicholson of the 9th. August re "Fortuna"

Credit note Mrs. Bonner claim recovered sea-damaged wool per "Lake
Megantic" £ 1 . 5 . 4
" " H. & G. Cobb " " " £ 6 . 0 . 1

Copy of letter from Monk & Newell dated 15th. August re bricks.

John Mc. Pherson's agreement

Downing's invoice & Bill of Lading coals per "Glenfarg"

Copy of letter from Lloyd's Register of 19th. August re Samson's boiler
Survey

Client's Reports & contracts:-

S
Fitzroy 3 bales Sheep Skins "Antisana"

S
Stanley 13 " " "

S & S 5 " " "

S 166 Salted Hides "Orellana"

Broker's press copies reports & contracts Skins, Tallow & Hides ex
"Antisana" & "Orellana"

Copy of letter from Eills dated 25th. August re error in last invoice

Letters for the following :-

A. L. Allan, Esq.,

Captain Willis.

London 3rd. September, 1902.

Enclosures via Liverpool per "Panama"

Duplicates.

Despatch No.950 dated 13th.August,02

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores.

List of Cargo per "Orellana"

General Invoice goods per "Orellana"

List of Dutiable Goods per "Orellana"

Clients' A/sales,reports & contracts:-

S	62	bales	Wool	"Liguria"		
J R	26	"	"	"Oropesa"		
						
P H	110	"	"	"Annie"		
A P	238	"	"	"Liguria"		
F	94	"	"	" " "		
F	65	"	"	"Oropesa"		
	167	"	"	" " "		
Z	90	"	"	" " "		
	25	"	"	" " "		
						
P H	1	"	"	"Annie"		
	1	"	"	"Oropesa"(report only)		
A P	4	"	Sheep Skins	"Liguria"		
F	27	"	"	" " " "Oropesa"		
J R	1	"	"	" " " "		
	17	"	"	" " " "		

List of Enclosures via Liverpool & Lisbon

List of Enclosures per Consignees' letter per "Orellana"

List of Parcels in Pearson's case

Bill of Lading cargo per "Orellana"

Sight draft on J.Kirwan with B/L attached for collection (second)

Charter Party ship "Glenfarg" coals



The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851)

61, Gracechurch Street.

No. California.

No 953.

London, E.C. 1st. October, 1902.

Sir,

I have to confirm despatch 952 per Panama, and to acknowledge receipt of Mr. Girling's despatch no. 210 and letter of 21st August.

2. Par. 4. German beech was ordered some time ago of the same dimensions as last supplied in pine for wool boxes.

3. Par. 7. The statement of wool shipments is a valuable document, and came in just as it was wanted to support a general complaint we were making to the P.S.M. Co. about their neglectful treatment of our interests.

4. Par. 9. I assume that the coal to the Swedish Expedition is to be taken out of the 249 tons the Admiralty had short taken on last year's contract. We sent between 800 and 900 tons per Vega to make up the 1200 they had asked for, and the balance of this 1200 lot clearly has to be taken before they begin on the new contract.

5. Par. 13. It will be better in future to send a formal receipt for Lloyd's Agency fees. It is desirable to make the survey reports as little farcical as possible, for which reason it is manifestly incorrect to call upon a carpenter to certify to the excellence of his own work. I have known Biggs for 35 years, and do not accept the suggestion of his not being too "straight". Anyhow it would be easy to advise him to be careful, and to hint that we might have to appoint a naval carpenter sometimes. Lloyd's instructions give you the power of appointing a "Surveyor to Lloyd's Agent", and if you think suitable you might nominate Captain Thomas to the post.

6. Par. 15. Mr. Girling was right in the step he took to secure payment of the salvage charge on the Chance, but in saying that he

W. A. Harding, Esq.,

Manager,

Stanley.

presumed that we should have no difficulty in recovering he seems to have overlooked the fact that there is not a word to show that the "cure" had been effected, nor has the Master's protest been sent, which, as I have several times pointed out, should be done in all cases of claims on Underwriters. The protest is the narrative of events which led to the casualty, and is the foundation of the claim, and as the Underwriters pay for it there is no reason whatever for neglecting it.

7. Par. 16. The claim on the Chance's policy put forward by Williams is an impudent one, and must have been made in ignorance of the fact that we hold a mortgage to secure account-current. This mortgage is a sufficient security as long as the vessel is in existence, but it was one of the conditions when we advanced money to Pallini originally that the vessel should be insured for a sufficient sum to cover the liability, and we look upon it as part of the mortgage. This had better be explained, and you can say that we have no intention of giving it up.

8. Par. 18. We shall of course take the necessary steps to collect the General Average per Iberia when you put us in a position to do so; but unless I can get a copy of the Statement here I must wait. Claims on Underwriters are not settled on the mere assertion that they are due, which seems to be suggested.

9. Par. 20. It is satisfactory to hear that the coal and coke ex Glengowan are still moving off; you might let me have a statement of the exact position of this account to date, as it seems to me that taking ship and cargo together they must now stand at a very small sum.

10. Par. 22. You are aware of what has taken place here with regard to the shortcomings of the P. S. N. Co., and that the Chairman has personally promised that we shall have no further cause for complaint, which I hope may turn out to be the case.

11. Credit is due to Mr. Girling for his successful efforts to get more wool on board the Magellan than the Captain originally intended to take.

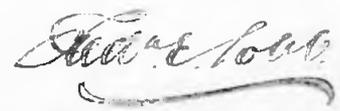
12. With regard to the West Falkland mail service, you must do the best you can to help the Government and our clients without hampering the schooners' movements.

13. Under the new arrangements with the clients it would be desirable to transfer the Store accounts at not longer intervals than half yearly, so as to let their ledger accounts show us here approximately how they stand. The Store accounts are of course much higher now, and without them the balances as shown in the Stanley ledger are fallacious. There has been no time to examine the June balances thoroughly, but two items call for remark; £216 for the Church House, and £159 for Dr. Jameson. The Church should pay their way as they go, and the other should be transferred to Dr. Jameson's ledger account. He should also be informed that the Directors strongly object to seeing any of their officers' accounts overdrawn, and that he should take steps to get on the right side as soon as possible.

14. This morning Macdonald Adams & Co. have enquired the amount of the credit we require, and state that you should be careful not to underestimate the amount. As I mentioned to you yesterday, this question is so often put to us, that you ought in cabling a ship to give us a very wide estimate of the probable expenses.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures per Supplementary Mail via Lisbon

Wool Reports.

Ledger & Journal Entries.

Remarks on Accounts.

Remarks on Stores.

Replies to Remarks on Stores.

Clients' Reports & Contracts :-

L	Roy Cove	7 bales Wool ex "Orellana"			
	S & S	122	"	"	"
	T R				
	Port Louis	81	"	"	"
	J B	61	"	"	"
	◊ B	33	"	"	ex "Antisana"
	S				
	Fitzroy	124	"	"	"
	S				
	Port Louis	53	"	"	"

Press copies Broker's Reports & Contracts Company's Tallow ex "Antisana"

Press copy Broker's Report Company's Wool ex "Orellana"

Clients' A /sales :-

✻	53 casks Tallow ex "Orellana"
J B	3 " " "
J B	6 " " ex "Antisana"

General Invoice goods shipped per "California"

List of cargo shipped per "California"

Sight Draft on the Falkland Islands Trading Co. for £ 2 . 4 . 3
for collection

(Mr. Cobb is writing Mr. Harding about this)
F.G. Martin's account for Mr. Gorton

Letters for the following :-

A. L. Allan, Esq.,

W. W. Bertrand, Esq.

W. Stickney, Esq.

L O N D O N 4th. October, 1 9 0 2.

Enclosures in Consignees' Letter per "California"

Suppliers' Invoices goods per "California"

List of Parcels in case No.

List of Dutiable goods per "California"

Wills' Tobacco Catalogue of prices

Books of instructions (Typewriter) for Mr. Allan.

London 1st. October, 1902.

Enclosures per "California" via Liverpool

Duplicates

Despatch No.952 dated 3rd.September .

Ledger & Journal Entries.

Remarks on Accounts.

Remarks on Stores.

Replies to Remarks on Stores.

General Invoice goods per "Panama"

List of Cargo per "Panama"

List of Dutiable goods per "Panama"

List of Parcels in Pearson's case

List of Enclosures.

Corrected General Invoice goods per "Orellana"

B/L Coals per "Glenfarg"

B/L Wines & Spirits shipped per "Panama" for B.Stickney,Esq.,

Sight Draft with B/L attached on J.Kirwan for £ 22 . 0 . 8

Credit notes for the following:-

A.E.Felton,Esq.	£ 307	. 17	. 2
J.J.Felton,Esq.	6	. -	. -
Mr.J.McKay	1	. 4	. -
J.J.Felton,Esq.	1	. 19	. 6
W.D.Benney's Estate	10	. 6	. 3
Mr.A.Pitaluga	1	. 15	. 6
Mrs.C.Williams	3	. 10	. 7
Packe Bros.& Co.	1	. 2	. 6

Clients Reports & contracts:-

J.B.	3	bales	Sheep	Skins	ex	"Orellana"
S & S	5	"	"	"	"	"
S						
Fitzroy	3	"	"	"	"	"
S						
Stanley	13	"	"	"	"	"
S	166	Salted	Hides	ex	"Orellana"	

B/L general cargo per "Panama"

Enclosures via Liverpool.

Originals

Copy of Cablegram of the 8th. & 27th. August.

Wool reports.

The Annual Colonial Reports on the Falkland Islands.

Rev. Wimble's schooling account for Mrs. Benney.

Clients' Reports & Contracts & A/ sales

Club	5 casks	Tallow	ex	"Antisana"
J B	66	"	"	"

Clients' A/sales :-

S	16 bales	Sheep	Skins	ex	"Orellana"
J B	3	"	"	"	"
S&S	5	"	"	"	"
S	166	Salted	Hides	"	"
J B	28	"	"	"	"

Club 33 casks Tallow ex "Orellana"(reports & contracts only)

Copies of Broker's A/sales Company's Skins, Hides & Tallow
ex "Antisana" & Orellana"

Copy of letter from the India Rubber & Gutta Percha Co. of 3rd. Sept.

Debit note for W.A. Harding, Esq. for freight on goods shipped per
"Sarmiento"

Copy of letter received from W. Cooper & Nephews re dip on consign-
ment dated 29th. Sept.

Duplicate receipt for Dr. L. A. Jameson.

Letters for the following:-

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

London 1st. October, 1902.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Per Oravia.

No 954.

London, E.C. 29th October, 1902.

Sir,

Since writing per California we have received Mr. Girling's despatch no. 211 and letter of 17th September, which arrived per Oravia on the 13th inst.

2. Par. 3. It is very satisfactory to learn that progress is being made with the coal and coke in the Glengowan. What price is credited to the vessel for the coal to be delivered on the West?

3. Par. 5. I think that it was understood before you left that the cleaning of the Fortuna's bottom was to be left until next year, by which time you might get some more information about the facilities in Sandy Point and Montevideo to enable the Board to decide whether to have her home or not; but it is imperative that the new rigging should be fitted at once, as her safety is imperilled for want of it.

4. Par. 7. Despatch 205-7 stated in 5½ lines that Johnson's report would follow when he had time to make it, and the quality was generally good. I do not know how this can have been looked upon as a sufficient report on the goods from a new supplier.

5. Par. 11. Wrexham and Ruabon are close together, and the bricks from both places probably of the same clay.

6. Par. 12. You will have seen that the word cabled in August was Trastease, which the Cable Co. mutilated into Cavease. They are sorry, and have returned the cost of the message.

7. Par. 13. We have had a lot of trouble about the Serena, all attempts to get a credit having failed until the estimated amount of expenses was cabled home. The managers are not men of large means, and we found that the ship was mortgaged for £4500, so caution was necessary. We have at last got £400 in the hands of Ho-

W. A. Harding, Esq.,

Manager,

Stanley.

ward Houlder & Co. at our disposal on production of the ship's accounts, and a credit for £1200 on the Union Bank of Scotland, Ltd.

● in Cornhill. This was only settled in time to catch the California, and I hope that it may have arrived in time to prevent any complication in the way of Bottomry. In future cases it will be desirable in cabling a ship to give, when the amount is large, a liberal estimate of the probable expenses.

8. Par. 14. It is satisfactory to hear that the Samson is getting some outside work of a payable nature.

9. Par. 15. The Antarctic seems to be managed on most unbusiness-like lines, and we have had trouble with both the remittances received this mail. Although the credit at the Credit Lyonnais existed the signature of C. A. Larssen was unknown there, only that of Dr. Nordenskjold being recognized. The letter of credit should have been inspected before the draft was taken. Payment was refused, but eventually made on the guarantee of our Bankers. As regards the larger one on the Admiralty, it must have been simply a kite which they flew on the chance of its going right; the Admiralty know nothing about it, and decline to pay. The Swedish Consul also can give no assistance, as he knows nothing about the financial arrangements of the Expedition, and I have now, at his suggestion, written to Dr. Nordenskjold's father. Then with regard to the insurance on oil, we got this done as requested, but it is consigned to Christensen & Co., who have no instructions to pay us the premium. You had better tell Dr. Nordenskjold that he would do better to send any skins or oil to us, and as regards business generally, until I am able to tell you that a credit has been arranged you must not take the risk of making any more advances. We can do the insurance on future lots of blubber, f. p. a. at 20/., but shall want to know who will pay us.

10. Par. 19. If the Government want the Vicar of Bray we could sell her at breaking up price, of which you can judge as well as the Board. Would they give £150 or £200? She has been wiped off our books for years.

11. I should have said in par. 4 that the promised report on the wood was not found enclosed.

12. Letter of 17th Sept. The statement that the Hamburg-South

American Co. have contracted for 5,000 bales of wool is a manifest absurdity, for there is no one outside ourselves who can control such a quantity. They have not even got Mr. Cameron's; I have seen him lately, and heard from him that they had made him an offer, but that he has made no arrangement. He says, however, that he cannot go on paying 45/. on wool, and there is no doubt he is quite right. In former days it was known definitely at the beginning of each season how the produce from each farm was going to be shipped, and if, as sometimes happened, people were disappointed and had to go to the Kosmos, they were stuck with an extra freight. But it is quite a different thing when farmers not connected with us are willing to ship the whole of their produce by the P. S. N., and not simply make a convenience of them, and I have had some correspondence with Liverpool on the subject, the upshot of which is that they are willing to take 25/. net, if by doing so they can keep competition away. They suggested getting 30/. all round at first, but I went thoroughly into the question, and told them that we could not afford it. Being now agents for them, and earning a commission on all freights, is an additional reason for trying to get as much as we can from others on the same terms as enjoyed by our clients. In the course of the correspondence I asked them if they were willing to consider the question of a coasting steamer, and was rather surprised to find that they were. They want to know what the mail subsidy to the West would be, and what could be expected ~~xxx~~ in the way of freight and passengers; this I said could be better answered by yourself. What they would secure would be the through carriage of all produce from the ports ~~home~~, and they can assign as much as they like to their local boat. Mr. Ward suggested a boat of 600 d.w. capacity including coals, but I think that a much smaller one would do. I told him that we would not stand in the way, as the earnings of the schooners were no catch, and we should do just as well by laying them up, unless, perhaps, in the case of having to send building materials or fencing up a creek at times. We should want to be paid, of course, for the warehouse rent of the Great Britain, as at present, and we might be able to squeeze out a little more. To put them on a sure footing, the farmers should undertake to contract for a period of years, and as they are the

principal people to be benefited I think that they ought not to grumble if they were asked to pay a little more freight than they do at present. It would be an indirect contribution by them to the improved service they are all so anxious to have. I do not know how those should be dealt with, who perhaps while accepting the benefit may decline to ship by the line, and questions of this kind must be settled on the spot.

13. The Admiralty asked us lately to quote for House coal to be supplied to the Colonial Government, and finding that the P.S.N. were prepared to ship coal at 40/6d. c. i. f. Stanley I gave our price as 45/6d. over ship's side. This was eventually accepted by the Colonial Office, and 150 tons are shipped by this steamer. You may say that the profit is not great, but we make a clear £37.10/ against nothing, for I found that the Crown Agents had also been trying to buy the coal, and it was only through assistance given by the P.S.N. that I was able to carry this through. You will observe also that you have to make the usual charge for landing, as the contract is for delivery over side.

14. In some of the Antarctic's accounts she is described as Norwegian, which is quite wrong.

15. I forward some documents relating to the Enola C., consisting of another commission to take evidence, and copies of letters from the Solicitors, which will, I hope, enable you to get it through. It is a tiresome business, and I think that the questions go over a lot of old ground.

16. I was asked by the P.S.N. Co. to write to the Board of Agriculture about the importation of live sheep from the Islands, which they threatened to prohibit two years ago; but as they sent no answer to my letter at the time, I have written to the C.O., asking them to make representations to the Board in the interests of the Colony.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures per "Oravia" via Liverpool.

Originals

Copies of Cablegrams of the 7th. & 24th. October.

Copy of letter from Buchanan & Co. dated 8th. October

Clients' Reports & Contracts :-

♡	257 bales Wool ex "Magellan" (<i>report only</i>)
Z	11 bales Sheep Skins ex "Magellan"
D S	2 " " "
T R	6 " " "
S	1 " " "
K	13 " " "
W P	44 casks Tallow
♡	1 " " "

Copies of letters from the Admiralty dated 3rd. & 16th. & our replies of 9th. & 17th. Oct.

Copy of letter from the Mazawattee Tea Co. dated 17th. October

Clients' A/sales :-

T R	81 bales Wool ex "Orellana"
S & S 122	" " "
L	7 " " "
◇ B	33 " " "
◇ B	1 " " "Oropesa"
S	124 " " "Antisana"
J B	61 " " "Orellana"
S	53 " " "Antisana"

Broker's copies of A/sales Company's Wool & Tallow ex "Antisana" & "Orellana"

Copy of letter from Pinto Basto & Co. dated 6th. October.

Copy of letter from The Richmond Cavendish Co. dated 11th. October

Copy of letter from Austin & Co. dated 14th. October re. Pump boxes

Pearson's account for binding books for W.A. Harding, Esq.

Copies of letters & papers from Ince Colt & Ince relating to the Enola C.

W. Cooper & Nephews' Invoice for Sheep Dip sent on consignment.

Copy of letter from Fernie dated 8th. October

Corrected General Invoice goods per "Orellana"

Copies letters from the P. S. N. Co. of the 15th. & 17th. & ours of the 16th. October re rates of freight

Enclosures per Supplementary mail via Lisbon.

Originals.

Ledger & Journal Entries.

Remarks on Accounts.

General Invoice Goods per "Oravia"

List of Cargo per "Oravia"

Bill of Lading Coals per "Oravia"

Remarks on Stores.

Replies to Remarks on Stores.

Austin's invoice fire bars per "Oravia"

Fills " provisions "

P. S. M. Co.'s invoice Coals per "Oravia"

Letter from Maconochie Brothers with price list attached.

Copy of Cablegram received 30th. instant.

White's price list for Hams & bacon &c.

Dawson's account for Dr. L. A. Jameson £ 6 . 17 . 4

H. J. Cooper & Co's invoice Goods forwarded per Parcel post

Supplementary Remarks on Stores

Letters for the following:-

A. L. Allan, Esq.

W. C. Girling, Esq.

W. W. Bertrand, Esq.

Invoice for 50 bales Hay of which only 10 bales have been shipped
per "Oravia"

London, 1st. November, 1902.

The Falkland Islands Company, LIMITED.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street,

Per Iberia.

N^o 955.

London, E.C. 26th November, 1902.

Sir,

Since writing per Oravia I have received Mr. Girling's despatches of the 14th and 21st ult. per Iberia and Sarmiento, which arrived on the 12th inst. and this morning respectively.

2. 212-4. I enclose copy of a letter from Lamb Bros. about the wood. In his report Johnson only touches on that part of the shipment with which he has to find fault, and it is assumed that the rest is of good quality and suitable.

3. Par. 6. Mr. Hayes can hardly have been aware that the Admiralty had contracted with us again for the coming season, and it does not seem likely that they will also send out a stock of their own, at least for the present.

4. I was hoping that Mr. Girling would avail himself of the Sarmiento for a despatch to catch the Panama, and the information about the Arcadia is useful. We have an undertaking from J. L. Johanson & Co. to pay the ship's account on presentation, without limit as to amount, and as they prove on enquiry to be a responsible firm there is not likely to be any difficulty in getting the money, though there may be the usual strong language about excessive charges, as we hear that they are disagreeable people to deal with. In cabling out via Coronel I put in the word "Glasgow", to show you what firm you were to draw on.

5. Your cable reporting that the credit opened for the Serena was insufficient arrived on the 16th inst. In his letter of the 15th ult. Mr. Girling in reporting that he was cabling £2000 as the probable disbursements said that they would not be much, if any, below that figure, and knowing that the credit would be based on the figures sent home it is singular that he did not make

W. A. Harding, Esq.,

Manager,

Stanley.

quite safe by giving £2500. The ship was nearly ready, and a closer estimate might have been made without much difficulty. The ship is a Company herself, and the Managers are not men of means; but they managed to get a Bank credit for £1200, and their insurance Brokers scraped up the remainder from the Underwriters in advance, which is an unusual procedure. You will not know how to draw for the surplus, as you know that the Bank will not accept for a penny over the credit, and you cannot detain the ship, as the information about the amount was given by us. All that we have been able to do has been to get an undertaking from the owners or managers that they will pay the amount on presentation of the accounts, and with this we have had to be content. The main portion is secured, and they must be very hard up if they cannot scrape together £220. I shall be glad when we are safely through this business. Copy of cable about this is enclosed.

6. The information about the inspection of the Glengowan and Sabino is most interesting; we have not yet heard anything from the P.S.N.Co., but I suppose that they want a hulk for Sandy Point.

7. In cabling the Oravia's cargo I advised you that 150 tons would be in bags, which seemed the best way of preparing you for the Government coal.

8. At the request of the P.S.N.Co., and on behalf of Mr. Buckworth, I wrote to the C.O. about importing sheep, and sent you a copy of my letter last mail. They acknowledged it on the 31st ult., and have now sent the Board of Agriculture's reply, a copy of which is enclosed. You will see that there are certain ^e questions put, which at present can be answered satisfactorily, but this will not be the case if importations from Argentina are allowed next year, as your cable seems to foreshadow. On receipt of that I wrote again to the C.O., suggesting that the Governor should pause before sanctioning this, and I also wrote to Mr. Buckworth, but have received no reply from him yet. It seems that he wants to get it both ways, that is to say he wishes to import ten or a dozen rams, and at the same time get permission to ship live sheep to England, and it seems almost certain that these rams, if shipped, will bar the export of sheep from the Islands. It does not affect us, but I

thought it desirable, as we had been asked to interest ourselves in the subject, to point out what the consequence of opening the ports would be. No doubt the Governor will consider the interests of the greater number, if there is really any probability of shipments being made to the United Kingdom.

10. A very annoying series of blunders has occurred with reference to the broken standards sent home from Walkar Creek and Roy Cove. In the first place, as you know, the case from our place got adrift in Liverpool through having been sent without any Bill of Lading or parcel receipt, and did not turn up until September, and then we had no information from Mr. Mathews as to what was wanted. Meanwhile Mr. Bertrand sent a case of breakages and an order, which was passed on to them, and this arriving just at the same time as our case, the latter was taken to be his. To make matters worse, Mr. Bertrand, not content with sending the order through us, must needs write to Hayward Tyler & Co. himself, and his letter was taken to be a separate order. The two cases from Roy Cove were received the following mail, and these, through a misunderstanding on the part of Tyler & Co., were put down as ours. The consequence is that the standards shipped per Oravia, though marked for Roy Cove, were ours, and I cabled this to catch her at Montevideo. There can be no doubt of this, for the two cases were delayed a mail, and did not arrive here until the first lot, made on our patterns, were already in hand. In future no breakages should be sent at all; the makers keep drawings of all presses, and a description of the part required is all that is needed. The parts for Roy Cove and Hill Cove go this time.

11. Not a word has been written for months about the alleged loss on beer per Annie; are we to assume that it was unnecessarily magnified, or that it has been forgotten?

12. It is time that a Crown Grant was obtained for the land purchased on Choiseul Sound; you will of course see that the boundaries are correctly described in every particular.

13. I have been in correspondence with the P. S. N. Co. about a rough cargo out, but with all the coal, beer, bröcks, &c. that we offer we cannot see more than about 450 tons, and this they say is insufficient. It was rather against my better judgment sending the

intermediate lot per Sarmiento, and I think I told you so at the time. We must now wait for the next mail, but as the P. S. N. Co. say that they want as much as the Corcovado took, it may result after all in chartering a small sailing vessel. I am afraid that a large wood order may turn up just after we have made arrangements, and upset everything. I find that Brancepeth Smithy coal would cost 22/. nett alongside in Birkenhead against 14/3, less 2½% for what we shipped. I suppose that all blacksmiths in Liverpool and the neighbourhood use local coal, and if so, why cannot our men also?

14. It is intended to provide for a day's stay ^{of the steamer} in Stanley next year, which will probably suit you better than the present arrangement.

15. The Scottish Antarctic Expedition have been enquiring about coal, and have been quoted 55/. alongside in Stanley. They would like us to give them 100 tons as a subscription, but this, is, of course, out of the question.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicates

Despatch No. 954 dated 29th. October, 02.

Ledger & Journal Entries.

Remarks on Accounts.

Corrected General Invoice Goods per "Orellana"

General Invoice Goods per "Oravia"

Remarks on Stores.

Replies to Remarks on Stores.

List of Cargo per "Oravia"

List of Dutiable Goods per "Oravia"

List of Parcels in Pearson's case

List of Enclosures

Clients' Reports & Contracts :-

W.P	44	casks	Tallow	ex	"Magellan"
Z	11	bales	Sheep Skins	ex	"Magellan"
D S	2	"	"	"	"
T R	6	"	"	"	"
S	1	"	"	"	"

William Cooper & Nephews' invoice Sheep Dip sent out on consignment

B/L cargo per "Oravia"

B/L coals per "Oravia"

Clients' A/sales :-

S	Port Louis	53	bales	Wool	ex	"Orellana"
S	Fitzroy	124	"	"	ex	"Antisana"
T R	Port Louis	81	"	"	ex	"Orellana"
S S	Johnson Harbour	122	"	"	"	"
L	Roy Cove	7	"	"	"	"
		1	"	"	"	"Oropesa"
		33	"	"	"	"Antisana"

Enclosures via Liverpool.

Originals

- Copies of Cablegrams of the 4th. & 21st. November.
- Copy of Cablegram (received) of the 16th. "
- Carr's Price lists.
- Copy of letter from Read Brothers, lim. of the 14th. November.
- Copy of letter from W. & A. Gilbey, lim. of the 14th. November.
- Copy of letter from Lamb Brothers of the 17th. November.

Clients' A/sales:- & reports & contracts :-

	♡	1	cask	Tallow	ex	"Magellan"	
	W.P.	44	"	"	"	"	
A/Sales only	{	K	13	bales	Sheep	Skins "	
		D.S	2	"	"	"	
		S	1	"	"	"	"Antisana"
		Z	11	"	"	"	"Magellan"
		T.R.	6	"	"	"	"
	◇	28	casks	Tallow	ex	"Oravia"	
	HB	113	"	"	"	"	
	K	13	"	"	"	"	
	◇	2	"	"	"	"	
	S & S	29	Hides	ex	"Oravia"		
	HB	384	"	"	"	"	

- Broker's press copies of above reports & contracts (Hides & tallow ex "Oravia" & "Magellan")
- Correspondence with Hayward Tyler & Co. re pump parts & c & plan of pump attached
- Dalgety & Co.'s invoice for Sheep Dip per "Whakatana"
- Credit note for claim recovered on 2 hides ex "Orellana" for Vere Packe
- Copy of letter to the Colonial Office dated 21st. November. & copy of thiers of 25th. & Board of Agriculture of 19th. instant.
- Wool reports.
- Letter for W.W. Bertrand, Esq.

L o n d o n 26th. November, 1902.

Enclosures per Supplementary Mail via Lisbon.

- Ledger & Journal Entries.
- Remarks on Accounts.
- Remarks on Stores
- Replies to Remarks on Stores
- Eills' invoices goods shipped per "Iberia"
- Smith Premier's invoice copying ribbons in Pearson's case
- Clients' reports

W. E. D.	168	bales	Wool	ex	"Oravia"
S. I.	49	"	"	"	"
	156	"	"	"	"
	33	"	"	"	"
	4	"	"	"	"
	100	"	"	"	"
H & B	108	"	"	"	"
K	13	"	"	"	"
T R	62	"	"	ex	"Magellan"
K	21	"	"	"	"
S. I.	22	"	"	"	"
D. S.	69	"	"	"	"
Z	131	"	"	"	"
*	124	"	"	"	"Iberia"

Press copy of Broker's report Company's wool per "Oravia"

Broker's copies A/sales Client's produce (omitted from Wednesday) packet

	28	casks	Tallow	ex	"Oravia"
	2	"	"	"	"
HB	33	"	"	"	"
K	13	"	"	"	"
HB	354	Salted	Hides	ex	"
S & S	29	"	"	"	"

Broker's press copy of A/sale Company's Hides ex "Oravia"

General Invoice goods shipped per "Iberia"

List of Dutiable goods per "Iberia"

List of the Cargo per "Iberia"

The Falkland Islands Company. LIMITED.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary mail.

No 956.

London, E.C. 29th November, 1902.

Sir,

I add a few lines in continuation of my despatch via Liverpool.

2. A letter was received yesterday from the Swedish and Norwegian Consul, stating that he was instructed to settle the Antarctic's accounts, and we may receive a cheque at any time. I do not think that there is any fear about advances to the Expedition, but they ought to put their financial arrangements on a more business-like footing, and may, perhaps, now open a credit.

3. A shipment of New Zealand Eomneys has been arranged, and they will be carried direct to Stanley by the Rangatira. If I hear of her sailing in time to let you know I will cable the date of leaving New Zealand.

4. I am writing Mr. Cameron that if he decides to ship by the P. S. N. Co., they will carry his produce on the same terms as our clients'.

5. The Wool sales have opened at a strong advance; ours will be sold tomorrow, and as the sale will be over just about the last hour for posting by this mail, I have given the Brokers an envelope, in which they have promised to send a marked catalogue.

I am, Sir,

your obedient servant,



Managing Director.

W. A. Harding, Esq.,

Manager,

Stanley.

The Falkland Islands Company, LIMITED.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Liguria.

No 957.

London, E.C. 23rd December, 1902.

Sir,

I have to acknowledge receipt of your despatch no. 214 and letter of 11th ult. per Liguria, which arrived on the 9th inst.

2. Par. 3. After some trouble we succeeded in getting payment of the Antarctic's account with interest from the Swedish and Norwegian Consul.

Par. 4.

3. The Chance's salvage claim has been paid, but the first thing the Underwriters asked for ~~fx~~ was the protest, wanting, of course to know how she got into the mess.

4. Par. 5. The P. S. N. C. told us that Mr. Girling had informed them that the Iberia's General Average would be paid in London, and we sent them a cheque. Now you say that you are going to credit their account in Stanley, and when we see it we will deduct the amount from the payment we have to make them. There is also some question about the amount due from the Naval Works, and I enclose copy of a letter from the P. S. N. stating that a letter said to have been enclosed by Mr. Girling had not come to hand. I am writing to Morton about the small amount to be collected on his policy in Montevideo, in case you have not done so.

5. Par. 7, and letter of 11th ult. Your remarks on wool home have been noted and acted upon. I put the case before the P. S. N. in this way: I said that statistics showed that about 700 bales might be relied upon about the beginning of January or 1500 by the beginning of February, but that to get their minimum of 2000 bales we should probably have to wait until the middle of the month. As the sales begin on the 10th not the 20th March, as you put it, it would be too late to ship in the middle of February, and the

W. A. Harding, Esq.,

Manager,

Stanley.

cargo boat must be at Stanley at the beginning. They have met us very fairly by promising to send the Sorata about the end of January, to take what you have, but in consequence of our being unable to guarantee 2000 bales, the delivery in London is optional. We do not want any wool by the January boat, and I have therefore used the word "Tuchel", though you might have given one that had not been used previously. In consequence of the frequent delays in getting wool round from Liverpool by coaster, it would not be safe to have it arriving much later than the beginning of March. The remaining sales this year will begin on the 5th May, 7th July, 15th September, and 24th November.

6. Par. 9. There are so many people who want to know how they stand in the Stanley books, and others about whom we want to have the latest information, so that it is desirable to have the Store accounts transferred half yearly; but as it has not been usual to charge interest on these accounts it should not be done. With regard to Dr. Jameson, the Board are glad to hear that his Ledger account is to be reduced next year, but why do you lend him money to make payments in this country? We have paid four cheques on his account this mail, aggregating £26.16/., has he provided you with the cash, or is it advanced? As you are aware, the Board have the strongest objection to any of their people overdrawing their accounts either here or in the Islands.

7. Par. 10. You say that you took the Master's draft on the Owners for the Serena's account, but it was on the Union Bank of Scotland. You were, of course, right to send two bills, and the matter has gone through quite smoothly; I held over the bill until I could hear from the Owners, and they arranged that the Bank should accept it, which suited us much better than having the Owners' acceptance. They have been quite straightforward throughout, and in consideration of the large account and representations made by them, the Board have agreed to return half the commission.

8. Par. 12. I have been in a difficulty as regards house coal, owing to the P. S. N. having turned up their noses at the quantity of cargo I was able to offer them for a cargo boat, about 450 tons. They said that the cargo should approximate that shipped by the

Corcovado in January, and as that ran into 900 tons I think, there was no chance of having anything like that. I believe that they felt certain that we must make up a cargo for them, and therefore opened their mouths too wide. It happened that there was a small Dane, carrying about 600 tons, on offer, and we saw our way to an advantageous charter somewhat on the lines of that of the "Annie". This we have taken up with Langridges; we charter the vessel for £1200, and sublet her to Spearing for the voyage home at £710. We put in bricks at 20/. and coals at 22/6d., general cargo at 25/.&5%, taking cargo from others at 30/. The advantage is that we have got her to go to the Tyne, to load House and Smithy coal; this is very useful, as the price of Brancepeth coal across to Liverpool is prohibitive, and the Wallsend is better I have no doubt than the Wigan. I tried to ship 50 or 100 tons of house coal in bags by this steamer, but the P. S. N. Co. say that she is too full, and so you will have to wait for the sailer, unless I can manage to get some out by the Oropesa. They have sent in cargo boats with less tonnage than we were prepared to give them, and I hope that on another occasion they will not fly so high. 50 hhds. of beer are sent by the Liguria to go on with, and the remainder will go in the sailer, extra precautions being taken about stowage.

9. Par. 14. The Board have sanctioned the purchase of a boiler for the Great Britain, and it will be sent as soon as possible.

10. Par. 17. The information about leases is significant; you must keep an eye on the registration of mortgages.

11. Par. 18. I wrote about the opening of the ports to the Argentine last mail. It seems that the prohibition here will be removed shortly, and that would be the right time for doing the same in the Colony. Having been asked to interest myself in the question, and having paved the way through getting at the Board of Agriculture through the C. O., I do not like to see my work upset, just because Mr. Buckworth, who started the thing here, wants to import a dozen rams, which, by the bye, he does not, as they are being shipped from New Zealand.

12. Par. 20. Before seeing your return of the Speedwell wool I had no idea that the Manager had had so much to complain of.

It is curious that the scale of freights and circumstances connected with it are still misunderstood or possibly forgotten. I enclose a statement, too long to embody in the despatch, giving the whole history from the beginning. Your remark that we get 11/9 for simply trans-shipping wool shows how wide of the mark you are; there is no 25/. rate on wool brought by outside vessels. In connexion with the subject of freights, I am sorry to observe that errors are still constantly occurring, which a little care given to them would have avoided, such for instance as entering the ocean freight only on Bills of Lading for others, when it should be the inclusive charge to be settled by a rebate from the P. S. N. Details of these mistakes are given elsewhere.

13. Par. 21. I do not propose to stir a finger in the matter of landing coal for the Admiralty; I prefer ~~to~~ ^{to} let sleeping dogs lie. Admiralty officials are creatures of habit: they have been accustomed for many years to order coals from us, and as long as they choose to buy 1000 or 1200 tons, it is clearly better business for us to sell them, than to tender for landing their own. There are signs of the Admiralty and Mr. Hayes being at cross-purposes; he has been on this landing question some time I think, and naturally wanting to see his work turned to some use, he may overcome the official inertia. But until they approach us, I think we had better leave the question severely alone.

14. Par. 22. I will take an opportunity shortly of reminding Mr. Alcock of the suggested raising of the minimum commission.

15. Par. 23. Mrs. Hansen has been to see me about the sealing fiasco, and I am going to ask Sir John Anderson privately what can be done, as I do not want to write anything officially to clash with anything the Governor may have done.

16. Par. 24. The Board are gratified to learn that Mr. Girling has carried out the work of the office during your absence to your satisfaction.

17. I do not know whether you are in the habit of giving a certificate about ships' repairs attached to the accounts, but on looking over the Serena's it seemed to me that they would have been much strengthened by such a document. The certificate should be given by you as Lloyd's Agent, and should state that the repairs

have been executed under your supervision, and that you have examined the accounts, the charges in which are according to the custom of the port. I am nearly sure that there is some form of the sort that I used to use, and you may be able to find it. You have no idea of the magic worked by the name of Lloyd's Agent, especially with foreigners. There is a curious entry in the labour account for each ship, "use of Blasthammer". When the machinery was first started I made up the rigmarole that has since been used for this charge, but I am sure that it was "use of Blast, Hammer;" &c., for of course the blast and the steam hammer have nothing whatever to do with one another, and a Blasthammer is an absurdity.

18. No report has been given this time of the quantity of steam coal in hand.

19. I think that you mentioned that nothing had been spent on the Sabino since she was bought some 11 years ago. To save her from destruction she certainly ought to be caulked, both topsides and decks, and we should like to have a report on her condition.

20. Although as a rule it is not well to keep the accounts open too long after the end of the year, the account-sales now sent will make such a difference in the clients' accounts, that we hope that you will get them in.

21. The arrangement to send the Rangatira to Stanley with 250 Romney Marsh rams from New Zealand was reported at the last moment by the Supplementary mail in November, and I have to add that Messrs. Dalgety & Co. have bought 15 Merino two-tooth rams for Mr. Buckworth, which will also be shipped by that vessel. You had better confer with Mr. Allan as to getting our rams out; they are not insured beyond Stanley, and if they could be taken out carefully overland, it would probably be better than sending them in a schooner.

22. Hayward Tyler & Co. have asked whether we will pay for something ordered direct by Mr. Clement for Bertrand & Felton. We shall do this, but I wish you would point out the irregularity of sending orders here to be executed and referring to us for payment without advising us.

I am, Sir,

your obedient servant,

John G. L. L.

Managing Director.

NOTES on HOMEWARD FREIGHTS .

As there still seems to be some misconception on this subject, which has led to protests from certain clients who have considered themselves aggrieved, and to errors in the Stanley Office, I propose to go through the whole thing from the beginning, and explain the changes that have taken place.

The arrangement that lasted for some years was this. The Kosmos Co. got 30/. net on wool all round, and the charge to clients who had their wool picked up by our schooners was 40/. and 5% through from the stations to London. This gave us 12/. for ourselves, and we divided it in the proportion of 10/. for the schooner, and 2/. for the hulk and shipping expenses, and although the latter was little enough, the rate all round paid the schooners, and this seemed the best arrangement that could be made. At the same time, there were certain clients who, for one reason or another, found it desirable to contract with outsiders to carry their wool, and these were charged 35/. & 5%, or 36/9 from Stanley. As the Kosmos received 30/. on all wool equally, this gave us 6/9d. for the hulk and shipping. There were two reasons for this charge: it was a fairer one to us for all the work done, especially considering that we made no schooner freight, and as the rate together with the charges of the outside schooner came to more than our own through charge, it acted as a lever to induce clients to get us to do their work.

This went all right until Spearing & Waldron appeared on the scene. But when they sent offers all round the Islands, ~~offer~~ to do the homeward shipping at an inclusive rate of 35/. & 5% from any port in the Islands, Stanley included, and by this means began to detach, one after another, some of our best clients, it became necessary to call the attention of the Kosmos to what was going on, and to point out to them that unless steps were taken to counteract this opposition we and they should lose the control of the produce. This was accordingly done, and the reply was not satisfactory. It amounted to a statement that their rate was low enough already, followed by a suggestion that the through rate should be lowered by our making reduced charges for the coast and Stanley work. To

this we replied that the rate was already cut so fine that we could not see a living profit for the schooners if the coast charges went any lower. Further correspondence followed, the outcome of which was a compromise. We said that if the Kosmos would reduce their rate to 25/. on all wool our schooners brought in from places beyond Volunteer Point on the North and Bull Point on the south, leaving the rate of 30/. to stand on all other shipments from the Islands, we on our side would meet them by taking 5/. only on wool from the near ports, thus making in every case, far and near, a uniform rate of 35/. & 5%, or 36/9d. This gave us 5/. & 1/9 when the ocean rate was 30/. and 10/. and 1/9 when it was 25/. The wool brought by outside schooners was left unaltered; we held no brief for them, and there was no conceivable reason for asking the Kosmos to come down to 25/. on wool carried by them, nor would there have been any chance of their acceding to anything of the sort, for they had nothing to offer the Kosmos in return. Thus the wool brought by them is still carried at the same rate as before the alteration, and as this is identical with our through rate it certainly gives those who employ outsiders, and who do not understand all the ins and outs of the case, an opportunity of grumbling. But it must be looked at in this way; we carry out our undertaking, to which we were driven by opposition, to carry wool from any port at 35/., and in the case of those who are in a hurry and use the outsiders, that port is Stanley. Complaints are now coming forwarded from those near Stanley of their being charged the same as those who are at a distance; but they do not know, or did not until lately, that on their wool we actually pay the ocean boat 5/. more than on wool from a distance, losing the same amount ourselves. As despatch 214 - 20 makes the extraordinary statement that "we get 11/9 per ton for simply transshipping wool from the schooner to the steamer" it looks as though the facts had not been understood or had been forgotten, and if they are not known in Stanley, how can they be communicated to those who complain? Of course the amount we receive is 6/9, not 11/9 in such cases, for freight by the steamer is 30/. and never less, there is no such thing, as already shown, as a 25/. rate on outsider's wool. This statement assumes that the wool goes direct from the outsider

to the steamer, but it must often happen that it is stored on board the Great Britain, and if so there is the labour in and out, steam, as well as clerical work on the Bills of Lading and Manifests, which the 6/9, as already remarked, fairly covers. In only one case does there seem room for a concession, that is when a schooner comes in, lies in Stanley with the wool on board until the steamer is ready to receive it, and then puts it straight on board. To meet this in the case of the Richard Williams we agreed to reducing the total freight to 32/. & 5%, or about 33/7d, and there does not seem to be any reason why this should not be extended to all outsiders. People may say, why charge anything over the 30/? The answer is that for making out the Bills of Lading and seeing to the shipment we are entitled to 5% on the freight, and in addition to that it is only through our contracting to ship a quantity of wool by the steamers that we have got freights down to 30/., other casual shippers not coming through us might very likely be asked more.

This explanation has been made at a length quite unsuitable for a despatch, and has therefore been written separately, it may err on the side of fulness, but it is at any rate clear, and I hope will lead to a better understanding of a question that has always seemed to have been grasped in a hazy sort of way.



Managing Director.

London, 19th December, 1902.

Enclosures via Liverpool per "Liguria"

Duplicates.

Despatches Nos 955 & 956 dated 26th. & 28th. November.

Ledger & Journal Entries.

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Dutiable Goods per "Iberia"

List of Cargo per "Iberia"

General Invoice of goods per "Iberia"

Clients' A/sales :-

◇ H	28 casks Tallow ex "Oravia"
◇ B	2 " " "
S & S	29 Salted Hides "
W.P.	44 casks Tallow ex "Magellan"
Z	11 bales Sheep Skins ex "Magellan"
T.R.	6 " " "
D.S.	2 " " "
S	1 " " "Antisana"

Clients' reports :-

Z	124 bales Wool ex "Oravia"
F.B. 100	" " "
D.H. 156	" " "
◇ B	4 " " "
D S	69 " " "Magellan"
T.R.	62 " " "
Z	131 " " "

List of Enclosures

B/L General Cargo per "Iberia"

Sight Draft on J. Kirwan for £ 36.16.4 with B/L attached.

Enclosures per "Liguria via Liverpool"

Originals

Copies of Cablegrams sent on 2nd. & 19th. December.

Copy of Cablegram received on 13th. December.

Wool Reports

Charter Party ship "Emilie"

Clients' A/sales & Contracts :-

	4 bales Wool	"Oravia"
	33	" "
S. I.	49	" "
W. E. D.	168	" "
	F. B.	100
H & B	108	" "
	D H	156
K	12	" "
K	27	" " "Magellan"
T. R.	62	" "
	257	" "
Z	131	" "
D. S.	69	" "
S. I.	22	" "
Z	124	" " "Iberia"

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

Clients' A/sales & contracts :-

H B	32 casks Tallow ex	"Oravia"
H B	11	" "
H B	33	" "
H B	5	" "
Z	50	" " "Iberia"
Z	53	" "
Z	55	" "
D S	13	" "
	P B & Co	41
	P. B. Co.	36

Copy of letter from the P. S. N. Co. dated 28th. November. re General Average

● Notes on Homeward Freights.

Credit notes for the following:-

C. Pearson & Son, lim.	2/6
J. Bellamy, lim.	£2. 7. 6
Rownson Drew & Co.	18/6
Foster Porter & Co., lim.	£ 26 .1 .5

Clients' A/sales as follows:- *+ reports + contracts*

	6 bales Sheep Skins ex "Oravia"			
W E D	26	"	"	"
	6	"	"	"
HB	8	"	"	"
H & B	4	"	"	"
	5	"	"	"
P B Co	5	"	"	"
	1	"	"	"
P. B Co.	1	"	"	"

Press Copies Brokers' A/sales Company's Sheep Skins ex "Oravia"

Cowley's receipted account for B. Stickney, Esq.

Debit note for freight on 1 cask Tallow ex "Oravia" Holmsted & Blake

Copy of letter from the P. S. N. Co. dated 18th. December

Copy of letter from Hayward Tyler & Co. dated 9th. December

Press copy of Brokers' Report on Company's Hair ex "Oravia"

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores & Replies to Remarks

Letter for A. L. Allan, Esq.

London 23rd. December, 1902.

The Falkland Islands Company, LIMITED.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Per Supplementary mail.

N^o 958.

London, E.C. 24th December, 1902.

Sir,

My despatch via Liverpool was written under great pressure, and I find that I did not say as much as I had intended on the subject of the collection of produce. The coasting trade has got into a most singular position, owing to the rates of freight we have had to adopt in order to keep out opposition. Until lately there were still two or three independent schooners on the coast, which I suppose managed to pick up some sort of a livelihood by picking up wool for those who could not afford to wait. But during this year the Estrella and the Allen Gardiner have been lost, and, as you point out, we have no longer the assistance of the Thetis, and we now find ourselves saddled practically with the duty of lifting the whole of the Colonial clip with our own vessels. But that is not all: if it were a business that paid us, we could resign ourselves to the fact that we have knocked off all competition, but our schooners are barely paying their way, and to do what under more favourable circumstances would be only natural, that is send out another schooner to help in the work, is obviously out of the question. I am more than afraid that you are getting into an impasse, and that it will be upon you almost before you are aware of it; I think therefore that a few words on the subject may be of service. As regards our own wool, that must not suffer of course, as regards others, clients must come before outsiders. I hope to find that the Goose Green sheepskins have been cleared out by the Oropesa, but if not, remember that wool should take precedence of skins. I have told you that outsiders' wool and other produce is to be collected and shipped in future on the same terms as that

W. A. Harding, Esq.,

Manager,

Stanley.

of others', but it would be very unfair to our own clients if you took any of this wool when they have any waiting to be shipped. In fact, as the outsiders' alternative would be a ship leaving not earlier than June or July, like the Port Howard one, they cannot expect you to get it away at any earlier date. There will probably be a lot of grumbling, but that you will have to put up with. All you can do is to make your arrangements as precisely and definitely as you can before hand, so that the schooners may not waste time in going round to look for cargo. The only solution that I can see is the possible establishment of the coasting steamer by the Pacific Co., and everything that would tend to bring this about should be done. The Board will be glad to have your views on this very difficult question.

2. From information that has reached this office I am inclined to suspect that there are people in Liverpool who are making a considerable profit in buying up or negotiating your cheques on London, which are held by persons returning home. The returned shepherd is an easy prey, being as guileless and innocent as a child, and to meet these gentry I propose to arrange with our Bank, who have several branches in Liverpool, to cash our cheques without discount. The mail is usually in a day before the steamer, and if you will let me know the names of any holders of cheques who would like the money on landing, I will try to send letters on board telling them what they should do.

3. This morning information has reached us that the Liguria has 110 tons weight and 155 measurement for Stanley, and this will be cabled out by Coronel. The weight looks like coal, but it is hardly likely that the P. S. N. would let it go for anyone else and refuse us room.

4. Your cable of 13th from Montevideo duly arrived as follows: - "Chismar Waldron Newbury Resigned (M) ropesa Rivedere", which was translated, and the message for Mr. Waldron promptly wired to him.

I am, Sir,

your obedient servant,



Managing Director.

The Falkland Islands Company, LIMITED.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street,

Per OROPESA.

No 959.

London, E.C. 21st January, 1903.

Sir,

I have to acknowledge receipt of your despatch no. 215 and letter of 9th ult., which arrived on the 5th inst. Your cable as per enclosed copy came to hand on the 12th.

2. Par. 3. You will have seen that the standards in the case which went to Walker Creek were all ours, Bertrand's having followed by the next boat. The sundries however belonged to him.

3. Par. 4. It is satisfactory to hear that the Glengowan coal is still moving off. It may take time, but this coal seems likely to pay for both ship and cargo. I saw Mr. Alcock last week, and heard from him that they were going to send an old steamer to Sandy Point as a hulk, and therefore were not prepared to make us an offer. This paragraph is the only one alluding to the Glenfarg; we should have liked to know how the discharge had been accomplished.

4. Par. 6. The guarantee of the Admiralty only extended to the coals supplied to the Antarctic, but this does not matter, as the whole account has been paid.

5. Par. 8. The Government seems to be quite a trading concern now, but we doubt if the C.O. would approve of it. Par. 16. There would have been no harm in taking over the whole of the 100 tons coal offered by them, as we had already made 5/. a ton on it, and it was sure to sell sooner or later. You say nothing about the landing, but of course charged a paying rate; let us know what this was, as the information may come in useful some day.

6. Par. 12. We hope that there will be no reason for quarantining the rams per Rangatira. How does the law stand? When sheep arrive from a place not proclaimed as suspicious, has the Inspector

W. A. Harding, Esq.,

Manager,

Stanley.

the right of isolating them, if on inspection they are found to be in good health, and the place from whence they come is free from disease? We can understand the detention of those per Oravia, because they had passed through the River Plate, which is declared infected, but assuming that ours leave New Zealand with a clean Bill of Health, it is not so clear that they can be stopped. It is most wise to arrange for their journey overland, another sea trip might have done them a lot of harm.

7. Par. 14. The Directors are unable to agree with your opinion that a young man trained in the Islands will be the best man to succeed Johnson as foreman carpenter. However intelligent and hard working he may be, it is impossible that he can have the experience that anyone holding the post should possess. Johnson was a better man than Biggs, because he had served his time in a shipyard in Europe, and had acquired some knowledge of the construction of vessels, but even he, after some 25 years in the Islands, must be somewhat out of date. In the matter of ship repairing we want to improve, not to stand still or go back; if you heard half the complaints that reach us about work, you would realize better that we have not reached perfection yet. When ships arrive home after repairs in the Islands, they are of course subject to the most careful inspection by Lloyd's surveyors as well as the owners', and it would be most deplorable to hear that extensive work had been planned and carried out by a man evidently unacquainted with even the rudiments of shipbuilding. You regret, and very properly too, that Johnson's departure will prevent your taking work by contract, but when you say that you will have no one with sufficient experience to give estimates, and so lose the chance of carrying out the greatest improvement that it seems feasible to introduce, the Directors would have expected you to add that an equally good or better man must be found, if not in the Colony, then outside. The idea of a Biggs carrying on the foremanship for the next 30 or 40 years on the same old dead level of inefficiency is insupportable, and a better plan must be devised. There are difficulties in the way no doubt, but no reform is effected without difficulty, and they must be got over. As Johnson is leaving so soon, there is no time to arrange

anything about a successor, and as you say that he is coming home we can talk the matter over with him. In the meantime, put anyone you like in temporary charge, but understand that the Board will not sanction the permanent appointment of anyone who has not served his time as a carpenter somewhere outside the Falklands.

8. Par. 15. The Directors have considered your remarks on the proposed coasting steamer, and think that the P. S. N. Co. should be encouraged to go on with the venture. You seem to think that it may yet be possible to make the schooners pay; but the increase of earnings necessary to bring this about cannot, on the figures we have, be expected. I have mentioned before that in these hard times it behoved us to eliminate from our business all branches that do not pay, and these schooners are a property that have led us year after year into loss. I enclose a table of earnings during the last six years, which is melancholy reading. From 1896 to 1901 inclusive the Fortuna's average earnings have been £169.7.1, the Hornet's £91.12.8, and the Fair Rosamond's £6.1.7. The ^hree schooners have thus shown a net collective profit of £267.1.4 per annum. But in calculating this profit no charge is made for interest on cost. The Fortuna cost £3598.17.9, the Hornet £1983.15.8, and the Fair Rosamond £1150. Our Profit & Loss account is debited annually with a considerable sum for depreciation on the schooners. Add to all this the admitted fact that you charge our Farm with more than £400 over what it would pay if fairly charged, for the sake of enabling the vessels to show any profit at all, and you will admit that if they are to be made to pay in a legitimate way such an increase in earnings will have to be brought about as is practically impossible. Certainly against these losses the objections you urge have little weight, and we are still of opinion that having proved that the use of our own vessels to carry goods and produce to and from the out-ports has led to serious loss, if anyone else can be induced to take the business in hand at rates that are at all reasonable, we should be consulting the interests of the Company in supporting them, to say nothing of the general good of the Colony. Mr. Alcock came to see me about the project, and I found that the P. S. N. were inclined to take it up. They have an idea of running pleasure trips from the Plate in the hot season, and taking people round the Islands,

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and perhaps across to Sandy Point. I gave Mr. Alcock some information, and supplemented it in a letter, of which I enclose a copy. I told him at once that one of the conditions must be that their steamer must not interfere with the Samson, to which he agreed, and added that if two jobs should turn up simultaneously and the Samson could only tackle one, they would, if they took it, allow us a commission. He spoke of an itinerary, but this I think would hardly be practicable. The conditions under which we should be willing to stand aside for them would be that we should be placed in as good a position as we now are with regard to the carriage of produce to Stanley, and that subject to the provisions of the West mail contract the management of the vessel should be practically in the hands of the Company's manager. The steamer they propose to send is the Rupanco, but I have pointed out that she may draw too much water for some of the harbours, and may be for that reason unsuitable.

9. Par. 16. With regard to coal for Darwin, the change from peat seems too sudden, for unless there is to be enormous waste there will have to be a change of grates throughout the settlement, and you do not say a word of this.

10. Par. 17. Thomas Goodwin's pension will be £33 per annum. These pensioners are singularly long lived individuals; we have not had to lament the loss of one since the system was started.

11. I spoke to Mr. Alcock about the people in Liverpool who take shepherds in, and do for them. He says that he does not doubt it, and offers, if we cannot make arrangements with our Bank in time, to cash any cheques of which you may advise him. This is very civil, but I hope that it will not be necessary to trouble him.

12. John Dewar & Sons have been asked by the Volunteer Canteen to quote for their Whisky direct, but are replying that we are their agents, and will no doubt give them special rates. We have heard nothing more about the Storekeepers' protest against Government trading, which you were going to see kept up on your return.

13. The P. S. N. Co. say that they are again without a manifest of cargo per Oropesa, which makes the rendering of accounts difficult. You should see personally that this is never omitted.

The Colonial Office have sent me the correspondence about Ribeiro's remittance, and I enclose copy of my reply.

15. The Emilie is nearly loaded; we are sending the wood asked for, and filling up with bales of meadow hay, which may find you with a large stock, but will sell sooner or later. I suppose that you will have to charge more for the Tyne coal, or you will have no sale for the Lancashire

16. You gave me some particulars of the boiler on board the Great Britain, and I had it before me for months; now, when I want it I cannot put my hand on it, although I have searched for hours. I am afraid that ordering the new one without these particulars would be more or less guess work, so you had better send a copy if you have it, or particulars of the dimensions of the present boiler would do, unless it is considered that the new one should be of less power.

17. I enclose copy of a letter I have written to the Colonial Office at Mrs. Hansen's request. There seems to be a case for enquiry, and the circumstantial evidence against the Canadians is strong; but I do not go too much on the argument that these seals must necessarily have been killed on or near the shore, although I have in duty bound put it forward for what it may be worth. I have read lately an account of pelagic sealing in Behring's sea, where seals are taken at great distances from the land, and this, if I remember rightly, was the subject of an international dispute some years ago.

18. We paid some £26 odd on Dr. Jameson's account last month, and on receiving a further request to pay £25 to Dr. Foley by this mail, I wrote to the latter to say that Dr. Jameson's account was unable to bear the charge at present. Dr. Foley, however, begged me to let him have the money, which was half what had been promised, pointing out that, as he was just establishing a practice, it was a matter of importance to him, and I gave way. It is desirable, however, that you should point out to Dr. Jameson that the Board have the strongest objection to overdrafts on the part of anyone in their service. In this case the payments seem to have been made to Dublin tradesmen, and to a butter merchant at Limerick, and as the Doctor's debt in the Store was £159 last June, they should certainly not have been allowed. It means simply shifting his debts from one to another, and was not contemplated when we sanctioned his engagement. It has even

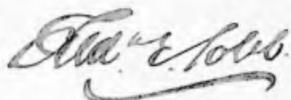
been said that his indebtedness was the sole reason for his engagement; it would be nearer the truth to suggest that it might lead to his retirement.

19. You have not told us anything about the progress being made with the Arcadia, in fact her name has not been mentioned. We like to know what is going on, especially as we often have enquiries here. You have also omitted again to report the quantity of steam coal on hand.

20. At the request of the Secretary of the Scottish Antarctic Expedition, I cabled about supplying ^{them} ~~them~~ with coal. Mr. Bruce will probably draw on Dr. Gourlay, Manager of the Bank of Scotland, Glasgow, but if there is any difficulty send the account to Messrs. Whitson & Methuen, C.A., 21, Rutland St., Edinburgh, who will remit the money to us.

I am, Sir,

your obedient servant,



Managing Director.

4

Enclosures via Liverpool

Duplicates

Despatches Nos. 957 and 958

General Invoice goods shipped per "Liguria"

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores & Replies to Remarks on Stores

Clients' A/sales :-

	△	D H	156 bales Wool ex "Oravia"
&		T R	62 " " "Magellan"
contracts		Z	124 " " "Iberia"
		Z	131 " " "Magellan"
	△	F B	100 " " "Oravia"
		D S	69 " " "Magellan"
	◇	B	4 " " "Oravia"
	△	P B & Co.	5 " Skins "
reports			
&	◇	B	1 " " "
contracts			
		F B & Co.	1 " " "

Notes on Homeward freights.

List of Cargo per "Liguria"

List of Parcels

List of Dutiable Goods per "Liguria"

Clients' A/sales :-

	△	P B & Co	41 casks Tallow ex "Iberia"
		do	36 " " "
& reports		Z	50 " " "
	& contracts	Z	53 " " "
		Z	55 " " "
		D S	13 " " "

Sight Draft on J. Kirwan for £ 26 . 13 . 7 B/L attached for collectioⁿ

Bill of Lading General Cargo per "Liguria"

Enclosures via Liverpool per "Oropesa"

Originals

Copies of Cablegrams sent 30th. December & 16th. January,

Copy of Cablegram received

Wool Reports (enclosed in Consignees' letter)

Copy of Dalgety & Co's invoice for Wire Strainers for Mr. Allan

Copy of letter to the Colonial Office dated 16th. January, 03

Clients' Wool reports :-

R. B. C. 29 bales Wool ex "Liguria"

J. McK 3 " " "

L
Roy Cove 220 " " "

Z 122 " " "

Corrected General invoice goods per "Liguria"

Copy of letter to the Colonial Office dated 8th. January.

Rev. H. Wimble's schooling account for Mrs. Benney

Clients' Reports & Contracts :-

L 1 cask Tallow ex "Liguria"

R. B. C. 17 " " "

L 33 " " "

A. N. 1 cask Seal Skins ex "Magellan"

Copy of letter to the P. S. N. Co. 20th. January with particulars of
Wool shipped 1902 and ports.

List of Schooners' Profits.

London 21st. January, 1903.

E N C L O S U R E S

per Supplementary Mail via Lisbon

Originals

Ledger & Journal Entries.

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores.

Copy of Quotation with Sketch attached from R. Melhuish & Sons .

Copy of Quotation with Sketch attached from Rowson Drew & Co.

List of Cargo per "Oropesa"

General Invoice goods shipped per "Oropesa"

List of Dutiable goods per "Oropesa"

Crichton's invoice for repairing Deck Pump.

Eills & Co's invoices goods per "Oropesa"

Clients' Report & Contracts:-

F.B.	5	bales	Sheep	Skins.	ex	"Liguria"	
Z	3	"	"	"	"	"	
T.R.	11	"	"	"	"	"	
W.P.	9	"	"	"	"	"	
S	19	"	"	"	"	"	
S	16	"	"	"	"	"	
L	29	"	"	"	"	"	
R.B.C.	7	"	"	"	"	"	
	8	"	"	"	"	"	
JMcK	1	& part of 1	bale	Skins	"	"	
H.W	9	casks	Tallow	ex	"Oropesa"		
AP	5	"	"	"	"	"	
F	31	"	"	"	"	"	(none sold)

Brokers' press copies reports & contracts

Brokers copy of contract 30 casks Tallow Companys ex "Antisana"

Letters for the following:-

A. L. Allan, Esq.

L. A. Jameson, Esq.

L o n d o n 24th. January, 1 9 0 3 .

Supplementary list of Enclosures via Lisbon.

Clients A/sales :-

- L 33 casks Tallow ex "Liguria
- L 1 " " "
- R.B.C.17 " " "

Bill of Lading Cargo per "Emilie"

Copy of the Manifest of the Cargo.

List of Dutiable Goods per "Emilie"

Bill of Lading Coals per Emilie.

Letter for Capt.Rowlands.

Sight Draft on J.Kirwan for £ 20 . 5 . - with B/L attached for collection.

London 24th. January, 1903.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851

61, Gracechurch Street.

Per Orellana.

No 960.

London, E.C. 18th February, 1903.

Sir,

Confirming my last per Oropesa, I have to acknowledge receipt of your despatch no. 216 per Orellana and letter of 7th ult. which arrived on the 3rd inst. On the 2nd inst. we received your advice of 1100 bales by the Sorata.

2. 216-2. The Arcadia's draft has been accepted without remark, which is satisfactory.

3. Par. 3. According to the Charter-party I think that the draft on account of freight per Glenfarg should have been in favour of the owners, at all events Mr. Downing endorsed it to them. This coal purchase was a new departure, and we should have liked to hear more details about the discharge, especially on the point of the number of tons to be put out daily, which seemed large, but evidently did not lead to demurrage. This ought to be known for our guidance in future.

4. Par. 4. In estimating the expenses of a ship a liberal margin should be allowed at first, and if during her stay there is a chance of the amount cabled being exceeded an extra credit should be asked for by the first opportunity.

5. Par. 9. The Emilie took a full supply of Brancepeth coal, in addition to the Wallsend.

6. Par. 11. The arrival of the Scotia after you had written about the Stores for her probably solved the difficulty about their storage. While we cannot be charitable with our Shareholders' money, and go in for presenting coal or other supplies, you must treat them as liberally as you can, as a scientific expedition to be encouraged, as long as it does not involve cash out of pocket.

W. A. Harding, Esq.,

Manager,

Stanley.

They are well backed up by wealthy people in Scotland, and you can take drafts on their agents for supplies, as mentioned in the last despatch.

7. Par.14. The Sorata is coming to London, and is expected about the 27th inst. We are a little disappointed to find that only 1100 bales are to our consignment, for we expected the whole, and from the weight cabled to Liverpool there must be more than that number on board. There are no April sales, and we have arranged for the Corcovado to call for 2000 bales or more, the sales beginning on the 5th May. There has been sundry correspondence about wool shipping generally and the Orellana in particular, and I enclose copies of some of the letters. The P.S.N.Co. seem to think that you should have sent word to Sandy Point that no wool would be shipped by her, but I told them that we had both assumed that in cabling for the Sorata they would have let Sharpe know that all would be kept for her. In arranging for the Corcovado they have not repeated their mistake, but have told him to reserve no room in the California.

8. Par.15. There is no more to be said about the freight on hay: the P.S.N. say that they took the 13 bales at a nominal rate as a sop to the Governor, which you now say has not had much effect. As a fact the weight of the bales is about one-fourth of the measurement, so that in paying 80/. per 20 cwt it only amounts to about 20/. measurement, which cannot be considered excessive. Whether we could get these bales dumped in Liverpool without spoiling the hay is a question which I may have to go into later, if there are any more orders. The Governor must have singular notions about freight if he thinks that £1 per head would be a ^a reasonable one on rams from New Zealand, when we pay several times that sum from here. If the P.S.N.Co. continue to serve us well, and they promise to do better, we shall not encourage any calls from New Zealand. The second class grievance will vanish shortly, as they are putting it into all the boats, and in the meantime are allotting some first class cabins for the purpose in those that have only first and third, specially for the Islands.

12. 9. Par.16. We are very sorry to hear about Mr. Felton's

eyesight, and hope that he will lose no time in consulting an oculist. With regard to the audit, the Board would have confidence in Mr. Packe, and having by desire referred to our principal Auditor here the question you put, he has replied that he will be satisfied if the cash is audited, since the copies of the Journal posted here, which enable us to agree the balances, are a sufficient check on the posting in Stanley. It is understood that this means that not only the cash payments are to be checked, but the entries on the debit side are to be carefully audited, and the counterfoils of the receipt book compared, besides which all cash entries in the Store and Butchery books are to be examined and vouched for. The usual form of Auditor's certificate will have to be amended accordingly.

10.

12. Par. 17. The Board consider that the slip at Montevideo should be used in preference to sending the Fortuna to Buenos Ayres, when it is found possible to send her. Metal shall be sent by next mail, but I am inclined to think that it should be heavier than 22 oz. about the bows, I will ask Camper & Nicholson about this. You say that you are indenting for some special coils of rope, but the order was not found enclosed; I have therefore got from Frost an exact repetition of that which was supplied to her when she fitted out, picked at the time by Rowlands himself. If there is more than is wanted it will come in useful for the other schooners. As regards the draft of water, you can hardly say what it will be when all the ballast is out. I suppose that by taking some out and moving some of the rest forward she can be brought to a moderate draught.

11. We shall be glad to get the survey report on the boiler of the Samson. I suppose that at some time or other the expense of a new one will have to be faced, and I should like to know what it would entail in the way of carpenters' work. Probably a portion of the deck and some of the beams would have to be removed, and you should find out if this could be easily done.

12. Par. 19. You are quite right to decline advances to Robson and Mc. Kay. The latter's name reminds me that 37 sheepskins were found in one of his bales of wool, an irregularity that has caused some trouble, as skins and wool are not warehoused at the same place, and cartage became necessary.

13. Par. 20. With regard to remittance of small sums, you can order payments of anything over £1, but we do not care to be troubled with a large number, as we send out now as many as 40 cheques on the arrival of some of the mails. If people ask you to collect money for them you should make fairly stiff charges so as to discourage this sort of business.

*2/2/90
Remitted 2/1/90*

14. Par. 21. You are right as to the Weddell account; the £1100 is for working expenses.

15. Par. 22. The expense of fencing in the land next the Smyth, I suppose no. 28, and at the back of the Church would not be very serious if you put up the usual neat paling fence, and I should think that it had better be done, whether by compulsion or not, as small enclosures may be made useful, and the question of right of way, if raised, could be contested at once. I cannot believe that there is any right of way, for if there is it would affect many plots besides ours.

16. Par. 23. It was unnecessary to refer a house of the standing of Lampsons to us before granting a credit.

17. Par. 26. You have been overcautious about the shipment of sealskins. ~~Some~~ Our policies cover any produce that can be proved to have been shipped, even if not previously advised.

18. I observe that you have charged 40/ & 50 on sheepskins shipped for Greenshields, although you were told in 954-12 that in future outsiders were to ship on the same terms as enjoyed by our clients, provided they did not make a convenience of the P. S. N. Co. by only giving them what they could not ship in any other way. They will not pay the high rates charged last year, and to continue them would be to drive produce into other channels, to our own disadvantage.

*Par 20 & 21
said (referred)
with continuation
and shipping all
business of P.S.N.
charges & w
not reduce
rate until
I have...*

19. We have arranged with Messrs. H. Langridge & Co., who are our partners again in the charter of the sailing ship, that any stiffening required by the Emilie is to be supplied in Glengowan coal, which on her return we hope to sell here for the benefit of the venture. I suppose that you can put it in at the same price as ballast or less.

20. When a man retires on pension I wish you would make a

note of the fact that we want to know the date of his retiring from the service, in order to fix when his pension begins. If he leaves, paying his own passage home, it dates from the time up to which he has been paid; if a passage is due him, a very rare occurrence, it would date from his arrival in England. The information is now wanted in the case of T. Goodwin, to whom a pension of £33 a year has been awarded. He applied through his wife for some compensation in lieu of notice, but was informed that as he left through incapacity for work he had no claim. As, however, he seemed to have lost something through the forced sale of his belongings at short notice, the Directors gave him a gratuity of £10.

21. I have had some trouble about the remittance of £10 to Mrs. Ribeiro in 1900, as the Colonial Office sent me a lot of correspondence on the subject. It turned out that Hull Blyth & Co. had not been able to find her, and the money which they returned has just, by desire of the C.O., been sent to the Crown Agents, and I wish them joy of their job. This case is a warning never to try to oblige people by making remittances to out of the way places.

22. A friend of Pinto Basto & Co. wants some property in Stanley disposed of, and I have given them your name. I shall be curious to know what this is.

23. A cablegram sent to catch the Oropesa contained a message from Mrs. Hansen for S. Miller, confirming a letter by the same boat. She wants no seals killed this season.

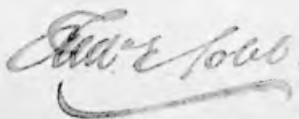
24. I have again to point out that no return of steam coal has reached us, and to ask that you will send it each month without fail.

25. The P. S. N. Co. ask me this morning to cable you not to ship per California, which I will do via Coronel, although I am telling them that instructions to their Commander not to receive cargo by that boat would answer the same purpose.

26. The Bangatira was at Teneriffe on the 12th inst., and should be here tomorrow. We should have liked some news of her by cable.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures per Supplementary Mail via Lisbon

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Cargo per "Orellana"

List of Dutiable Goods per "Orellana"

General Invoice goods per "Orellana"

Eills' invoices

Mayward Tyler's invoice

Credit notes for the following:-

△	D H	Claim recovered on 1 bale Wool ex	"Oravia"		
	H & B	" "	1 "	"	"
◇	B	" "	4 "	"	"Antisana"
	Z	" "	1 "	"	"Iberia"

Clients' A/sales as follows:-

H.W. 24 Salted Hides ex "Oropesa"

△ 47 " " "

Letter for W.A. Harding, Esq.

London 21st. February, 1903.

Enclosures per Consignees' Letter per "Orellana"

Suppliers' Invoices goods per "Orellana"

List of Parcels in Pearson's case

Amberg's File catalogue

Remarks on Cargo per "E m i l i e "

London 18th. February, 1903

Enclosures via Liverpool.

Duplicates

● Despatch No. 959 dated 21st. January.

Ledger & Journal Entries.

Remarks on Accounts.

Remarks on Stores & replies to Remarks.

General Invoice goods shipped per "Liguria"(corrected)

List of Cargo per "Oropesa"

List of Dutiable Goods per "Oropesa"

General Invoice goods shipped per "Oropesa"

Schooners' Profits.

List of Parcels in Pearson's case.

List of Enclosures.

Clients' reports & contracts :-

J. Mck	2	bales	Sheep	Skins	(part)"Liguria"	
	8	"	"	"	"Liguria"	
R. B. C.	7	"	"	"	"	
L	29	"	"	"	"	
S	16	"	"	"	"	
S	19	"	"	"	"	
W. P	9	"	"	"	"	
T. R	11	"	"	"	"	
Z	3	"	"	"	"	
 F. B	5	"	"	"	"	
F	31	casks	Tallow	ex	"Oropesa"(report only)	
H. W	9	"	"	"	"	
AP	5	"	"	"	"	
 AN	1	"	Seal	Skins	ex "Magellan"	
R. B. C.	17	"	Tallow	ex	"Liguria"	} <i>4 apals</i>
L	1	"	"	"	"	
L	33	"	"	"	"	
Z	122	bales	Wool	ex	"Liguria"	
L	220	"	"	"	"	
J. Mck	3	"	"	"	"	
R. B. C.	29	"	"	"	"	

B/L and sight draft on J. Kirwan for collection.

B/L General Cargo per "Oropesa"

Enclosures via Liverpool per "Orellana"

Originals

Wool Reports

Copies of Cablegrams sent of 27th. Jany. & 13th. Febry.

Copy of Cablegram received of 1st. Febry.

Clients' A/sales :-

	L	220	bales	Wool	ex	"Liguria"
& contracts	Z	122	"	"	"	"
	H.B.C	29	"	"	"	"
	⊙	3	"	"	"	"
Reports & Contracts	AP	4	"	"	"	"Oropesa"
	H.W	58	"	"	"	"
	F	52	"	"	"	"
	△	5	"	Sheep	Skins	"Liguria"
	S	35	"	"	"	"
	R B C	7	"	"	"	"
	L	29	"	"	"	"
	♣	8	"	"	"	"
	J. McK.	1	"	"	"	"
	⊙	1	pt.	"	"	"
	Z	3	"	"	"	"
	W.P.	9	"	"	"	"
	T.R	11	"	"	"	"

◇ AN ◇ 1 cask Seal Skins ex "Magellan"

Press copies Brokers' A/sales Company's Wool & Tallow ex "Oropesa" & "Antisana"

Corrected General Invoice goods per "Emilie"

The Amberg File & Index Co's catalogue (*enclosed in Louignees' letter*)

Manifest of Cargo per "Emilie & copy of letter from Langridge of 4th. February.

Clients' A/sales & Reports & contracts:-

	△	47	Salted	Hides	ex	"Oropesa"	} <i>no A/sales</i>
	H.W	24	"	"	"	"	
	AP	5	casks	Tallow	"	"	
	H.W	9	"	"	"	"	
	F	31	"	"	"	"	

● Sturgeon's invoice Hay per "Emilie"

Lenanton's invoice Timber per "Emilie"

Copy of letter to the Colonial Office of 9th. Febry & copy of letter
from the St. Vincent Coaling Co., lim., attached
Copies of letters to the P.S.N.Co. of 4th. (2) & theirs of the 6th. (2)
& 11th. Febry.

Copy of invoice of Rams from New Zealand

Kirkland Cope's account for F.I.Co.	3. 6. 6
" " " W.A. Harding, Esq.	8. 6
" " " F.I. King	17. -
" " " G.A. Cobb, Esq.	17. 8
" " " B. Stickney, Esq.	5. 13. 9
" " " "	13/-

Letters for the following:-

W.W. Bertrand, Esq. (3)

E. J. Mathews, Esq.

Mrs. Mathews (2)

A. L. Allan, Esq.

London 18th. February, 1903.

The Falkland Islands Company, LIMITED.

(INCORPORATED BY ROYAL CHARTER 1851)

61, Gracechurch Street,

Per Orcana.

No 961.

London, E.C. 18th March, 1903.

Sir,

Since writing per Orellana the following despatches have arrived, no. 217 per Rangatira on the 20th, 218 per H.M.S. Basilisk on the 23rd ult., 219 per Sorata on the 2nd and 220 per Panama on the 4th inst., as well as your letter of the 4th ult. by the last named steamer.

2. 217-3. There will be no more said about the mistake in reserving room in the Orellana, as the P.S.N. Co. have practically admitted that the fault lay between them and their Valparaiso Manager. They complain bitterly of the want of cable communication, and have written to the Colonial Office on the subject. At their request I also wrote backing them up, and got Lloyd's to do the same. No doubt the Governor will do what he can in the same direction, but as the question will be tossed about between the C.O. and the Admiralty, and the Chancellor of the Exchequer cannot be expected to be very open handed, it is unlikely that the stir will have any practical result.

3. 218-4. As our schooners are insured "at all times, and in all places and circumstances", there can be no deviation in running to Fox Bay for the mails. You are of course watching the cost of running the West mails, and if you see that too much time is lost, or if the Government are too high handed in their requirements, you will be prepared to give it up.

4. Par. 4. You say, that the drum of turpentine was carried on by the Sarmiento, but the date given seems to show that it was lost on or before the day she got to Stanley. If carried on, it would be a question whether the Underwriters or the P.S.N. Co were lia-

W. A. Harding, Esq.,

Manager,

Stanley.

ble, and in any case, as the value does not exceed a few shillings, it would be bad policy to put forward the claim.

5. 219-2. The P.S.N.C. have not complained of the quantity of wool shipped by the Sorata, and they sent her to Tilbury.

6. Par. 3. The sealskins will be sold this week, and you will have the contract by supplementary mail.

7. Par. 4. I hope to receive a cheque for the Scotia's account in a day or two. The people on board may be unbusinesslike, but some allowance may be made for them, as it is an important scientific expedition, not a commercial venture.

8. Par. 5. Do you know where the Canadian sealers got their skins? They cannot have been poaching the Jasons this time, and it seems possible that the conjectures formed about robbery may have been unfounded.

9. Par. 6. It is most unfortunate about Ryan. Although he died destitute, it is not considered that we are responsible for that, and the only suggestion that can be made at present is that the Government might be able to return the family as destitute subjects to their parish in England. The Board fear that he died in debt to us, and this is another reason for enforcing their desire that you will not allow our people to run up bills which death or accident may prevent them from paying.

10. 220-5. It is true that there is no object to be gained by going back over an affair that may be considered closed. As you are running the West mail now we hope that you will be able to serve both Speedwell and Port Stephens. Henna is credited with bearing no good will to the Company, but if you can do the carrying for Port Stephens it should be done on account of the connexion with our Director, Mr. Dean, and also in view of the possibility that later on the agency may come into our hands. As regards the charge for storing and shipping, it was arranged originally to be more when wool was brought in by outsiders, because we earned no freight ourselves, and when through freights were 40/. no complaint was made. In the rearrangement by which we got a rebate of 5/. per ton from distant ports the outsiders were left alone, and it was not, in fact, incumbent on us to study their interests. Our policy

should always be to make the shipment by outsiders more expensive than by our own vessels, in order to get as much carrying for the latter as possible. But if you think that 6/9d. is more than enough, you had better propose another rate. For instance, when we pay the P. S. N. C. 30/., would a rate of 32/ & 5%, i. e. 33/7d., be considered satisfactory, and meet the grumblers, that is to say 3/7d. to us for discharging, storing, and shipping? It would be interesting to know what profit comes to us throughout the year for this work, that is, after reckoning actual cash out of pocket for labour and coals, what we earn for the use of the Great Britain and her steam winch, for which, by the bye, we are about to spend money on a new boiler. I have looked through the earnings for the last complete year, 1901, and can only see about £500 gross, and it seems to me that when the actual expenses have been deducted there can be very little left to cover interest on the property and profit on its use, or, in other words, we are probably, with our usual generosity, doing the work for little or nothing. With regard to your table of rates, it seems quite correct, except that I do not understand quite why you propose to penalize Port Howard. I think that you mean that as they are not regular shippers they should pay more when they ship by steam, which would be in conformity with former arrangements. But I think that we should take into consideration the fact that we get more out of the station for supplying their cash requirements than we do from anyone else, that when they do want stores they come to us, and the accounts show that they have in the past made very fair purchases, and that in the annual charter of their vessel we have for some time now made a very fair profit in conjunction with our Shipbrokers. Contrast our dealings with the station with those with Cameron and Greenshields, both of whom get their money and any stores they may require from Williams, and I think that you will see that they are fairly entitled to any advantages we have secured for the latter. This, in fact, was recognized, if I am not mistaken, some years ago, when the question of shipping some produce for them arose. If you see any objection to this view, however, I hope that you will say so.

11. Par. 12. The details of work done by the schooners are very interesting, and they seem to have acquitted themselves uncommonly well. The new master of the Fair Rosamond seems to be well up to his work. Of course I know from my own experience how troublesome and unreasonable many of the farmers are about the shipment of their produce. There is one thing I do not understand; why you thought it necessary to go out of your way to oblige San Carlos by shipping out their rams. Not being our clients they had no claim on you whatever, and if the rams had had to be driven out overland, it might have brought home to them the disadvantage of not working with us. As to Mill Cove, Mr. Blake is much annoyed at no wool having been provided, and knowing the reason has had something to say to the Manager on the subject.

12. Par. 15. Your correspondence with the Government on the subject of the New Zealand rams is approved, and it is hoped that you will send the protest you have drawn out to the C.O. There is no doubt that the Governor has assumed the functions of Inspector or himself on several points, although the Ordinance gives him more power to interfere than he ought to have. You have not taken up the point of the unsuitability of the brickfield for a quarantine paddock sufficiently strongly, and if you have not enlarged on this subject in the final draft, it will give me an opportunity of putting in a few words in support of your Memorial, provided that I get the dimensions asked for in time. Footrot is not considered by the authorities here a reason for isolating stock, and should be less so in the Falklands, where the theory is that it cannot exist on account of the antiseptic nature of the peaty soil. The Governor may consider that he is entitled to the gratitude of the farmers generally for the action he has taken, and to cut this ground from under his feet you might perhaps be able to get a general protest signed by all of them on the subject of the ill-treatment of imported stock, which is certainly not encouraging ^{to} those who wish to introduce fresh blood.

13. Letter of 4th February. As there will be only a few casks wanted at Goose Green this season it will be a good opportunity

for seeing what Sarney can do. The disadvantage of employing a handy man to set up casks is that, although he may be able to put a bundle of shooks together well enough if all the staves are in good order and properly numbered, he is often at sea if one is missing or defective, and I have known many bundles thrown aside and the staves used for fencing simply because the man setting them up has not known how to deal with any irregularity. Our best Cooper was Mc. Carthy, who died before your time; with him there was no waste whatever, as he could work up everything in the shape of a stave that came into his hands. Testing is another important point, as there is nothing like hot tallow for finding a leaky place in a cask. Mr. Allan will, of course, keep his eye on Sarney, for if we can save the expense of a qualified Cooper it will be a saving.

14. When a steamer comes to London it is important that we should know beforehand how many bales of sheepskins there are on board, as they have to be lightered direct from Tilbury without being landed. This information we used to get by the advance mail from Montevideo, but now, unless you know that the cargo boat will just catch a fast mailboat by which you can send the advice, you should give two words signifying bales in your cable, the first applying to wool and the second to skins, adding also casks, if there is any tallow. Some of the farmers send their skins covered with bagging like wool; this is not only quite unnecessary but has often caused inconvenience here, through bales of skins being taken for wool and being sent, consequently, to the wrong warehouse. Another objectionable habit is that of putting both skins and wool on the same specification, and this occurs much too often. Could you not send a short circular round pointing out these irregularities?

15. On making up the tally of sheepskins for 1902 I am surprised to find that there were over 44,000, a larger number by 12,000 than we have ever had before. For many years the skins taken off at Goose Green one year have come into the accounts of the next, as they have usually arrived in December and been sold a month or so afterwards. This time it looks as if the 100 bales received by the Orellana in July, containing 9818 skins, must have

been from the autumn killing, dried and got away before the winter, and if so, though it is temporarily very pleasant to see such an increase in produce for the year, we are practically robbing 1903, and shall be sorry this time next year. There was nothing to indicate that these skins had been shipped as I suggest, but it looks like it, and I shall be relieved if I am mistaken. Should the weather at the time of killing be good enough for drying you had better mention it in future when the skins are shipped.

16. Were there any special arrangements with the P. S. N. C. about the return fares of the shearers from Buenos Ayres? I cannot find anything recorded on the subject, but we ought to get them down as cheaply as we can.

17. With reference to the question of fire insurance, we have got particulars from the Royal set out in detail, and I enclose them. You will remember that when you were here it was arranged that you should send a sort of sketch of the premises, which please do, and also point out anything that seems to be out of order.

18. Lloyd's Register have several times written about the delayed report on the Samson's boiler, and I have tried to put them off by saying that it would arrive in all probability by the next mail. You mentioned that it would be held when the Cambrian went down, but up to the present you have not reported anything more about it. This is a matter that must on no account be neglected, as it would seriously prejudice her insurance if they expunged her character from the book, which they would be quite in order in doing without further notice, unless their requirements are fulfilled.

19. Laptorn & Ratseys say that they can make nothing of the storm trysail, and if Captain Thomas thought that it could be converted it is a pity that he did not try his hand at it himself. Correspondence is enclosed, showing what has been done in the matter.

20. Two shepherds have been engaged by Fleming, and go by this boat. Their agreements are enclosed, together with medical certificates and testimonials; I suppose that the latter had better be returned to them when Mr. Allan has read them.

21. I send a list of the insurances done by ourselves through

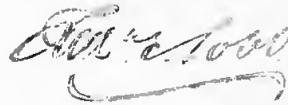
our Underwriting account.

22. We are sending metal by the present steamer for the Fortuna, and I enclose copies of Camper & Nicholson's letters, showing the quantities used when she was fitted out, both of metal and nails. I have not sent the full quantity of extras suggested, as you have doubtless some spare sheets in stock, but have made up even hundreds of sheets, and hundredweights of nails. As I thought, there were some 24 oz. sheets for the bows.

23. We have sold the Sorata's wool at prices much over those of last year, the whole averaging over 5½d., and one lot of Walker Creek, by a fluke as the Brokers say, fetching 9½d. This is the highest price we have touched for ten years.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures per Supplementary Mail via Lisbon

Ledger & Journal Entries.

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Clients' A/Sales :-

AP	12	bales	Sheep	Skins	ex	"Oropesa"
F	27	"	"	"	"	"
S & S	7	"	"	"	"	"
J.B	65	"	"	"	"	"
H.W.	7	"	"	"	"	"
HB	70	"	"	"	"	"

Brokers' copies Company's Sheep Skins per "Oropesa"

General Invoice goods shipped per "Orcana"

List of Cargo (Company's) per "Orcana"

Credit note claim recovered on sea-damaged Wool for Dean & Anson.

Eills & Co's invoice goods per "Orcana"

Wool Reports.

Sight Draft on J.Kirwan for £ 35.8.4 with B/L attached for collection

Letters for the following:-

W. A. Harding, Esq. (2)

A. L. Allan, Esq. (2)

G. A. Cobb, Esq.

Dean Brandon.

L O N D O N 21st. March, 1903.

Enclosures

Duplicates

Despatch No. 960.

Ledger & Journal Entries

Remarks on Accounts

List of Enclosures

General Invoice goods per "Orellana"

Clients' A/sales :-

	S	25	bales	Sheep	Skins	ex	"Liguria"
	⊙	1	bale(part)	"	"	"	"
J. McK.	1	"	"	"	"	"	"
	⊕	3	"	"	"	"	"
	L	29	"	"	"	"	"
R B C	7	"	"	"	"	"	"
T R	11	"	"	"	"	"	"
W P	9	"	"	"	"	"	"
	Z	3	"	"	"	"	"
	△	5	"	"	"	"	"
	◇	1	cask	Seal	Skins	ex	"Magellan"

List of Parcels in Pearson's case

Remarks on Emilie's cargo

List of Dutiable Goods per "Orellana"

List of General Cargo per Orellana"

Remarks on Stores

Replies to Remarks on Stores

General Invoice Goods per "Emilie"

Clients' A/sales & Contracts :-

	H W	58	bales	Wool	ex	"Oropesa"	
	⊙	3	"	"	"	"Liguria"	
R. B. C.	29	"	"	"	"	"	
	Z	122	"	"	"	"	
	L	220	"	"	"	"	
	F	52	"	"	"	"Oropesa"	} & report
AP	4	"	"	"	"	"Oropesa"	

Enclosures per Mail via Liverpool

Originals

Wool Reports.

Copy of Cable sent on the 24th. February.

Copy of letter from Laphorn & Ratseys of the 6th. and our reply of
& 10th.
the 9th. instant.Clients' Reports & Contracts:-

AP	12	bales	Sheep	Skins	ex	"Oropesa"
S & S	7	"	"	"	"	"
F	27	"	"	"	"	"
H W	7	"	"	"	"	"
HB	70	"	"	"	"	"
J B	65	"	"	"	"	"

Press copies Brokers' reports & contracts Company's Skins & Tallow
per "Oropesa" & "Antisana"

Copy of letter to the Colonial Office of the 2nd. March.

Copy of letter from the P. S. M. Co. dated 27th. February with copy of
their letter to the Colonial Office of same date

Alexander Forbes's agreement with testimonials & Medical certificate

John Davidson Findlay's " " "

Invoice for Rams per "Rangatira" for Packe Brothers & Co.

Particulars of Company's Wool for 1902.

Thomas Cook's cheque for £ 18 . - . -

Credit note from Dalgety & Co. £ 3 . 3 . 2

Cheque drawn by J. C. Betts (Station A/c)	in favour of Donald Mc. Askill for	£ 1 . - . 1
" " " " "	in favour of John Peck for	£ 2 . - . -
" " " " "	in favour of W. Betts for	£ 4 . - . 4

Falkland Islands Government Note (^A 1 00919) for £ 1 . - . -

Eden Fisher's account for Bill Book sent you last year £ 1 - 15 - .

Copy of letter received from T. & S. Plum of the 14th. March. re Butter
price list attached

Copies of Fire Insurance Policies effected with the Royal

Particulars of Insurance effected by the Company's Underwriting
Account.Clients' Reports & contracts:-

J. B.	98	bales	Wool	ex	"Sorata"
S. I.	2	"	"	"	"
M V	11	"	"	"	"

Copies of letters received from Camper & Nicholsons of the 4th. & 6th. instant.

Copy of letter received from the Colonial Office dated 17th. March.

Press copies Brokers' Reports on Company's Wool per "S O R A T A "

Letters for the following: -

W. W. Bertrand, Esq.

A. L. Allan, Esq.

L o n d o n 18th. March, 1 9 0 3 .

The Falkland Islands Company, LIMITED.

(INCORPORATED BY ROYAL CHARTER 1851)

61, Gracechurch Street.

Per California.

No 962.

London, E.C. 15th April, 1903.

Sir,

My last despatch went per Orcana, and I have now to acknowledge the receipt of your nos. 221 and 222 per Nympe on the 24th, and 223 per California on the 31st ult.

2. 221-1. The accounts have been laid before the Board, and the Directors are much pleased with the results shown. Par. 2. It seems that, as I expected, the Farm has received credit for more sheepskins than fairly belonged to the year, but I do not think that the Directors will wish to alter the figures. I do not remember having received any intimation that such a large number were being dried over the boiler at Goose Green, though it is no doubt good for them to get them ready so quickly. It rather seems to point, however, to the boiler not being sufficiently insulated, for if properly covered with asbestos it is difficult to understand how it can give off so much heat. Par. 3. The stock of Stores can hardly be called £2000 less, for although the figures, including the Annie's shipment in the previous year, show what you say, the difference is accounted for by the fact that the Emilie left a month or so later than that vessel, and so was not included. The Stores actually in hand in the Stores ~~were~~ were nearly £2000 in excess. Par. 4. The new boiler for the Great Britain will only cost £95, and the P.S.M. will receive it as 2 tons at 32/ & 10⁰, which is moderate. I am inclined to think that this might fairly be added to Plant. As to the Sabino, if she could be sold to be taken away for £500, the Board would not object. It is a pity that this hulk was not properly overhauled when bought; the Board were not aware that

W. A. Harding, Esq.,

Manager,

Stanley.

she had been so much neglected. Par.5 It is satisfactory to hear that the Samson's boiler is in such fair condition. I am afraid, however, that Lloyd's Register will complain of the survey being so much overdue. Par.6. The profit shown by the Fortuna is good, and reflects great credit on Rowlands. As she has been rigorously written down, it will be fair to add a portion, at least, of the repairs this year to her value, but what amount we cannot say until we see the total. Par.9. The charge to Consumption account of goods used for the benefit of the Store has always been a weak spot, and is not defensible. You are right in saying that they should be paid for by the Store, and to enable you to keep a check on the expenses you had better let the deliveries go on as usual, and at the end of the year re-transfer the cost of such articles as Smithy coals and stationery used for the Store to the debit of the latter. Par.10. The Board are glad to read your remarks about the watch you are keeping on the labour account. Par.11. They are also much pleased at the reduction of Sundry Debtors from £37,461 to £28,387, which total has been still further lessened by the sale of produce amounting to £9441 belonging to 1902 but only credited this year. This has been mainly brought about by the rise in wool, but is no doubt due to some extent to the restriction of credit in certain cases, and to greater economy on the part of the farmers themselves. That two of the Company's officials have overdrawn their accounts is regarded with disfavour, and your attention is called to the necessity of putting this matter right, by energetic measures, if necessary. It has been observed that sums have been advanced to them for payments in England, and this must be stopped; the Board, as I have had occasion to remark more than once, entirely discountenance advances in such cases, either here or in the Colony. As Captain Willis has left the service, is there any reason why he should not be called upon to close his account, which ought never to have got on the wrong side? Sundry accounts. There is a list of goods at North Arm Store amounting to £99.2.10, considered unsaleable at present prices, and written off 100%; this is unintelligible. No doubt there must be a lot of rubbish, but as the list contains jackets, ulsters, silks, &c. there must be some value in them

still, and surely the best way of dealing with such things, before they get too antiquated, would be to have them back to Stanley, and sell them either at greatly reduced prices, or by auction. The practice of shops in England of having periodical sales has never been tried in Stanley, but might be introduced with advantage, in fact, without some such system there must be large accumulations of goods that cannot be fairly taken at their invoice value, particularly of such things as drapery and soft goods. Among the goods taken in stock at Darwin as Consumption stores there are such things as building materials, which it would seem ought to belong to Buildings, and palings, which are fencing; perhaps they are in the first instance charged direct to Farm, and afterwards transferred. In explaining large Store balances the sale of building materials is at times given as a sufficient reason; this would not appear to be so, unless you have protected us by insisting on Fire insurance.

3. 222-2. The success of the Canadian sealers is wonderful, and there seems to be much truth in the statement that the skins have mainly been taken at sea, though those who ought to know still insist on the certainty of the Jasons having been raided, the discovery of the dead pups and the wildness of the herds affording reason for the belief. All the bills have been met, and the one on Victoria was bought by a Canadian Bank at $\frac{3}{4}$ discount; this for your information.

4. Par. 5. When you reported that you thought that Arthur Biggs would be the best man for Johnson's place you did not say that you were going to appoint him without consulting the Board, and as you mentioned at the same time that the latter would be leaving in March or April it seemed that you would have time to receive our views before taking a definite step. It is true that there is other work for the carpenters besides ship repairing, but there can be no doubt that we have only to look far enough to find a man from a ship yard qualified to attend to carpentering generally. A man brought up in an English or Scotch yard would be trained in principles of economy of which a Falklander would have no idea, and your fear that he would necessarily be an expensive man is

probably unfounded. The Board have not invariably declined to spend more money on the Smithy, but believing that it is fairly well equipped with necessaries, have discountenanced applications at times for what have seemed to be expensive toys, for which no regular use was likely to be found. As regards the "old dead level of inefficiency", a better expression might perhaps have been found; but a system of work can hardly be called efficient that gives rise to so constant a stream of complaints on the part of owners and underwriters. There has been at times very extensive work on disabled ships; the accounts are sufficient to show it. As regards your fear that we should not be able to get a man under £250 per annum, there is no doubt that many could be found to jump at Johnson's emoluments, for wages here are not on the level of what is paid to carpenters in the Colony.

The geographical position of the Islands ought to attract disabled Cape Horners, and if we had a capable foreman able to carry out work with economy, we might recover the ground we have lost. We took over the business of Messrs. Dean mainly on account of the shipping, and for some time held our own. Complaints were seldom made by owners, but the Old Kensington did us a lot of harm, and of late years there has been scarcely a ship that has not been made the subject of complaint. Mr. Fernie of Liverpool was here lately, and told me that the charges in the Islands had become so notorious that his firm and many others gave standing orders to their masters to avoid them at all risks, and in case of damage to make for the Plate, if they could possibly scrape there. How is this state of things to be altered? I was badly hampered myself by having a foreman who had been years in the service before my arrival, and when he was pensioned hopes were entertained of improvement; but now by appointing the son of the same man, an excellent youth, no doubt, but without the necessary^a experience, you have taken the^e best possible means of stopping the clock for the next forty years. We want to go ahead, and not stand still. It is a principle with the Board to have the best possible man at the head of each department, even if he costs somewhat more than a less efficient one; for this reason we looked for and engaged Mr. Allan instead of promoting a local shepherd, which would have been a cheaper thing to do,

and for the same reason most of our principal men have always been engaged outside the Colony. Left to itself such a small community must necessarily stand still, and consider its own ways incapable of improvement, and the impetus to be derived from fresh ideas brought from the outside world is nowhere more necessary. To reform the methods of the carpenters, who are largely responsible for the falling off in shipping through their rooted belief that a ship is a thing to be plundered by loafing on double wages, we ought to ^a have a man of sufficient force of character to show them that they are killing the goose that lays the golden egg. The goose is sick enough, sick unto death, but may be revived by judicious treatment, and this is our only hope. The Board wish me to say that they give you credit for the best intentions, but that they would like you to distinguish between ordinary matters of routine, as to which you have the fullest latitude, and questions of principle, regarding which they desire to be consulted before an irrevocable step is taken, unless, of course, you are aware of the principles by which they are guided, in which case ~~x~~ you would of course act in accordance with them. It is possible now that the step taken lately is irrevocable, without causing a vast amount of disturbance and discontent; but the Board would like to know under what conditions you have placed Biggs in charge, and whether you intimated to him or not that the appointment might be only a temporary one.

5. Par. 6. Notwithstanding the unusually good working of the Fortuna last year we are satisfied on statistics ^{already y} ~~already~~ forwarded to you that at present rates, which we see no chance of altering, we cannot make the schooners pay, having regard to the items of interest and depreciation which are not charged specially to them, and if the P. S. N. Co. will relieve us of the work, and provide a steam service round the Islands, we shall do our best to back them up.

6. Par. 7. You may be surprised to hear that quite 25 years ago it was stated that we were within measurable distance of exhausting the peat at Darwin. When "wolf" has been cried so long, his advent always seems sudden.

7. Par.8. You might let people coming home know that there is a firm of runners of the name of Jackson in Liverpool, who are very obliging in offering to cash cheques, but whose charge for the same may or may not be moderate.

8. You are quite right in not joining the small Storekeepers' petition about the Canteen. The managers of the latter will find out in time that it is not all as simple as it seems. In connexion with this, I mentioned to you that the Dean had written to me suggesting that we might reduce our prices 25% for cash, and I notice that he has repeated his remarks in an article in the Magazine, adding a homily on the subject of thrift and getting into debt at the Stores, which a relative of his may find applicable to his case. To test the Dean's suggestion I have run out the Store account for 1901 with the sales reduced by 25%, and find there would have been a loss of over £1000. I enclose it, and you can use your discretion about showing it to him. Considering the standing stock of £30,000, the profit is not unreasonable.

9. Par.11. The boiler for the Great Britain has been ordered from Riley Bros. of Stockton, who undertake to have it ready for the next boat. I got Jacobs & Barringer to invite the tenders, and this was the lowest, £95, delivered at Liverpool. They are good makers, and the boiler will be inspected and tested by Mr. Barringer. I informed the P.S.N. that it would be used almost exclusively for their work, and they have agreed to take it out as 2 tons at the ordinary freight, 32/ & 10%, which is reasonable. Mr. Barringer suggested that we should have it made for 100 lbs. pressure, as that means extra thickness and consequently longer life, and the extra expense is not much.

10. Par.14. The Scotia's account was paid in full, and the Board agreed to return the 5% commission and subscribe 25 guineas by way of rebate on the accounts, in consideration of the national character of the expedition.

11. Par.19. The Board have discussed the subject of the proposed advance to Petaluga, but are disinclined to take the matter up. There would not be much objection to it were it not for the £5000 mortgage taking precedence of any other claim, and the uncertainty as to the course of the wool market. If Petaluga cannot find the

money, and there is no other purchaser to be found, it seems to us that Mrs. W. Bonner will have to go on as before. You do not say that any portion of the mortgage has ever been paid off, and if not, and it has been running for years, what chance should we have of seeing our £2000 again? The best person to apply to would be the holder of the first mortgage. As far as we can see the place is not being run at a profit, or if it is, the owners are spending it all. However, if you see any reason for assisting Petaluga the Board will be glad to hear it, and will be glad of any further information that you can give.

12. Par. 21. I do not quite understand what you suggest about examining Cook's cases before they go on board; do you mean at Liverpool after the passage from London? This time their goods have gone by rail.

13. You have sent some correspondence about the Darwin Church, as to which I will tell you what I know. You may remember that the Baptists tried to annex it some years ago, and I sent some explanations in despatch 841-28. Over 30 years ago it was decided to get a Presbyterian Minister from Scotland, and at the same time we arranged to have a schoolmaster of our own. The Minister arrived early in 1872 and the Schoolmaster at the end of the year. For some time services were held in the Cookhouse, but when the school was decided upon it was arranged that if we guaranteed the Minister's pay and found the Schoolmaster, a building more suitable than the Cookhouse should be provided for both purposes by subscription. A fair amount was raised, and the building sent out freight free by us, and we also debited the account with the cost of erection. After a good many years, as the subscriptions to the fund ceased and there was still a debt, the Directors ordered it to be written off to Profit and Loss. In the course of time the place was found to be too large, and a division was put up; we paid for it. Later the roof became leaky; we re-roofed it. Again, when the Settlement was painted I could not stand a shabby unpainted building in the middle of the green, and we painted it. I do not think that in my time, after the first subscriptions were exhausted, any improvement or work of any kind was done except at our expense. The position

today is that there is a building erected on our land to which we have been by far the largest contributors, the original subscribers to which are almost all dead or gone, and the view the Board take of it is that it is practically our building, and that we should hold it in trust for those who benefit by its use. But as it was erected originally for the convenience of the Presbyterians, and has been used at various times by sundry religious denominations, the Board would not assent to its exclusive use by any body or sect, but think that it should be set apart, as it was intended, as a quiet place where any kind of service may be held. They are, however, quite willing to follow the wishes of the people now residing in the Camp, subject to their decision that no one denomination is to claim a right to it. I do not know whether these ~~facts~~ facts will please the Dean, if not, I cannot help it; his own seem to some extent to have been drawn from his imagination.

14. Pastor H. H. Snellman, of Korpo, Finland, has enquired about Carl Carlson, of Nagu, at one time mate of the Hornet, from whom his friends have not heard for some years. Can you give any information about him?

15. I am writing to Mr. Allan about the 50 rams he wants, but may mention to you that our Chairman says that if the farmers generally are inclined to make up an order for 200 or 250 the Shaw Savill Co. are quite ready to send in another steamer direct from New Zealand, which they could not, of course, do for our small lot, and we should have to adopt the expensive and risky route through Montevideo. You are in a better position than Mr. Allan to ascertain if this is likely to be practicable.

16. The C. O. informed us a few weeks ago that the Argentine transports were to call at Stanley, but this has since been revoked; correspondence is enclosed.

17. Have you any way of making it public that cheques on Stanley will not be cashed at this office? A few simple people have taken to sending them home, and they give trouble.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures per Supplementary Mail via Lisbon

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Supplementary Remarks on Stores

General Invoice Goods per "California"

List of Cargo per "California"

Extracts &c. &c. from Colonial letters on Sundry Boundaries

Sight Draft on J. Kirwan for £ 53 . 12 . 8 with B/L attached for collection

Rev. H. Wimble's schooling account for Mrs. Benney

Langdon's invoice goods shipped per "California"

Letters for the following:-

W. A. Harding, Esq.

A. L. Allan, Esq.

Asale ^{FIC} 36 Seal Skins in "Sorata"

London 13th April, 1903.

Enclosures.

Duplicates

Despatch No. 961

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Cargo (Company's) per "Orcana"

List of Clients' Cargo per "Orcana"

Clients' A/sales & reports & contracts:-

J. B.	65	bales	Sheep	Skins	ex	"Oropesa"
H. W.	7	"	"	"	"	"
F	27	"	"	"	"	"
AP	12	"	"	"	"	"
S & S	7	"	"	"	"	"
HB	70	"	"	"	"	"

List of Enclosures

Invoice for Rams per "Rangatira" for Packe Brothers & Co.

List of Dutiable Goods per "Orcana"

Particulars of Insurance effected by Co's Underwriting A/c.

List of Parcels in Pearson's case

Invoice for Goods shipped per "Orcana" for Stickney Brothers

General Invoice Goods per "Orcana"

B/L General Cargo per "Orcana"

Sight Draft on J. Kirwan for £ 35 . 8 . 4 with B/L attached.

Enclosures via Liverpool.

Copies of Cablegrams received 1st & 5th April.

Copy of Cablegram sent 23rd March.

Wool Reports.

Clients' A/sales :-

J B	98	bales	Wool	ex	"Sorata"
S 1	2	"	"	"	"
M V	11	"	"	"	"

Brokers' copies Company's Wool & Tallow ex "Sorata" & "Antisana"

Copy of letter from the Colonial Office of the 24th & our reply of the 27th March.

Copy of letter from Jacobs & Barringer of the 4th April with quotation attached.

Cheque in favour of Elizabeth Hannaford for £ 4 . 10 . - for collection.

Store comparisons for 1901.

Dobbie Forbes & Co's revised prices for Portable Ranges.

Freeman's credit note for £ 3 . 4 . 2

Letter for W.W.Bertrand, Esq.

London 15th April, 1903.

The Falkland Islands Company, LIMITED.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street,

Per Supplementary mail.

No 963.

London. E.C. 17th April, 1903.

Sir,

Since writing via Liverpool I have been looking at the Land Ordinance, and find among the Reserves 1540 acres on section 22A, West Cove. There is no such section on our chart, but no. 22, called "West Cove Reserve", ceased to be one in about 1870, and was leased by us from Col. D'Arcy, and afterwards included in the purchase of our freeholds. The acreage was 4,460, and there is no possible doubt that the whole belongs to us, so that where the 1540 acres come in has to be explained. You have all the correspondence of 1891 and 1892, but in case you should have any difficulty in finding it I send you extracts relating to the purchase, and particularly to the boundaries admitted by Lord Knutsford, which should be strictly followed in the Crown Grant to be obtained of the Government. It is now nearly 17 months since the purchase was finally completed, but we are not yet in possession of the Grant, and this you should obtain and forward without delay, taking care that there is no error in the description of the boundaries, and objecting to receive it unless it strictly conforms to Lord Knutsford's admission.

I am, Sir,

your obedient servant,



Managing Director.

W. A. Harding, Esq.,

Manager,

Stanley.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

Limited.

REGISTERED 1902.

61, Gracechurch Street.

Per Oravia.

N^o 964.

London, E.C.

13th May,

1903.

Sir,

I have now to acknowledge the receipt of your despatch no. 224, which arrived on the 27th ult.

2. Par. 3. The Corcovado arrived at Tilbury on the 4th inst., just in time for the sales, and our wool is to be put up this afternoon. Unless the cablegram expected has miscarried we do not understand why the Victoria has no wool on board, seeing that there ought to have been a month's collection. It is hoped that the Liguria will bring all that is ready, as present prices ought not to be missed. The P. S. N. C. have done what they promised in sending two cargo boats, and unless you have an arrangement with Mr. Sharpe that we know nothing about we expect that the mail-boats will bring the rest.

3. Par. 4. You will have received particulars of the Auditors' requirements by now; what they specially require to know is that all cash is properly accounted for, from whatever source it comes.

4. Par. 6. I have submitted the report on the boiler to our Consulting Engineers, Jacobs & Barringer, and enclose copy of their remarks. You will see that they are of opinion that when properly strengthened there is no reason why the original pressure should not be resumed. The Directors are willing to supply a good lathe, hoping that it will lead to increased efficiency on the part of the Samson, but what to send is a difficulty, and further consideration is needed. I have seen Mr. Barringer on the subject, and his opinion is that it would be rather absurd to send out the one you ask for, a Porter 7 in. lathe to be driven by foot power, because to get the full work out of the machine

To review
stay with
new one
1/4 larger
+ new tank

W. A. Harding, Esq.,

Manager,

Stanley.

of which it is capable you would want three men on the treadles; moreover, the Porter lathes are not fitted for foot power, and it would not only cost a good deal to alter them, but it is doubtful whether the makers would do it. Mr. Barringer thinks that a 4 in. centre lathe is the largest that should be sent for foot power, but he cannot tell me whether this would do all the work that the Engineer will want to put through. I think that I see your difficulty. You want to keep the Engineer away from the Blacksmith's shop, and you wish the lathe to be in his hands solely, as if anything goes wrong with a costly machine that is in more hands than one, the other man is always at fault. If you built a little shed round the lathe in the position at present occupied by the old lathe, you might shut out some light, and the Blacksmiths might consider themselves invaded. But the only overhead shafting available is in the Blacksmith's shop, and it would be impossible to continue this to the Engineer's premises on the other side of the Store. There would, however, be no difficulty in carrying a steam pipe underground to the latter building, and Mr. Barringer says that an engine to drive the lathe solely would not cost much more than £16. The question then is, shall we send a Porter lathe, costing £50 less 10%, with extras as suggested in Buck & Hickman's letter enclosed, with an engine to work it, or shall we be more modest in our requirements, and get a 4 in. machine suitable for foot power? As regards the cost of driving, if the lathe could be worked when you have steam on, the cost would be trifling; if for heavy work you had the use of three human legs at 8d. an hour, probably they would not be much cheaper than steam, nor as constant in their work. When you have given this matter full consideration you can let us know the conclusion at which you have arrived.

5. Par. 9. You might have added that you would write to Darwin to ascertain when Bethune was paid off, and you might have let us know whether he had a passage home, or came at his own expense. In all cases this information is necessary; but I cannot remember any occasion on which it has been supplied without asking for it.

6. Par. 13. From what I wrote last mail about the Great Britain's boiler, you will have seen that on the advice of Mr. Barringer-

*Went by
next mail*

*75-20
June 97*

er I anticipated your wish to have a really good boiler for the Great Britain, that is to say, one above the strength at which it would ordinarily be worked.

7. Par.14. The Board are quite satisfied with your arrangement for landing the Admiralty coal, but hope that after next season they will revert to the old plan of contracting with us.

8. Par.15. The Directors have read with interest your remarks on the proposed mail service by coasting steamer, but do not consider that much will come of it, especially if the Governor interferes too much. We shall now have to wait and see the final proposals that the P.S.M.Co. will formulate; I enclose some confidential correspondence that has taken place between Mr. Alcock and myself, and I repeat that Government interference, whether as regards rates of freight or in the form of stipulating where the steamer is to do her loading and discharging, does not meet the Board's views at all.

9. Par.16. The Directors consider that Atherton is very well paid, and with his regular wages and what he makes extra by overtime has a berth that many a good man would jump at; I might perhaps have said a better man and not exceeded the truth, but if you are satisfied that he really looks well after the machinery you need not be anxious to fill his place with another, if he is satisfied to remain on the present terms, and you would, of course, remember him, as you say, if any remunerative towage or salvage work turned up.

10. Par.18. As regards Moir, the Board think that he started on higher terms than Frazer, and that with £200 per annum, with house rent free, fuel, and butcher's meat, he must make far more than he could if at home. It does not do to give way too freely to requests for increased pay, especially when wages have been on a liberal ~~xx~~ scale from the beginning; however, the Board think that in him we have a good servant, and they leave it to you to arrange for his staying on after his time is up, but limit the advance on his pay to £20 over the £200 he gets in his last year. There must be a limit in all departments beyond which higher pay must not be looked for, and if Moir had not been from all accounts such an exception-

ally good man, the Board would have considered it reached in the £200 a year beyond which his predecessor, in a service of nearly 20 years, did not advance. As regards the assistance given to our men in their private matters, it is very good of him to help them, but the Board cannot recognize that as a ground for increase of pay. If you come to a satisfactory arrangement with him, the Board authorize you to give him a gratuity of £10 at the end of the term, but it would be a dangerous precedent to say that losses through inaccuracy in accounts should be waived. In arranging this matter, you will bear in mind that at present we are not making the profits we were at the time Frazer was in the service.

11. Par. 19. The Board have considered your remarks about Mr. Gorton, and have decided to give him half pay during his stay in England on the leave you propose to give him, and this will be continued on the passage out. This is more than has been done for anyone not holding the position of Manager, but the Board recognize the value of Mr. Gorton's services, and trust that this concession will be appreciated.

12. Par. 20. On what the Commodore says Mrs. Hansen will have to accept the theory that the injury to the sealing business on the Jasons has been caused by pelagic sealing; but if he had not been so positive on the point the facts of the dead pups and the wildness of the seals on the islands would have been difficult to get over, and even now it is hard to believe that the females in search of food can go so far outside the three mile limit as to fall into the hands of sealers hundreds of miles away.

13. Par. 23. The commission on the sealers' drafts, in consideration of what you say, might be reduced to $2\frac{1}{2}\%$ for bills on London and 3% if payable in Canada. Donahoe & Son, owners of some of them, have sent us some primers for transshipment to Stanley, but on asking the Winchester Co. about them they warned us that they might be of a most explosive nature, and that a box of what they took them to be exploded in the Docks some time since, causing the death of two men, and resulting in heavy damages. I therefore refused to touch them, but got this week a cable saying that they were harmless

and indemnifying us against claims, so that they will be shipped by next boat, if the P. S. N. will take them. Donahoes foolishly shipped them to London instead of Liverpool, which will make a lot of extra trouble with the Customs, as well as causing additional expense.

14. Par. 24. I have submitted to Mr. Barringer Harris's report on the Goose Green boiler, and enclose a copy of his letter in reply. Harris, I see, was up to a short time ago a labourer at £5 per month, and I believe that he is a most intelligent man with a turn for mechanics; but when he sends in a report in which he practically censures a Member of the Institute of Mechanical Engineers for errors in designing a boiler, I must say that he exhibits a prodigious amount of side, and wonder whether he is suffering from swelled head. You will see what Mr. Barringer says about the tubes, and I can give you my own experience that bears on the point. A good many years ago our Engineer, Martin, got me to send home two boilers to be retubed, and of course it cost a good deal to do so. He said that it could not be done in the Colony, but I was told afterwards that if the man had known his business he could have done it on the spot. As regards the tubes this is probably the case on the present occasion; but the neglect of the boiler by Noble is too painfully evident, and it is only another instance of the expense and loss that we suffered periodically from that man. No doubt Harris will look after it properly from this time forward, but Mr. Barringer says that it must evidently be retubed, and you should make arrangements with some competent Engineer to do the work. Mr. Barringer says that a spare set of tubes was sent out, so that it is unnecessary to supply more. It is grievous to think that the old boiler was worked from 1876 to 1897, and that now after five years' service, or less, the new one that cost over £200 has got into the state described.

15. Par. 26. I should have said in writing about the coaster that the Board would give the most unqualified opposition to one run by Braun & Blanchard, as it means that they want to take away from the Agency as much wool as they can, and ship it by some opposition line from Sandy Point. It is utterly inconsistent, too, on the part of the Governor, seeing what a point was made three years

ago of having the mails carried in a British bottom. Whatever the Governor may say, I know that the Post Office authorities will object to contracting with foreigners, if they have anything to say in the matter.

16. There should be some understanding with those who remit money that you can only receive it up to a certain date, for it happens now frequently that we are asked about sums supposed to have been remitted, which are only advised by a subsequent mail. I should have said that the fault probably lay with the senders, and in most cases it very likely does, but Mr. John Waldron has been applying for £16 more than once since his arrival two mails ago, and has at last presented a receipt from your office dated 3rd March, and this certainly looks like an oversight. On this receipt we have paid him the money. There is also a Mrs. Potter who wants money advised by Mr. Allan.

17. I do not see that you have furnished us with a copy of the Land Ordinance as passed. Mr. Felton has given me a copy, and is very busy over a protest. I should have liked to know more about this Ordinance, as at present I do not see the points to which objection has been taken.

18. I refer you to a letter to the Distillers Company enclosed showing that their traveller not only got an order from you, but went round the public houses. I have pointed out that as the publicans are our largest customers, if they supply them direct they cannot expect to get our orders.

19. The Colonial Office have sent a copy of a letter from the Board of Agriculture saying that they will not raise any objection to importations from the Islands, and whether this is made use of or not, it is a good thing that the prohibition against Argentine importations was not removed, as foot and mouth disease has broken out again. It may also help us to get the required number of rams for a steamer from New Zealand, as those who were intending to import from Argentina will now be prevented from doing so.

I am, Sir,

your obedient servant,



Managing Director.

*Copy
sent in
222*

Enclosures per Supplementary Mail via Lisbon.

ORIGINALS

Wool Reports.

Ledger & Journal Entries.

Remarks on Accounts

Remarks on Stores.

Replies to Remarks on Stores.

Supplementary Remarks on Stores

Clients' reports & contracts:-

J B	142	bales Wool ex "Corcovado"		
HB	197		,,	,,
H & B	87		,,	,,
F	214		,,	,,
S I	59		,,	,,
 H	10		,,	,,
M V	10		,,	,,
L	4		,,	,,
S	85		,,	,,
 H G C	88		,,	,,
D S				
G I	41		,,	,,
S & S	109		,,	,,
T R	113		,,	,,

General Invoice Goods shipped per "Oravia"

Austin's, Edgington's & Priestman's invoices goods per "Oravia"

Sight Draft on J. Kirwan for £ 7 . 0 . 10 with B/L attached for
collection

Debit note for Mrs Bonner for £ 6 . 5 . 1

Credit note for Vere Packe £ 10 . 15 . 10

,, ,, W.D. Benney's Estate £ 2 . 8 . 3

,, ,, Mrs Bonner £ 17 . 12 . 6

,, ,, Farm A/C £ 125 . 19 . 3

,, ,, ,, 6 . 5 . 1

Copies of Brokers' reports on Company's Wool per "Corcovado"

List of General Cargo per "Oravia"

Letters for the following:-

W.A. Harding, Esq. (2)

A.L. Allan, Esq.

London 16th May, 1903.

Enclosures via Liverpool

Duplicates

Despatch No. 962 & 963

Ledger & Journal Entries.

Remarks on Accounts.

Remarks on Stores

Replies to remarks on Stores

Extract from Colonial letters

List of Enclosures

General Invoice Goods per "California"

Supplementary Remarks on Stores

List of General Cargo per "California"

List of Dutiable Goods per "California"

List of Parcels in Pearson's case

Clients' A/sales as follows:-

M V 11 bales Wool ex "Sorata"

F 1 C 36 Seal Skins "

Sight Draft on J. Kirwan for £ 53 . 12 . 8 with B/L attached

B/L General Cargo per "California"

Enclosures via Liverpool

Originals

Copies of Cablegrams sent on the 21st April & 3th May.

Wool Reports

Corrected General Invoice goods per "California"

Copy of letter from Hayward Tyler & Co. dated 1st May.

Copy of letter from T. & S. Plum dated 9th May re Butter

Copy of letter to the Distillers Co., Ltd. of 11th May

Copies of Jacobs & Barringer's reply to report on Goose Green
& Samson's boilers

Clients' A/sales, reports & contracts:-

◊ HGC	15	bales Sheep Skins ex "Sorata"		
Z	66	"	"	"
S	18	"	"	"
△	24	"	"	"
DS				
GI	5	"	"	"
M V	3	"	"	"
HB	7	"	"	"
S I	11	"	"	"
J B	8	"	"	"

Copies of Brokers' A/sales, reports & contracts Company's Skins
per "Sorata"

Copy of letter to Mr. Alcock dated 7th May.

First of Exchange for 28 . 5 . 5 on John Aldridge for collection

" " 20 . 7 . 11 on C. Williams "

Copy of letter from the Colonial Office dated 8th May & copy
to them
of letter from the Board of Agriculture, attached

Copy of letter from Mr. Alcock dated 6th May

Copy of Buck & Hickman's quotation of the 3th. instant

Letter for E. J. Mathews, Esq.,

London 13th May, 1903.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

Limited.

REGISTERED 1902.

61, Gracechurch Street,

Per VICTORIA.

No 965.

London, E.C. 10th June, 1903.

Sir,

My last despatch went per Oravia, and I have now to acknowledge the receipt of your despatches 225 on the 26th ult., and 226 on the 3rd inst.

2. Par. 2. I have heard several times from Lloyd's about wireless telegraphy, and it seems that the probably cost of a Marconi installation would be £9000 between the nearest point of the Islands ^{and} Patagonia, which would, of course, be prohibitive. I have, however, received some information about experiments with a new system, which, if practicable, could be installed at much less expense, but as the letter is marked "confidential" I assume that Lloyd's wish nothing said about it at present, so I merely mention it for your information.

3. Par. 3. With regard to the Fortuna, it is a surprise to hear that she may be away three months. In an English yard it would take about two days to put the metal on her. I hope that besides contracting for the use of the slip or dock Mr. Morton will have been able to arrange a price for metalling, and for any other work that is known to be required. Wherever a ship may be there are always extra bits of work that show themselves to be necessary as the repairs proceed, but as what is done in Montevideo should be restricted to work below the water line there ought in this case to be only a few extras. Regarding the old metal, which is of considerable value, I think that if only a knock-out price can be got in Montevideo, Morton ought to have it cased up and sent here. I will find out before closing this what we could get for it. Regarding your suggestion in par. 14 about the strengthening knees,

W. A. Harding, Esq.,

Manager,

Stanley.

+ Old Galvan metal £33 per ton

" Copper Sheathing £50 - "

less 2 1/2%

it is an excellent one, and should certainly be carried out, and if, as I understand, you are having the knees prepared by our Blacksmiths to be sent up, it ought not to cost very much.

4. Par. 4. Although by way of charity you are allowing the widow of the Cooper to live in the house rent free, it is an arrangement that cannot be continued indefinitely. Ryan had good wages, and if he left his family destitute it was not our fault.

5. Par. 5. I did not think that it would be necessary to say anything more about the shipping rates, but I must add a few words. In the old days when we got 40/. & 5% through freight, those who shipped by us were charged 12/. for coasting and shipping, including storage, outsiders paying 6/9d. for the last two items, which was admittedly put on to dissuade clients from shipping outside us. When the general tariff was reduced to 35/. & 5%, it did not seem necessary to consider those who shipped by outsiders, and the rate for them remained the same, still more accentuating the desirability of using our schooners. Do you see any reason for lowering the rate? Owing to the compromise with the Kosmos, who had wished to raise rates all round, we sustained a loss in carrying from the near ports at 5/., while they reduced their tariff to 25/. from the distant ones; this must not be forgotten. As regards the difference between Bleaker and North Arm, we get for ourselves a higher rate from the former, and the reason is that although nearer Stanley you can never pick up a full load there, and it is sometimes an awkward place to get to, whereas you fill up at North Arm and sail direct to Stanley. I do not say that the arrangement is perfect, far from it, but can you suggest a better? I see no chance of getting the P. S. N. Co. to take less freight from Stanley, and unless we step into the breach and facilitate the shipment of wool from our clients right through to London, even if we do not get much profit out of it, I can see that a state of things might arise that would be worse than the present one. For instance, if we suddenly put our foot down, and said that we would ship our own wool leaving all the farmers to look out for themselves, would not that lead to a falling off in our general business in the Colony that would be infinitely more disastrous than the present state of

affairs? As regards the intermediate rate of 32/., I thought that you would understand that you were at liberty to adopt it. As you say, it is a cheap concession, as there are no outsiders now, though I thought that the Chance was still in being.

6. Par. 7. I have sent in a short letter to the C.O. in support of your Memorial.

7. Par. 9. The arrival of duplicates per Corcovado a few days in advance obviated any difficulty in receiving the sheepskins at Tilbury.

8. Par. 13. Is it not possible to beach the Samson in some soft spot where the propeller bush will be out of water at low tide?

9. Par. 15. I have gone over the Grant of the land, and the boundaries are correctly described. I see no reserve on 22, West Cove, so suppose that it must be somewhere else.

10. Par. 16. I will ask the Board's opinion about the two houses, but I doubt if they would care to let the same man have both. Can you not think of some deserving person, preferably one who has been in our service, who could carry on the business of the Ship Hotel?

11. Par. 17. It appears from what you say that the bale of sheepskins about which I wrote really did not belong to Mr. Packe, and should have been delivered to the P.S.N. Co. We shall therefore pay them the proceeds and the amount will be charged out to Mr. Packe's account.

12. Par. 18. When I was in the Islands, and I do not suppose that the conditions at the Chartres have altered since, it was the one place I hated sending a schooner to; it was not only on account of the invariable delay, but the vessels were always getting aground or running some risk or other, and for this reason it is and always has been worth a good 10/. per ton more to send there. To have no available harbour is to Mr. Anson a geographical misfortune, which is tempered by the fact that his land is some of the best in the West. One cannot have everything one's own way in this world.

13. Par. 19. I do not think that it is necessary to intervene

in the matter of remittances, at all events at present. When you see that you are getting overdone with cash, let us know, and we will stop the £1000 on a date to be agreed upon. I do not quite take in the arrangement about the Savings Bank, but from the correspondence I am inclined to gather that if the Government are short of money, and cannot pay you the £1000 at the end of the month, you by a sort of roundabout arrangement are considered to have deposited the amount in the Savings Bank, and then, when you get it back, an arrangement under which a depositor cannot get interest unless he has deposited his money for three months comes in, and you are done out of your interest. This arrangement is all very well when applied to the class of people and the kind of accounts for which the Bank was established, but when it is used in transactions amounting to thousands between us and the Government, the expedient seems a little childish, and it would be very much better if you could arrange that 5% interest should be paid on either side when there is a balance outstanding. I am not sure of my ground, or I would make a representation to the C.O. about it, but it would be much better if you could come to terms without having any reference to London.

14. Par. 20. I suppose from what you say that Middleton was on the list for a passage, not having been home since he first went out. Bethune I find paid his own; those who have passages provided get their pensions from the date of their arrival here, while those who pay their own get them from the time they are paid off.

24/1-3
Jan 16 914
15. Par. 22. I understand that you have come to terms with the Government about landing cargo, so that it is not necessary to look up old correspondence.

16. Par. 25. I note Mr. B. Stickney's instructions as to his firm's account. Whether his partner will agree to our retaining such a large balance is another matter.

17. Par. 27. Although the financial position is much improved we do not keep a balance at the Bank to meet drafts for over £8000 cash, and the money we have on deposit is not always at call. When your cheques and orders to pay cash by any one mail exceed £2000 you must cable the amount in future. Bills do not matter.

18. I am glad to receive the particulars of Middleton's services.

19. I have also received your letter of 30th April, and observe that you did cable after all about the shipment per Victoria, but, as I mentioned last mail, this message did not reach us, and enquiry made of the P. S. N. Co has thrown no light on the matter, as none of the officers remember anything going ashore except a despatch for the agent. Please enquire about this miscarriage.

20. We are advised that the P. S. N. Co. have a cask of skins marked H in diamond, which has come forward without Bill of Lading or advice. I asked Mrs. Hansen about it, and she wired that the Fortuna had brought in her skins. As she arrived after the Victoria had sailed this could not have been hers. There is another cask, also sent without advice, lying here, addressed I believe to F. Martin, but we are supposed to have something to do with it. As, however, we know absolutely nothing about it, we cannot take it up. These little oversights should not be allowed to occur.

21. I have received another letter and enclosure from Mrs. Sydney Kirwan, which I send herewith, and have to ask you to tell her that I do not see any necessity for the correspondence with which she has favoured me, but that if she has occasion to write on the Company's affairs she should address her letters open through your hands.

22. Mr. Mathews has written about an engine he wants us to take from Port Howard for North Arm. It is not at all certain that we want one there, as I have already said that a boiler for the old one can be supplied from here; but should it prove to be necessary you might see reason for taking it at about the price of the boiler or less. But it need not be got for the little amount of lathe work that is done at Goose Green.

23. Your cable per Liguria has arrived as per enclosed copy. I wrote the P. S. N. Co. expressing disappointment at the small shipment, but learn from them that the Antisana is going in for all produce left on hand, which is most satisfactory.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures via Lisbon.

Originals

Ledger & Journal Entries.

Remarks on Accounts.

Remarks on Stores

Replies to Remarks on Stores.

Copy of letter from the Colonial Office dated 10th and sundry
correspondence on Foot-Rot also our reply of the 11th inst.

Eills' invoice goods shipped per "Victoria"

Clients' reports & contracts:-

W. Fell	5	bales	Sheep	Skins	ex	"Corcovado"
Club	16		"	"		"
D S						
G L	4		"	"		"
T R	3		"	"		"
M V	3		"	"		"
S & S	2		"	"		"
H G C	1		"	"		"
D H	4		"	"		"
S I	1		"	"		"
H & H	15		"	"		"
HB	5		"	"		"
F	2		"	"		"

List of General Cargo per "Victoria"

General Invoice goods per "Victoria"

B/L goods shipped to G.A. Cobb

Evans invoice goods sent per Parcel Post.

Press copies Brokers' reports & contracts Company's Skins per
"Corcovado"Letter for the following:-

W. A. Harding, Esq.

A. L. Allan, Esq.

W. Stickney, Esq.

London 13th June, 1903.

Enclosure per Mail via Liverpool

17 1924
11/10/24

Duplicates

Despatch No. 964 dated 13th May.

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Parcels

General Invoice goods shipped per "Oravia"

Corrected General Invoice goods shipped per "California"

Clients' A/sales, reports & contracts

M V	3	bales	Sheep	Skins	"Sorata"
Z	66	"	"	"	"
S	18	"	"	"	"
	24	"	"	"	"
	15	"	"	"	"
D S	5	"	"	"	"
G I					

List of Enclosures

List of Cargo per "Oravia"

Clients' Reports & Contracts:-

D S					
G I	41	bales	Wool	ex	"Corcovado"
M V	10	"	"	"	"
L	4	"	"	"	"
S					
Port Louis	85	"	"	"	"
	88	"	"	"	"
S & S	109	"	"	"	"
T R	113	"	"	"	"

List of Dutiable goods per "Oravia"

B/L General Cargo per "Oravia"

Sight Draft on J. Kirwan for £ 7 . - . 10 with B/L attached

Drafts on Aldridge & Williams for £ 28.5.5 & £ 20.7.11 for acpte.

Enclosures via Liverpool

Originals

Wool Reports

Copy of Mrs Bonner's account current

Copy of Cablegram sent on the 19th May.

Copy of Cablegrams received on the 8th instant + 10th instant

Clients' A/sales:-

S & S	109	bales	Wool	ex	"Corcovado"
	88	"	"	"	"
L	4	"	"	"	"
DS					
GI	41	"	"	"	"
S					
Port Louis	85	"	"	"	"
TR					
Port Louis	113	"	"	"	"
M V	10	"	"	"	"
	10	"	"	"	"
S I	59	"	"	"	"
J B	142	"	"	"	"
F	214	"	"	"	"
HB	197	"	"	"	"
H & B	87	"	"	"	"

Press copies Brokers' A/sales Company's Wool per "Corcovado"

Copy of letter to the Colonial Office dated 5th June

Press copies of Brokers' report & contract Company's Hides per
"Corcovado"

Cutting from the Standard Newspaper (Buenos Ayres) of 8th March.

Walter Bennett's prices for Old Yellow Metal

Mrs. J. Kirwan's letter of the 15th April returned with letter
of 30th April to Mr. Cobb attached.

Copy of letter to the Pacific Steam Navigation Co. of 10th inst.

Credit note for Vere Packer, Esq. for £ 4 . 14 . 8

Camper & Nicholson's letter of the 23rd April returned

Letter for W. A. Harding, Esq.

London 10th June, 1903.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

Limited.

REGISTERED 1902.

61, Gracechurch Street.

Per Orissa.

No 966.

London. E.C. 8th July, 1903.

Sir,

The Board confirm my last despatch per Victoria and letter of 10th ult., and I have now to acknowledge the receipt of your despatch es nos. 227 and 228, which arrived on the 1st inst., the Liguria having been delayed by mishaps to her machinery.

2. 227-2. You do not appear to take in the question of the boiler survey. According to Lloyd's rules the Samson's is subject to yearly survey at a certain date, and this should be held as near the time as possible, though Lloyd's Register give us a certain amount of latitude owing to the want of a regular Surveyor. This may be as cursory and perfunctory as Lloyd's will stand; but for our own protection it is important to have a thorough overhaul such as the Fleet Engineer held. When, therefore, the latter kind can be held at a time coincident with Lloyd's date you should get it done, whatever may be the cost; but rather than delay for months and run the risk of having the character of the boiler expunged from the Register, besides subjecting us to perpetual reminders and enquiries, it would be right to avail yourself of the best expert advice available, and send the report to Lloyd's Register, explaining the circumstances. A second and more detailed examination might be made afterwards, if there is any reason for thinking it necessary. I hope that by carrying out the recommendations we may go far towards restoring the original pressure, and by that increasing the utility of the boat.

3. Same par. Your remarks do not explain why it would not be better to sell old stores that will not go off in the Camp by auction in Stanley, rather than write off 100%. If cheap sales have

W. A. Harding, Esq.,

Manager,

Stanley.

been held in Stanley, I do not think that the fact has been reported. The meaning of the remark about building materials is that the sale of such goods is not necessarily a sufficient explanation of having given a large amount of credit; the Directors will be glad to learn that in such cases you satisfy yourself as to the safety of the advances.

4. Par. 4. The step of appointing the foreman carpenter having been taken, probably more harm than good would arise from disturbing it at present, though all the objections that have been expressed to appointing a man brought up in the ways of the Colony hold good.

5. Par. 6. I misunderstood the P.S.N.Co.'s letter as to the freight on the boiler, which meant that it would be taken at the 2 ton rate, that is without extra charge for weight; however, it was, after all, reasonable.

6. Par. 7. We must leave the matter of Petaluga's farm until you get further particulars; but if you mean that the proposed advance could only be paid off at the rate of £150 per annum, that is to say in about 14 years, who knows what the wool market is going to be during that time? The late scare with wool at about 4d. makes the Board very cautious.

7. Par. 10. You are quite right about the freight per Mamari, and I will show the account to the Chairman. When I wrote I think that I compared the Rangatira's freight with the cost and risk of getting rams by way of Montevideo, with the additional P.S.N. freight thence, and freights may be higher than when the Mamari shipment took place, besides which, in that case we promised a load home, and this time distinctly said that there would be nothing.

8. Par. 11. Take whatever steps you think necessary to make it known that cheques on Stanley will not be cashed in London. A new annoyance has been started; we are continually being asked to cash Government £1 notes, filthy things, worse than any Argentine or Brazilian currency I ever saw, and probably crowded with microbes; I decline to touch the unclean things, unless to oblige some one we know, and have an idea of referring the holders of the next ones to the C.O. or the Crown Agents.

9. Par.12. The boundaries of the Grant sent home seem to be quite correct, being in fact apparently taken from the description I made out in 1892, with one slight correction which alters a clerical error. I remember clearly the circumstances to which you called attention in sending me the Governor's note about the freehold on no. 29. When the exchange of that section for no. 17 took place, Captain Packe pointed out that he could not convey the freehold because he had a house standing on it which he still wanted to use, and there was, I think, a further objection that although the freehold had been surveyed it had been placed on the side of a ridge or stream which actually threw it into the Mare Harbour section, and as we wanted to adopt workable boundaries there was a certain amount of give and take over the exchange. Anyhow, I got the freehold on sec. 17 conveyed to Captain Packe, and he was either to give us another in exchange, or pay for it; but although the question cropped up from time to time it was never done in my time, and has, I suppose been forgotten since. I do not think that my memory is at fault, but you can put it to the test by searching the register of transfers, and if you find, as I think you will, that the no. 17 freehold was conveyed to Captain Packe by the Company, it follows that Mr. Packe is in error in saying that the Crown Grants were neither of them transferred, and he still owes us for 160 acres. I think that the house near Swan Inlet was pulled down a long time ago.

10. Par. 15. I have shown the correspondence with Captain War-
 rer to Messrs. Langridge, and they say that he is a new broom, hav-
 ing been promoted from Mate just as the ship sailed, and has raised
 objections that other Captains would have passed over. The 45 wea-
 ther working days were for loading only, and discharge to be as
 customary; that is the clear meaning of the Charter, but in the new
 form lately printed, which was drawn up to accommodate ourselves as
 regards the outward cargo and also provide for a sub-let, the words
 "and discharge" were unfortunately left in, which makes the mean-
 ing a little ambiguous, although the context clearly shows the in-
 tention. With regard to the coals, if, as we think, they are a kind
 that does not give off dust, which would be the case with anthra-
 cite, there would not seem to be much reason for the objection, and
 they have been dry for months. I learn, however, from Mr. Gorton that

we are in error about the dust, and Captain Warrer's objection will probably be sustained. These matters will be settled on the arrival of the ship in London.

11. Par. 16. It was unnecessary to return Mr. Packe's reports and account-sales, as we have copies here. I explained that the claims for damage were delayed on account of the long time it took to sell the tallow, but you are aware by now that they have been settled.

12. Par. 17. In the Admiralty letter of 17th July last year it was stated that the coals were required for the use of H.M. Ships; but we want to keep on good terms with them, and if the officer in charge raises the question, and presses the matter when you give this explanation, it is so small a loss that there seems to be room for a "graceful concession."

13. Par. 20. The profit shown by the Bakery is good.

14. Par. 23. I do not think that the Board will raise any objection to the passage of Mr. Girling's son under the circumstances you mention.

15. Par. 25. I will write to the P. S. N. Co. about sending out a shipment of coal in bags.

16. Par. 26. The owners of the Niobe have arranged for a credit on the Credit Lyonnais, London, which the latter have confirmed. If the bill has not been drawn when you get this, it should be stated as being under Credit no. 41. This ^{credit} has been advised by cable.

17. Par. 27. It is a sound precaution to send the Fortuna up in charge of Capt. Thomas, as the approach to the Plate is difficult. I do not know of any opinion of the Underwriters having been expressed as to Rowlands' capacity for navigating in the places you mention, and am inclined to think that he is confusing it with the insurance of the vessel, which is on a whole world policy, with no restriction as to places or ports. However, if he is capable of taking sights and working a reckoning, I do not think that there would be any risk in letting him bring the Fortuna back to the Islands. The schooner has charts, and he knows the banks of the River Plate, so can get out all right. I will arrange for a credit

for the repairs.

18. 228-3. When repairs are done by contract extras always turn up; that, at all events has been our experience here with the Thetis and other vessels, and you will, of course, have kept a look out for them.

19. Par. 5. We will go into the insurances with the Royal, and report next mail. Insurance on goods outward covers lighterage.

20. Writing last mail I had not had an opportunity of putting the despatch I answered before the Board. It has since been decided for reasons explained in a private letter that it would not do to give both our licensed houses to the same man, and the Board hope that you will get a suitable tenant. Mr. Gorton mentions that it might answer to keep a store open at night, and if this is feasible, the one attached to the Stanley Arms might be separated from the lease. The despatch lately arrived has not been seen by the Board, or I should have said discussed at a meeting.

21. It was intended last year to have another valuation of the Company's buildings made, but your absence from the Colony prevented it. As a question about the depreciation was asked at the General Meeting this year, it is desirable to get this valuation out in the course of the next half year, and it should be on the lines of those formerly made, that is to say at fair but not exaggerated prices, such, in a few words, as would be considered correct in the event of a sale, due regard being had to the condition of each building, and the amount, if any, spent lately on repairs. The Manager's house should be excluded from the list, but it should embrace all other buildings of every kind.

22. The cablegram about the Victoria arrived on the 23rd of June, long after the ship had sailed again on her next voyage. I do not know how you send them now, but the person who receives them in Montevideo ought to exercise some intelligence, and not despatch messages that are evidently out of date. If you gave a standing order that they are not to be sent if they come to hand a month after their date from Stanley, this would meet the case.

23. I seem to have omitted to tell you last mail, for the information of the sealing Captains, that we have had trouble with

some "primers" that were sent by Donahoe & Sons of Halifax for trans-shipment, but turned out to be prohibited explosives, and were not allowed to go on. It seemed at one time that they would be confiscated, and thrown overboard, but we managed to get leave to reship them to New York.

24. Fleming & Haxton write that Macmillan, who went out some time ago, has asked for his testimonials, which I find were sent to you with his agreement. We send out these testimonials for the satisfaction of the Camp Manager, but when they have been read they should be returned to the men concerned.

25. John Aldridge's son has exhausted the money with which he was provided, and has asked us to advance him about £20 to clear off some debts he has contracted. If his father had stated that he wished us to let him have more we should have been glad to do so, and no doubt on hearing the facts he will make a remittance; but I told the boy that without authority I could not give him money beyond £5 to enable him to get to Liverpool and meet small expenses.

26. Last mail I was able to send copy of correspondence with the Colonial Office about quarantine, which so far went in favour of the Governor. I am glad to say that my last letter has drawn an answer from the Board of Agriculture, which is by no means favourable to him, and copies of this and of the covering letter from the C.O. will be found enclosed. What they say now is, practically, that the question should be determined by the Veterinary Inspector on the spot, and it is amusing to find that while the C.O. at first commended the Governor for disregarding the opinion of that official, they now say that they have sent a copy of the correspondence to the Governor for his information and guidance, that is that having approved of his not having taken a certain course they now tell him to follow it. I have refrained from writing the C.O. further as to this "volte face", ~~and~~^{as} it seems to me that our object has been attained, and we had better let the Governor down quietly. You will of course show the correspondence to Mr. Robertson, and you might provide him with an account of all the instances of the arrival of foot-rot in the Colony from the Selembria to the

present time, if you have the statistics, showing that in every case the disease must have been of the non-contagious kind, arising from damp litter in the ship. If we get another lot from New Zealand I will ask for a certificate that they come from a district that is free from the disease.

27. Mrs. Bonner's Solicitor has put some questions about the account, which I am referring to you. There does not appear to have been a clear understanding as to when interest on the charge for boiling down commences, but the common sense view of the matter is that the payment should be considered due when the operation has been completed, and if not paid in cash bears interest from that date. There is no reason why we should wait for our money, or not be paid for it, especially as we get little or nothing out of the business. This seems to have been in your mind when you made the suggestion that the charge should be deducted from the proceeds in order to save interest, and even then we should be giving away five or six months' interest.

I am, Sir,

your obedient servant,

John Bull

Managing Director.

In 1900 the interest was not changed and in your memo of 1 Feb 23, '01 you asked the reason -
 replied May 27th that amount was that ^{charges} ~~cost~~ of boiling down
 should be deducted from proceeds of produce and as this
 was hardly possible, the charge should be made at once
 but without bearing interest

Follow up by *Victoria July 30th*
 01 - *Antisana in full*
 02 - *in full*

1 - you allow not paid until late for annual
01 - ^{the} had advantage
02 - ^{have this} we decided not to
if we have it again

Enclosures per Supplementary Mail via Lisbon.

Originals

Ledger & Journal Entries.

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Cargo per "Orissa"

List of Dutiable Goods per "Orissa"

General Invoice goods per "Orissa"

Bills & Co's. invoice goods per "Orissa"

Sight Draft on J. Kirwan for £ 36 . 0 . 6 with B/L attached

for collection

Copy of Dalgety's invoice Cooksfoot from New Zealand £275.1.8

Letters for the following

W. A. Warding, Esq.

A. L. Allan, Esq.

London 11th July, 1903.

Enclosures via Liverpool

Originals

Copy of Cablegram sent

Copies of Cablegrams received 22nd June & 2nd July.

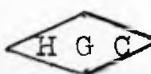
Lloyd's Register Certificate of Boiler Test

Sight Draft on J.D.Jacobs for £ 4 . 19 0 with B/L attached for collection

Copy of letter received from Anning & Cobb dated 24th June re Seal Skins.

Press copies Brokers' A/sales Company's Sheep Skins per Corcovado

Clients' A/sales :-

HB	5 bales	Sheep Skins	"Corcovado"
H & B 15	"	"	"
S I 1	"	"	"
F 2	"	"	"
 H G C	1 cask	"	"
S & S 2	bales	"	"
T R 3	"	"	"
 D H	4	"	"Victoria"
	17	"	"
W.Fell 5	"	"	"
D.S G 1	4	"	"Corcovado"
M V 3	"	"	"

Demand note on J.Kirwan for £ 5 . 0 . 0 for collection

Duplicate receipt for £ 1000 paid to Mrs Dean for B.Stickney

Clients' Reports :-

	131 bales	Wool	"Victoria"
 D H	119	"	"
 F B	93	"	"
W Fell	41	"	"
 B	34	"	"
Z	114	"	"
	70	"	"

Duplicate receipt for £ 5 . 0 . 0 money advanced B.Aldridge

E n c l o s u r e s

Duplicates

Despatch No. 965

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores & replies to Remarks

List of Enclosures

General Invoice of goods shipped per "Victoria"

Clients' reports & contracts:-

Club	16 bales	Sheep	Skins	ex	"Victoria"
W. Fell	5	,,	,,	,,	
S & S	2	,,	,,		Corcovado
H G C	1 cask		,,		,,
D H	4 bales		,,		Victoria
D S					
G I	2	,,	,,		Corcovado
T R	3	,,	,,		,,
M V	3	,,	,,		,,

B/L for Sundries for G. A. Cobb, Esq.

B/L for General Cargo per "Victoria"

List of Parcels

List of Dutiable Goods per "Victoria"

Clients' A/sales :-

J B	142 bales	Wool	ex	"Corcovado"
M V	10	,,	,,	,,
T R	113	,,	,,	,,
S	35	,,	,,	,,
D S	41	,,	,,	,,
L	4	,,	,,	,,
S & S	109	,,	,,	,,
H G C	38	,,	,,	,,

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

Limited.

REGISTERED 1902.

61, Gracechurch Street.

Per Supplementary mail.

No 967.

London, E.C. 11th July, 1903.

Sir,

Since writing via Liverpool on the 8th inst. I have received your despatch no. 229 and letter per Antisana, which arrived on the 9th inst.

2. Par. 3. It is satisfactory to find that the Governor is pleased about the Darwin Church; you have probably raised no objection to the building being registered for marriages.

3. I have asked the London & River Plate Bank to open a credit on account of the Fortuna for £1000.

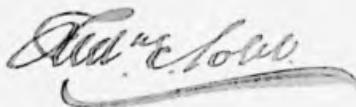
4. The P. S. N. Co. will send the cask of sealskins up. If Mrs. Hansen had mentioned the Fair Rosamond instead of the Fortuna I should have been able to claim it before.

5. More and more bills on Stanley residents are coming into our hands, and we shall make a uniform charge of 2½% for collecting them. When accompanied by documents you must be careful to secure the money before giving up the goods.

6. I should have mentioned that at the annual General Meeting the shareholders voted a sum of Fifty Guineas (£52.10/.) as a donation to the Tower fund, which you are authorized to pay to the Dean or to the Treasurer if there is one.

I am, Sir,

your obedient servant,



Managing Director.

W. A. Harding, Esq.,

Manager,

Stanley.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

Limited.

REGISTERED 1902.

61, Gracechurch Street.

Per Oropesa.

No 968.

London, E.C. 30th July, 1903.

Sir,

Your despatch no. 230 arrived on the 24th inst., and I reply in anticipation of the mail, as I am leaving for a holiday next week.

2. Par. 3. The Directors have discussed your remarks about the lathe, and agree that the objections to driving it by steam are insuperable. As the old one is out of truth, and more or less unfit for use, if there were no other objection it could be cast aside, and a shed built round the new one in the same place, the key to be in the Engineer's possession; but the disadvantage of having to raise steam for, perhaps, half an hour's work would be so great, that the Board have assented to the purchase of an oil engine, which will not want a driver, and will only consume just as much oil as may be required for the work. At Mr. Barringer's suggestion we shall send a Hornsby engine, which he says is better than all the rest, and as 1 h.p. will only be just sufficient to drive it, we shall get 1½ or more probably 2 h.p. This will be decided very shortly, in fact as soon as I have seen Buck & Hickman, and got their ideas. The engine will cost a good deal more than the lathe; but the Board recognize the necessity of having the latter, and think that while we are about it we had better provide one that will be of undoubted service, rather than send a 4 in. one to be driven by foot power, and once on the spot it and the engine, in the hands of one man, will serve for years. This will not lead, we hope, to further requisitions for machinery by the Engineer, on the plea that the engine is capable of driving more than the lathe, as we do not want to duplicate any of the appliances that the Blacksmith's shop has already. I do not

*Samson
Water cost
£32.50 in 1901
Lonsdale
Australia*

W. A. Harding, Esq.,

Manager,

Stanley.

know at the moment what view the Royal Insurance Co. take of oil engines; but I do not think that we pay any extra premium for North Arm shed, and you will, of course, take every precaution, and probably put the engine in a small lean-to, connecting it direct with the lathe, rather than run it from shafting, which would mean loss of power.

3. Par. 4. It is impossible to remember all enclosures to despatches written six years ago, but no doubt the information about passages is in the office.

4. Pars. 5 & 22. Mr. Barringer says that it was impossible to have the holes cut for the connections in the Great Britain's boiler as all there was to work from was a rough sketch not drawn to scale, and the difference of half an inch might have interfered with the erection. He also says that boilers are usually sent out for the holes to be drilled where required on the spot, and that the cost of doing this in England would not exceed £5. There will be no advantage in reopening the question with him, and you can take his answer for what it is worth.

5. Pars. 9 & 21. Very likely there has been a misunderstanding about Harris's report, but you must bear in mind that anything of the kind is likely to be submitted to Mr. Barringer for his consideration, as we have no technical knowledge of machinery here. We have no desire to undervalue Harris's services, but his remarks certainly did seem a little strong. With regard to the first train in the morning, remember that I knew that you were not going to start tallow boiling the following week, and my suggestion meant that possibly in the man of war season a ship staying in Stanley might be able to lend an artificer in time to get the tubing done before the season.

6. Par. 10. I think that in writing about a "time limit" you have misunderstood me. What I meant was that people should be told that you could only receive orders for remittance to England up to a certain time, say the day before the mail, the reason being that so many West Falklanders and others have evidently written to their friends here saying that money had been remitted, and the advice has only reached us the following mail,

proving that you had got it too late to include it in your statement.

7. Par.11. I saw Sir John Anderson last week, and had a friendly conversation about the Land Ordinance. He told me that they all recognized the fact that small farming could not pay, and that the Governor would not be allowed to treat the farmers unfairly even if he wished; but that he was so anxious to keep the power of declaring the reserves that they intended to keep the clause in. I told him that I never trusted Governors until they were getting to nearly the end of their time, as all new men were fired with the idea of doing something, and the fancy of establishing a kind of peasant proprietorship was so alluring that they all gave way to it. In fact they are like the man who says, "What! Not grow trees? What nonsense, if I were there I would grow them fast enough, you have only to &c. &c.", you know the kind of man, I have met him over and over again. As time is allowed for protests, I think of putting my ideas on paper in an unofficial way, and sending them to Sir John. I am inclined to think that the practical outcome of the whole thing will be that leases will be renewed at £25 per section; but do not say that I have said so.

8. Par.14. I think that we shall get enough orders to ship rams direct from New Zealand, and we could afford to pay a little more freight, as I understand that those shipped through Montevideo cost about £20 each to land. Perhaps we can ship some lumber for ourselves.

9. Par.14. I will ask Messrs. Langridge to make a note of your remarks about sailing ship cargoes.

10. Par.15. A detailed statement of commission on homeward freights shall be sent to you in future.

11. Par.16. The idea of having a hulk at Darwin and even at North Arm has always been an attractive one to me, but I never had one that I could spare. As the Sabino has been lying idle for years, what is there in the way of having her caulked and towed out?

Par.17.

12. I have forwarded your letter to the German Chancellor,

and have lost no time in writing to the Ambassador here. I enclose a copy of my letter and of his reply, and hope that the appointment will shortly be confirmed.

13. Par.18. It was most fortunate that an accident to the Niobe was averted by the prompt action of Captain Thomas.

14. Par.19. The Board are much pleased to hear of the success of the contract for repairing the Niobe, and hope that this practice, now initiated, will be continued. The difficulty always used to be that the men opened their mouths too wide, and would not be content with a contract that did not insure them double or treble wages. On explaining the matter to the Credit Lyonnais, they accepted the draft on account of the owners, so all has gone well.

15. Par.20. Your remarks about Mr. Packe's account are most satisfactory.

16. My visit to the Colonial Office was at Sir John Anderson's request, as he wished to come to a decision about the purchase of the Navy Point land. The Board discussed the question at length at this week's meeting, and decided that we should stand to our guns, and ask £1500. Our case is really a very strong one, much stronger than the Admiralty think, in all probability, and it seems hardly possible that an impartial umpire could restrict the award to what the Admiralty offer. We are a little nervous about losing the grazing, but the Directors decided at all risks not to give way. I enclose copy of my letter to the C.O. setting out our case.

17. Should anything of importance occur before the mail leaves Mr. Egles will write a supplementary despatch.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures pe r Supplementary Mail

Originals

Ledger & Journal Entries.

Remarks on Accounts.

Remarks on Stores

List of General Cargo per "Oropesa"

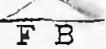
General Invoice goods per "Oropesa"

Eills & Co's invoice goods per "Oropesa"

Benetfink & Co's invoice

Sight Draft on J. Kirwan for £ 13 . 17 . 3 with B/L attached
for collection

Clients' A/sales as follows:-

J B	6	bales	Sheep	Skins	ex	"Antisana"
L	15	"	"	"	"	"Victoria"
	8	"	"	"	"	"Liguria"
	6	"	"	"	"	"Antisana"
AP	8	"	"	"	"	"
S	14	"	"	"	"	"
J R	1	"	"	"	"	"
	1	"	"	"	"	"

Invoice for H. & G. Cobb for Washing Machine shipped per "
Orissa"

Weston 's & Schweppes' invoice goods per "Oropesa"

Hill's price list of Tobaccos &c.

List of Dutiable Goods per "Oropesa"

Press copies Broker's A/sales Company's Skins & tallow per
"Anti sana"

Statement of Accounts, Baillon & Stickney & Stickney Brothers

London 8th August 1903

Enclosures via Liverpool

● Originals

Wool Reports

Bill of Lading Coals per "Oropesa"

Copy of Cablegram dated 13th July sent

Copy of Cablegram received 26th July

Copy of letter to the Colonial Office dated 29th July

Copy of letter to the German Ambassador dated 27th July & reply of 29th.

Clients' A/sales, reports & contracts :-

	HB	6 bales	Wool	ex	"Antisana"
	L				
Roy Cove	230	bales	"	"	"
	J B	47	"	"	"
		131	"	"	"
	D H	119	"	"	"Victoria"
		F B	93	"	"
	Z	114	"	"	"
		B	34	"	"
W Fell	41	"	"	"	"
Goodwin	1	"	"	"	"
		B	52	"	"Antisana"
AP	92	"	"	"	"
	S	107	"	"	"
E R	28	"	"	"	"
		70	"	"	"Victoria"
		146	"	"	"Liguria"
	J B	47	"	"	"Antisana"

Sundry press copies Brokers' A/sale Wool Reports contracts Tallow
Skins & ~~Waxes~~

Clients' Reports & contracts :-

		6 Salted Hides	ex	"Antisana"
	F B	11	"	"
	S	177	"	"
J B	37	casks	Tallow	ex "Antisana" (contract for 30)

Clients' Reports & contracts :-

J R	1	bale	Skins	ex	"Antisana"
	1	"	"		"Victoria"
AP	8	"	"		"Antisana"
S	14	"	"		"
	6	"	"		"
J B	6	"	"		"
L	15	"	"		"
	8	"	"		"

Press copies Broker's report & contracts of above skins.

Letters for the following :-

W. A. Harding, Esq.

A. L. Allan, Esq.

E. J. Mathews, Esq.

Vere Packe, Esq.

Three Grants Nos. 324, 217, 535 from Mr. Bertrand to be handed to
Mr. Hardy on receipt of payment.

London 5th August, 1903

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

Limited.

REGISTERED 1902.

61, Gracechurch Street.

Per Supplementary Mail.

No 969.

London, E.C. 4th September, 1903.

Sir,

I have to acknowledge the receipt of your despatch no. 231, which arrived on the 13th ult. I have only just returned to London, and there has been no Board meeting since the date of my last despatch, so I can do little more than acknowledge the mail received during my absence, leaving a more detailed reply until next month.

2. Par. 3. Your remarks on the quarantine question are noted, and you will no doubt supplement them on receiving the copy of the second letter from the Colonial Office.

3. Par. 5. With regard to the Ship Hotel I can only say that as the Board are not sending out a foreman carpenter for the present you will have to find another tenant, as I am sure that the Directors would object to a repetition of my mistake in letting Johnson have the house while he was foreman. It was done with the best intentions, but I am satisfied now that it was a mistake. As to Rowlands, the question is whether it would not be a mistaken kindness to give it to him. Knowing his propensity for drink, and the fine struggle that he has made against it, it would seem almost cruel to put temptation in his way. At one time while I was in the Islands he seldom went to sea sober, but that was before he came into our service.

4. Par. 6. If you think it desirable to give me some facts as to the balance constantly against the Government I can write to the C.O. about the interest to which we are entitled, for which you say there is no provision in the Estimates.

5. Par. 7. I will look up the question of landing cargo, but

W. A. Harding, Esq.,

Manager,

Stanley.

cannot possibly do it today. There was no question at the time, of course, of landing goods for other people, but it stands to reason that the jetties to which we acquired a right, which was only permissive before, were bought for the purpose of landing cargo for the Stores, for if that right was not included in the sale, what use would these jetties have been to us? We could, if necessary, make a mess of the whole thing and put everybody to great inconvenience by refusing any longer to land any cargo except our own, but this it would be a pity to do unless we were absolutely forced.

6. Par. 11. If I had had any reply as to supplying a new boiler for North Arm, which Tylers said was practicable, I would have sent it, but nothing throwing any light on the matter has been received. Although the boiler may be worn out we do not know that the engine and other working parts are not good for some years yet.

7. Par. 12. If in saying that the Smithy boiler will require retubing before long, you mean that we are to send tubes out, you must give us exact particulars, as it was bought through Rownsons about 14 years ago, and their papers of that date are destroyed. It was a second hand Davey Paxman boiler, and if the makers number is on it, probably they will know what to send. I assume that this will be the second set of tubes, as there was a spare set sent with the boiler I think, in fact the first can hardly have lasted so long.

8. Par. 13. We have heard unofficially from the C.O. that the Admiralty will not advance on their offer, and as the Board have declined to accept \$1000 I suppose that arbitration will have to take place.

9. Par. 14. If you would like me to see Sir John Anderson or write to the C.O. about the Canteen scandal, give me full details, but I do not wish to move if you are making a representation in the form of a Memorial. As Mr. Felton is here, I think that, as a Member of both Councils, and one not interested in any licensed house, he would be the best man to broach the subject.

10. Par. 17. The arrangement about the shearing is excellent, and will certainly please the Board.

11. Par. 13. Do you suggest that I should write to the Missionary Society about the additional freight you propose? I think that you had better, perhaps, write to the Keppel Superintendent about it, and then it will come here eventually through the Secretary, who will have been furnished with his views on the matter.

12. Par. 20. I think that the certificate that will be sent with the next rams from New Zealand that there is no contagious foot-rot in the district will enable the Inspector to give them pratique at once.

13. Par. 21. The Board will be pleased at the excellent despatch given to wool this season and the arrangements made for its collection. We shall now look with interest for the money results of the schooners' working, for it follows that, if the work has been done so much more quickly than usual, and there is still a loss on the working accounts, our rates will have to be raised.

14. Par. 25. Although I have not a copy of Atherton's agreement, and cannot speak with ^ecertainly, I think you are in error in saying that he became entitled to a passage home for his wife in July. This is a repetition of the old misconception about passages, that I have done my best to remove, apparently without effect, that is to say, the passages that are given are not by way of fee or reward for long service, but simply for the purpose of replacing in the place they came from those who, from the circumstances of the Colony, are unlikely to find work when they leave the service. Thus Managers, Clerks, Engineers, Schoolmasters, &c. have return passages given to them; shepherds and labourers not, for the simple reason that the latter have no fear of ^{not} getting work from others when they leave us. But the passage is only given to the man who has been in our service, and in no case is earned by the wife or family while he remains with us. When he leaves, his passage embraces the latter also, but not before. This is a matter in which it is important not to establish a precedent, for if families were ^{they} on the footing you apparently suggest ~~the wives and families~~ might be taking holidays home at our expense long before he leaves, and after all, in some cases, the men might stay in the Islands, and then the passages would not have been earned at all.

15. Par. 26. It seems likely that the Fortuna will have to go into one of the Docks, and on the whole it will probably be better. We have this morning received advice from Thomas of her arrival with loss of mainsail and staysail, and a request that new ones may be sent at once. I have wired Laphorns to say how soon they can be supplied, and they will be despatched to Montevideo by the first chance, but I should have thought that she would have spare ones on board, so that her stay in Montevideo need not be prolonged for want of them, if the work is done before they arrive. I shall send them to Morton, so that he can forward them if by any chance she has left.

16. Par. 27. The Colonial Office and Admiralty both decline to pay anything towards the coasting steamer, and the Post Office are likely to follow suit. I saw Messrs. Alcock and Ward at Liverpool yesterday morning, and was to have had a talk about the project, but I was bound to leave at 2 p.m. to get here today, and delay in starting the Orita prevented my seeing them again. If the thing falls through we shall at least be able to show that a steamer is an impossibility, and that ought to give us a freer hand should it be necessary to raise freights at any time.

17. Your cable "duplicate last shipment galvanized sheets is wanted immediately" arrived on the 24th ult. This probably refers to a lot that arrived about the 3th ult., and means that the order dated the 24th "Stanley" (July?) is to be altered into a duplicate of the first, not that you want three separate shipments. I was away when this arrived, but I agree with the interpretation that has been put on it in the office, and acted on.

18. I enclose a letter that was received here lately from the late Master of the Rhuddlan Castle, complaining in strong terms of his treatment at Stanley last year. It has not even been acknowledged, and is sent out for your report. There is probably no foundation for the allegations made.

19. Mr. Blake left yesterday per Orita for Buenos Ayres, and before his return to England hopes to visit Stanley and make a trip in the Camp.

I am, Sir,

your obedient servant,

John G. Solib

Managing Director.

Enclosures per Supplementary Mail via Lisbon.

Originals

Ledger & Journal Entries.

Remarks on Accounts.

Remarks on Stores

List of Dutiable Goods per "Orita"

Eills' invoice goods shipped per "Orita"

Particulars of Homeward freights.

Captain Robert's letter dated 19th August

List of General Cargo per "Orita"

Sight Draft £ 110 . 15 . 10 with B/L attached on J. Kerwin for collection.

Copy of Cablegram received from Captain Thomas from Montevideo dated 3rd. September.

Clients' Reports & contracts:-

R B C	1	bale	Sheep	Skins	ex	"Oropesa"
J D M	3	"	"	"	"	"
B B	1	"	"	"	"	"
S I	1	"	"	"	"	"
H W	3	"	"	"	"	"

Hindley's invoice for Bagging

ⁿ
General Invoice goods shipped per "Orita"

Letter for A.L.Allan, Esq.

London 5th September, 1903.

Enclosures via Liverpool.

DUPLICATES.

Despatch No. 968 dated 30th July, 03

Ledger & Journal Entries.

Remarks on Stores

Remarks on Accounts

List of Enclosures

List of Parcels

List of Dutiable goods per "Oropesa"

List of General Cargo per "Oropesa"

General Invoice goods per "Oropesa"

Pawsons & Leafs' invoice goods for Mrs. Stickney B/L attached.

Sight Draft on J. Kirwan for £ 13 . 17 . 3 B/L attached.

Invoice for goods shipped per "Oropesa for H. & G. Cobb

Clients' A/sales :-

	8 bales Sheep Skins ex "Liguria"		
F B	1 "	"	"Victoria" (& report & contract)
L	15 "	"	"
	6 "	"	"Antisana" (& report & contract)
J B	6 "	"	"
AP	8 "	"	" (& report & contract)
S	14 "	"	" ditto
J R	1 "	"	" ditto
L	230 "	Wool	" ditto
HB	6 "	"	" (contract only)
	70 "	"	"Victoria
	146 "	"	"Liguria"
D H	119 "	"	"Victoria" (report & contract)
	93 "	"	" ditto
	34 "	"	"
	52 "	"	"Antisana" (& report & contract)
Goodwin	1 "	"	"Victoria" ditto
S	107 "	"	"Antisana" ditto
W. Fell	41 "	"	"Victoria" ditto

AP	92	bales	Wool	ex	"Antisana"	(& report & contract)
J R	28	"	"	"	"	ditto
Z	114	"	"	"	"Victoria"	(contract only)
	131	"	"	"	"	ditto
J B	47	"	"	"	"Antisana"	(& report & contract)

Clients' Report & contracts:-

 F B 11 Salted Hides ex "Antisana"

 6 " " " "

S 177 " " " "

J B 30 casks Tallow ex "Antisana" (contract only)

Bill of Lading General Cargo per "Oropesa"

Bill of Lading Coals per "Oropesa"

Enclosures per "Orita" via Liverpool

Originals

August

Copy of Cablegrams sent of the 11th & 28th ~~xxxxxx~~

Copy of Cablegram received of 24th August

Copy of letter received from the Colonial Office dated 26th Aug.

Rev. H. Wimble's accounts for Mrs Benney

Clients' Reports:-

W E D	86	bales	Wool	ex	"Oropesa"
S I	54	"	"	"	"
H W	45	"	"	"	"
J M D	25	"	"	"	"
R B C	27	"	"	"	"
B B	13	"	"	"	"

Clients' A/sales & contracts &c.:-

 B	1	bag	Hair	ex	"Oravia"
HB	1	bale	"	"	"Antisana"
J B	1	"	"	"	"
S	177	Salted	Hides	"	"
	6	"	"	"	"
 F B	11	"	"	"	"
J B	30	caskd	Tallow	"	"
J B	7	"	"	"	"Oropesa"
H W	4	"	"	"	"
J B	7	"	"	"	"Antisana"
 H G C	9	"	"	"	"Oropesa" (contract only).

Press copies Broker's accounts Company's produce per sundry ships

Credit Notes for claim recovered on damaged Wool

Bertrand & Felton	£ 2 . 7 . 11
Vere Packe	13 . 10
Speedwell Island	1 . 5 . 3
Mrs T. Robson	1 . 9 . 9
Holmsted & Blake	2 . - . 5
Mrs Bonner	3 . 6 . 11

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

Limited.

REGISTERED 1902.

61, Gracechurch Street.

Per Panama.

No 970.

London, E.C. 30th September, 1903.

Sir,

My last despatch was dated the 4th inst., and I have now to acknowledge receipt of your despatches nos. 232 and 233, and letter per Fortuna of 22nd ult., which arrived on the 17th and 29th inst. respectively.

2. With regard to your despatch 231, the Board confirm my reply per Orita, and have nothing to add to it.

3. 232-2. The remark about the survey on the Samson's boiler that you do not understand meant to indicate that, as far as we could judge, you did not seem aware of the trouble that might ensue if the report was much delayed after the proper time for sending it in, unless you proved to Lloyd's Register that no Surveyor could be found. The survey you say is due annually in June, and takes at least two days. From the shipping returns it seems that the Magellan was in Stanley from the 19th of August, and the Sarmiento from the 13th to the 22nd October last year, and although it might not have been possible to get the Engineer of either to perform the survey there is no evidence of the fact. The Basilisk arrived on the 22nd of December, and was presumably some time in port; but it was not until the end of March, nine months after the survey ought to have been held, that the Cambrian's Engineer took it in hand. The trouble referred to is, of course, the possibility of Lloyd's Register expunging the boiler's character, which would then lead to questions as to her insurance in the event of anything going wrong. In future, to make us safe, you should not fail to report to the Secretary of the Register at frequent intervals after the survey has become due, explaining why the report, if it has not been made, is late; this will save the enquiries with which we have

W.A. Harding, Esq.,

Stanley.

been so often troubled this year. From your remarks when the report was sent it seemed that while the questions put by Lloyd's might be answered in two or three days, Mr. Bath made a more exhaustive examination which took a good deal longer. An examination bearing on the life and efficiency of the boiler and engines cannot be too searching, and you were told that when this could be carried out at a time coincident with Lloyd's date it should be, at any cost. This covers engines as well as boiler, and Lloyd's survey is understood, though I may be wrong, to be on the latter only. We know, of course, that you were in England last year, but supposed that you would have left instructions about this survey with Mr. Girling.

4. Par. 4. You will have to keep your eye on the Petaluga account, and if at any time you think that we might safely make an advance you must report it; but you will bear in mind that the Board do not like the idea of second mortgages, and there is a large sum still due to Mrs. Dean.

5. Par. 7. What is the quantity of coal we can still call upon the Admiralty to take? You speak elsewhere of getting steam coal from Montevideo by the Fortuna; but if we are running at all short would it not be better to cry quits with them, rather than have to import small quantities shortly for our own use?

6. Par. 8. You will have to weigh the question well before complying with Mr. Gorton's wish to open a store at night. It seems to be playing it a bit low down, and you are probably right in thinking that we should not make much out of it.

7. Par. 11. Sir John Anderson told me last week that the proposed sealskin duty was being brought forward to protect Mrs. Hansen. I told him that it was ridiculous, as the sealers would fish outside the limit as before, but would take their catches to Sandy Point, and ship them probably in foreign boats. I asked him if this was a specimen of the preferential treatment of British and Colonial interests that we hear about so much just now, and mentioned what you said about the business the sealers brought into the place. He replied that if brother Canadian poached the Falkland skins, he could not expect brotherly treatment.

8. Par. 15. If Mr. Robertson writes again about the interest on boiling down I shall tell him that by an oversight the charge was not made in 1900 and 1901, but that if the accounts are reopened this error will have to be adjusted. The suggestion that the date on which interest is to commence depends on the date of the tallow sale is based, I assume, on your undertaking to deduct it from the proceeds; otherwise we have absolutely nothing to do with any date but that of the service rendered, which we have a right to consider a cash transaction, and as we make very little out of it you had better in future give credit only to the end of the quarter during which the boiling down took place, and then charge interest.

9. ~~8~~. Par. 16. We never know about bills for collection until they come in, and have more than once told those handing them in that they are too late.

10. 2. Par. 18 & 19. I have looked up correspondence about the purchase of the Jetties, and send copies of the principal letters, also extract from the Crown Grant. At the time they were bought neither the Deans nor the Company had ever landed their goods at any but their own jetties, and although it is not expressed in so many words the right conferred on us for £1000 was that of doing so, for if after taking our money the Government had at once objected to our using the jetties for the purpose for which they ~~were~~ were built, it would have been nothing short of obtaining money under false pretences, and the same remark applies to any later attempt of the same kind to render them useless. When it comes to landing the goods of others, we are not on such sure ground; but I think that I have already suggested that we might charge a differential tariff for landing, thus x shillings per ton at our own, and an additional shilling at any other. Our conveniences are so much better than those of the Government that to object to our using them can only belong to the policy of pin-pricks in which the Governor indulges so much. Langridges charge on all goods whether a single package or many tons "Customs clearance and agency 1/6d", and suggest "Landing and wharfage 1/." for any small package. Dock rent in London averages 10d. per ton per week, but varies according

to class of goods. Messrs. Langridge say that you might institute a minimum charge for rent of small packages if necessary.

11. Par. 20. The Board are not disposed to part with any of their land round Stanley, and in the case of Martin there would not seem to be reason for departing from this for the benefit of a person who wishes to take up a competitive business, however small it may be.

12. Par. 21. Mr. Alcock has been here today, about the mail service. He says that of course there is nothing in it, in fact it is a losing game, but he is instructing you to tender on certain terms, which will not, I think, meet with the approval of the Governor. I told him that I did not believe that the service round the Islands could be carried out in conjunction with the monthly visit to Sandy Point, and that my idea was that a smaller boat trading round the Islands would be far more useful. I mentioned to Sir J. Anderson what you had told me about Braun & Blanchard, and said that it was another instance of the encouragement given to foreigners by the Colonial Government. I was rather surprised to find that he agreed with me that a mail each way once a month was sufficient for the business of the place, and that more mail days would be a nuisance. I suppose that the Governor wants to get a fortnightly letter from his wife, but that is not a sufficient reason for adding to the already huge amount spent on mails in proportion to the population. Braun & Blanchard have their eye to other business, and will not only peddle stores round the Islands, smuggling probably, but poach on our wool preserves, and endeavour to take away cargo to feed the Hamburg South American line at Sandy Point, foreigners again. I suggested that if the contract went to B. & B. the Pacific should reduce their ocean rates to the level of those between Sandy Point and London, so that any opposition might be crushed by enabling us to quote lower through rates than could possibly pay the foreigners, and in any case that you should have a free hand to protect their interests. I also suggested that this lower rate might be inapplicable to wool brought to Stanley by the Chilians; but in this you should be left to act as you may think advisable, as it might have the effect of driving cargo across

to the Straits. Should the contract go to B. & B. you will of course continue to run all the schooners as before, and give them no cargo whatever, as they must be thwarted in every possible way. Even if the P. S. N. take it up, you will bear in mind that the deviation to Sandy Point is outside our original proposal, which was made to secure a more prompt collection of produce than has been possible by sail, and if, as we expect, this extra mail service stands in the way of rapid collection, our schooners, as far as may be necessary, must still help to hurry the wool forward. I told Mr. Alcock that I wished he would get a smaller steamer than the one proposed, and try what could be done by confining its operations to the Islands. I warned him of many difficulties that would stand in their way, such as weather, unsuitability of many of the harbours they may be forced into, labour difficulties, bad jetties, want of lighters at most ports, &c., &c. He said that it would be a sine qua non that you and no other should have the direction and control of the steamer, and as the Governor wants to be the business manager of the Islands in addition to his official duties, a dead lock at the outset seems likely to occur.

13. Par. 22. It is not a fact that the P. S. N. deduct pilotage dues from the amount on which we get commission, which is earned on the net amount of freight after taking off rebates for local freights and hulk charges.

14. Par. 25. Mr. Carpenter asked us to send out the goods for Port Stephens, and we agreed in consideration of our connexion with Mr. Dean; but on learning that it would be a favour he withdrew the order, and we heard afterwards that it had gone to Spearing & Waldron. We have nothing to do with this here, and we should not be much distressed to hear that Mr. Carpenter's management of the business had led to expense, as we ought to have a larger share of it than he is inclined to give us.

15. Par. 27. The Butchery business is not what it was, but we cannot agree with your remark that we are not keen on maintaining it, as it enables us even now to dispose of the mutton of some 2000 sheep per annum, and although owing to various causes both the number available and the quality of the sheep are not what we should like to see, this state of affairs must only be temporary,

and before very long we shall be glad to turn as many wethers as we can into cash. This will be the case especially if Mr. Packe gives up killing, and it is not surprising to hear that it would be worth his while to go on if we gave up, for if either got the other's customers a substantial business would be the result. I saw Sir J. Anderson after our last meeting, by desire of the Board, to tell him that although we still adhered to our opinion that the price offered was absurdly inadequate, we would consent, in preference to going into arbitration, to take the £1000 offered, provided the Admiralty would grant us grazing rights at £15 per annum for 21 years, instead of the 7 they offered. He said that he thought they would raise no objection, and he would put it before them; the reason why they were so stiff was that they had already got the £1000 from the Treasury, and would not unless forced ask ~~ask~~ for more, which you, knowing something of Government ways, will understand. This possible abandonment of Mr. Packe's Butchery business leads to the suggestion that he might be induced to lease us his enclosure at Port Harriet, or sell it if it belongs to him, as it would be comparatively useless to him when no longer wanted for keeping sheep. We do not want to give him more than a fair price, but for your own consideration I may suggest that if we could show that not having had any land offered us in or near Stanley equal for our purposes to that in Navy Point of which we are forcibly dispossessed, should negotiations with the Admiralty fall through we should clearly have the right of adding to our claim for the value of the land the cost of providing ourselves with another paddock in place of it.

16. Par. 28. The Board have considered your remarks on New Island, and although the business is an extremely small one, and the place can hardly be worked on the same terms as to freight as those nearer Stanley, they are willing to leave the matter of taking up Nilsson's mortgage at 6%, provided the lease is renewed; but until this has taken place no step in this direction can be sanctioned. As you say that the debt of £900 can be cancelled by the payment of £700, the Board think that the mortgage should be for the higher amount, so as to cover any further advances which, owing

to a possible fall in the wool market may not be fully secured.

You will observe that this advance, which should cover the goodwill of the lease together with all property and live stock, will be an absolute first charge, and is on a different footing from that asked for by Petaluga.

17. Par. 30. A letter arrived a few days ago from Captain Thomas, which is disappointingly meagre in its information, as he simply states that they lost the mainsail going up, and that the staysail was badly worn. He does not say how the mainsail was lost, or that anything occurred in the shape of cutting it away that would constitute a claim on the Underwriters, nor does he mention anything about a protest. To prevent delay I ordered the sails, and they left by Hippomenes on the 19th inst., the P. S. N. Co. Victoria; being unable to take them in the ~~Panama~~ they might possibly have gone a week earlier by Royal mail, but the mainsail was ordered with 10 ft. less hoist than the former ones, and Ratseys delayed starting it until they heard from me that there was no mistake about the dimensions given. Captain Thomas adds the disquieting intelligence that they would be in Montevideo the best part of six weeks, which without explanation is unintelligible; the work to the bottom, which is all that should have been done, would have been completed in England in three or four days, and how it is possible that the time can be spun out to such an extent remains to be explained. I do not like ordering such things as sails without getting the request from you direct, but there was no help for it in this case; it seems odd, however, that if the staysail was as bad as represented its condition was not pointed out to you before the Fortuna left. I also think that if the second mainsail was not on board, which it should have been, they might have cabled to you for it via Coronel, and it could then have gone up in the California. If they have gone in for a lot of repairs above the water line that ought to have been done in Stanley, it will be very annoying.

18. Par. 31 and 233-1. I hope that the Thirlmere business will be carried out when the materials arrive so as not to lead to any unpleasantness with our friends W. Lowden & Co. I saw both partners in Liverpool, and not a word was said by them about condemnation.

18. In reply to your question in 231-15 as to our liability for damage in case of collision caused by one of our vessels in harbour, the onus would rest on us of proving that the vessel or hulk had been properly moored under direction of the Harbour Master or his deputy in the case of the latter, and that the moorings had been periodically inspected and ascertained to be in good order. In that case it would be a case of "force majeure" occasioned by the violence of the weather, for which we could not be held responsible; but to put you in a position to meet any claim of the kind, a periodical inspection of the ^{moorings} ~~moorings~~ should be made by our Marine Superintendent, who should satisfy himself that the chains are clear, and the swivels in working order, and he should record the facts and the dates in his diary, and report to you at the time.

19. I was rather surprised last week to hear from Ince Colt & Ince that our Solicitor in Boston who has charge of the "Enola C." case, Mr. Everett, was in town, and had high hopes of bringing it off in our favour. I went round to see him, and found that the accountant, to whom the papers had been referred by both parties, had decided in our favour on all points, and that if there is no appeal, which Mr. Everett does not expect to be made, judgment in our favour may be shortly expected, and we may have our money before Christmas. It seems almost too good to be true.

20. I said a few words to Sir John Anderson about the Land Ordinance, and was glad to learn that Mr. Felton's idea that the Government could, under the acquisition of Land Ordinance, proclaim any part of a freehold to be Government land, and then deal with it as Crown land under the new Ordinance, was a maresnest; I thought so when Mr. Felton promulgated the notion, and told him so, but he has the Ordinance on the brain, and thinks that there is no meanness or duplicity of which the Governor may not be guilty. Mr. Fisle, the legal adviser of the office, was present, and said that the acquisition provided for by the first Ordinance was strictly for Government purposes, and that the suggested proceeding would be spoliation, which I was glad to hear. I pressed on them the desirability of interpolating the word "Crown" before lands in the 6th clause, as it could do no harm to the Government, and would render

the meaning clearer. They did not express any objection, and I hope that it will be carried out. I pointed out that tenants would be unlikely to buy their freeholds, if they thought that they could be despoiled in the way suggested. I had a long but friendly argument with Sir John in defence of the rights of the tenants to consideration, and expressed my fear that the Governor still hankered after the small holdings idea, which I thought had been sufficiently proved to be impracticable on such poor land, however well it may succeed in New Zealand. He stood up for the absolute right of the Government to do what they pleased with their own, but assured me that no unfair dealing was contemplated by the Governor, and that if it were it would be disallowed by the C.O. With that I had to be content at the time, but I wrote to him when I got home, and received an answer, to which I sent a rejoinder. Copies of these letters are enclosed, but you will observe that they are not official. I am inclined to think that I moved him a little, but time will show. Next day Mr. Felton gave him two hours of it, and I think that Sir John has had his fill of the Land bill for the present.

21. Mr. Gorton and his wife go out this mail. He asked permission to have a shed for goods erected at the head of the East Jetty, but was told that it was a detail that must be left in your hands. He then said that he had been commissioned by you to mention it, which may have been so, but I should have thought that you would have written about it. Of course the Board would not stand in the way of your having sufficient accommodation for storing goods, but considering that the amount of shed room and other storage belonging to the two firms now amalgamated still exists and has been added to by taking in the disused carpenter's shop at the west end, and that the total stock is not, or should not be, equal in bulk to that of the two separate establishments, it would seem, in the absence of evidence to the contrary, that it is a matter of stowage which ought not to present insuperable difficulties.

22. Wool is up again, and prices obtained at the sales just over are most satisfactory. Most of the accounts that looked so bad a short time ago are now fairly covered, and if prices keep up

an era of prosperity would ^{seem to} have dawned. The Directors, however, think this a fitting time to say that however well things may look at present, it will not do to forget the lesson of the last few years, and that we must not run the risk of getting our accounts into the state they showed before the rise took place. That is to say, a strict watch must be kept over them, and advances that may be asked for in excess of the probable realization of each client's produce must be discouraged. It is an example of the unfairness shown by the Governor to the farming interest, that although long after the fall took place he grudgingly admitted that business was not as bright as it had been, he seems already to have anticipated the improvement, as Sir John Anderson told me that he understood that prices had been excellent and the farmers prosperous for the last two years! This must have come from the Governor, and we shall soon hear the tales about millionaires revived, accompanied by some new and grossly unfair taxation.

23. Mr. Doxat has arranged with the Shaw Savill Co. for the Waiwera to call at Stanley with the rams orderd, and has succeeded in getting the freight reduced to 50/., while the insurance is done this time at four guineas. Owing to the necessary delay in getting all orders collected the transaction has been carried out mainly by cable, but I think that everything has been done that has been possible to ensure the success of the venture. Copies of all correspondence and cablegrams are sent enclosed; they will be interesting and necessary both to you and Mr. Allan, so you will please after perusal let him have them, or send him copies. We were concerned to hear a few days ago that the sailing of the Waiwera had been advanced a fortnight, which would not have given Mr. Doxat's first letter by mail time to arrive; however, this has, as you will see, been put right. In that letter information as to the breed of Mr. Packe's lot could not be given, as you had simply stated "rams", and there were four or five different kinds that might have been sent, and again, Mr. Bonner had declared for flock rams, which has since been altered to studs, while Mr. Felton's order had not been obtained. This is all put right now, and if the different lots are separately stowed there ought to be no confusion on landing, or any picking to be done. In addition to the rams we have bought 60

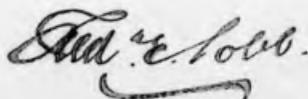
or more two tooth Romney ewes from the Levels estate, all no doubt that they could ship at this time, as the bulk would have lambs following them. The nine purchasers of these rams will be found stated in Dalgety & Co.'s letter of 11th inst. We shall invoice them in due course from here, and any losses on the voyage will be recovered when you have sent particulars, and the amounts credited out. Mr. Bonner thought that we were contracting to deliver them at a fixed price, and I had to explain to him that we were buying them for our friends on the best terms obtainable and with the best advice to be procured for us through the kind intervention of Messrs. Dalgety. As regards preparation for landing, I hope that you and Mr. Packe will have succeeded in getting the Governor to make better arrangements than last time as to paddock accommodation; I suppose that even he will see that ewes and rams ought not to be put into the same paddock, and I would suggest that our paddock at the back of the Store could be rendered sufficiently sheep-proof without going to the expense of netting as suggested for the Dairy paddock. As the sheep will come with a certificate of health, and I hope with one as to the non-existence in any of the districts of contagious foot-rot, the period of quarantine ought not to be longer than may be necessary to ensure individual inspection.

24. The oil engine and lathe go by this boat, and I hope will be found satisfactory. The whole fit-out is somewhat expensive, but if it leads to good work being done the cost will not have been thrown away. The order for oil for North Arm has been increased to allow of some for Stanley use, the engine having been specially constructed for "Foyal Daylight".

25. I am sorry that, owing partly to interruptions, but principally the number of subjects that have had to be written about at length, this despatch was not completed in time for Liverpool, and will go by Supplementary mail.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures per Mail via Liverpool

Duplicates

Despatch No. 939
 Ledger & Journal Entries.
 Remarks on Accounts
 List of Enclosures
 List of General Cargo per "Orita"
 Dutiable Goods per "Orita"
 General Invoices goods per "Orita"

Clients' A/sales:-

	S	177	Salted Hides	ex	"Antisana"
		11	"	"	"
		3	"	"	"
	J B	30	casks tallow	ex	"
& contracts	J B	1	bale Hair		"
	H B	1	"	ex	"Sorata"
	H	1	bag	"	"Oravia"
	J B	7	casks Tallow		"Antisana"
Reports & contracts	J B	7	"	"	"Oropesa"
	H W	4	"	"	"
Report		9	"	"	"
Contract only					

Remarks on Stores

List of Parcels

Sight Draft on J. Kirwan for £ 110.15.10 with B/L attached for collection
 B/L General Cargo per "Orita"

Credit notes for Sea-damaged Wool :-

Vere Packe	13/10
Bertrand & Felton	2 . 7 . 11
T. Robson	1 . 9 . 9
Speedwell Isd. A/c	1 . 5 . 3
Mrs Bonner	2 . 6 . 1
Holmsted & Blake	2 . - . 5

Enclosures per "Panama" via Liverpool

Originals

Wool Reports.

Copy of Cablegram sent

Copy of Cablegram received

Corrected General Invoice goods per "Orita"

General invoice sails for "Fortuna" per "Hippomenes"

Copy of letters from Eills & Co. of the 17th & 19th September.

Copy of letter to Sir John Anderson of the 23rd. and his reply of
24th September.

Copy of letter to Spearing & Waldron of the 16th & their reply of
17th September.

Ratsey's invoice for Fortuna's sails

Copy of letter from Ogg Brothers of the 18th and our reply of the
21st September.

Clients' Reports, Contracts & A/sales:-

	4	130 bales Wool ex "Orellana"		
		18	"	"
	W E D	85	"	"
	K	36	"	"
	W P	37	"	" "Oröpesa"
	S I	54	"	"
	R B C	27	"	"
	H W	45	"	"
	W E D	86	"	"
	B B	13	"	"
	J D M	24	"	"
				
	P H	102	"	" "Emilie"
<u>only A/sale</u>		9 casks Tallow ex "Oropesa"		
	W P	12	"	" "Orellana"
	L	45	"	"
	S I	1 bale Sheep Skins ex "Oropesa"		
	H W	3	"	"
	R B C	1	"	"
	J D M	2	"	"
	B B	1	"	"

Copy of Brokers' A/sale Company's Wool & Hides per "Oropesa"

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

Limited.

REGISTERED 1902.

61, Gracechurch Street.

Per Oruba.

No 971.

London, E.C. 28th October, 1903.

Sir,

I confirm my last despatch of 30th ult., and have to acknowledge receipt of yours, no. 234, per California, which arrived on the 13th inst. Your letter of 16th ult. is also to hand.

2. 234-2. We will insure the Engineer's shop as well as the contents.

3. Par. 3. On the subject of the boiler on the Great Britain, it occurs to me to ask if there is now sufficient storage of fresh water on board to work it, without taking salt water from alongside.

4. Par. 8. It is a great pity that the deck of the Sabino was not properly repaired when she was bought. Your idea of covering her with an iron roof seems good, and I should think that she would be of more service at North Arm than Darwin, as if moored outside and loaded with wool when the weather is suitable, either a steamer or schooner will get better despatch than if it is boated off when she is there.

5. Par. 10. We have now an offer of a 21 years' lease of the land on the other side, which the Board will accept. We have agreed also to accept the £1000 offered, and the rent is to be £15 per annum. The transaction has not been closed yet.

6. Par. 12. There is no more to be said at present about the coasting steamer, as in the letter from the P.S.N. to yourself of the 3rd inst. you will have seen that they are determined to keep all others out, and at the same time not to be bound by the Governor's terms. I am glad to hear from them that they entirely disapprove of the idea of stopping some of the callings of the

W. A. Harding, Esq.,

Manager,

Stanley.

large boats, as the service via Sandy Point cannot be as rapid or as regular. As far as business is concerned it suits us well enough on this side to have the mail once a month, and it is probably the case with you also. Some say that fortnightly mails will mean half the work each time, but I doubt it. Is there such a strong desire on the part of the general public for this service as to warrant the extra expenditure, seeing that the mails already cost the Colony quite 30/. per head annually? When I proposed the coaster in the first instance it never occurred to me that this run to Sandy Point would be tacked on. When you speak of £5000 being now paid, is it not a fact that the Colony only pays half, the C.P.O. finding the rest?

7. Par. 13. I have had a man from Bass's here to talk about the beer. I read him a portion of your remarks, and asked him if we could not divide the shipments as others seem to do. He replied that it could very well be done up to April, but that after that he did not think they would care to ship. I pass this on to you, and shall be glad to know if you can give any instances of Bass's beer having arrived at a later date. He said that the brewing for export was only done in the cold weather, and ceased in April; summer brewing is for home consumption. He said that beer if stowed in a temperature of much less than 50 deg. was sure to get dead, and he suggested that it might revive it if you had the contents stirred up by rolling the casks about. The fact is that our order, even if for 200 or 250 hhds., is a comparatively small one, and it is convenient to them to brew it all together, and have done with it. This is all right no doubt, but from what stock do they take the small lots that Williams and the Canteen import? If you will give me further information, I will not let the matter drop. I suppose it would not do to try Allsopp's? When the time arrives for the next shipment I will try to get a reduced freight. By the bye, you say that the Canteen imports Younger's beer; how is this? When we asked them to supply us they told us that they only shipped to Williams.

8. Par. 14. I enclose a statement of freights as requested.

9. Par. 15. I have done what I could to help the opposition.

to the seal skin tax by writing to C.M. Lampson & Co., who are moving the Canadian authorities to protest to the C.O. against the confirmation of the Ordinance. I also wrote privately to Sir John Anderson on the subject, and do not see that I can do any more.

16. Par. 22. Mrs. Hansen's application for rams came too late, as the Waiwera sailed for Stanley on the 10th inst.

17. Par. 24. Your correspondence about landing the Admiralty coal is approved, and the Board will be interested to learn how the cost of discharging works out, as if the coal has to be stacked the operation of getting it ashore and into the sheds will not be done for a trifle.

18. Par. 25. If in good order, the price asked for the engine and boiler from Port Howard seems moderate.

19. Par. 26. It is not yet decided whether we shall send a sailing ship this year. It may be to our advantage to ship by a cargo steamer, if we can arrange a moderate freight on a steam launch.

20. Par. 27. The Directors have carefully considered your remarks on the Sissie, and have come to the conclusion that after a service of 20 years in Stanley, she must be fairly played out, and that a new boat must be obtained. I have therefore been commissioned to look round, and I have already seen two, and have the particulars of many more. As a boat of the size required, 45 to 50 ft. long, only draws a few feet of water, there does not seem to be an insuperable objection to a hull of iron or steel, of which all the best boats are built now. There ought to be no difficulty in getting her up on a level beach whenever it may be necessary to clean and coat the bottom, and the strength of such a boat would be much in her favour. A boat I saw at Southampton on Monday was very suitable as regards size and machinery, but I took her to be a very poor sea boat, as she took a lot of water on board in a very moderate seaway near the entrance of the river, and I should not have liked to be in Port William with her. Her cabin and deck arrangements would also require a lot of alteration. Of those of which I have specifications, the most like-

1896
Sissie
48' 2" x 7' 8" x 4"

ly one is a new steel boat at Plymouth, 50 ft. length, $10\frac{1}{2}$ beam, and $5\frac{1}{2}$ depth of hold, compound s/c engines, cylinders 7 & 14 in. and 12 in. stroke, boiler new, engines second hand, but probably equal to new. The boiler is steel and working pressure 125 lbs. If she is not too heavy for a steamer's deck, I think that we cannot get nearer what we want than this. She is decked over, and has cabins forward and aft, so is well adapted for carrying passengers to the mail boats. When we have found a boat she will be shipped with the least possible delay. It does not seem entirely satisfactory that the Sissie's boiler, which was only built in 1894, should be so completely played out. I know that owing to Noble's folly it was never suitable for the boat, but still its life was very short. Unfortunately I did not have the repairs tested by Mr. Barringer, so cannot say that blame should be attached to Bellamy's, who repaired her, and it would be useless to complain to them on your report. Are you quite satisfied that Kelway, who drives her I suppose, is as careful as he should be? With high pressure engines it has probably been necessary to use a good deal of salt water, but has he looked after it sufficiently? With surface condensing engines no salt water need be used at all; the launch we saw at Southampton had been running for two years without a drop of salt water having been allowed to enter the boiler.

21. I shall be glad if you will let us have by the first mail after Jan. 1st an approximate statement of the Weddell account, with, if possible, an estimate of the weight of wool for next season. Owing to the restricted drawings both in the Islands and here, and the improved price of wool, this account has recovered itself wonderfully. Mrs. Williams is anxious to learn as soon as possible if we can let her draw any more than the \$200 we have allowed her for the last two years. Having a large mortgage ahead of the current account, we ought to expect the place to keep a fair sum in hand to meet disbursements, and not treat the December balance as the amount to be worked off by produce, and then pay over the rest. But if the local expenses are still restricted to the sum fixed some time ago, I see no

reason why Mrs. Williams should not have a very fair amount to draw.

22. The Remarks on Stores stated to have been forwarded in the despatch under reply were not found enclosed.

23. The P. S. N. boats are now regularly reported by cable from Sandy Point, and it is time that we availed ourselves of this mode of telegraphing. You can do it easily by sending to someone over there, and we should get quick replies to cables via Montevideo; but for outward ones please enquire what steps should be taken to register the address "Fleetwing, Punta Arenas", and see if you can have the messages sent across by the receiving office unopened.

24. I wish you to get Mr. Allan to mention to a son of old Ewan Morrison who is in the Camp, that his mother is very poorly off, and in need of assistance. Morrison died some time ago, and I learn that the sons here do not give their mother the help they should.

25. The wool sales next year are fixed to begin on the 19th January, 8th March, 3rd May, 5th July, 20th September, and 22nd November. This will be useful to you in arranging shipments.

26. I regret to inform you of the death of Mr. J. M. Dean, which took place on the 17th inst. At the request of Mr. John Dean we cabled you the news, as he was anxious that Mrs. G. M. Dean should know as soon as possible. Mr. Dean resigned his seat on the Board before the last General Meeting, and during the last two months has been failing rapidly.

27. Messrs. Bergl & Co. enquired lately whether we could supply live sheep after shearing, and at what price. This I declined to answer without information from you, and they asked me to cable. Probably Mr. Allan will not be anxious to run the flocks down after last year's losses, especially as wool is so promising.

28. It is doubtful if the news of the sailing of the Waiwera would reach you before the vessel, if Messrs. Shaw Savill are right in expecting her to run across in a fortnight. The message sent you was: - "Waiwera Wellington obsessa. John Markham
"Dean Derobor obstination impiastro sentaremos obtainable "sex-

"tett pechabais". I need not have quoted it, as a copy is enclosed, but I desire to call your attention to my having mutilated the word "obstination", in order to bring it down to the prescribed ten letters.

29. Referring to par. 23, I should have mentioned that the cables to Sandy Point are 4/2d. per word against 5/9d. via Coronel.

30. Captain Thomas appears not to have thought it necessary to keep us posted as to the proceedings of the Fortuna, as the only letters he has written were dated the 5th ult. and the 3rd inst. He should have written weekly, and reported all occurrences of interest. By this last letter he reports that the schooner came out of dock on the 3rd inst., having gone in on the 10th of September, that is to say, 24 days. He refers to fixing a new main post to the rudder, which is the first we have heard of it, and he adds that the decks would be finished by the time the sails arrived, probably another 10 or 12 days. Again, this is the first we have heard of deck work, having previously understood from you that nothing was to be done above the water line. Whether the caulking and coppering were done by contract or day work, and whether he means that the decks were to be caulked, and if so on what terms, we have no means of knowing; but from all appearances we shall have a pretty bill to pay. As all arrangements were left to Mr. Morton it is to be hoped that Thomas has not been lining his own pocket with commissions; perhaps you may find out something on this point. Anyhow, you should let him know that like all owners we expected to be fully advised on all points, and are disappointed not to have heard from him oftener.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures per Supplementary Mail via Lisbon.

Originals

Ledger & Journal Entries.

Remarks on Accounts

Remarks on Stores

List of General Cargo per "Oruba"

General Invoice " "

Eills & Co's. invoice

Sight Draft on J. Kirwan for £ 36 . 18 . 8 for collection
B/L attached.

Austin's credit note for 1 bar Steel short shipped per Orissa

Particulars of homeward freight per "Orellana" & "Panama"

The Eagle Range Co's invoice for Stove shipped for Bonner

Letters for the following:-

A. L. Allan, Esq. (2)

W. A. Harding, Esq. (2)

London 31st October, 1903.

Enclosures via Liverpool

Duplicates

Despatch No. 970 dated 30th September.

Ledger & Journal Entries.

List of General Cargo per "Panama"

Remarks on Accounts

List of Dutiable Goods per "Panama"

Second of Exchange for £ 12 . 0 . 4 on J. Kirwan.

Remarks on Stores

Replies to Remarks on Stores

Particulars on Homeward freights per "Oropesa"

List of Parcels

List of Enclosures

General Invoice goods per "Panama"

Copy of letter to Sir John Anderson dated 23rd. September.

& his reply of 24th inst.

Correspondance about land &c. &c. 1885

Clients' A/sales:-

	H W	45	bales	Wool	ex "Oropesa"
	BB	24	"	"	"
	J D M	24	"	"	"
	S I	54	"	"	"
	W E D	86	"	"	"
	R B C	27	"	"	"
	Z	130	"	"	ex "Orellana"
	W E D	85	"	"	"
	K	36	"	"	"
	W P	37	"	"	"
		PH	102	"	ex "Emilie"
		H	18	"	"Orellana"
	W P	12	casks	Tallow	ex "Orellana"
	L	45	"	"	"
	B B	1	bale	Sheep Skins	ex "Oropesa"
	J D M	2	"	"	"
	R B C	1	"	"	"

S I 1 bale Sheep Skins ex "Oropesa"

H W 3 " " "

H G C 9 casks Tallow ex Oropesa"

Clients Reports & contracts

report only → D S "Emilie.
G I 13 casks Tallow ex "Orrellana"

W.E.D. 27 Salted Hides "Orrellana"

4 74

D S " " "
G I 20 bales Wool ex "Panama"

F 54 " " "

4 126 " " "

A P 105 " " "

Bill of Lading General Cargo per "Panama"

"Panama" ex "Orrellana" 13 casks Tallow ex "Oropesa"

" " " 27 Salted Hides

" " " 20 bales Wool ex "Panama"

" " " 54 " " "

" " " 126 " " "

" " " 105 " " "

"Panama" ex "Orrellana" 13 casks Tallow ex "Oropesa"

" " " 27 Salted Hides

" " " 20 bales Wool ex "Panama"

" " " 54 " " "

"Panama" ex "Orrellana" 13 casks Tallow ex "Oropesa"

" " " 27 Salted Hides

"Panama" ex "Orrellana" 13 casks Tallow ex "Oropesa"

" " " 27 Salted Hides

"Panama" ex "Orrellana" 13 casks Tallow ex "Oropesa"

" " " 27 Salted Hides

" " " 27 Salted Hides

Enclosures via Liverpool.

Originals

Copy of Cablegram sent on 23rd instant

Copy of letter to W. B. Waldron, Esq. dated 19th October.

Clients' A/sales:—

F	54 bales Wool ex "Panama"	
Z	126 " " " "	(two)
AP	105 " " " "	
D S		
C I	20 " " " "	
W E D	27 Salted Hides ex "Orellana"	(two)
Z	74 " " " "	(two)
A N	26 Seal Skins ex "Magellan"	(& contract)
D S		
C I	13 casks Tallow ex "Emilie"	(& contract)
FIC	32 Seal Skins ex "Sorata"	(& contract)
↑		
AP	3 casks Tallow ex "Panama"	(report & contract)

Clients' Credit notes :-

△	P H	Claim recovered on sea-damaged Wool per "Emilie"
◇	H	" " " " " " " " "Orellana"
	S l	" " " " " " " " "Oropesa"

Rowson Drew's account for S. Miller £ 10/9

Wool Average for 1903

Clients' Reports & contracts:-

◇	H 1	cask Seal Skins ex "Victoria"
	Z 4	bales Sheep Skins ex "Panama" report only
	AP 1	" " " " " "
	W E D	18 bales " " "Orellana"
	K 5	" " " " "
◇	H 2	" " " " "
	W P 9	" " " " "

Classification of outward freight & copy of P. S. N. Co. letter.

Letters for the following:-

J. J. Felton, Esq.

Sydney Miller, Esq.

L ondon 28th October, 1903.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

Limited.

REGISTERED 1902.

61, Gracechurch Street.

Per Cravia.

No 972.

London, E.C. 25th November, 1903.

Sir,

I have to acknowledge receipt of your despatch no. 255 of 13th ult. and of your letter of the same date, which arrived on the 9th inst.

2. Par. 4. The specification of the Smithy boiler gives the necessary information about the tubes, which will be sent.

3. Par. 7. Your reference to the necessity of carrying arrivals to their destinations suggests the remark that as it imposes on us the upkeep of schooners, which would otherwise be laid up, the Board would be glad to know that these services are not rendered at any loss to ourselves.

4. Par. 8. The Board have discussed at some length your remarks on the subject of agreements, and are of opinion that, when renewed, they are not terminated, whatever may be the length of the original contract, three or five years. At the same time they think with you that they might and should be more clearly worded in future, so as to leave no room for doubt, and we shall probably use the word service in any that may be signed after this. But the intention is clear, that is that when a man's agreement expires and he leaves our service, we return him to England so that he may be in a position to get work at his trade, which he probably could not do in the Islands. If he is a married man we also send his family free, but we do not send them without him. If we admitted that, we might be put to no end of expense in holiday trips to members of our men's families, and once admitted the thing would grow. In the majority of cases, if not all, it would be better and cheaper in the end rather to let a man go altogether, and replace him, than provide passages for his relations whenever asked for.

W. A. Harding, Esq.,

Manager,

Stanley.

There could be no harm in your telling a man who asked for such passages that they must be at the time taken at his expense, but that if and when he left the service the cost would be refunded to him, provided he went home himself, and this would probably be the best way of dealing with the matter. As regards the passages of a deceased servant's family, probably they would be granted as compassionate allowances, but the question has not arisen yet.

5. Par. 11. No further notice will be taken of Captain Roberts's letter.

6. Par. 12. Since I last wrote I have been to Plymouth to look at the launch there, and the builders had steam up and took me outside the breakwater. I was thoroughly pleased with her, and after having had her examined by Mr. Barringer, whose report fully bore out my good opinion, the Board bought her, and she is to be shipped out in the "Inca" on the 2nd of January. The boat and boiler are new; the engines are a pair taken out of a Customs launch into which the builders put a more powerful set, and finding them good, they thoroughly repaired them, and built this boat for them in their spare time. She is roomy on deck, and apparently a good sea boat, which was not the case with the one I saw at Southampton. We have got her for £350, which is considered an excellent bargain, and although a few extras and spare parts will increase this a little, we may congratulate ourselves on having done very well. She is to be finished this week, and we propose to have her towed round to Liverpool, which will cost £50 or £60, and to this has to be added the freight out, which I have induced the P. S. N., in consideration of her being the tender to their mailboats, to quote at £200, which is dirt cheap. In fact they say that in the ordinary way of business they would not have taken less than about £400, which is borne out by what they charged the Admiralty, and in fact I think that you had better keep this to yourself.

7. Par. 13. Your correspondence re St. Hubert is noted and approved, but this is a matter that will be settled on your side.

8. Par. 14. With regard to the usual sailing ship cargo, Spear-
ing & Waldron have taken up homewards a vessel going to Sandy Point from the Continent; but would have joined us in chartering out-

wards. However, to get the launch out it was necessary to offer the Pacific some inducement in the way, of cargo, and we have arranged to ship the indent in the "Inca". Of course the freight is higher, but we cannot have everything our own way, and some of the goods we find we can buy, at or near Liverpool so much cheaper that this will be neutralized to a certain extent. The Government have asked the P.S.N. Co. to ship them 120 tons of coal in the year, either 10 tons each boat or 20 tons every two months: considering the way we met them in price last year this seems playing it pretty low down, and it is almost time that we called attention to the fact that the Government does nothing in the way of supporting local trade, but gets its supplies wherever it can outside the Colony, which, after all, finds the money. If they will not foster local trade, how can the traders be expected to spend as much in wages as they otherwise would? I do not think that they ever look at it in this way. You will have the landing of the coal, and probably will not make it too cheap.

9. Par. 17. If extra expenses are often incurred for the purpose of giving despatch to the steamers, we must make some representation to the Company; but at the present time, in view of the way they have treated us over the launch's freight, it would be ungracious ~~at the present time~~ to raise the question.

10. Par. 18. It is satisfactory to hear that the Thirlmere's work is to be carried out.

11. Letter of 13th Oct. It will certainly be better to keep 100 tons of the steam coal for our own use, as I cannot say when we shall next have an opportunity of shipping. I suppose that the Admiralty will not mind.

12. The Solicitor for J.L. Waldron, Ltd. has asked us to have certain documents registered, and will, I believe, send you the papers direct. In connexion with this registration, will you let me know under what Ordinance it is necessary to produce the Articles of Association of a Company registered in London to be inspected by the Registrar?

13. I have given you a personal letter of introduction in favour of Mr. H. F. Coghlan-White, who may be calling at Stanley. He is a friend of Mr. G. E. Du Croz.

14. The Fortuna's accounts have arrived from Montevideo, and are not pleasant reading. No doubt they will be subjected to your scrutiny, and you will make remarks on them both to us and to Morton, but a few general observations from here will not be out of place. The way the Board has been kept in the dark both by Morton and Thomas is not satisfactory; possibly each thought that the other was giving information, anyhow what has been afforded has been next to nothing. The schooner went in with loss of sails; we have heard no particulars, nor has there apparently been any protest made, or any attempt made to get the damage paid for by the Underwriters. Very possibly there was no case; there would not be if there was no cutting away, but details of the accident ought to have been sent. Then, although Thomas cabled for new sails, and most unnecessarily sent another cable to ask if we had received the first, it seems that after all there was no urgency, for Rowlands, on whose honesty no shadow can be cast, lets the cat out of the bag by writing: - "Captain Thomas being here, he thought it necessary to have a mainsail and staysail sent here, we most likely could have reached the Falklands with the old sail as I had the storm trysail always ready to bend.... I shall not bend the new suit, I shall work with the last suit you sent out". Very probably the schooner wants new sails, but this we should like to hear from you, and no answer has been received to the question why, if she had not a spare suit on board, it was not written or cabled for from Stanley. As regards the work, you very properly told Morton, and Thomas no doubt, that it was to be confined to what was necessary below the water line, as anything else could be done in Stanley. After this it is singular to hear that the oakum sent from Stanley only lasted two days, and that we had to buy more in Montevideo costing \$115.20, or at about 7d. per lb. Either the quantity sent was badly miscalculated, or more work was done than you had authorized, and the latter supposition is borne out by the fact that not only the bottom but the topsides and deck have been caulked all over. In the account there is a lump charge for labour amounting to ~~xxxx~~ \$1365, including remetalling with new metal, this seems to suggest that the metal was supplied by the contractors, but it was clearly not so. You will remember that Camper &

10 Bales
Oakum

At least
done in part
every hour

Nicholson gave us the exact number of sheets of metal used when she was fitted out at Gosport, as well as the weight of nails, and that we sent a quantity of each in excess so as to be on the safe side. How is it then that this was all used, and that we have had to pay in addition \$107.60 for a further quantity after all that you sent up had been used? Metalling being a straightforward job, we expected to hear that this part of the work had been done by contract, but not a word has been said on the subject. It was understood that the knees or straps for strengthening her had been forged into shape by our Blacksmiths, and only required fixing. This may have been a mistake on our part, as we see that \$232.64 has been charged for "altering and forging iron knees and straps". The false keel seems to have been knocked off, and of course had to be replaced. Were you aware that she had been aground? I think, but am not sure, that if a protest had been noted at the time, we might have recovered for this; at all events it would have been worth trying. There are sundry repairs charged for, such as planks in deck \$21, and new channels \$78.50, all very necessary no doubt, but obviously work that might have been done in Stanley by our own men and with our own materials. Not a word has been said about the old metal, as to which Morton some time ago suggested that it might be sold in Montevideo. Where it has gone we have yet to learn. These are a few of the criticisms that occur to us on the accounts, and you will doubtless make more. Some of them might have been avoided if Thomas had given us any information, but he seems to have treated the London office as a negligible quantity, precisely as he did when he first went out, and further, disregarding the instructions he received from you, set himself to work to spend money on the vessel in the most lavish manner. I am afraid that the result of this experiment will prevent our trying it again. The supplies to the schooner in Stanley, for repairs, probably metal, nails, oakum, &c, come to nearly \$500, on the top of which the expenses in Montevideo have reached \$945.6.2. Had the Fortuna come home with a cargo of wool, and had a thorough overhaul here, (not in Gosport) it can hardly be doubted that the cost on the whole, even allowing for loss of time would have been very much less. A

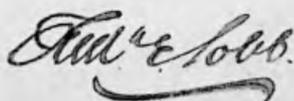
Handwritten notes:
 looked at
 quickly
 when by
 up + more
 aft - part
 had more

lesson is to be learnt from these accounts; they exhibit the art of wrapping up prices and charges to such an extent that nothing or very little can be got hold of, and contrast with our more scrupulous way of setting out the bald figures that invites so much adverse criticism on the part of shipowners. As an instance I may point out the charge already referred to for "altering and forging 8 iron knees and straps for ship's side including coal, use of steam hammer, &c." £232.64. This we should set out as so many days for the blacksmith, assistants, carpenters &c. and so many days use of hammer and shop at so much a day; this sets shipowners calculating and grumbling, whereas if we lumped as all other repairers do we should afford them no chance of this, and at the same time we should be dealing with them perfectly fairly. I suppose that a great part of the expenses may fairly be added to the value of the Fortuna, all in fact that are not in the way of fair wear and tear, sails for instance, and probably by next mail we shall be able to tell you what to do when you make up the year's accounts. We must now hope that she is so thoroughly renovated as to be able to run for a long time at little expense in the way of repairs and renewals.

18. Mr. Henry Waldron goes out this time, and I have told him that his account must never again run to the large figure it has recently shown. He has promised that next year he will draw for any sum that his produce fails to cover; this will be all right if he does so, but promises of the same kind have been made before, and you must see that his requirements in the way of cash and supplies are kept down, and if necessary refuse further credit. There is a mortgage on Beaver in favour of W.B. Waldron, so that it will not be sufficient only to pay off the balance at the beginning of the year, in fact there should be very little owing at any time. Wool is down 10% at the opening of the sales, and we must look out for squalls.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures via Liverpool.

Duplicates

Despatch No. 971

Ledger & Journal Entries

Remarks on Accounts

List of Dutiable Goods per "Oruba"

List of Parcels

List of General Cargo per "Oruba"

Remarks on Stores

Second of Exchange on J. Kirwan for 850.18.8 with B/L attached

General Invoice goods per "Oruba"

Credit notes S 1, H, A, P B Co. 81.8.6, 1.10/-, 7.12.4, respectively.

Clients A/sales:-

D S

C I 13 casks Tallow ex "Emilie" (also report & contract)

F I C 32 Seal skins ex "Sorata" (and contract)

↑

A N 26 " " "Magellan "

AP 3 casks Tallow "Panama" (report & contract)

4 74 Salted Hides "Orellana"

AP 105 bales Wool "Panama"

D S

C I 20 " " "

4 123 " " "

F 54 " " "

Clients' Reports & contracts:-

H 2 bales Sheep Skins ex "Orellana"

W P 9 " " "

H 1 cask Seal Skins ex "Victoria"

AP 1 bale Sheep Skins ex "Panama" (report only)

4 4 " " " "

B/L General Cargo per "Oruba"

.....

Enclosures via Liverpool

Originals

Remarks on Accounts

Bonner's invoice for stove shipped per "Oruba"

First of Exchange for £ 10 . 19 . 10 on J.C. Aldridge from
Kirkland Cope & Co's accounts the Royal Bank of Scotland.

W.A. Harding 9/- G.A. Cobb £ 2 . 1 . 10

F.J. King 17/-

Copy of Cablegram sent on 3rd instant

Clients' A/sales :-

W E D Sheep Skins ex "Orellana" (2 copies)

K 5 bales Sheep Skins ex "Orellana"

W P 9 " " "

 H 50 Sheep Skins "

 H 1 cask Seal Skins ex "Victoria"

Particulars of the Launch "Plym"

Clients' reports & contracts:-

R B C 13 casks Tallow ex "Oravia"

C C W 4 " " "

AP 34 bales Wool ex "Oravia" (contracts only)

C C W 17 " " " "

Wool reports

Plan of Launch "Plym"

Letter of J. J. Felton, Esq. & A. L. Allan, Esq.

London 25th November, 1903.

Enclosures per Supplementary Mail

Originals

Remarks on Stores & Replies

Sight Draft on J. Kirwan for £ 16 .16 .11 for collection B/L attache

List of Cargo per "Oravia"

General Invoice Goods per "Oravia"

Hills & Co's invoices

Clients' reports & contracts:-

Z 21 Salted Hides ex "Oravia"

F 27 " " "

Brokers' copies Co's Hides

Supplementary Remarks on Accounts.

Ledger & Journal Entries

Cusworth's account for Tombstone shipped for Mrs. Dean

Two letters for W. A. Harding, Esq.

London 28th November, 1903.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

Limited.

REGISTERED 1902.

61. Gracechurch Street.

Per Victoria.

No 973.

London, E.C. 25rd December, 1903.

Sir,

Your despatch no. 236 per Waiwera was acknowledged on the 28th ult., and no. 237 and letter of 10th ult. per Victoria came to hand on the 8th inst.

2. 236 - 2 and 3. The Shaw Savill Co. are so well satisfied with the despatch of the Waiwera that the Directors sent a message of thanks. You have seen that a gratuity to the Captain was provided for, and it was quite sufficient; he certainly did all he could, and we were much obliged to him. This very successful venture is most satisfactory, and it is gratifying that it went off without a hitch, seeing that nearly all the negotiations were carried through by cable. Our clients ought to be thankful to us for getting them rams of such good quality and on such favourable terms, and particularly to our Chairman, who took an active personal interest in the affair from first to last.

3. 237-2. I will write to the Admiralty about retaining the coal; I meant to do so before this, but I have overlooked it. No doubt the Captains of ships wanting coal will not object to taking from the fresher Admiralty stock.

4. Par. 6. I do not think that the P. S. N. Co. will agree to dropping the calls of the large boats. Your allusion to £5500 as the proposed subsidy is not understood, as we have always believed that the Colonial share was £2500.

5. Par. 9. It is just as well that Mrs. Cull can get on without borrowing from us, as the business is really too small to be worth taking up.

5. Par. 10. The expenses on the gear sent out for the Thirlmere certainly seem high, but would not the rigging and sundries,

W. A. Harding, Esq.,

Manager,

Stanley.

if supplied by us, have cost more?

6. Par. 15. It is to be hoped that the stock of sheep has now touched bottom, and that there will be a steady recovery. The farmers must not be too sure that they are going to get this year's prices again for the present, but there does not seem to be much fear of a serious fall. Nevertheless it will be prudent to keep down expenses and advances.

7. Pars. 18 & 19. The reports about machinery are satisfactory.

8. Par. 20. I am surprised to find that Moir has no return passage in his agreement; no doubt it was on one of the shepherd forms, altered to suit the circumstances, and he cannot have asked for it. The Directors agree to grant it, as well as an increase of salary of £10, and the remaining £5 lost through an error, so he will surely be satisfied.

9. Par. 21. The Board are much pleased to read your report on the better state of things prevailing at Darwin, and think that much credit is due to Mr. Allan and Dr. Jameson for interesting themselves in the men's sports.

10. Par. 22. You have seen I think that the Liverpool charges are not really higher than formerly; perhaps you overlooked the fact that we pay Lowdens 5% on the payments they make for us, including freight. They take a lot of trouble, and I do not think that they are overpaid.

11. Par. 24. It is unnecessary to reply to your lengthy remarks on the Sissie, or your proposal to put new wine into old bottles by supplying new boiler and engines a second time for a wooden hull nearly 28 years old, except to say that the Board thoroughly agree with your remark that to work her much longer in her present state is tempting Providence, and that they have acted on this, as you know already, by buying the "Plym". She is 5 feet longer and has nearly three feet more beam than the Sissie, in comparison with which she is a little ship, and we all hope that with care she will serve us for years to come. There has been much trouble and anxiety over getting her round to Liverpool, but after failing at the first attempt owing to a gale in the Channel, she

was safely towed by a coaster, and arrived at Morpeth Dock four days ago. The time of year has been the worst possible for the passage; had it been the summer she could have steamed round herself. I am glad to say that for £25 extra the P. S. N. Co. have agreed to take her on board as she stands, without removing any of the machinery; this is well worth incurring, as fitting her up at Stanley would have been both troublesome and costly. She will be delivered, I hope, so that you can get up steam a few hours after her arrival. We have paid for some extras, including a fresh water tank for feeding the boiler, and as she has surface condensing engines the use of salt water must be strictly prohibited. Our Consulting Engineers tell us, and Atherton no doubt knows, that the life of the boiler greatly depends on the care taken of it during the first six months. I have been told that the "Inca" will not sail to date, owing to some repairs that have to be done, but she is still advertised for the 2nd prox.

12. Par. 26. The cable about the number of sheep available duly arrived, but nothing has been decided yet.

13. Par. 27. From an examination of the Fortuna's accounts, it seems that, after eliminating cash payments and other items which cannot be said to add to her value, it would be right to write her up £800 for work done in Montevideo plus the cost of materials and work done in Stanley.

14. The Crown Agents have paid us £1000 on account of land purchased for the Admiralty, and when certain formalities have been complied with at Stanley to conform with the Ordinance, such as putting up a public notice (!) &c. we are to get the lease.

15. The Directors have resolved to add £100 per annum to Mr. Allan's salary, the change to take place from the 1st of January next.

16. The produce for the year works out at about £500 increase over 1902; the wool is of course more, but in tallow and sheepskins there is a falling off. Although the dividend is hardly likely to be increased, we start the new year in an easy financial position, and with good hopes for the future.

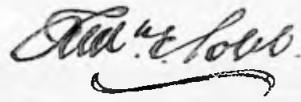
17. You will see from enclosed correspondence that Spearing

& Waldron have asked us to quote for house coal to be delivered at Port Howard, but that I have referred them to you.

18. In consequence of the Christmas holidays there will be no letters sent from the office after tomorrow.

I am, Sir,

your obedient servant,

A handwritten signature in cursive script, appearing to read "J. H. L. L. L.", with a decorative flourish underneath.

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No. 972

Ledger & Journal Entries

Remarks on Accounts

Sight Draft on J. Kirwan for £16.16.11 with B/L attached.

List of Parcels in case No. 1436

List of Dutiable Goods per "Oravia"

Second of Exchange for £10.19.10 on J. Aldridge

List of Cargo per "Oravia"

Remarks on Stores

Clients' reports & contracts:-

C C W 4 casks Tallow "Oravia"

R B C 15 " " "

Z 21 salted Hides "

C C W 17 bales Wool "

contract only AP 34 " " "

K 5 " Skins "Orellana"

W P 9 " " "

A/sale only H 2 " " "

H 1 cask Seal Skins "Victoria"

Bill of Lading General Cargo per "Oravia"

List of Enclosures.

London 23rd December, 1903

Enclosures via Liverpool

Originals

Wool Reports

Copies of Cablegrams sent 1st & 18th December

Copies of Cablegrams received 7th & 12th December

Clients' Reports, contracts & A/sales :-

Z	38 bales Sheep Skins ex "Oravia"		
WED	7 "	,,	,,
AP	1 "	,,	,,
F B	2 "	,,	,,
RBC	4 "	,,	,,
CCW	1 "	,,	,,
AP	1 "	,,	ex "Panama"
Z	4 "	,,	,,
			} contract & A/sale only
WED	200 Sheep Skins ex "Orellana"		
H	81 "	,,	,,
AP	34 bales Wool ex "Oravia"		
CCW	17 "	,,	,,
			} A/sale only
CCW	4 casks Tallow	,,	,,
RBC	13 "	,,	,,
			} , ,
Z	21 salted Hides	,,	,,

Copies Brokers' A/sales Company's Hides & Skins ex "Oravia"

Clients' invoices for Rams per "Waiwera"

Bertrand & Felton	71 . 6 . 6
Henry Waldron	71 . 12 . -
Mrs Bonner	202 . 3 . 3
Packe Brothers & Co.	335 . 18 . 4
J. L. Waldron, ltd.	168 . - . 5
J. H. Dean	236 . 8 . -
J. J. Felton	89 . 2 . 6
Vere Packe	112 . 4 . 7

Copy of Dalgety's invoice for Rams per "Waiwera" from New Zealand

Copy of letter from Spearing & Waldron of 5th & our reply of 7th
December

Copy of letter from Read Brothers, ltd of the 4th December with
circular attached

Metzler's invoice for Organ for A.L.Allan.

Ledger & Journal Entries

Remarks on Accounts

General Invoice Goods per "Victoria"

List of Cargo per "Victoria"

List of Stores aboard S/L "Plym"

Particulars of homeward freight per "Oropesa"

Remarks on Stores

Replies to Remarks on Stores

Replies to Remarks on Accounts

Letter of A.L.Allan, Esq.

London 23rd December, 1903