CONFIDENTIAL.

SECRETARIAT

0327/III.

0327/III.

(Formerly)

SUBJECT :

MAIL CONTRACT.

138

CONNECTED FILES.

NUMBER

File only please

1/5/56

BYWAYS.
GRAVEL PATH.
BERKHAMSTED.

8. 4. 1956.

332 for 0327/II of 14.3.1956.

Sir,

I have only the following observations to make upon the Mail Contract between the Government and the Falkland Islands Co.:-

Pg 308 of Vol II

1. Clause 5 - "any Harbour". The contract contains no definition of "harbour." In the Harbours Ordinance (Ch. 30) the word is defined so as to mean (I presume) Port Stanley "and any port hereafter defined and declared a harbour by the Governor in Council." In Clause 16 (b) Fox Bay, Port Howard, Chartres and Hill Cove are spoken of as "principal ports". Could "charges by way of port tonnage, wharfage or light dues" arise in any of those places? or in any other place where the ship will call? If so the clause should make it clear whether the Company's ship is to be exempt from these charges everywhere in the Colony, or only in some, and which, places.

312 in Vol II

309 in Vol II

2. Clause 6 - "bona fide Government personnel & cargo". Will this include persons employed in, and cargo destined for, the Dependencies? See your 0327/II of 2.7.1954 and 7.1.1956 and my opinion dated 13.2.1955. If the dispute has been settled on the lines contended for by

230 in Vol II

245 in Vol II

252 in Vol II

the Company, the Clause may remain as it stands, but if it has been accepted that persons employed by the Government in, and Government cargo destined for, the Dependencies, are entitled to the rebate, I would suggest that (a) the Contract be expressed to be made "by the Governor of the Colony of the Falkland Islands and its Dependencies", and (b) that there be inserted in Clause 6, after the words "all bona fide Government personnel and cargo", the following parenthesis "(which expression includes members of the Falkland Islands Dependencies Survey and other persons in the Government service in the Dependencies, and cargo destined for the Government service therein."
It will not, I think, be necessary to alter the definition of "Colony" since the Company's ship does not normally make voyages to the Dependencies, and Clause 6 (c) provides for the possibility of its doing so.

312 in Vol II 3. Clause 17 (c). Strictly if only 7900 c. feet of refrigerated cargo space are provided the annual payment would be reduced by £1000. Is this intended?

315 in Vol II 4. Schedule 2. The passage rates in Groups 1-4 are not clear to me in that both ends of the journey do not appear to be expressed — e.g. Group 1. "Berkeley Sound — 20/-". Probably, however, the meaning is quite clear to one who knows the Colony.

Subject to the foregoing I am of opinion that the Contract carries out the wishes of Government as they have been communicated to me.

I am, Sir,

Your obedient Servant,

Henry Moody

The Colonial Secretary.

Falkland Islands.

338

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

TELEPHONE: WHITEHALL 6077/8.
TELEGRAMS: "FLEETWING, PICCY, LONDON"

- AIRMAIL -

120, PALL MALL,
LONDON, S.W.1.

LWHY/TFW

4th May, 1956

His Excellency O. R. Arthur, C.M.G., C.V.O.,
Government House,
PORT STANLEY, Falkland Islands.

Dear Governor,

We arrived Home on the 13th April after a very interesting tour in South Africa and Southern Rhodesia.

When our new vessel is in service it is most probable that she will make one voyage Cape Town each year for docking and survey and I have little doubt that we can secure cargoes for her out and back. I was much impressed with the farming possibilities in Southern Rhodesia.

I saw Denton-Thompson just before he left.

Extracted to 1765- Visit of H.R.H. the Duke of Edinburgh, 1957.

We are very pleased to hear that His Royal Highness the Duke of Edinburgh will visit the Falkland Islands early in January 1957 and we hope that his Camp visit (if any) will include Goose Green, which is a central point for the Camp and where he could see some shearing and visit the School.

The new Ship is making very slow progress, due to the steel position. Builders now expect to launch her in December and deliver in April.

We can get an extension for s.s. "FITZROY" but she must leave the Colony for United Kingdom in late March or early April.

Extracted to 1760- Sheep farming in the Falklands

We are going ahead with our plans for more experimental work on our Farms and are putting up a more extensive plan to the Falkland Islands Sheep Owners Association, which will require joint action.

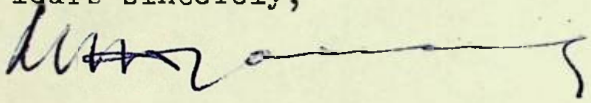
I do not expect to visit the Colony again till after "DARWIN" has been completed.

Reply at ~~337~~ 340

I hope you are keeping well.

Mrs. Young joins me in sending you our kindest regards.

Yours sincerely,



340

21st May 1956

My dear Bud,

338

Many thanks for your letter of the 4th May; it was good of you to write to keep me in the picture.

Extracted to 1760- Sheep Farming in the Falklands

Government would, I think, be willing to help in any scheme for pasture improvement on the lines proposed by Hurd, and we are awaiting the proposals which the Company are now going to make to the S.O.A.

You say nothing about the project for a small freezer - has this been dropped?

Extracted to 1765- Sheep Farming in the Falklands & Duke of Edinburgh's visit.

I shall be in London for a few weeks in August and early September in connection with the Duke of Edinburgh's visit and shall certainly look you up then.

Yours ever,

Raynor Arthur.

L.W.H.Young, Esq.,
The Falkland Islands Company, Limited,
120 Pall Mall,
LONDON, S.W.1.

No. FIDS 47/568

It is requested that, in any reference to this memorandum the above number and date should be quoted.

MEMORANDUM.

341

7th June 19 56

The Honourable The Colonial Secretar

Secretary, F.I.D.S.

Stanley, Falkland Islands.

SUBJECT :-

Carriage of F.I.D.S. Cargo and Passengers per F.I.C. vessels

1. The following is a summary of correspondence contained in F.I.D.S. file on this subject.

   (i) Letter from Secretary, F.I.D.S. to Crown Agents dated 2nd March 1954 pointing out to them that F.I.D.S. were allowed 25% reduction in freight rates and passenger fares between Stanley and Montevideo but not in reverse direction. Crown Agents were asked to arrange for the F.I.C. London Office to make a similar reduction. (FIDS 47, page 331)

   (ii) Reply to (i) from Crown Agents dated 21st May 1954 enclosed copy of letter from F.I.C. London Office declining to make the reduction and stating that if their Stanley Office were doing so it was against instructions. (FIDS 47, pages 360/1)

   (iii) Discussion S/F, H.C.S., H.C.T., and H.E. on (ii) with decision to put question to Sir Henry Webb (FIDS 47, pages 362/3)

   (iv) Letter from H.C.S. to Sir Henry Webb dated 2nd July 1954. (FIDS 47 page 364). Reply and further correspondence in C.S.O. file 0327/II page 230.

2. The 25% rebate was allowed on passenger fares by the local office of the Falkland Islands Company up to the 23rd August 1955 (Fitzroy passages R.A.Lenton and A.A.Smith). The next invoice received dated the 30th January 1956 for Fitzroy passage for R.J.F.Taylor was at the full rate of £20.

   The rebate was allowed on freight up to the 17th November 1955 but the next account received dated 21st February 1956 charged full rate.

   As far as I can ascertain full rates have always been charged for southbound freight and passengers.

F.H. Elliott

EXTRACT FROM LETTER DATED 13TH JUNE, 1956, FROM THE FALKLAND ISLANDS COMPANY LIMITED. (original on 1765)

Para: 3

We can now confirm that "FITZROY" will not be leaving the Colony's service before February or March 1957 at the earliest, due to delay in delivery of steel for our new vessel.

Para 4: Voyage Y 22:

Now that "FITZROY" is not to drydock in Montevideo we have no inducement to make this voyage unless Government is prepared to offer the usual Mail Voyage subsidy of £600, and we shall be glad to know whether this is the intention.

Reply at 344

Y.E.

343

Now that the Legislature have approved expenditure at an increased rate in respect of the Mail Subsidy, I suggest we now tie up finally and sign. There are, however, one or two small points still to be considered as a result of Sir H. Webb's letter at f.335 and a discussion I had recently with Mr. Barton. These are set out in the attached draft and I don't think there is need to minute in detail.

There are, however, two important points:-

Firstly that of refrigerated cargo space. I understand from the Company's Chairman that any question of a freezer at Goose Green is now out of the question and will remain so for some time. They propose to concentrate on improving pasture and lambing percentages as the first step. I understand too from Mr. Barton that the new ship will not now have refrigerated cargo space installed. That being the case I feel that it would be undesirable to include in the Agreement, which runs only for five years, a commitment on the Government of the day to an increased subsidy of £1,000 at any moment the Company choose to put in refrigerated space. If I am right in believing that the Ex. Co. decision to approve the higher rate of subsidy was made against the background of an F.I.C. Freezer being established in the near future, then the position would seem to have changed and there seems to me to be grounds for deleting all reference to the refrigerated cargo space and leaving the matter over for negotiation if and when the need arises and in the light of circumstances and conditions then prevailing.

The second point is the question of F.I.D.S. passengers and freight. Formerly F.I.D.S. got the 25% rebate between Stanley and Montevideo (see f.341) but not between Montevideo and Stanley. As soon as F.I.C. Head Office got on to this they stopped the concession that was being granted from this end. The question has been argued at length and culminated in Sir Henry Webb's opinion at f.253 on 0327/II (attached). (For previous papers see f.230 - 232 - 235 - 238 - 240 - 245 and finally the opinion at 252-253)

I feel that legally we have barely a leg to stand on so far as F.I.D.S. personnel and freight are concerned. We might earlier have made it a condition - when the Agreement was under consideration with Young here - but personally I feel that there is little justification for it and in any event I cannot see the Company agreeing to it. If F.I.C. were operating in the Dependencies then there would be a case and we could insist on it.

A.G.D-T/
C.S.
15, 6, 56,

I agree throughout
ORA
21

344

1765
327/2.

22nd June, 56

The Colonial Manager
Messrs. The Falkland Islands Co.Ltd.,
PORT STANLEY.

Sir,

19-1765

I am directed to refer to your letters of the 26th April and
61-1765
342 13th June on the subject of the Royal Visit and the proposed movements of s.s. Fitzroy.

It is noted that you now confirm that the s.s. Fitzroy will not be leaving the Colony's service before February or March 1957 at the earliest, owing to the delay in delivery of steel for your new vessel.

I am to say that Government approves your proposal to amend the Fitzroy's Itinerary dated 28th February, for the second half of 1956, as follows:-

Y 21 - Coastwise - November 15th to 20th.

Y 22 - Depart Stanley - November 21st.

Arrive Montevideo - November 26th - Home Andes 4/12.

Depart Montevideo - November 29th - Out Andes 29/11.

Arrive Stanley - December 4th.

Y 23 - Coastwise (as required)

As voyage No. Y 20 to and from Montevideo completes the ten voyages required under the terms of the Mail Contract, the usual Mail Subsidy of £600 will be granted for Voyage No. Y 22.

I am, Sir,

Your obedient servant,

Colonial Secretary.

Reply at 358

See 377

DRAFT

To: Colonial Manager, Falkland Islands Company.

CONFIDENTIAL.

Sir,

I am directed to forward the enclosed ~~copy~~ draft of an ~~of the draft~~ to Agreement between the Falkland Islands Company and the Government of the Falkland Islands ~~which~~ concerning proposals ~~provides for~~ the transmission of mails, passengers and freight within the ~~home trade limits of the~~ Colony ~~and the collection of produce and the transit of mails, passengers and freight within~~ and between the Colony and the mainland of South America by the new steamship now under construction by the Falkland Islands Company. As you are aware the Legislature has now provided the money necessary to give effect to this Agreement.

2. The following points have arisen out of consideration of the draft Agreement by the Government's Legal Adviser and a recent discussion between you and the Colonial Secretary.

(1) Preamble to the Agreement. It is considered that the suitable date for the Agreement to come into force would be the date on which the new vessel sails from Montevideo for the Colony for the first time or alternatively the date upon which the vessel arrives in Stanley if she sails direct from the United Kingdom to the Falkland Islands on her maiden voyage. This should be made clear by altering the present Clause 15 so as to read "The provisions of this Agreement shall become operative from..... and shall remain in force etc....." and by re-numbering it as the last clause. The date suggested above could then be inserted.

(2) Clause 5. Government proposes that this clause should be amended to include the words "Port or Anchorage" after the word "Harbour" in the fourth line of the draft Clause. The effect of this amendment would be to make it quite clear that during the period of the Agreement no Port Tonnage, Wharfage or Light Dues would be payable by the Falkland Islands Company in respect of any operations by the new vessel. This amended clause would then read:-

"5. THE Government agrees that no charge shall be made to the Company by way of any Port Tonnage, Wharfage or Light Dues in respect of the Steamship for entering in or clearing from or for using or being in any Harbour, Port or Anchorage within the the Colony during the continuance of this Agreement."

(3) Clause 16 (a). It is suggested that this clause should be amended to provide that the voyages shall be fixed by the Company in consultation with the Government.

(4) Clause 17 (c). It is understood that the Company has decided to drop the intention to provide refrigerated cargo space, and it therefore seems better to delete those portions of the Agreement which refer to it.

(5). FIRST SCHEDULE. It would be appreciated if your Company could provide the details required for insertion in the First Schedule.

~~36~~
344C

(6) SECOND SCHEDULE. It is suggested that the Second Schedule should be so amended as to make it clear that the Passage Rates quoted relate to the "each way" cost of passages. Section 2 of the Second Schedule might be amended to read as follows:-

"2. PASSAGE RATES. The following passage rates will be charged in the case of all passages from Stanley to the ports of call specified under the relative groups and from such ports of call to Stanley."

3. It is noted that the Draft Agreement in its present form does not specify the cost of "inter ports of call" journeys. It is understood that your shipping office has a tariff of charges for such journeys and it is suggested that provision for such a tariff should be inserted in the draft Agreement.

4. ~~Finally~~, I am to ~~enquire~~ ask whether the Falkland Islands Company proposes to instal radar in the new ship. It is understood that the original plan provided for the installation of radar but Government would be glad of confirmation that it is in fact the Company's intention to have such equipment installed.

5. I ~~am to enquire whether~~ Should be obliged if you would confirm that the Draft Agreement would be acceptable to the FIC after amendment as suggested in §§2 and 3 above.

345

0327/III

2nd July, ~~26th June,~~ 56.

CONFIDENTIAL

Sir,

347-357

I am directed to forward the enclosed draft of an Agreement between the Falkland Islands Company and the Government of the Falkland Islands concerning the transmission of mails, passengers and freight within the Colony and between the Colony and the mainland of South America by the new steamship now under construction by the Falkland Islands Company. As you are aware the Legislature has now provided the money necessary to give effect to this Agreement.

2. The following points have arisen out of consideration of the draft Agreement by the Government's Legal Adviser and a recent discussion between you and the Colonial Secretary.

(1) Preamble to the Agreement. It is considered that the suitable date for the Agreement to come into force would be the date on which the new vessel sails from Montevideo for the Colony for the first time or alternatively the date upon which the vessel arrives in Stanley if she sails direct from the United Kingdom to the Falkland Islands on her maiden voyage. This should be made clear by altering the present Clause 15 so as to read "The provisions of this Agreement shall become operative from ..... and shall remain in force etc ....." and by re-numbering it as the last clause. The date suggested above could then be inserted.

348

(2) Clause 5. Government proposes that this clause should be amended to include the words "Port ~~of~~ Anchorage" after the word "Harbour" in the fourth line of the draft Clause. The effect of this amendment would be to make it quite clear that during the period of the Agreement no Port Tonnage, Wharfage or Light Dues would be payable by the Falkland Islands Company in respect of any operations by the new vessel. This amended clause would then read:-

/"5.

The Manager,
Falkland Islands Company, Limited,
STANLEY.

Reply at 358

/VM

"5. THE Government agrees that no charge shall be made to the Company by way of any Port Tonnage, Wharfage or Light Dues in respect of the Steamship for entering in or clearing from or for using or being in any Harbour, Port or Anchorage within the Colony during the continuance of this Agreement".

350 (3) Clause 16 (a). It is suggested that this clause should be amended to provide that the voyages shall be fixed by the Company in consultation with the Government.

351 (4) Clause 17 (c). It is understood that the Company has decided to drop the intention to provide refrigerated cargo space and it therefore seems better to delete those portions of the Agreement which refer to it.

354 (5) FIRST SCHEDULE. It would be appreciated if your Company could provide the details required for insertion in the First Schedule.

354 (6) SECOND SCHEDULE. It is suggested that the Second Schedule should be so amended as to make it clear that the Passage Rates [quoted] relate to the "each way" cost of passages. Section 2 of the Second Schedule might be amended to read as follows:-

"2. PASSAGE RATES. The following passage rates will be charged in the case of all passages from Stanley to the ports of call specified under the relative groups and from such ports of call to Stanley".

3. It is noted that the Draft Agreement in its present form does not specify the cost of "inter ports of call" journeys. It is understood that your shipping office has a tariff of charges for such journeys and it is suggested that provision for such a tariff should be inserted in the Draft Agreement.

4. I am to ask whether the Falkland Islands Company proposes to instal radar in the new ship. It is understood that the original plan provided for the installation of radar but Government would be glad of confirmation that it is in fact the Company's intention to have such equipment installed.

5. I should be obliged if you would confirm that the Draft Agreement would be acceptable to the Falkland Islands Company after amendment as suggested in paragraphs 2 and 3 above.

I am,
Sir,
Your obedient servant,

(Sgd) A.G. Denton-Thompson

COLONIAL SECRETARY.

F A L K L A N D I S L A N D S

THIS INDENTURE made this day of One thousand nine hundred and B E T W E E N THE GOVERNMENT OF THE FALKLAND ISLANDS (hereinafter called "the Government") of the one part and THE FALKLAND ISLANDS COMPANY LIMITED whose Registered Office is situate at 120 Pall Mall in the City of Westminster (hereinafter called "the Company") of the other part W H E R E A S the Government is desirous of providing for the transmission of mails, passengers and freight within the home trade limits of the Colony, the collection of produce and the transit of mails, passengers and freight within and between the Colony and the mainland of South America upon the terms hereinafter appearing which terms are acceptable to the Government N O W THESE PRESENTS WITNESS AND IT IS HEREBY AGREED AND DECLARED by and between the parties hereto as follows that is to say

1. IN this Agreement the following expressions shall have the following meanings:-

"The Colony" means the Colony of the Falkland Islands.

"The Governor" means the Officer Administering the Government of the Colony or the Colonial Secretary acting on his behalf.

"The Postmaster" means the officer for the time being exercising the function of that office.

2. THE COMPANY shall provide a steamship short particulars of which are set out in the first schedule thereto and shall maintain it in Lloyd's highest class, for the carriage of mails passengers and freight between the Colony and Montevideo Uruguay and between the several ports of the Colony and generally to provide transport facilities for farm settlements in the Colony and to enable shipment of produce to home markets to be effected.

Provided that should the steamship become a total loss or rendered wholly unseaworthy owing to circumstances not wit

the Company's control this Agreement shall forthwith be terminated.

3. (a) THE Steamship shall be properly found in all respects and capable of carrying not less than thirtysix saloon passengers with reasonable comfort and shall at all times be supplied and furnished with whatever may be requisite and necessary for rendering the Steamship having regard to the nature therof constantly efficient for the services hereby contracted t be performed and shall also be manned with a proper and efficient crew of officers engineers and seamen. The Steamship shall be fitted with wireless telegraphy apparatus having an effective range of not less than five hundred miles under normal woking conditions.

(b) THE COMPANY may provide refrigerated cargo space of a capacity of eigt to nine thousand cubic feet.

4. THE maximum passenger fares and freight rates charged by the Company for inter-Island trade and between the Colony and Montevideo and vice-versa the Colony and Punta Arenas and vice-versa are detailed in the Second Schedule hereto attached.

Should the Company consider that basic operating expe have increased to such an extent that increases in passeng fares and freights are justified it shall be incumbent on to produce a statement certified by the Company's Auditor in support of their request for increases permission for shall not be unreasonably withheld by Government.

Should Government consider that basic operating ex have decreased to such an extent that reductions in pass fares and freights are justified the Company shall prod a statement certified by the Company's Auditors which form the basis for discussions between the Government and the Company.

5. THE Government agrees that no charge shall be ade Company by way of any Port Tonnage, wharfage or li respect of the Steamship for entering in or clearing f for using or being in any Harbour within the Colony du

348

the continuance of this Agreement.

6. THE COMPANY shall allow the Government a rebate of twenty-five per centum of all cargo and passenger rates chargeable on all bona fide Government personnel and cargo carried by the vessel or any substitute or substitutes approved by the Governor. This rebate shall apply to Inter-Island voyages and voyages to and from the South American continent but shall not apply to victualling charges incurred on voyages where victualling is not included in the quoted fare.

7. THE Company shall not charge the Government any Landing Charges at Port Stanley on the cargo referred to in the last preceding clause hereof.

8. IN consideration of the payments hereinafter mentioned the Company shall convey free of any charge whatever to the Government on any voyage made for the Government under this Agreement from any Port and to any Port included in the itinerary of such voyage all mails both letter mails and parcel mails which the Governor through the Postmaster may desire so to be conveyed.

9. THE Company shall as hereinafter mentioned provide at its own cost a convenient and proper place or places of deposit on board the Steamship for the safe keeping of the aforesaid mails and in particular the letter mails shall be placed under secure lock and key and shall be cleared by an officer of the Post Office or other person authorised to such effect by the Governor upon the arrival of the Steamship at a port of call within the Colony and by some officer duly authorised to such effect upon the arrival of the Steamship at Montevideo or other foreign port of call and the Company shall also provide a suitable boat properly manned and equipped and whatever else may be necessary for the safe embarkation and disembarkation of the same mails and shall defray all charges for the immediate taking on board and landing of the same mails.

/10.

10. ALL mails carried under this Agreement are to be delivered on the quayside nearest adjacent to the Steamship by the Postmaster or other official appointed for the purpose and shall be delivered in like manner from the vessel to the Postmaster or other official appointed by him for the purpose and the Master of the Steamship shall without any charge to the Government other than that otherwise provided in this Agreement to be paid to the Company take due care of and the Company shall be responsible for the receipt safe custody and delivery of the mails as aforesaid and the Master of the Steamship shall make such Declaration as shall be required by the Postmaster or his officers or agents or by the proper Authority at Montevideo or other foreign ports and shall furnish such journals returns and information and perform such services as may be required by the Postmaster or his officers or agents or by the proper Authority at Montevideo or other foreign port and the Master shall on arrival at any of the said places of the Steamship either himself or by some competent person deliver all mails for such place into the hands of the Postmaster or other person authorised to receive them and shall receive in like manner all the return or other mails to be forwarded in due course. Should the Government complete the necessary arrangements with the Uruguayan Government for the direct transfer of letters and parcel mail from certain specified vessels at Montevideo the Company shall receive such mail direct from the specified vessel and convey it to the Company's vessel at the Company's expense.

11. THE Company shall be responsible for the loss or damage of any parcel or of any registered postal packet of any kind conveyed or tendered for conveyance under this Agreement (unless such loss or damage be caused or occasioned by act of God the Queen's enemies pirates restraints of Princes, rulers or people jettison barratry fire collision or perils or accidents of the seas rivers and steam navigation) and in the event of any such loss or damage (except as aforesaid)

/the

the Company shall be liable to pay to the Postmaster in respect of each parcel or registered postal packet so lost or damaged (subject to the proviso hereinafter contained) such sum of money as shall be equal to the amount which may have been awarded and paid by the Postmaster at his sole option and discretion (and although not under legal obligation) to the sender or addresses of such parcel or registered postal packet as compensation for the loss or damage thereof provided that such sum shall not in any one case exceed One pound per parcel or Two pounds per registered postal packet.

12. THE Company shall not nor shall the Master of the Steamship receive or permit to be received on board the Steamship any letters for conveyance other than those contained in Her Majesty's mails.

13. THE Company and the Master of the Steamship and all Agents seamen and servants of the Company shall at all times punctually attend to the orders and directions of the Postmaster his officers or Agents or the proper Authority at Montevideo or other foreign port as to the mode time and place of landing delivering and receiving mails provided always that such orders and directions shall be in conformity with the provisions of this Agreement.

14. THE Company shall not carry nor permit to be carried in the Steamship any nitro-glycerine or any other substance or articles which in the opinion of the Government shall be dangerous except with the permission of the Governor.

15. THESE provisions shall become operative from

and shall remain in force during the currency of this Agreement.

16. (a) The Steamship shall make such voyages from Stanley to Montevideo and return as the Government may require not exceeding twelve voyages each way in any one year. The dates of these voyages shall be fixed by the Government after consultation with the Company.

/(b)

(b) The Steamship shall make not less than twelve calls in every year at a principal port on the main West Falkland Island in the course of separate voyages. The term principal port shall be taken to mean any one of the following places, videlicet, Fox Bay, Port Howard, Chartres and Hill Cove.

(c) Additional voyages to Montevideo or voyages to other places on the South American continent or to the Dependencies shall be the subject of special arrangement between the Government and the Company but the Company shall be at liberty to make such voyages on its own account and at its own expense.

17. SO long as this Agreement is in force the Government shall pay to the Company in Stanley, or by mutual agreement in London by the Crown Agents on behalf of the Government, the sum of Fourteen thousand two hundred pounds per annum in equal quarterly payments of Three thousand five hundred and fifty pounds subject however to the following provisions namely:-

(a) where this Agreement has been in force for a portion only of the preceding quarter the sum paid shall be a corresponding proportion of Three thousand five hundred and fifty pounds

(b) an abatement at the rate of One thousand pounds per return voyage or of Five hundred pounds per single voyage shall be made in respect of any of the twelve return voyages specified in Clause 16 (a) hereof which the Company may be unable from any cause to perform or on which it may be unable from any cause to carry mails, passengers and cargo in accordance with the provisions of this Agreement.

(c) Should the refrigerated cargo space referred to in Clause 3(b) not be provided the payment referred to above shall be reduced by One thousand pounds per annum to Thirteen thousand two hundred pounds.

18. Should the Company charter vessels which have adequate passenger accommodation for twelve persons single voyages Port Stanley to Montevideo or vice-versa made during the months of January and February or June and July shall be an

/adequate

adequate substitute for a single mail voyage under this contract up to a total of two voyages Montevideo to Port Stanley and two voyages Port Stanley to Montevideo. In such cases it shall be permissible to carry mails suitably stowed in holds.

19. In the event of any breach of this Agreement by the Company or failure on the part of the Company fully to carry out the terms stipulations or provisions hereof (unless the Company shall prove to the satisfaction of the Governor that such breach or failure arose solely from a cause or causes beyond the control of the Company and the servants of the Company) the Company shall be liable by way of penalty and not as liquidated damages for any such breach or failure to pay to the Government such a sum not exceeding £5. 0. 0. (Five pounds sterling) as the Governor shall determine and if such breach or failure shall continue to a further penalty of £5. 0. 0. (Five pounds sterling) for every day during which such breach or failure may continue and should there be any repetition of such breaches or failures or any breach or failure on the part of the Company as in the opinion of the Governor to render such a course desirable the Government may by giving to the Company notice in writing forthwith determine this Agreement but without prejudice to the rights or remedies of the Government in respect of any antecedent breach of this Agreement by the Company and nothing herein contained shall prevent the Government in the event of such breach or failure from making such other arrangements as shall seem to the Government fit for the despatch and carriage of the aforesaid mails and passengers by some other vessel or vessels and from bringing an action for damage against the Company instead of recovering a penalty under this clause.

20. NOTHING in this Agreement shall be deemed to or shall impose any personal liability on the Governor or any Member or Officer of the Government.

21. THE Government shall not be liable for any

damage whatever which may be sustained by the Company in consequence of the employment of the Steamship on any of the services contracted to be performed under this Agreement.

22. THIS Agreement shall continue in force for a period of five years from the date mentioned in Clause 15 hereof and shall continue thereafter on the same terms until either party gives to the other six months written notice at any time to determine same.

354

THE FIRST SCHEDULE above referred to

THE Steamer shall comply with the requirements of Lloyd's highest class and have suitable accommodation for a minimum of thirtysix saloon passengers in fourteen cabins, dining and smoke room.

Dimensions

Cubic capacity about cu. ft.

Gross tonnage Net tonnage Speed knots.

THE SECOND SCHEDULE above referred to

Particulars of:-

Coasting Service - ports of call.

Passage and freight rates.

Conditions of carriage of cargo and passengers, etc.

THE FALKLAND ISLANDS COMPANY, LIMITED,

COASTING SERVICE.

1. THE Company carries Her Majesty's mails between inter-island ports, Montevideo and Punta Arenas. The following are the ports of call:-

East Falkland:	West Falkland:	Overseas:
Darwin	Hill Cove	Montevideo
Goose Green	Fox Bay	Punta Arenas
North Arm	Roy Cove	
Walker Creek	Port Stephens	
San Carlos R.	Port Howard	
Port San Carlos	Pebble Island	
Lively Island	Saunders Island	
Bleaker Island	West Point Island	
Speedwell Island	Carcass Island	
Port Louis N & S	New Island	
Johnson's Harbour	Weddell Island	
Salvador	Beaver Island	
Teal Inlet	Chartres	
Rincon Grande	Dunnose Head	
Fitzroy ~~N & S~~	Albemarle	
Douglas Station		
Bluff Cove		

2. PASSAGE RATES.

		Saloon:
Group 1.	Berkeley Sound Fitzroy ~~N & S~~ Bluff Cove San Carlos or) to Port Brenton Loch) Howard	20/-

355

PASSAGE RATES (Continued)

		Saloon
Group 2.	Darwin Walker Creek Salvador Rincon Grande Teal Inlet Douglas Station Lively Island Darwin to North Arm and vice versa	45/-
Group 3.	North Arm Speedwell Island Bleaker Island Brenton Loch San Carlos W. Port San Carlos Port Howard Fox Bay Port Stephens Chartres Dunnose Head Roy Cove Hill Cove	75/-
Group 4.	New Island Beaver Island Passage Islands Pebble Island Carcass Island Saunders Island West Point Island Weddell Island	75/-

Group 5. Montevideo Single, Saloon £20. Return £40. Min. rate
Punta Arenas Single, Saloon £15. Return £30. Min. rate
(Government taxes not included).

CHILDREN:

12 years or over	Full adult fare
6 " & under 12 years . ..	Half fare
2 " " " 6 " . ..	Quarter fare
1 child under 2 years	Free
Each additional child under 2 years	Quarter fare

The fares quoted are minimum rates and are applicable to

4 x 4 berth cabins)
2 x 2/3 " ") Main deck

2 Bedstead Cabins on Upper Deck will be subject to a supplement of 25% on the minimum rate per bed.

Sole occupancy of cabin by special arrangement.

BERTHING OF CHILDREN.

Two children paying quarter fare each will occupy one berth
Cots will be provided for infants where possible, free of charge.

BERTHS.

Berths are not guaranteed on Inter-Island voyages. Berths are not available for passengers making a voyage within the hours of sunrise and sunset but if required and if available an additional charge will be made of 10/- per berth.

/Passengers

356

Passengers are carried on the terms and conditions printed on the Company's passenger tickets.

3. CONDITIONS OF CARRIAGE OF PASSENGERS AND BAGGAGE:

The Company reserves the right to charge the fare applicable to the most distant port when passengers are bound for a port called at after the most distant port, e.g. a passenger booked for Darwin by a vessel going North about East Falkland and calling at Fox Bay and then Darwin will pay the passage money equal to the fare to Fox Bay.

Baggage allowance - 36 cu. ft.

Excess baggage will be charged at freight rates.

4. CATERING.

Inter-Island voyages:
Breakfast, Dinner or Supper @ 5/- per meal
Early morning or afternoon tea, 1/-
Or contract rate per day 15/-

Overseas voyages
Included in the relative fare.

5. CARGO RATES.

Cargo is accepted on the terms and conditions printed on the Company's Bill of Lading.

Montevideo and Punta Arenas.

General cargo	80/-	per ton weight or measurement
Special stowage & Petrol	160/-	" " " " "

Minimum rates of freight as for half ton weight or measurement
Parcel freight - 2/6d. per cu.ft., minimum 10/-
Cargo under refrigeration, 200/- per ton weight or measurement.
Light oils in bulk, by special arrangement.

Local rates.

Between Port Stanley and:-

Berkeley Sound Ports and Fitzroy	.....36/-	per ton wt. or meast.
Lively Island and Darwin (Goose Green)	.48/-	" " " " "
Speedwell Island	..66/-	" " " " "
Other East Falkland Ports	...54/-	" " " " "
Fox Bay and Port Howard (Great Island & Island Harbour)	..76/6	" " " " "
Other West Falkland ports	..87/-	" " " " "
Passage & Sea Lion Islands	..108/-	" " " " " if over 10 tons, if under £54 per call

6. WHARFAGE:

The freights quoted do not include Wharfage and/or Transhipment at Port Stanley.

PRODUCE: for shipment to London.

By arrangement.

The rates charged include lighterage where required, shipment storage, transhipment, Bill of Lading and Agency, i.e. all charges from point of shipment to final discharge.

PARCELS - local:
No parcels weighing over 28 pounds will be accepted. The min

/charge

charge per parcel is 5/- for the first 11 pounds and thereafter 6d. per pound.

Animals.

To any Island port

Cats	7/6	each
Dogs	10/-	"
Poultry (in crates) at freight		
Pigs (" ") rates		
Cows, bullock & bulls	£3	each
Horses (across Falkland Sound)	£2	"
Sheep (in crates)	£2	"
Sheep - shifting in numbers - by arrangement.		
Sheep (carcasses) East Falkland) West Falkland)	5/-	each
Horses	£3	each

Overseas - by arrangement.

0327/III

35

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

Stanley,

26th June 1956

The Honourable the Colonial Secretary,
STANLEY.

Sir,

s.s. "FITZROY" - Itinerary.

314/P

We have for acknowledgment your letter No. 327/2 dated 22nd inst. approving our amended itinerary, and confirming that the usual Mail Subsidy of £600 will be granted for the extra Montevideo voyage No. Y22.

Thanking you for your courtesy,

I am, Sir,

Your obedient servant,

A. G. Darlow

MANAGER.

C.4.71
27.6

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

COLONIAL SECRETARY'S OFFICE 10 JUL 1956 FALKLAND ISLANDS

Stanley,

10th July 1956

The Honourable the Colonial Secretary,
STANLEY.

Sir,

345

With reference to your letter of 2nd inst. we beg to enclose herewith two copies of an Agreement between the Falkland Islands Company and the Government of the Falkland Islands concerning the projected Mail Contract. Each page of both copies is initialled.

This Agreement differs in various particulars from the copy you sent us, and embodies the alterations made at our recent discussion.

Operative date:
Subject to approval from our Head Office we agree that the operative date be filled in later and should be the date of the new vessel's first sailing from Montevideo for the Colony, or, if she does not call at Montevideo on her maiden voyage, the date of her first arrival at Stanley.

Refrigeration:
We agreed that all references to refrigeration in the Agreement and Schedules be deleted.

First Schedule:
We agreed that figures denoting tonnage etc. be filled in on delivery of the vessel.

Second Schedule:
Please note the typographical error in Page 7 Group 6, corrected and initialled. That section should read:

"PUNTA ARENAS - Single, Saloon £15. Return £30. Min. rate".

Page 9, Section 5 "Animals". Rates are left blank pending the Managing Director's confirmation that he intended freight on Live Sheep (in crates) to be increased from 25/- to £2, though most other rates on Livestock remain at the previous level.

We suggest that having checked these copies of Contract and Schedules with your own, you return us one copy initialled for despatch to London by this week's mail.

I am, Sir,
Your obedient Servant,

A. G. Dawson

MANAGER.

Reply at 360.

0327/III

360

13th July, 56.

359

361 - 369

Sir,

I am directed to refer to your letter of 10th July, 1956, and to forward herewith a initialled copy of the draft mail contract.

2. I very much regret the delay in replying and trust that it has caused no inconvenience.

I am,
Sir,
Your obedient servant,

(Sgd) A.G. Denton-Thompson

COLONIAL SECRETARY.

The Manager,
Falkland Islands Company, Limited,
STANLEY.

ADT/VM

F A L K L A N D I S L A N D S

THIS INDENTURE made this day of One thousand nine hundred and B E T W E E N THE GOVERNMENT OF THE FALKLAND ISLANDS (hereinafter called "the Government") of the one part and THE FALKLAND ISLANDS COMPANY LIMITED whose Registered Office is situate at 120,Pall Mall in the City of Westminster (hereinafter called "the Company") of the other part W H E R E A S the Government is desirious of providing for the transmission of mails,passengers and freight within the home trade limits of the Colony,the collection of produce and the transit of mails,passengers and freight within and between the Colony and the mainland of South America upon the terms hereinafter appearing which terms are acceptable to the Government N O W T H E S E P R E S E N T S W I T N E S S AND IT IS HEREBY AGREED AND DECLARED by and between the parties hereto as follows that is to say

1. THESE provisions shall become operative from and shall remain in force during the currency of this Agreement.

2. IN this Agreement the following expressions shall have the following meanings:-

"The Colony" means the Colony of the Falkland Islands.

"The Governor" means the Officer Administering the Governm of the Colony or the Colonial Secretary acting on his beha

"The Postmaster" means the officer for the time being excer the function of that office.

3. THE COMPANY shall provide a Steamship short particulars of w ch are set out in the first schedule hereto and shall maintain it in Lloyd's highest class for the carriage of mails,passengers and freigh between the Colony and Montevideo,Uruguay and between the several ports of the Colony and generally to provide transport facilities for farm settlements in the Colony and to enable shipment of produce to home markets to be effected.

Provided that should the steamship become a total loss or be rendered wholly unseaworthy owing to circumstances not w Company's control this Agreement shall forthwith be term

4. THE Steamship shall be properly found in all respects of carrying not less than thirtysix saloon passengers wit comfort and shall at all times be supplied and furnished whatever may be requisite and necessary for rendering th having regard to the nature thereof constantly efficier services hereby contracted to be performed and shall a with a proper and efficient crew of officers,engineers The Steamship shall be fitted with wireless telegraphy having an effective range of not less than five hundr normal working conditions.

Amendment 3.92 the steamship shall be fitted with wireless telegraphy approved as required by the Ministry of Transport and Civil Aviation for a vessel of this class

362

See 392

5. THE maximum passenger fares and freight rates charged by the Company for Inter-Island trade and between the Colony and Montevideo and vice-versa, the Colony and Punta Arenas and vice-versa are detailed in the Second Schedule hereto attached. and shall not be altered or amended except by and with the consent of Government

Should the Company consider that basic operating expenses have increased to such an extent that increases in passenger fares and freights are justified it shall be incumbent on them to produce a statement certified by the Company's Auditors in support of their request for increases, permission for which shall not be unreasonably withheld by Government.

Should Government consider that basic operating expenses have decreased to such an extent that reductions in passenger fares and freights are justified the Company shall produce a statement certified by the Company's Auditors which shall form the basis for discussion between the Government and the Company.

6. THE Government agrees that no charge shall be made to the Company by way of any Port Tonnage, wharfage or light dues in respect of the Steamship for entering in or clearing from or for using or being in any Harbour, Port or Anchorage within the Colony during the continuance of this Agreement.

Deleted See 391.

7. THE Company shall allow the Government a rebate of twentyfive per centum of all cargo and passenger rates chargeable on all bona fide Government personnel and cargo carried by the vessel or any substitute or substitutes approved by the Governor. This rebate shall apply to Inter-Island voyages and voyages to and fro the South American continent but shall not apply to victualling charges incurred on voyages where victualling is not included in the quoted fare. This rebate shall not apply to cargo not passing of the British Isles

8. THE Company shall not charge the Government any Landing or Wharfage Charges at Port Stanley on the cargo referred to in the le preceding clause hereof.

9. IN consideration of the payments hereinafter mentioned the Comp shall convey free of any charge whatever to the Government on any voyage made for the Government under this Agreement from any Port and to any Port included in the itinerary of such voyage all mai both letter mails and parcel mails which the Governor through th Postmaster may desire so to be conveyed.

10. THE Company shall as hereinafter mentioned provide at its ov cost a convenient and proper place or places of deposit on boar Steamship for the safe keeping of the aforesaid mails and in particular the letter mails shall be placed under secure lock a key and shall be cleared by an officer of the Post Office or of person authorised to such effect by the Governor upon the arri of the Steamship at a port of call within the Colony and by so officer duly authorised to sucheffect upon the arrival of the Steamship at Montevideo or other foreign port of call and the Company shall also provide a suitable boat properly manned ar equipped and whatever else may be necessary for the safe

/embarkatio

363

embarkation and disembarkation of the same mails and shall defray all charges for the immediate taking on board and landing of the same mails.

11. ALL mails carried under this Agreement are to be delivered on the quayside nearest adjacent to the Steamship by the Postmaster or other official appointed for the purpose and shall be delivered in like manner from the vessel to the Postmaster or other official appointed by him for the purpose and the Master of the Steamship shall without any charge to the Government other than that otherwise provided in this Agreement to be paid to the Company take due care of and the Company shall be responsible for the receipt, safe custody and delivery of the mails as aforesaid and the Master of the Steamship shall make such Declaration as shall be required by the Postmaster or his officers or agents or by the proper Authority at Montevideo or other foreign ports and shall furnish such journals, returns and information and perform such services as may be required by the Postmaster or his officers or agents or by the proper Authority at Montevideo or other foreign port and the Master shall on arrival at any of the said places of the Steamship either himself or by some competent person deliver all mails for such place into the hands of the Postmaster or other person authorised to receive them and shall receive in like manner all the return or other mails to be forwarded in due course. Should the Government complete the necessary arrangements with the Uruguayan Government for the direct transfer of letters and parcel mail from certain specified vessels at Montevideo the Company shall receive such mail direct from the specified vessel and convey it to the Company's vessel at the Company's expense.

12. THE Company shall be responsible for the loss or damage of any parcel or of any registered postal packet of any kind conveyed or tendered for conveyance under this Agreement (unless such loss or damage be caused or occasioned by Act of God the Queen's enemies Pirates restraints of Princes, rulers, or people, jettison, barratry, fire, collision, or perils or accidents of the seas, rivers and steam navigation, and in the event of any such loss or damage (except as aforesaid) the Company shall be liable to pay to the Postmaster in respect of each parcel or registered postal packet so lost or damaged (subject to the proviso hereinafter contained) such sum of money as shall be equal to the amount which may have been awarded and paid by the Postmaster at his sole option and discretion (and although not under legal obligation) to the sender or addressee of such parcel or registered postal packet as compensation for the loss or damage thereof provided that such sum shall not in any one case exceed one pound per parcel or Two pounds per registered postal packet.

13. THE Company shall not nor shall the Master of the Steamship receive or permit to be received on board the Steamship any letters for conveyance other than those contained in Her Majesty's

364

14. THE Company and the Master of the Steamship and all Agents, seamen and servants of the Company shall at all times punctually attend to the orders and directions of the Postmaster, his officers or Agents or the proper Authority at Montevideo or other foreign port as to the mode, time and place of landing, delivering and receiving mails provided always that such orders and directions shall be in conformity with the provisions of this Agreement.

15. THE Company shall not carry nor permit to be carried in the Steamship any nitro-glycerine or any other substance or articles which in the opinion of the Government shall be dangerous except with the permission of the Governor.

16.(a). The Steamship shall make such voyages from Stanley to Montevideo and return as the Government may require not exceeding twelve voyages each way in any one year. The dates of these voyages shall be fixed by the Company in consultation with the Government.

(b). The Steamship shall make not less than twelve calls in every year at a principal port on the main West Falkland Island in the course of separate voyages. The term principal port shall be taken to mean any one of the following places, videlicet, Fox Bay, Port Howard, Chartres and Hill Cove.

(c). Additional voyages to Montevideo or voyages to other places on the South American continent or to the Dependencies shall be the subject of special arrangement between the Government and the Company but the Company shall be at liberty to make such voyages on its own account and at its own expense.

See 34 Agreement

17. In consideration of the carriage of mails as provided for in this Agreement and so long as this Agreement is in force the Government shall pay to the Company in Stanley, or by mutual agreement in London by the Crown Agents on behalf of the Government, the sum of Thirteen thousand two hundred pounds per annum in equal quarterly payments of Three thousand three hundred ~~xxxxxxx~~ pounds subject however to the following provisions namely:-

(a). where this Agreement has been in force for a portion only of the preceding quarter the sum paid shall be a corresponding proportion of Three thousand three hundred pounds .

(b). an abatement at the rate of One thousand pounds per return voyage or of Five hundred pounds per single voyage shall be made in respect of any of the twelve return voyages specified in Clause 16 (a) hereof which the Company may be unable from any cause to perform or on which it may be unable from any cause to carry mails, passengers and cargo in accordance with the provisions of this Agreement.

18. SHOULD the Company charter vessels which have adequate passenger accommodation for twelve persons single voyages Port Stanley to Montevideo or vice-versa made during the months of January and February or June and July shall be an adequate substitute for a single mail voyage under this contract up to a total of two voyages Montevideo to Port Stanley and two voyages Port Stanley to Montevideo. In such cases it shall be

/permis

365

permissible to carry mails suitably stowed in holds.

19. IN the event of any breach of this Agreement by the Company or failure on the part of the Company fully to carry out the terms, stipulations or provisions hereof (unless the Company shall prove to the satisfaction of the Governor that such breach or failure arose solely from a cause or causes beyond the control of the Company and the servants of the Company) the Company shall be liable by way of penalty and not as liquidated damages for any such breach or failure to pay to the Government such a sum not exceeding £5. 0. 0. (Five pounds sterling) as the Governor shall determine and if such breach or failure shall continue to a further penalty of £5. 0. 0. (Five pounds sterling) for every day during which such breach or failure may continue and should there be any repetition of such breaches or failures or any breach or failure on the part of the Company as in the opinion of the Governor to render such a course desirable the Government may by giving to the Company notice in writing forthwith determine this Agreement but without prejudice to the rights or remedies of the Government in respect of any antecedent breach of this Agreement by the Company and nothing herein contained shall prevent the Government in the event of such breach or failure from making such other arrangements as shall seem to the Government fit for the despatch and carriage of the aforesaid mails and passengers by some other vessel or vessels and from bringing an action for damage against the Company instead of recovering a penalty under this clause.

20. NOTHING in this Agreement shall be deemed to or shall impose any personal liability on the Governor or on any member or Officer of the Government.

21. THE Government shall not be liable for any loss or damage whatever which may be sustained by the Company in consequence of the employment of the Steamship on any of the services contracted to be performed under this Agreement.

22. THIS Agreement shall continue in force for a period of five years from the date mentioned in Clause 1 hereof and shall continue thereafter on the same terms until either party gives to the other six months written notice at any time to determine same.

366

THE FIRST SCHEDULE ABOVE REFERRED TO

THE Steamer shall comply with the requirements of Lloyd's highest class and have suitable accommodation for a minimum of thirtysix saloon passengers in fourteen cabins, dining and smoke rooms.

Dimensions

Cubic capacity about cu.ft.

Gross tonnage Net tonnage Speed knots.

THE SECOND SCHEDULE ABOVE REFERRED TO

Particulars of:-

Coasting Service - ports of call.

Passage and freight rates.

Conditions of carriage of cargo and passengers etc.

THE FALKLAND ISLANDS COMPANY LIMITED.

COASTING SERVICE.

1. THE Company carries Her Majesty's mails between inter-island ports, Montevideo and Punta Arenas. The following are the ports of call:-

East Falkland:	West Falkland:	Overseas:
Darwin	Hill Cove	Montevideo
Goose Green	Fox Bay	Punta Arenas
North Arm	Roy Cove	
Walker Creek	Port Stephens	
San Carlos	Port Howard	
Port San Carlos	Pebble Island	
Lively Island	Saunders Island	
Bleaker Island	West Point Island	
Speedwell Island	Carcass Island	
Port Louis N & S	New Island	
Johnson's Harbour	Weddell Island	
Salvador	Beaver Island	
Teal Inlet	Chartres	
Rincon Grande	Dunnose Head	
Fitzroy	Albemarle.	
Douglas Station		
Bluff Cove.		

2. PASSAGE RATES. From Stanley to following ports & vice-versa:

	Saloon.
Group 1. Berkeley Sound Fitzroy Bluff Cove.	20/-
Group 2. Darwin Walker Creek Salvador Rincon Grande Teal Inlet Douglas Station Horseshoe Bay Lively Island.	45/-.

C.P.D.

C.A.T.

367

PASSAGE RATES. (Continued).

		Saloon.
Group 3.	North Arm Speedwell Island Bleaker Island Brenton Loch San Carlos Port San Carlos Port Howard Fox Bay Port Stephens Chartres Dunnose Head Roy Cove Hill Cove Albemarle.	75/-.
Group 4.	New Island Beaver Island Weddell Island Passage Islands Pebble Island Carcass Island Saunders Island West Point Island	75/-.

Group 5. INTER-PORT PASSAGES for which rates are not specified in Groups 1 to 4.

Up to 30 miles.....20/-.
31 to 65 miles.....45/-.
Over 65 miles.....75/-.

Group 6. Montevideo Single, Saloon £20. Return £40. Min. rate.
Punta Arenas Single, Saloon £36. Return £30. Min. rate.
(Government taxes not included).

CHILDREN: 12 years or over.....Full adult fare.
6 years & under 12 years.....Half fare.
2 years & under 6 years.....Quarter fare.
1 child under 2 years.....Free.
Each additional child under 2 years.....Quarter fare.

The fares quoted are MINIMUM rates and are applicable to:-

4 x 4 berth cabins } Main Deck.
2 x 2/3 " " }

8 x 2 Bedstead Cabins on Upper Deck will be subject to a supplement of 25% on the MINIMUM rate per bed.

Sole occupancy of cabin by special arrangement.

BERTHING OF CHILDREN.

Two children paying quarter fare each will occupy one berth.
Cots will be provided for infants when possible, free of charge.

BERTHS.

Berths are not guaranteed on Inter-Island voyages. Berths are not available for passengers making a voyage within the hours of sunrise and sunset but if required and if available an additional charge will be made of 10/-d. per berth.

Passengers are carried on the terms and conditions printed on the Company's passenger tickets.

A.P.
24/1

368

3. CONDITIONS OF CARRIAGE OF PASSENGERS AND BAGGAGE.

The Company reserves the right to charge the fare applicable to the most distant port when passengers are bound for a port called at after the most distant port, e.g. a passenger booked for Darwin by a vessel going North about East Falkland and calling at Foxbay and then Darwin will pay the passage money equal to the fare to Fox Bay.

Baggage allowance - 36 cubic feet.

Excess Baggage will be charged at freight rates.

4. CATERING:

Inter-Island Voyages:

Breakfast, Dinner or Supper @ 5/-d. per meal
Early morning or afternoon tea, 1/-d.
Or contract rate per day 15/-d.

Overseas Voyages:

Included in the relative fare.

5. CARGO RATES.

Cargo is accepted on the terms and conditions printed on the Company's Bill of Lading.

1. MONTEVIDEO & PUNTA ARENAS:

General Cargo 80/-d. per ton weight or measurement.
Special Stowage & Petrol } 160/-d. " " " " "
Minimum rates of freight as for half ton weight or measurement.
Parcel freight - 2/6d. per cubic foot, minimum 10/-d.
Light oils in bulk, by special arrangement.

2. INTER-ISLAND FREIGHT RATES:

Between Port Stanley & vice-versa:-

Berkeley Sound & Fitzroy	55/10d.	p.t.w/m.	10¾d.	per ft.cu.
Lively Island & Darwin.	47/6d.	"	1/2¼d.	"
Speedwell Island	65/10d.	"	1/7¾d.	"
Other East Falkland Ports.	53/4d.	"	1/4d.	"
Fox Bay & Port Howard, Great Island & Island Harbour	75/10d.	"	1/10¾d.	"
Other West Falkland Ports	86/8d.	"	2/2d.	"
Manybranch Harbour.	106/8d.	"	2/8d.	"
Passage Island & Sealion Island.	106/8d.	"	2/8d.	" If over 10 tons, if less £54 per call.

3. INTER-PORT RATES. Freight rates which are not specified in Group 2.

Up to 30 miles	55/10d.	pt.w/m.	10¾d.	per ft.cu.
31 - 50 "	47/6d.	"	1/2¼d.	"
51 - 100 "	53/4d.	"	1/4d.	"
101 - 120 "	75/10d.	"	1/10¾d.	"
121 & above.	86/8d.	"	2/2d.	"

Special calls can usually be arranged provided there is sufficient inducement.

4. PARCELS - Local.

No parcels weighing over 28 lbs. will be accepted. The minimum charge per parcel is 5/-d. for the first 11 lbs. and thereafter 6d. per lb.

A.R.
C.G.T.

369

5. ANIMALS.

To any Island port:

Cats.....	7/6	each.
Dogs.....	10/-	"
Poultry (in crates)	2/-	
Pigs " " - freight free		
Cows, bullocks & bulls.....	7/3	"
Horses.....	7/3	"
Horses (across Falkland Sound).....	7/2	"
Sheep (in crates).....	1/2	"
Sheep - shifting in numbers - by arrangement.		
Sheep (carcasses) East Falkland) West Falkland)...	5/-	each.
Beef Quarters.....	10/-	"

Overseas - by arrangement.

6. WHARFAGE:

The freights quoted in Groups 1 to 5 do not include Wharfage &/or Transhipment at Montevideo &/or Port Stanley.

7. WAREHOUSING:

Any cargo delivered into the Company's Warehouse(s) or other storage place is given free storage for seven days, after which the Company reserves the right to charge for storage at the rate of 13/4d. (thirteen shillings & fourpence) per ton w/m. per month or part of a month.

All Storage is at Owner's Risk.

8. PRODUCE: for shipment overseas.

By arrangement at rates which include lighterage where required, shipment, storage, transhipment, Bill of Lading and Agency, i.e. all charges from point of shipment to final discharge.

9. DEVIATION & SPECIAL VOYAGES:

By arrangement.

a P
CMT

MCS.

1) But now for further word from F.I.C. I note they
2) never answered para. 4 of your 346 about radar in the new ship.

DRM 14/7/56

ACS.

1. Yes.
2. Mr Baxter informed me verbally that radar was being installed.

C.G.J.
16.7.56.

BU 1/9/56

371

GM ABBey 1266

Your Reference

My Reference COM 201/50/01

COLONIAL OFFICE
THE CHURCH HOUSE
GREAT SMITH STREET
S.W.1

6 July, 1956

Dear Denton-Thompson

284 in Vol III

I must apologise for the long time it has taken to examine the draft agreement for your mail service which you left with me for that purpose.

284/0327/III

at b.c. 211 in 0327/II

I now return the draft, the copy of the previous agreement dated 1937, and your notes.

My comments are :-

284 in Vol II

Clause 2. It might be appropriate to arrange that if the ship is lost the agreement should be suspended until the company replace the ship, thus avoiding giving the company an opportunity to demand a new agreement, perhaps more favourable to them. Alternatively the agreement might provide that another ship should be substituted and that payment of subsidy should be suspended until the service is reinstated.

285 in Vol II

Clause 3. Is there any need to require that crew shall as far as possible be recruited locally, or is this not a problem?

285 in Vol II 376

Clause 5. Exemption from dues might be regarded as a form of flag discrimination. I consulted the Ministry of Transport and Civil Aviation about this, and enclose a copy of their reply, which also contains a comment on Clause 4 and a suggestion for an additional clause.

Clause 4.

A.G. Denton-Thompson, Esq.
Colonial Secretary,
PORT STANLEY.

Cc T.L. 31.7.56

372

374 Clause 4. (your revision) insert before "such increase" the words "consent to", (if required when clause is redrafted to take account of M.T.C.A. comments.

288 in Vol. II. Clause 14 (iii) You may wish to provide that such additional voyages shall not prejudice the maintenance of the regular schedule of voyages.

289 in Vol II. Clause 18 The penalty of £5 per day seems rather low.

I hope these comments will assist you. If there are any other points on which you would wish to have the advice of the Ministry of Transport and Civil Aviation I shall be glad to arrange this on request. Perhaps you would let me have a copy of the final agreement for my records in due course.

Yours sincerely

A H Sheffield

(A.H. SHEFFIELD)

reply at 383.

Additional Clauses that require to be inserted.

Pg 2 of 211 in Vol. II.
Clause 5 ~~of~~ of the former contract to be reinserted in the draft agreement.

Pg 7 of 211 in Vol II
Clause 18 of the former contract to be reinserted (for the time being. - further negotiation will be required on this point)
* ~~This clause, however, to be modified to the extent~~ Not in 361.
Clause 19 to be reinserted. Not done

Pg 8 of 211 in Vol II.
Clause 21 of the former contract to be reinserted but amend to provide that ~~the right of~~ Government's prior claim to passenger accommodation or cargo space shall not apply in the case of "the following voyages (voyages to be stipulated after further discussion with the Company) - save in the most exceptional circumstances" Not done

* The redrafted clause, however, should be modified to the extent that transhipment expenses on cargo exc. U.K. shall be limited to the actual cost incurred by the Company. Thus the sentence providing that transhipment expenses on cargo exc. U.K. ~~shall~~ on vessels specified by the Company shall be borne by the Company - will not be included in the ~~a~~ new draft contract.

New Clause - Landing Charges

A new clause to be inserted that will provide that the Company shall allow Govmt a 25% rebate on all landing charges imposed at the rate ~~to be~~ set out in the Schedule to the agreement (This rate to be negotiated and included in the schedule.

Not done

Amendments Required - New Draft Contract.

Amendment to Existing ~~Charter~~ Clauses.

Clause # 3 Pg 285 in Vol II.

Add "Stewards" to list of crew. Not done

Clause 4. Fares and Freight Rates.

This clause should be redrafted on the following lines:-

(1) The maximum passenger fares, and freight rates and landing charges for inter-island trade and between Punta Arenas - Montevideo and the Colony shall be those set out in a schedule attached to the agreement.

(2) The rates set out in the schedule to be subject to an annual review and may, in consequence of the review, be revised in the light of maintenance, administration, manning and repair cost.

(3) Any case that may be submitted by the Company for an increase in the rates shall be supported by full details and Auditors statements.

~~(4) Subject to the provisions of (3) above being conformed~~

(4) In the event of the Company substantiating a claim for increased rates, such increase shall not be unreasonably withheld by Government. Not done

Clause 5 - Port Charges etc. 285 in Vol. II

This clause should be redrafted to provide that Port tonnage, wharfage, light dues may be imposed by Government, but only after Government has given six months notice to that effect to the Company.

Clause 14 - Voyages Schedule 288 in Vol II.

Clause 14 (i) - to be redrafted to provide that the dates of the voyages shall be fixed by the Company after consultation with Government. instead of by Government after consultation with the Company.

Clause 14 (ii) - to be redrafted so as to provide that Government can insist that the West Falklands call shall be at Fox Bay if so required by Government.

Clause 16 - Employment of Charter Vessels 289 in Vol II.

This clause as drafted is not acceptable.

It should be redrafted so as to provide that the Company may substitute 12 passenger charter vessels only in the case of the ships requiring a survey in the U.K. or a refit in the U.K. - Montevideo - South Africa or other port. Arrangements to that end shall be subject to Government agreement.

Clause 17. - Refrigeration Space. 289 in Vol. II.

This clause is not acceptable and should be deleted.

312

EXTRACT from Ministry of Transport and Civil Aviation letter dated 15th June, 1956 addressed to Mr. A.H. Sheffield, Colonial Office.

* * *

285 in Vol. II

As regards the provisions of Clause 5, our view is that the proposed exemption from port dues would, in fact, constitute a form of flag discrimination within the Commonwealth, and therefore should not be included in the contract. (Even if the clause was included in earlier contracts we feel we must examine it as if it were being considered for the first time). The Falkland Islands are not so far away from South America, and if the clause were adopted it could be most embarrassing for us to have to explain it in that part of the world. We have been trying for years to persuade Argentina to drop the particular kinds of flag discrimination which she adopts against the U.K., but she does not discriminate in the allocation of port facilities or the payment of dues; indeed, in the Trade and Payments agreement which this country negotiated with Argentina last year a clause was inserted at their request in the following terms:-

> "Ships of the flag of either country shall enjoy, within the jurisdiction of the other, the most favourable treatment allowed by their respective legislations as regards port facilities and operations".

It is true that the Agreement did not embrace the Falkland Islands and that the Article quoted above does not mention dues, but it was made clear during the negotiations that it was not our policy to discriminate in regard to any kind of port arrangements, and it would be unfortunate if they challenged us on that point.

We have also recently had occasion to protest to Uruguay about flag discrimination, and as Montevideo is to be the Continental end of the mail route, there seems to be every possibility that the exemption from dues now proposed in the Falkland Islands contract will be known there.

The third country covered by the agreement - Chile - also discriminates against British shipping, and we are contesting (at present not very successfully) a provision in a Bill calculated to give Chilean shipping priority in Chilean trade. It would be most embarrassing if, during these negotiations, the Chileans were able to quote against us a example of discrimination within the Commonwealth. It is of course, possible to argue that this is not flag discrimination but a particular facility given to a particular ship or company for services rendered. It would be much better not to have to excuse ourselves with this kind of argument which might be turned against us.

In the circumstances, we should like to see the deletion of Clause 5 from the Agreement. The Falklands Government themselves appear to have some concern about its flag discrimination aspect in that they are prepared to arrange for dues to be reimposed at six months' notice. It seems to us, however that it would be a simple matter to do this now and to arrange for the sum payable under the contract to be increased to balance the increased charges, and we shall be glad if you will incorporate these views in your reply to the Colonial Secretary.

We

We should also like to comment on Clause 4. It seems to us that the sentence shown in pencilled brackets in unnecessary as, although it does not commit the Government in any way, its inclusion indicates that the statement is accepted, whereas it may not be factual. As there is no definite statement that Government permission is required for an increase in fares and rates, we think it would be better if the Clause stated that, unless the Governor's prior permission is obtained, the maximum passenger fares and freight rates to be charged shall be those shown in Schedule 2; such permission, however, should not be unreasonably withheld should the Falkland Islands Company show that the increase was justified by increased operating costs.

We should also like inserted in the Agreement a paragraph pointing out that the yearly payment is in respect of carriage of mail only and that in no way does it represent a shipping subsidy.

* * *

377.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

COLONIAL SECRETARY'S OFFICE 10 AUG 1956 FALKLAND ISLANDS

Stanley,

9th August 1956

The Honourable the Colonial Secretary,
STANLEY.

Sir,

344 We have to refer to your letter No. 327/2 of 22nd June and our acknowledgment of 26th.

Our Head Office advises that it would be uneconomical to make an eleventh voyage to and from Montevideo this year for the usual subsidy of £600 per voyage (10) in accordance with the terms of the Mail Contract.

We are to inform you that the subsidy should not be less than the cost of bunker-fuel consumed on the round voyage, which Captain White estimates at 85/90 tons at an approximate cost of £10 per ton.

Please let us know if we may telegraph Head Office that this form of subsidy is approved.

? From information received we gather there is some doubt about the connections with Royal Mail Line vessels as detailed in your letter of 22nd June, and will write you further on this point.

344

I am, Sir,
Your obedient Servant,

A. G. Barlow

MANAGER.

CS to discuss w/ H on pl. 10/8/56

Reply at 379

Acknd 17/8

378

J.H.

I have discussed with Mr Barton and am now convinced that the cost of fuel is a fair charge. Charges in Montevideo are extremely high – I went through this invoice and the cost of docking, loading port dues, pilots, etc, etc. amounted to £1752 between the 22nd and 25th January this year. Other calls varied between £1300 and £1600.

To approve?

[illegible] 15/8

Reply

379

0327/III

17th August, 56.

Sir,

377 I have to refer to your letter of the 9th August, in connection with the possibility of the "Fitzroy" making an 11th voyage to and from Montevideo this year.

2. In the light of the discussion that you had with the Acting Colonial Secretary, I am to inform you that this Government is prepared to meet the cost of fuel for such a voyage up to a maximum of £900.

3. It is noted that there is some doubt with regards to the connection with the Royal Mail Line Vessels and I await further information on this point.

I am,
Sir,
Your obedient servant,

(sgd) A.G. Denton Thompson.

OFFICER ADMINISTERING THE GOVERNMENT.

The Colonial Manager,
Falkland Islands Company, Ltd.,
STANLEY.

ADT/MC

Repd

Reply at 380A

380

A.C.S.

A

1) Pl. see that Act. C.T. seen and notes f.379.

2). We must now consider f.371 - the question of dues being the most important. What dues do we now collect and under what provision from any ships? any nationality? if any?

3. Spare copies at b.c. in an envelope pl.

C.H.H.
23.8.56.

B

Agd C.T.
Do see 379 pl.
D.C. for C.S.
23/8/56.

Agd B.
C

Hon C.S.
Seen. V.J.
23/8/56.

C.S. to C.
A above para 2. Will you copy pl.
D.C. for C.S.
24/8/56

Office
Para 3 prepd
& sent to C.P.C.

H.C.S.

Tonnage Dues. See section 62 of Customs Ordinance. This only covers vessels entering at Ports in the Colony other than Stanley. R.M.S. Tweed etc entering at Cyan Bay paid £10. There are no other dues in force in this Colony.

H.H.S.
C.S.C. & H.M.
28/8/56.

380A

EXTRACT FROM LETTER FROM MANAGER F.I.C. TO HON. COL. SEC. OF 23. 8. 56.

(Original filed in 0050/II - Shipping Itineraries)

379

Sir,

We acknowledge your letter of 17th inst. and thank you for agreeing to defray the cost of fuel oil consumed i on the proposed eleventh voyage to and from Montevideo up to a maximum of £900.

.....

Ref: 0327/III

381

11th September 1956

Dear Sheffield

Thank you for your letter COM. 201/50/01 of the 6th July in connexion with the draft mail contract agreement between the Falkland Islands Government and the Falkland Islands Company. 371.

Since I first discussed this subject with you the draft has been considerably amended and, as it was necessary to come to some early arrangement with the Company who had started building their new ship, a draft has in fact been initialled and is practically in its final form. I will refer to your comments seriatim:-

Clause 2. The draft in its present form provides that if the ship becomes a total loss or is rendered unseaworthy, the agreement is automatically terminated. We feel here that if the ship should be lost then the whole question would in any event have to be considered again. The present draft agreement has been negotiated very largely with the cost of the new ship in mind and the capital cost of it played an important part in negotiations. In the particular circumstances prevailing in the Falkland Islands it would be necessary to replace the ship and if the Company do not do it then Government would have to. In any event, the Company would have to in order to maintain their own services as a great deal of their business is dependant on the monthly run to and from Montevideo and the internal inter-islands service.

In such circumstances I think the agreement would have to be re-negotiated in the light of the cost of the vessel they proposed either to buy or build to replace the lost ship. If the cost of replacement were to be very much more expensive then it would be reasonable to give them a higher subsidy and vice versa.

/Clause 3.....

A. H. Sheffield, Esq.,
COLONIAL OFFICE.

ADT/PT

file 384

382

Clause 3. There is no need to require that the crew shall as far as possible be recruited locally. The Falkland Islands Company would do this in any event and there is a tremendous shortage of labour here and will be, so far as we can see, for the indefinite future. This point is not therefore a problem here.

Clause 5. This is a rather more serious matter but I am doubtful whether in fact this clause does contribute flag discrimination reading it against the background of our legislation and the comments from the Ministry of Transport and Civil Aviation. The only dues that are in fact imposed in the Falkland Islands are tonnage dues. These are imposed under Section 62 of the Customs Ordinance which reads as follows:-

" The master of every vessel arriving from any port out of the Colony at any port of the Colony other than Stanley, for the purpose of landing or receiving cargo, shall, at the time of making report, pay to the officer at such port a duty of one shilling per ton on the registered tonnage of such vessel: Provided that no vessel shall be liable to a payment of a larger amount than ten pounds in respect of the aforesaid duty on each entry, and no vessel shall be suffered to clear out until the said duty has been paid; and the same and other duties collected by such officer, shall be transmitted with all convenient speed by such officer to the Treasurer at Stanley. All vessels liable to the payment of tonnage duties shall be liable to the same only for the first two voyages after the first day of January in any one year, and after payment of tonnage duties on such two voyages, shall be exempt from any further duties during the remainder of such year. "

From this you will see that dues are imposed only in the case of a ship (of any nationality including British) which calls at a port or harbour in the Falkland Islands without at first calling at Stanley. In fact all ships do inevitably call at Stanley first and then if they subsequently visit one of the Camp Stations they are not subject to tonnage dues. In recent years only one ship, the "Tweed" (a British ship), has had to pay tonnage dues when it called directly at Ajax Bay without first coming into Stanley. I am rather anxious not to change the relevant section at this stage unless, in the light of these comments, you still consider it constitutes flag discrimination of the kind that the Ministry of Transport and Civil Aviation have in mind. In addition to tonnage dues, we impose very moderate wharfage charges on any vessel, other than the vessel under mail contract, which makes use of a Government wharf. Does this constitute flag discrimination?

/Clause 4.....

383

Clause 4. Clause 4 (now Clause 5) reads as follows:-

" The maximum passenger fares and freight rates charged by the Company for Inter-Island trade and between the Colony and Montevideo and vice versa, the Colony and Punta Arenas & vice versa are detailed in the Second Schedule hereto attached.

Should the Company consider that basic operating expenses have increased to such an extent that increases in passenger fares and freights are justified it shall be incumbent on them to produce a statement certified by the Company's Auditors in support of their request for increases, permission for which shall not be unreasonably withheld by Government.

Should Government consider that basic operating expenses have decreased to such an extent that reductions in passenger fares and freights are justified the Company shall produce a statement certified by the Company's Auditors which shall form the basis for discussion between the Government and the Company. "

I think this re-draft meets the case.

Clause 14.(iii).(now Clause 16 (c)). I think your comment in this case is covered by the fact that the Company are required to fix their dates for regular voyages in consultation with the Government. It has been our experience in the past that the Falkland Islands Company has been extremely co-operative as regard to their schedules and I do not foresee any difficulty in this connexion.

Clause 18. I feel that the penalty is sufficient in as much as it is still open to Government to obtain damages as a result of any breach or failure on the part of the Company. The following is an extract from the new Clause 19 :-

> "and nothing herein contained shall prevent the Government ..... from brining an action against the Company instead of recovering a penalty under this Clause. "

It rather looks to me as if what we really have to worry about is the question of flag discrimination and I should be glad to know whether the position as set out in my comments under Clause 5 above would meet the point of view of the Ministry of Transport and Civil Aviation. If not, I suppose we shall have to think again.

Yours sincerely
(Sgd) A. G. Denton Thompson

Bee. 30/x.
3/x.

384

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

Stanley,

26th October 1956

Recd 26/10/56

The Honourable the Colonial Secretary,
STANLEY.

Sir,

Mail Contract.
Your ref: C327/111

With reference to our discussion on the 24th inst. we enclose copy of our letter to Head Office and will advise you of the reply in due course.

385-387

Is it your intention that the final draft of Agreement shall be prepared here or in London?

I am, Sir,

Your obedient Servant,

A. G. Darlow

MANAGER.

On file.
28/10/56

Reply at 389

Ack'd
26/10/56

AIR MAIL

PRECIS NO. 1006 25th October 56

15/1

15/2 - 20.8.56

MAIL CONTRACT

We have discussed with Colonial Secretary and report as follows.

1. Classification of s.s. "DARWIN":
It is presumed that details will be included in First Schedule to the Agreement.

2. Section 4. W/T equipment:
It is suggested that this be re-worded as follows:

> "The Steamship shall be fitted with wireless "telegraphy apparatus as required by the "Ministry of Transport for a vessel of this "class".

Colonial Secretary wishes to refer this alteration to the Ministry of Shipping before agreeing it.
It seems strange that a Foreign Going Passenger Ship only requires nominal 150 miles range.

3. Section 5, paras. 2 and 3:
Any increase in the completed contract price over the original contract price due to unforeseen circumstances would justify the Company in presenting a case, supported by Auditors' statements, to Government for an increase in subsidy.
If it can be proved that working expenses (i.e. fuel, wages) have increased between the 14th January 1956 and the date on which the Agreement comes into force, the Company would be justified in asking for an increase in subsidy.
It is hoped that it will not be necessary to ask for an increase in subsidy during the current financial year ending 30th June 1957. The date above-mentioned (14th January 1956) is the date of the Managing Director's attendance at the Executive Council Meeting when the main features of Mail Contract were discussed.

4. Section 6, Harbour dues:
Colonial Secretary has been notified by the Shipping Adviser to Secretary of State that this section implies "Flag Discrimination" and may have to be deleted for political reasons.

/Government..

XXXXXXXX

Government will however devise ways and means of ensuring that the Company will be compensated in full for Harbour or other Dues which may in the first instantehave to be paid. Meanwhile Government will continue to make representations that the clause be allowed to stand as part of the Agreement.

5. Section 7. Government rebate:

In the past Government personnel passing through Stanley in transit for South Georgia (i.e. the present Administrative Officer, Mr. R. Spivey) have qualified for the rebate.

Personnel of Falkland Islands Dependencies Survey have never been granted rebate, except on one occasion in error which was later rectified.

The Colonial Secretary feels that passages of Falkland Islands Government personnel posted to South Georgia should qualify for rebate.

None of Government personnel in South Georgia are employed by the Falkland Islands Dependencies Survey.

6. Second Schedule 2 (Group 6)

Fares - Punta Arenas:	Single Saloon £15) min		AGREED
	Return " £30) rate		

Second Schedule 5 (1)

Freight - Punta Arenas	80/- per ton w/m	AGREED

The Colonial Secretary proposes that any future percentage of increase in fares Stanley/Montevideo and vice versa should not automatically apply to fares Stanley/Punta Arenas and vice-versa, seeing that the latter journey is only half the distance.

7. Second Schedule 5 (5)

Animals - to or from any Island port:-

Cats (in crates)	7/6 each	AGREED
Dogs	10/-	
Poultry	2/- per head in crates	
Pigs (in crates)	At Freight Rates	
Cattle	£3 each	
Horses	£3 "	
Horses (across Falkland Sound)	£2 "	
Sheep	£2 per head, in crates	
Sheep-shifting in numbers	By arrangement	
Sheep (carcases)	5/- each	
Beef Quarters	10/- "	
Overseas	By arrangement	

Precis No. 1006

Stanley to London Office
25th October 1956

Mail Contract (contd)

8. Operative date of Agreement:

With our Precis 1003, 15/1, 10th July 1956 we sent you a copy of our letter to the Colonial Secretary of even date suggesting, subject to your approval, that the operative date should be the date of s.s. "DARWIN"s first sailing from Montevideo for the Colony, or, if she does not call at Montevideo, then the date of her arrival at Stanley.

Please let us have your reply.

A. G. Barton

MANAGER.

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 30.10.56. Time: 1430 Received: : Time: :

No: 241.

Following for Sheffield from Denton-Thompson begins:-

My letter 0327/111 of 11th September. Mail Contract.

Falkland Islands Company have proposed amending the draft mail contract in such a way as to provide that vessel should be fitted with wireless telegraphy as required by Ministry of Transport for a vessel of this class. Relevant clause at present provides for installation of W/T having an effective range of not less than five hundred miles in normal working conditions. I am given to understand that the vessel falls within class 2A and that W/T requirement for this class is minimum range of 150 miles. In view of the fact that the ship travels regularly between the Islands and Montevideo it is clearly essential to have really satisfactory W/T equipment and I should be grateful for your advice on this point. Company intend taking out M.O.T. Passenger Certificate for foreign going passenger ship.

GTC : PT

H.C.S.
Manager F.C. is aware from his discussion with you last week of our intentions in respect of 386.
John 31/10/56

Reply at 390.

0327/III

~~385~~
389

1st November, 56.

Sir,

384 I am directed to acknowledge the receipt of your letter of 26th October, 1956, with which you enclosed a copy of your letter to the Head Office of the Falkland Islands Company, Limited, on the subject of the mail contract.

2. I agree that your letter represents a fair and accurate description of our discussion. It is suggested for your consideration that the final draft of the Agreement should be prepared here and that four original copies should be signed, two of which would be retained by Government and two by your Company.

I am,
Sir,
Your obedient servant,

(Sgd) A. G. Denton-Thompson

COLONIAL SECRETARY.

See 391.

BU 388. 13/11/56

The Manager,
Falkland Islands Company, Limited,
STANLEY.

DT/VM

0327/III

390

DECODE.

TELEGRAM SENT.

From SECRETARY OF STATE *to* GOVERNOR

Despatched : 10.11.56. *Time :* 0040 *Received :* 11.11.56 *Time :* 0945

No: 163. Following for Denton-Thompson from Sheffield. Your tel. No: 241. 388
Mail contract.

Company had consulted Ministry of Transport and Civil Aviation who confirmed proposed installation comply with radio rule.

2. Installation would be accepted in U.K. vessel for any voyage and emergency transmitter has range much greater than 500 miles. I should have thought therefore that clause might be left unchanged.

3. Ministry feel that clause 5 involves discrimination however slight and would prefer amendment. 308 in Vol. II

4. Has clause 4 been amended and new clause actually completed on mail carriage? Also at 361

Deleted See 391. in 308 Vol. II.

GTC : PT

See 391

391

0327/III

27th November, 56.

Sir,

389 I am directed to refer to my letter No. 0327/III of 1st November, 1956, and to previous correspondence on the subject of a new mail Agreement. Government has been advised by the Colonial Office that the Ministry of Transport and Civil Aviation considers
362 that Clause 6 of the current draft Agreement constitutes flag discrimination and is contrary to the policy of Her Majesty's Government. This Clause as at present worded reads as follows:-

> "The Government agrees that no charge shall be made to the Company by way of any port tonnage, wharfage, or light dues in respect of the Steamship for entering in or clearing from or for using or being in any harbour, port or anchorage within the Colony during the continuance of this Agreement".

In the circumstances it is regretted that this clause must be deleted from the Agreement. Government is, however, prepared in its place, to give your Company a written guarantee and undertaking that in the event of port tonnage, wharfage or light dues being imposed on the steamship the sum payable under the terms of the Agreement for the carriage of mails will be increased to balance any such charges that may be imposed. Government understands that it is probable your Company will see no objection to this proposal.

2. The Ministry of Transport and Civil Aviation have also requested that a paragraph be inserted in the Agreement pointing out that the annual payment is in respect of the carriage of mails and does not represent a shipping subsidy. While the reason for this request is not explained it is felt that the point could easily be ~~made~~ met, without prejudice to either the Falkland Islands Company or Government by the insertion of the
364 following words at the beginning of Clause 17:-

> "In consideration of the carriage of mails as provided for in this Agreement and ..."

/3.

The Manager,
Falkland Islands Company, Limited,
STANLEY.

ADT/VM

392

3. It is further proposed, on the basis of advice tendered by the Ministry of Transport and Civil Aviation, that the first paragraph of Clause 5 should be amended by the addition of the following words:-

"and shall not be altered or amended except by and with the consent of Government."

This amendment would only have the effect of making it clear that Government consent is required for any alteration in passenger fares and freight rates which, in any event, is in accordance with the intention of the Agreement clearly expressed in the second and third paragraphs of Clause 5.

362

4. The Colonial Office and the Ministry of Transport and Civil Aviation have been consulted with regard to the last sentence of Clause 4 which relates to the wireless telegraphy installation. The Ministry has advised that they were consulted by the Falkland Islands Company over the question of the wireless installation and have said that the installation would be accepted in a United Kingdom vessel for any voyage and that the emergency transmitter has a range much greater than 500 miles. In the circumstances although the Colonial Office have expressed the view that the present wording might be left unchanged Government has no objection to the following amendment proposed by your Company:-

361.

" The Steamship shall be fitted with wireless telegraphy a paratus as required by the Ministry of Transport and Civil Aviation for a vessel of this class."

5. It is regretted that further amendments in the draft Agreement are now proposed, but it is not felt that they should cause any inconvenience to your Company.

I am,
Sir,
Your obedient servant,

(Sgd) A.G. Denton-Thompson

COLONIAL SECRETARY.

390 Bu 20/12/56 & HCS
Vol II p. 25/20/12

393

H.C.S.

Since issue of 391 do you wish amendments telegraphed in reply to 390, pt.

2. As Clause 6 has been deleted, all other clauses following should be renumbered.

WH 21/12/56

N.F.B. pro tem. Await reply from Company

21/12/56

Bu 16/1/57

394

DECODE.

TELEGRAM SENT.

From SECRETARY OF STATE *to* GOVERNOR

Despatched: 8.1.57 *Time:* 1045 *Received:* 9.1.57 *Time:* 0945

390 No. 5. My telegram No. 163. Mail Contract.

I should be grateful for an early reply.

SECRETARY OF STATE.

GTC:MF

H.68

Clause 4 amended see 361
" 5 " " 362
" 6 deleted " 362
" 17 amended " 364

WH 10/1/57

See 395

395.

DECODE.

TELEGRAM SENT.

From GOVERNOR'S DEPUTY SECRETARY OF STATE

Despatched : 15.1.57. Time : 0930 Received : : Time : :

394

No:5. Your telegram No:5. Mail contract.

Details of contract still under negotiation. Company advised that Clause 5 must be deleted. Clause 4 amended along lines proposed by Ministry of Transport and Civil Aviation. Amendment to conform with Ministry of Transport and Civil Aviation comments on mail carriage proposed to Company. Draft agreement in present form will be forwarded as soon as possible.

Governor's Deputy.

GTC : PT

Bell

No.

It is requested that, in any reference to this memorandum the above number and date should be quoted.

CONFIDENTIAL

MEMORANDUM.

12th January, 19 57.

From: Acting Colonial Treasurer,

Stanley. Falkland Islands.

To: The Honourable

The Colonial Secretary,

STANLEY

SUBJECT :- **Mail Contract**

I have the honour to submit the following figures in connection with the mail contract as requested --

		Balance on vote	£6400
Fitzroy	Jan/March (say)	£1500	
John Biscoe	Apl/June (new rate) (say)	3300	4800
Estimated balance on vote			£ 1600

There may, of course, be some contingent charges before the end of the financial year but I will report immediately any heavy charge should such be the case

Acting Colonial Treasurer

F.I. Ref: 0527/III

397

19th January, 1957.

Dear Mr. Barton,

You raised with me the other day a point in connexion with the operative date the new mail contract should come into force.

If I remember correctly it is your Chairman's contention that the operative date should be one that would cover the voyage out from the United Kingdom, particularly if the "Darwin" brings a mail out with her.

I am afraid that I cannot quite see it that way. Firstly the Agreement provides inter alia for the transmission of mails within and between the Colony and the mainland of South America. Secondly, I can see no particular advantage in having a mail brought out from the United Kingdom by the "Darwin". We don't pay for the outward mails which come out on the mail ships and it would be an expensive proposition from the taxpayers' point of view to extend the mail contract beyond its proper confines to cover mails brought out by the "Darwin" which could just as easily be brought out in the normal way.

If your Company intends to press the point I will submit the matter to Executive Council but I have little doubt that the feeling would be very much along the lines of the arguments set out above.

Yours sincerely,

(Sgd) A.G. Denton-Thompson

The Hon. Mr. A.G. Barton, C.B.E., J.P.,
STANLEY.

ADT/VM

KIV 396 which Ag CT is dealing with
21/1/57

A.C.S.

There are two points on these papers that require further action:-

(1) Would you please write to the F.I.C. confirming my verbal agreement to pay the usual merit subsidy (at Fitzroy rates) in respect of a fourth charter - if the Company provides one - to fill the gap between the Fitzroy going and the arrival of the new vessel.

(2) Would you then ask Mr McLaren to revise and bring up to date (taking into account subsequent amendments - e.g. f. 391 and 392) the initialled agreement at f. 361. I would like four copies - but with larger margins on the folios and much more space between the clauses.

R.G.T.T.
23.1.57.

Office
Re. file F.I.C. letter of yesterday
24/1

349
~~204~~

Bill. article early
TN
23/1

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

Stanley,

19th January 1957

The Honourable the Colonial Secretary,
STANLEY.

Sir,

See 178
on
0327/I

We are instructed to inform you that subject to Government affording us the customary subsidy of £600 per mail voyage m.v. "HANNE-S" will make a second round voyage from United Kingdom to Stanley and return, calling at Montevideo outward and homeward.

We estimate arrival and departure dates to be as follows:-

Depart	STANLEY	30th January
Arrive	MONTEVIDEO	3rd February
	LONDON	4th March
Depart	"	14th "
Arrive	MONTEVIDEO	7th April
Depart	"	9th "
Arrive	STANLEY	14th "
Depart	"	11th May
Arrive	MONTEVIDEO	15th "

Homeward:
"ANDES" 16/5
"H.CHIEFTAIN 21/5

For the time being it is assumed that a general cargo will be carried from United Kingdom for Stanley but space will be left to allow for loading supplies ex Buenos Aires at Montevideo also mails.

m.v. "NANCIE-S" (3rd Charter)

We have no news of her loading in Gotenborg/London yet but expect to hear shortly in which case she should be at Stanley via Montevideo late February and sail for Montevideo and London late March.

s.s. "DARWIN"

Evidently progress on building has been further delayed. Mr. Young writes that she is to be launched on 18th February but will not arrive Stanley in time to make a northward voyage before late June. The final sailing of s.s. "FITZROY" from Stanley which is dependent on the readiness of s.s. "DARWIN" has not yet been deferred from 12th March but well may be.

extracted to 0050/II - F.I.C. Shipping Itineraries

I am, Sir,
Your obedient Servant,
A.C. Barlow
MANAGER.

Ack'd
23/1/57

Reply at 401.

A

400
~~205~~

M.C.S./

1. I sent the file back to you this morning.

2. On the mail file I asked you to confirm my verbal undertaking to the Company that we would pay the Fitzroy mail subsidy – but I see they have worded the first paragraph of this letter to read "subsidy of £600 per mail voyage." This appears to mean – or might be construed to mean £600 each way. Does we pay the Fitzroy £600 per round trip. Pl. consider and comment before writing to the Company. I feel they are showing up a fast one.

R.G.M.T.
24.1.57.

K. 1. v. 398

B

M.C.S.

Mail subsidy is, at the moment, £6,000 p a. for 10 round trips to Montevideo which is paid quarterly for 2½ trips only, irrespective of whether vessel makes more voyages or not. Mail contract calls for quarterly settlement (see Section 20 p 7 of 211 Vol. II), but contract being considered for new vessel (see 364 Section 17(b) caters for broken quarter.

W.H. 25/1/57.

C.

Y.H. ✓ Thank you. I agree draft. R.G.M.T. 30.1.57.

A Supra

The Company do however say the "customary subsidy...." & I have endeavoured to make this quite clear in the draft reply R.G.M.T. & all G.C.

29/1.

Pet. C.S.

Yes. Thank you. A file issue perhaps Mr. Nicholson or Wimberly could tackle (2) on f 398.

R.G.M.T.
30.1.57.

0327/III

2nd February, 57.

Sir,

399

I am directed to refer to your letter of 19th January, 1957, and to confirm that Government agrees to pay the usual mail subsidy, i.e. £600 for a round voyage to Montevideo in respect of a fourth charter vessel, should the Company provide one to fill the gap between s.s. "Fitzroy's" departure and the arrival of the s.s. "Darwin".

I am,
Sir,
Your obedient servant,

(Sgd) J. Bound

ACTING COLONIAL SECRETARY.

The Manager,
Falkland Islands Company, Limited,
STANLEY.

Reply at 403.

B/VM

Copies to: Treasury, Audit.

402

H.C.S.

I have looked through this file from 361 checking amendments to the Mail Contract. At 373–374A O.A.G. has made many comments which have not been incorporated into 361. Before I type an up-to-date version can you tell me if the proposed amendments (373–374A) have been dropped or if H.H. the O.A.G. wants them incorporated in the version I am to type now please.

PPE

VM
2/2/57.

Spoke H.C.S.
VM 4/2/57.

Reply at 403.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

403

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

COLONIAL SECRETARY'S OFFICE 6-FEB 1957 FALKLAND ISLANDS

Stanley,

6th February 1957

The Honourable the Colonial Secretary,
STANLEY.

Sir,

401.

We thank you for your letter No. 0327/111 of 2nd February 1957 confirming that Government agrees to pay £600 for the round voyage from Montevideo to Stanley and return Montevideo of a 4th Charter Vessel.

2 Lest there be any misunderstanding on this point we should make it clear that this payment or subsidy is over and above the existing Mail Contract of £6000 per annum for 10 round voyages, payable in quarterly instalments of £1500 each.

3 We fear we were not very clear on this point ourselves, in fact we gave you to understand in our letter of 2nd November 1956 that Mail Contract covered s.s. "FITZROY" only. You confirmed this in paragraph 3 of your reply (No. 1731 of 27th November 1956) but having examined our Shipping Office Records we find that Charter Vessel voyages have in the past been included in the requisite ten round voyages.

15 & 18 in 1731.

4 For example, s.s. "FITZROY" sailed for the United Kingdom on 25th December 1952 for LLoyd's Survey and returned Stanley 24th April 1953. During that period mails and a limited number of passengers were carried by four Dutch Chartered Vessels, and the full amount of the subsidy paid for the Jan-Mar quarter. Shipping Office actually rendered an account for 4½ voyages @ £600 each, but the then Colonial Treasurer asked us to amend it to £1500, whilst agreeing that the two extra voyages would, if required, count towards the ten round voyages to be made during the year.

5. The number of round voyages completed in 1953 by "FITZROY" or Charters totalled 13½ but the Contract allows for a maximum of £6000 only and this was the amount paid.

6 Sailings of our vessels to Montevideo in the first quarter of 1957 have been or will be:-

2nd January	-	"Martin-S"
18th "	-	"Fitzroy"
29th "	-	"Hanne-S"
18th February	-	"Fitzroy"
12th March	-	"Fitzroy"
late "	-	"Nancie-S"

and from Montevideo arriving Stanley:-

/ 10th January .....

Bal Pa/2.

Reply at 407.

Ackd
6/2/57

10th January	-	"Hanne-S"
2nd February	-	"Fitzroy"
late "	-	"Nancie-S"
2nd March	-	"Fitzroy"

equivalent to five round voyages in all.

7 Assuming that Mr. Briscoe's interpretation of the Mail Contract is correct, we are entitled to the full payment of £1500 for the Apl-Jun quarter, even though there may not be a voyage in either direction during that quarter.

8 What we propose to do to bridge the gap between "FITZROY" and "DARWIN" is to bring "HANNE-S" out again with what we assume can only be a part-cargo to allow for essential foodstuffs being loaded at Montevideo, and send her back with three-quarters of a load of Farm Produce. In our opinion this service is worth £600 and we shall be pleased to have your comments in due course.

I am, Sir,
Your obedient Servant,

C. G. Barton

MANAGER.

CIRCULAR TO MAIN IMPORTERS.

404A

CARGO FROM UNITED KINGDOM.

Cargo booked for shipment by m/v "HANNE-S" sailing from United Kingdom about 10th.March and s/s"DARWIN" May/June is already heavy.

Whilst our Head Office are prepared to accept goods for shipment by these vessels,it is anticipated that they will not have sufficient space to lift cargo shipped to Montevideo by other vessels for onward transhipment to Stanley.It is unlikely that such cargo can be lifted from Montevideo until the second voyage of s/s"DARWIN" about end of July.

THE FALKLAND ISLANDS COMPANY LIMITED.

A. G. Barton

MANAGER.

Port Stanley,7th.February,1957

Y.H.

I. i - the position appears to change from day to day!

12/2

12.2.57

Y.H.

403-404.

Govt. agreed at 178 that the voyages of the Charter Vessels should count as main sailings for the purpose of the subsidy - but this was during the time the Liberty was not available (charter sailing dates at 171).

2. Mr Barton's statement in para 4 of 403 that the full amount of the subsidy was paid in respect of the Jan.-March quarter of 1953 is correct. There is no record, however, on Secretariat or Treasury files that the then C.T. asked the F.C. to amend their a/c for 4½ voyages @ £600 (presumably £2.700) to £1500, at the same time agreeing that the two extra voyages would, if required, count towards the two round voyages to be made during 1953. The total subsidy paid during 1953 was, in fact, £6.000.

3. The main agreement calls for a steamship capable of carrying not less than 12 saloon passengers. The charter vessels do not fulfil this contractual obligation. I cannot, therefore, agree with Mr. Barton's view in para. 7 of 404 that because 5 round trips will have been completed during the first half of 1957 (including 2½ trips by charter vessels), the Company is entitled to full payment of £1500 for the Apr.-June quarter of 1957.

4. Para 8 of 404 is another matter. Reluctantly conceding the point that charter vessels should be substituted for the Liberty when she is not available (as in 1943), I think we are committed to pay something for the extra voyage of the "Hamm. 5". My first reaction was to offer a reduced figure of £400, bearing in mind that she is bringing out and taking home freight but I'm afraid that we are committed by the precedent established in 1953 to £600. However, I'd like to try the smaller amount.

[illegible] 11/2

A.C.S.

I consider:-

1) It is incorrect to interpret the provisions of the existing mail contract in such a way as to concede that the Falkland Islands Company have the right, at their discretion, to interpose one of the charter vessels now being operated by them as an effective substitute for the "Fitzroy". Under the new contract, of course, the substitution of 12-passenger vessels during the specified months of the year is recognised and accepted under the provisions of a separate article.

2) That once the "Fitzroy" has left the inter-island and the inter-island and mainland service the existing contract must be regarded as terminated.

3) The new contract comes into force when the "Darwin" comes into service on the inter-island and inter-island and mainland service.

4) That during the interim period between the departure of the "Fitzroy" and the arrival of the "Darwin" on service, there are no contractual obligations between the Company and Government and a new situation, requiring ad hoc measures, arises.

5) That provided the "Fitzroy" calls at Montevideo on her final voyage she will have completed $2\frac{1}{2}$ round trips which represents one quarter of her contractual obligations of 10 trips per year, and consequently she is entitled to a quarter of the existing mail subsidy, i.e. £1,500. and that all

6) That to deal with the new situation that arises between the departure of the "Fitzroy" and the arrival on the service of the "Darwin" a subsidy payment of £600 for the fourth charter vessel is not unreasonable having regard to the special circumstances of the case, our mail and passenger requirements and the fact that it would cost at least £3,000 to put the "Biscoe" or "Shackleton" (which we cannot now do in any case) on the return run.

My views are incorporated in the attached draft which I am very ready to discuss at any time.

12th February 1957.

AGDT/PT

407

0327/III

14th February, 57.

Sir,

403. I am directed to refer to your letter of 6th February, 1957, in connexion with the terms of the existing mail contract and the proposal to bring out a fourth charter vessel during the interim period between the final departure of the "Fitzroy" and the arrival, on the inter-island and the inter-island and mainland service, of the Company's new vessel the "Darwin".

2. It appears that there are two separate issues to be considered:-

(i) Whether under the terms of the existing mail contract the Company are entitled to hold that voyages made by vessels, other than the "Fitzroy", under charter to the Falkland Islands Company for the purpose of carrying general cargoes and exporting the wool clip, automatically qualify the Company to receive payment of the amount specified in respect of carriage of mails.

(ii) Whether the service of the fourth charter, which will bridge the gap between the departure of the "Fitzroy" and the arrival of the "Darwin", is worth £600.

3. With regard to (i) above Government recognises that special circumstances may arise in which it is necessary to regard a charter vessel as taking the place, temporarily, of the vessel operated by the Company under the terms of the mail contract. Such circumstances have, of course, been specifically recognised in the new draft agreement by the insertion of a clause that provides for the substitution of charter vessels capable of carrying 12 passengers during the months of January and February and June and July. They are not so recognised, however, under the provisions of the existing agreement, and Government considers that in such circumstances any form of "substitution" must be the subject of special arrangements previously negotiated and agreed.

See 417 para 17.

/4.

The Manager,
Falkland Islands Company, Limited,
STANLEY.

ADT/VM

Pg. 2 of 211 in Vol. II.

4. Although the mail contract does not specify the "Fitzroy" by name, Government cannot concede that the terms of the existing mail contract can be held to cover any vessel at present operating in Falkland Islands waters under the management of or under charter to the Falkland Islands Company. Apart from the narrower considerations of the terms of the contract which specifically provide for a vessel carrying 12 saloon passengers with reasonable comfort, a requirement that is not fulfilled by any of the vessels under charter at the present time to the Company, Government could in no circumstances concede that the existing contract, which in its entirety relates to a vessel intended for the purpose of providing a regular inter-island and inter-island and mainland mail service, can be interpreted by the Company to apply to vessels under charter for the principal purpose of lifting the wool clip.

5. Government feels confident that legal advice would support this view and that the Courts would hold that the existing contract relates to the "Fitzroy" only. In such circumstances it is Government's opinion that the existing contract lapses with the final departure of the "Fitzroy", until the new vessel comes into service under the terms of a new agreement, there are, strictly speaking, no contractual liabilities between Government and the Falkland Islands Company and that during this interim period an entirely new situation arises.

6. In these circumstances it is Government's view that its obligations extend only to:-

(i) The payment of the full sum in respect of that proportion of the 10 round trips per year between the Falkland Islands and the mainland that the "Fitzroy" is under contract to make. In such circumstances and provided the "Fitzroy" calls at Montevideo in March on its outward voyage to the United Kingdom it will have completed 2½ round trips in 1957 (which represents the equivalent of one quarter of the 10 trips) it will qualify for one quarter of £6,000, i.e. £1, 500 in respect of the January, February, and March trips.

(ii) Some payment in respect of the fourth charter vessel and it is agreed that £600 for the return voyage, as a special case to meet the special circumstances that have arisen, represents a reasonable contribution providing the vessel carries mail and a full complement of passengers both ways (provided a full complement of passengers offers).

/7.

7. In these circumstances it is regretted that Government is unable to concede the contention that the Falkland Islands Company is entitled to the sum of £1,500 in respect of the second quarter of the year.

I am,
Sir,
Your obedient servant,

(Sgd) S.G. Trees

ACTING COLONIAL SECRETARY.

(Amended copy - February 1957)
(Schedules not retyped - See 366-369) 410

FALKLAND ISLANDS.

THIS INDENTURE made this day of One thousand nine hundred and B E T W E E N THE GOVERNMENT OF THE FALKLAND ISLANDS (hereinafter called "the Government") of the one part and THE FALKLAND ISLANDS COMPANY LIMITED whose Registered Office is situate at 120, Pall Mall in the City of Westminster (hereinafter called "the Company") of the other part W H E R E A S the Government is desirous of providing for the transmission of mails, passengers and freight within the home trade limits of the Colony, the collection of produce and the transit of mails, passengers and freight within and between the Colony and the mainland of South America upon the terms hereinafter appearing which terms are acceptable to the Government N O W T H E S E P R E S E N T S W I T N E S S AND IT IS HEREBY AGREED AND DECLARED by and between the parties hereto as follows that is to say

1. THESE provisions shall become operative from

and shall remain in force during the currency of this Agreement.

2. IN this Agreement the following expressions shall have the following meanings:-

"The Colony" means the Colony of the Falkland Islands.

"The Governor" means the Officer Administering the Government of the Colony or the Colonial Secretary acting on his behalf.

"The Postmaster" means the officer for the time being exercising the function of that office.

3. THE COMPANY shall provide a Steamship short particulars of which are set out in the first schedule hereto and shall maintain it in Lloyd's highest class for the carriage of mails, passengers and freight between the Colony and Montevideo, Uruguay, and between the several ports of the Colony and generally to provide transport facilities for farm settlements in the Colony and to enable shipment of produce to home markets to be effected. Provided that should the steamship become a total loss or be rendered wholly unseaworthy owing to circumstances not within the Company's control this Agreement shall forthwith be terminated.

4. THE Steamship shall be properly found in all respects and capable of carrying not less than thirtysix saloon passengers with reasonable comfort and shall at all times be supplied and furnished with whatever may be requisite and necessary for rendering the Steamship having regard to the nature thereof constantly efficient for the services hereby contracted to be performed and shall also be manned with a proper and efficient crew of officers, engineers and seamen. The Steamship shall be fitted with wireless telegraphy apparatus as required by the Ministry of Transport and Civil Aviation for a vessel of this class.

5. THE maximum passenger fares and freight rates charged by the Company for Inter-island trade and between the Colony and Montevideo and vice versa, the Colony and Punta Arenas and vice-versa

are detailed in the Second Schedule hereto attached and shall not be altered or amended except by and with the consent of Government.

Should the Company consider that basic operating expenses have increased to such an extent that increases in passenger fares and freights are justified it shall be incumbent on them to produce a statement certified by the Company's Auditors in support of their request for increases, permission for which shall not be unreasonably withheld by Government.

Should Government consider that basic operating expenses have decreased to such an extent that reductions in passenger fares and freights are justified the Company shall produce a statement certified by the Company's Auditors which shall form the basis for discussion between the Government and the Company.

6. THE Company shall allow the Government a rebate of twenty-five per centum of all cargo and, passenger rates chargeable on all bona fide Government personnel and cargo carried by the vessel or any substitute or substitutes approved by the Governor. This rebate shall apply to Inter-island voyages and voyages to and from the South American continent but shall not apply to victualling charges incurred on voyages where victualling is not included in the quoted fare. These rebates shall not apply to cargo and passengers of the Falkland Islands Dependencies Survey.

7. THE Company shall not charge the Government any Landing or Wharfage Charges at Port Stanley on the cargo referred to in the last preceding clause hereof.

8. IN consideration of the payments hereinafter mentioned the Company shall convey free of any charge whatever to the Government on any voyage made for the Government under this Agreement from any Port and to any Port included in the itinerary of such voyage all mails both letter mails and parcel mails which the Governor through the Postmaster may desire so to be conveyed.

9. THE Company shall as hereinafter mentioned provide at its own cost a convenient and proper place or places of deposit on board the Steamship for the safe keeping of the aforesaid mails and in particular the letter mails shall be placed under secure lock and key and shall be cleared by an officer of the Post Office or other person authorised to such effect by the Governor upon the arrival of the Steamship at a port of call within the Colony and by some officer duly authorised to such effect upon the arrival of the Steamship at Montevideo or other foreign port of call and the Company shall also provide a suitable boat properly manned and equipped and whatever else may be necessary for the safe embarkation and disembarkation of the same mails and shall defray all charges for the immediate taking on board and landing of the same mails.

10. ALL mails carried under this Agreement are to be delivered on the quayside nearest adjacent to the Steamship by the Postmaster or other official appointed for the purpose and shall be delivered in like manner from the vessel to the Postmaster or other official appointed by him for the purpose and the Master of the Steamship shall without any charge to the Government other than that otherwise provided in this Agreement to be paid to the Company take due care of and the Company shall be responsible for the receipt, safe custody and delivery of the mails as aforesaid and the Master of the Steamship shall make such Declaration as shall be required by the Postmaster or his officers or agents or by the proper Authority at Montevideo or other foreign ports and shall furnish such journals, returns and information and perform such services as may be required by the Postmaster or his officers or agents or by the proper Authority at Montevideo or other foreign port and the Master shall on arrival at any of the said places of the Steamship either himself or by some competent person deliver all mails for such place into the hands of the Postmaster or other person authorised to receive them and shall receive in like manner all the return or other mails to be forwarded in due course. Should the Government complete the necessary arrangements with the Uruguayan Government for the direct transfer of letters and parcel mail from certain specified vessels at Montevideo the Company shall receive such mail direct from the specified vessel and convey it to the Company's vessel at the Company's expense.

11. THE Company shall be responsible for the loss or damage of any parcel or of any registered postal packet of any kind conveyed or tendered for conveyance under this Agreement (unless such loss or damage be caused or occasioned by Act of God the Queen's enemies pirates restraints of Princes, rulers, or people, jettison, barratry, fire, collision, or perils or accidents of the seas, rivers and steam navigation) and in the event of any such loss or damage (except as aforesaid) the Company shall be liable to pay to the Postmaster in respect of each parcel or registered postal packet so lost or damaged (subject to the proviso hereinafter contained) such sum of money as shall be equal to the amount which may have been awarded and paid by the Postmaster at his sole option and discretion (and although not under legal obligation) to the sender or addressee of such parcel or registered postal packet as compensation for the loss or damage thereof provided that such sum shall not in any one case exceed One pound per parcel or Two pounds per registered postal packet.

12. THE Company shall not nor shall the Master of the Steamship receive or permit to be received on board the Steamship any letters for conveyance other than those contained in Her Majesty's mails.

13. THE Company and the Master of the Steamship and all Agents, seamen and servants of the Company shall at all times punctually attend to the orders and directions of the Postmaster, his officers or

Agents or the proper Authority at Montevideo or other foreign Port as to the mode, time and place of landing, delivering and receiving mails provided always that such orders and directions shall be in conformity with the provisions of this Agreement.

14. THE Company shall not carry nor permit to be carried in the Steamship any nitro-glycerine or any other substance or articles which in the opinion of the Government shall be dangerous except with the permission of the Governor.

15. (a) THE Steamship shall make such voyages from Stanley to Montevideo and return as the Government may require not exceeding twelve voyages each way in any one year. The dates of these voyages shall be fixed by the Company in consultation with the Government.

(b) THE Steamship shall make not less than twelve calls in every year at a principal port on the main West Falkland Island in the course of separate voyages. The term principal port shall be taken to mean any one of the following places, videlicet, Fox Bay, Port Howard, Chartres and Hill Cove.

(c) Additional voyages to Montevideo or voyages to other places on the South American continent or to the Dependencies shall be the subject of special arrangement between the Government and the Company but the Company shall be at liberty to make such voyages on its own account and at its own expense.

16. In consideration of the carriage of mails as provided for in this Agreement so long as this Agreement is in force the Government shall pay to the Company in Stanley, or by mutual agreement in London by the Crown Agents on behalf of the Government, the sum of Thirteen thousand two hundred pounds per annum in equal quarterly payments of Three thousand three hundred pounds subject however to the following provisions namely:-

(a) where this Agreement has been in force for a portion only of the preceding quarter the sum paid shall be a corresponding proportion of Three thousand three hundred pounds.

(b) An abatement at the rate of One thousand pounds per return voyage or of Five hundred pounds per single voyage shall be made in respect of any of the twelve return voyages specified in Clause 15 (a) hereof which the Company may be unable from any cause to perform or on which it may be unable from any cause to carry mails, passengers and cargo in accordance with the provisions of this Agreement.

17. SHOULD the Company charter vessels which have adequate passenger accommodation for twelve persons single voyages Port Stanley to Montevideo or vice versa made during the months of January and February or June and July shall be an adequate substitute for a single mail voyage under this contract up to a total of two voyages Montevideo to Port Stanley and two voyages Port Stanley to Montevideo. In such

cases it shall be permissible to carry mails suitably stowed in holds.

18. IN the event of any breach of this Agreement by the Company or failure on the part of the Company fully to carry out the terms, stipulations or provisions hereof (unless the Company shall prove to the satisfaction of the Governor that such breach or failure arose solely from a cause or causes beyond the control of the Company and the servants of the Company) the Company shall be liable by way of penalty and not as liquidated damages for any such breach or failure to pay to the Government such a sum not exceeding £5. 0. 0. (five pounds sterling) as the Governor shall determine and if such breach or failure shall continue to a further penalty of £5. 0. 0. (five pounds sterling) for every day during which such breach or failure may continue and should there be any repetition of such breaches or failures or any breach or failure on the part of the Company as in the opinion of the Governor to render such a course desirable the Government may by giving to the Company notice in writing forthwith determine this Agreement but without prejudice to the rights or remedies of the Government in respect of any antecedent breach of this Agreement by the Company and nothing herein contained shall prevent the Government in the event of such breach or failure from making such other arrangements as shall seem to the Government fit for the despatch and carriage of the aforesaid mails and passengers by some other vessel or vessels and from bringing an action for damage against the Company instead of recovering a penalty under this Clause.

19. NOTHING in this Agreement shall be deemed to or shall impose any personal liability on the Governor or on any other member of Officer of the Government.

20. THE Government shall not be liable for any loss or damage whatever which may be sustained by the Company in consequence of the employment of the Steamship on any of the services contracted to be performed under this Agreement.

21. THIS Agreement shall continue in force for a period of five years from the date mentioned in Clause 1 hereof and shall continue thereafter on the same terms until either party gives to the other six months written notice at any time to determine same.

P1w
420

A

Y.U.
(2) on 398
Mrs. Malcolm has produced a revised copy
at 410 - 419 pl - spare copies are [illegible]

[illegible]

Mrs. M.
B/S.

B

What Mr Malcolm has done will be admirable. But I must have the schedule - again probably [illegible] morn. Fairly soon then - I want to check them and get copies off next mail to London.

[illegible]
25.2.57.

C

ACS

421-6 Schedule now typed.
vm 19/2/57.

THE FIRST SCHEDULE ABOVE REFERRED TO

THE Steamer shall comply with the requirements of Lloyd's highest class and have suitable accommodation for a minimum of thirtysix saloon passengers in fourteen cabins, dining and smoke rooms.

Dimensions

Cubic capacity about cu.ft.

Gross tonnage Net tonnage Speed knots.

THE SECOND SCHEDULE ABOVE REFERRED TO

Particulars of:-

Coasting Service - ports of call

Passage and freight rates.

Conditions of carriage of cargo and passengers etc.

THE FALKLAND ISLANDS COMPANY, LIMITED.

COASTING SERVICE

1. THE Company carries Her Majesty's mails between inter-island ports, Montevideo and Punta Arenas. The following are the ports of call:-

East Falkland	West Falkland	Overseas
Darwin	Hill Cove	Montevideo
Goose Green	Fox Bay	Punta Arenas
North Arm	Roy Cove	
Walker Creek	Port Stephens	
San Carlos	Port Howard	
Port San Carlos	Pebble Island	
Lively Island	Saunders Island	
Bleaker Island	West Point Island	
Speedwell Island	Carcass Island	
Port Louis N & S	New Island	
Johnson's Harbour	Weddell Island	
Salvador	Beaver Island	
Teal Inlet	Chartres	
Rincon Grande	Dunnose Head	
Fitzroy	Albemarle	
Douglas Station		
Bluff Cove		

2. PASSAGE RATES. From Stanley to following ports & vice versa:

		Saloon
Group 1.	Berkeley Sound Fitzroy Bluff Cove	20/-
Group 2.	Darwin Walker Creek Salvador Rincon Grande Teal Inlet Douglas Station Horseshoe Bay Lively Island	45/-
Group 3.	North Arm Speedwell Island Bleaker Island Brenton Loch San Carlos Port San Carlos Port Howard Fox Bay Port Stephens Chartres Dunnose Head Roy Cove Hill Cove Albemarle	75/-

		Saloon
Group 4	New Island Beaver Island Weddell Island Passage Islands Pebble Island Carcass Island Saunders Island West Point Island	75/-

Group 5. INTER-PORT PASSAGES for which rates are not specified in Groups 1 to 4.

Up to 30 miles	20/-
31 to 65 "	45/-
Over 65 "	75/-

Group 6. Montevideo Single, Saloon £20 Return £40. Min. rate.

Punta Arenas Single, Saloon £15. Return £30. Min-rate.

(Government taxes not included).

CHILDREN.	12 years or over	Full adult fare
	6 years & under 12 years ...	Half fare
	2 years & under 6 years ...	Quarter fare
	1 child under 2 years	Free
	Each additional child under 2 years	Quarter fare

The fares quoted are MINIMUM rates and are applicable to:-

4 x 4 berth cabins)
2 x 2/3 " ") Main deck

8 x 2 Bedstead cabins on Upper deck will be subject to a supplement of 25% on the MINIMUM rate per bed.

Sole occupancy of cabin by special arrangement.

BERTHING OF CHILDREN

Two children paying quarter fare each will occupy one berth. Cots will be provided for infants when possible, free of charge.

424

BERTHS

Berths are not guaranteed on Inter-Island voyages. Berths are not available for passengers making a voyage within the hours of sunrise and sunset but if required and if available an additional charge will be made of 10/-d. per berth.

Passengers are carried on the terms and conditions printed on the Company's passenger tickets.

3. CONDITIONS OF CARRIAGE OF PASSENGERS AND BAGGAGE

THE Company reserves the right to charge the fare applicable to the most distant port when passengers are bound for a port called at after the most distant port, e.g. a passenger booked for Darwin by a vessel going North about East Falkland and calling at Fox Bay and then Darwin will pay the passage money equal to the fare to Fox Bay.

Baggage allowance - 36 cubic feet.

Excess Baggage will be charged at freight rates.

4. CATERING

Inter-Island Voyages

Breakfast, Dinner or Supper @ 5/- per meal
Early morning or afternoon tea, 1/-
Or contract rate per day 15/-.

Overseas voyages
Included in the relative fare.

5. CARGO RATES

Cargo is accepted on the terms and conditions printed on the Company's Bill of Lading.

425

1. MONTEVIDEO & PUNTA ARENAS

General Cargo 80/- per ton weight or measurement
Special stowage & Petrol 160/- " " " " "
Minimum rates of freight as for half ton weight or measurement
Parcel freight - 2/6 per cubic foot, minimum 10/-
Light oils in bulk, by special arrangement

2. INTER-ISLAND FREIGHT RATES

Between Port Stanley & vice versa

Berkeley Sound & Fitzroy	35/10	p.t. W/m	10¾d.	per ft. cu.
Lively Island & Darwin	47/6	"	1/2¼d.	"
Speedwell Island	65/10	"	1/7¾d.	"
Other East Falkland Ports	53/4	"	1/4	"
Fox Bay & Port Howard, Great Island & Island Harbour	75/10	"	1/10¾	"
Other West Falkland Ports	86/8	"	2/2	"
Manybranch Harbour	106/8	"	2/8	"
Passage Island & Sea Lion Island	106/8	"	2/8 (If over 10 tons, if less £54 per call)	"

3. INTER-PORT RATES. Freight rates which are not specified in Group 2.

Up to 30 miles	35/10	p.t. w/m.	10¾d.	per ft. cu.
31 - 50 "	47/6	"	1/2¼d.	"
51 - 100 "	53/4	"	1/4d	"
101 -120 "	75/10	"	1/10¾d.	"
121 & above	86/8	"	2/2d.	"

Special calls can usually be arranged provided there is sufficient inducement.

4. PARCELS - Local

No parcels weighing over 28 lb. will be accepted. The minimum charge per parcel is 5/- for the first 11 lb. and thereafter 6d. per lb.

426

5. ANIMALS.

To any Island port:

Cats	7/6	each
Dogs	10/.	"
Poultry (in crates) .	2/-	"
Pigs " "	Freight rates	"
Cows, bullocks & bulls	£3	"
Horses	£3	"
Horses (across Falkland Sound)	£2	"
Sheep (in crates)	£2	"
Sheep - shifting in numbers - by arrangement		
Sheep (carcasses) East Falkland) West Falkland)	5/.	each
Beef Quarters	10/-	"

Overseas - by arrangement.

6. WHARFAGE

The freights quoted in Groups 1 to 5 do not include Wharfage &/or Transhipment at Montevideo &/or Port Stanley.

7. WAREHOUSING

Any cargo delivered into the Company's Warehouse(s) or other storage place is given free storage for seven days, after which the Company reserves the right to charge for storage at the rate of 13/4 (thirteen shillings and fourpence) per ton w/m. per month or part of a month.

All Storage is at Owner's Risk.

8. PRODUCE for shipment overseas.

By arrangement at rates which include lighterage where required, shipment, storage, transhipment, Bill of Lading and Agency, i.e. all charges from point of shipment to final discharge.

9. DEVIATION & SPECIAL VOYAGES.

By arrangement.

427

Y.11.

420 B. Schedules now prepared at 421-6 - Spares at 6 c. p.

I note at 369 there are pencilled additions - these have not been included in the draft Schedules.

19/2.

428.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

Stanley,

21st February 19 57

The Honourable the Colonial Secretary,
STANLEY.

Sir,

Mail Contract.

407

We have for acknowledgment your letter No. 0327/III of 14th inst.

2. Your interpretation of the existing Mail Contract from a legal point of view is probably perfectly correct, in that Charter Vessels do not conform with the Sections relating to Passenger Accommodation therefore the Contract terminates with final departure of s.s. "FITZROY".

3. However in all other respects we contend that for approximately six months in each of the last five years, the Colony in general and the Colony's industry in particular has received better service from the Company's Owned or Chartered Vessels than ever envisaged by the Mail Contract, and that these indisputable facts should more generously be recognised than Government is prepared to admit. They are as follows:-

(i) More frequent mail service to and from Montevideo.

(ii) Transhipping charges in Montevideo on cargo from United Kingdom are largely reduced.

(iii) Improved mail and cargo service on coastwise voyages.

(iv) 95% of the season's Wool Clip reaches the London Market and is sold before the end of July, whereas previously Wool was regularly offered in September and often in November.

4. Section 6 (ii) of your letter under reference acknowledges that the special circumstances which have given rise to the fourth voyage of a Charter Vessel merit recognition in the April/June Quarter in the sum of £600.

As "NANCIE-S" will leave Stanley northward with a mail at least a fortnight after March sailing of "FITZROY" we consider that this sailing should qualify at least for half the sum agreed for second voyage of "HANNE-S".

I am, Sir,
Your obedient Servant,

C. G. Barton

MANAGER.

Ack'd
22/1/57

reply at 435

429

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

COLONIAL SECRETARY'S OFFICE 22 FEB 1957 FALKLAND ISLANDS

Stanley,

21st February 19 57

The Honourable the Colonial Secretary,
STANLEY.

Sir,

428. Our letter of even date under the heading of "Mail Contract" raises points which are not covered by the old Agreement or the new, and we think they should be cleared up.

2. We maintain that when round voyages Montevideo/Stanley (counting as One) and one-way voyages (counting as One-half) added together make, in any Quarter of the year, more than $2\frac{1}{2}$ (old Agreement) or 3 (new Agreement) the surplus shall count towards the total number of voyages required annually under the Agreement. This has been the practice in the past but in view of the unusual conditions prevailing in the second quarter of the current year you are unwilling to continue it.

3. Clause 17 (i) of old Agreement and 16 (a) of new divides the responsibility for fixing the dates of voyages equally between Government and Company. There is no clause which categorically states there shall be so many voyages in each quarter.

Similarly the sum payable is said to be payable quarterly but "abatement" is governed by any short-fall in total voyages per annum rather than short-fall in any one quarter. Are we to understand that two Quarters each containing two round voyages, and two containing four would be acceptable to Government as an Itinerary for the year?

No

4. In some respects the Agreements appear to refer to a period, in other respects to a voyage.

For example, if as you have suggested elsewhere, the new Agreement comes into force as from s.s. "DARWIN"s first departure from Montevideo bound for Stanley, and for argument's sake we take that date as being during the last week in June, we are only entitled to a maximum of 7/365ths of the annual sum, although we have completed 1/24th of the total voyages required.

be again regular and frequent. This is not a shipping subsidy.

I am, Sir,
Your obedient Servant,

G. G. Barton

MANAGER.

reply at 437

Ack'd
22/1/57

430

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

COLONIAL SECRETARY'S OFFICE 21 MAR 1957 FALKLAND ISLANDS

Stanley,

19th March 1957

The Honourable the Colonial Secretary,
STANLEY.

Sir,

We have already discussed with you confidentially the need for an immediate increase in local and overseas freights and passages by our vessels to meet rising costs of operating.

You are doubtless aware that practically all Shipping Lines have increased their rates by not less than 10% and further increases are expected. Movements in furnace oil prices are passed on to us at comparatively short notice. The table (Annexure "A") shows fluctuations over a period. 431

Stevedoring:
Montevideo charges maintain their upward trend. The latest increase is on account of paid holidays (Annexure "B"). 432+433.

4th Charter Vessel 1956/57:
Government has agreed to pay us £600 for the round voyage of "HANNE-S" which should arrive Montevideo 5th April, Stanley 12th April, and depart for Montevideo and United Kingdom early May. 200 cubic tons of space have been allowed for loading essential foodstuffs and drummed fuel in Montevideo on the southward voyage.
For freight rates per "HANNE-S" April/May see our "Notice to Importers" (Annexure "C"). 434

Freight on Farm Produce:
Through-rate to United Kingdom this season remains the same as for 1955/56 except that should it be necessary to ship any produce via Montevideo, the rate would be increased by 10%.

Mail Contract:
We meet again tomorrow to finalise the draft Agreement and Schedules if possible. We greatly regret having to invoke the Escalator Clause before the Agreement is signed but circumstances are abnormal, nor is it by any means certain that the price of bunkers will return to pre-Suez Crisis level. For this reason we consider it expedient to raise Fares by 10% and Freight by very approximately the same amount e.g. Montevideo/Stanley from 80/- per ton weight/measurement to 88/4d or 2/2½d per cubic foot. There has been no increase in coastwise freight since April 1951.

s.s. "FITZROY" Loss A/c:
In spite of the 11.1% increase in freight Montevideo/Stanley as from January 1956 the ship showed a loss in 1956 accounts of £11247 compared with a loss of £25935 in 1955 when Repair A/cs were very heavy.

I am, Sir,
Your obedient Servant,

A.G. Barton
MANAGER

See 439

ANNEXURE "A"

Price per ton of Furnace Oil

		@ Montevideo £. s. d	@ Stanley ex Admiralty stocks £. s. d.
(pre-devaluation)	1949	4. 13. 7	4. 13. 7
(average)	1954		11. 8. 3
	22.7.55	7. 15. 0	
	8.11.55	8. 1. 9	
(average)	1955		10. 0. 0
	7.2.56	8. 16. 10	
	23.9.56	9. 2. 2	
	28.12.56	9. 16. 5	
Average to	30. 6.56		10. 8. 0
	15. 1.57	10. 15. 4	
	29. 1.57	11. 2. 2	

N.B. Admiralty are notoriously slow in rendering accounts, but tend always to be above Montevideo in price per ton.

"B"

432

MACLEAN & STAPLEDON S.A.

CODES USED
A I A B C 5TH EDITION
SCOTT'S 10TH EDITION
BENTLEY'S

CASILLA DE CORREO 193
COLON 1486-90
MONTEVIDEO
(URUGUAY)

TELEGRAPHIC ADDRESS
MACSTAPLE MONTEVIDEO
TELEPHONES 86382
85042
82940

February 12th. 1957

Messrs.
The Falkland Islands Co. Ltd.
120, Pall Mall
LONDON, S.W.1

Dear Sirs:-

433. We beg to enclose herewith copy of Circular No. 810, dated the 31st ultimo, received from the Centro Navegación Transatlántica, which refers to increase in percentage of 20% on the wages of Stevedores, Tally-clerks, Foremen, Watchmen and Sewers, covering annual paid holidays. Said increase is retroactive to the 1st January 1957.

Yours faithfully,
MACLEAN & STAPLEDON, S. A.

Encl.
JR/vD.

cc. Port Stanley

CENTRO NAVEGACION TRANSATLANTICA
COLON 1486 3ER. PISO MONTEVIDEO TELEFONO: 8-60-38

4 33

Circular Nº 810 Montevideo, 31st. January 1957.

ANNUAL PAID HOLIDAYS
PERCENTAGE TO BE RETAINED ON THE WAGES

To all Members:

Gentlemen:

We beg to inform you that at the Members' Meeting held to-day, consideration was given to the obligations arising out of the Law of 27th December 1956, regarding Annual Paid Holidays.-

This law extended to twenty days the annual paid holidays of twelve days established by the Law of 12th December 1945 for employees and labourers engaged by individuals or private companies, including those of public services.

Likewise, said Law grants to employees and Labourers with more than five years service with the same employer, a compensation of one day's holiday for every four years of service.-

These benefits have already been granted, retroactively, that is to say, for labourers who have worked during 1956 and whose holidays are due in the current year.-

In accordance with the obligations imposed by the Law referred to and considering the responsibilities now in effect and emergent from same, which will affect all affiliated Agencies and Companies, the Members' General Meeting resolved, unanimously, that they retain 20% (twenty percent) on the amount of the wages, as from the 1st January 1957.-

Yours faithfully,

Manuel F. Rodríguez
Manager.

ANNEXURE "C"

NOTICE TO IMPORTERS

Surcharge on Freight per m.v. "HANNE-S"

m.v. "HANNE-S" is expected to arrive Montevideo from London on 5th April and sail for Stanley 7th April.

Through-freight London/Falklands has been increased by 10%.

Freight Montevideo/Stanley and for general cargo carried on coastwise voyages of m.v. "HANNE-S" will be subject to a surcharge of 10% on current rates of freight.

A. G. Barton

MANAGER

THE FALKLAND ISLANDS CO, LTD.,
STANLEY.
19th March 1957.

435

0327/XII

22nd March 57

428.

Sir,

I have the honour to refer to your letter of the 21st February in connexion with the mail contract and express regret at the considerable delay in replying.

With regard to paragraph 3 you will no doubt appreciate that the intention of the mail contract is to provide for a regular mail service between the mainland and the Islands. The general intention is of course that it should be a monthly service but it is appreciated that there are occasions, particularly in view of the need for meeting overseas shipping connections in Montevideo, when it is not possible or it is even undesirable to schedule the Stanley/Montevideo service at regular monthly intervals.

It is felt by Government that the division of responsibility for fixing the dates of voyages equally between Government and the Company meets the requirements of local circumstances in as much as it provides the Company with the flexibility that it desires and Government with the power to ensure that sailings are made at reasonably regular intervals.

It is Government's understanding that quarterly payments are made at the request and in the interests of the Falkland Islands Company. Should the Company so wish, there would be no particular difficulty about making separate payments in respect of each individual voyage. As a general principle, however, Government could not accept the contention that two quarters each containing two round voyages and two containing four round voyages would meet the general requirements of the mail contract unless, of course, the circumstances were exceptional and agreement with regard to sailing dates was reached between the Company and Government in accordance with the provisions of Clause 15(a) of the new draft Agreement.

With regard to paragraph 4 of your letter under reference, it is Government's understanding that under the terms of the new Agreement the Company would be entitled to the full contract rate (i.e. £13,200) in respect of twelve voyages in any one calendar year but if a lesser number of voyages is made, then £1,000 per round voyage or £500 per single voyage will be deducted. For example, if the s.s. "Darwin" makes five round voyages during the course of 1957, the Company would be entitled to £13,200 less £7,000 which equals £6,200. Again, if s.s. "Darwin" makes seven round voyages during the course of 1957 the Company would be entitled to £13,200 less £5,000 which equals £8,200.

/It is, ...

~~The Hon. Mr. A. G.~~ Barton, ~~C.B.E., J.P.~~,
The Manager,
Falkland Islands Company Limited,
Stanley.

It is, however, considered that in the absence of any special arrangements or agreement to the contrary, Government's total commitments during 1957 would not exceed twelve voyages in all made by a combination of the s.s."Fitzroy" (under the terms of the existing contract) and the s.s."Darwin" (under the terms of the new draft Agreement), exclusive of the second voyage of the "Harne-S".

I am, Sir,
Your obedient servant.

(Signed) A. G. Denton-Thompson.

OFFICER ADMINISTERING THE GOVERNMENT.

AGDT/PT

0327/III

22nd March 57

Sir,

429. I have the honour to refer to your letter of the 21st February under the heading of Mail Contract. The considerable delay in replying is regretted.

It is of course quite indisputable that for approximately six months in each of the last five years the Colony in general and the Colony's industry in particular have received better service than ever envisaged under the terms of the original mail contract which was, of course, drawn up many years ago. On the other hand it must be assumed that the charter vessels have been engaged as a commercial proposition that is satisfactory from the point of view of the Falkland Islands Company and the industry in general.

Moreover, the mail contract is a very different proposition to that of the employment of charter vessels and the main underlying principle of the contract is to provide reasonable remuneration and incentive for providing the Colony with a regular mail service having regard to all local circumstances. With regard to mail services, you will no doubt agree that the Falkland Islands have also benefited to some extent from the presence of H.M. ships and the F.I.D.S. vessels and these vessels, as a matter of course, carry mails without charge to the Colony.

It is regretted that Government could not agree to concede the point that the "Nancie-S" should qualify for half the sum agreed, in the special circumstances that are now prevailing, in the case of the "Hanne-S". If, however, your Company wishes to press the point it will naturally be submitted to Executive Council for consideration.

I am, Sir,
Your obedient servant.

(Signed) A. G. Denton-Thompson.

OFFICER ADMINISTERING THE GOVERNMENT.

The Manager,
Falkland Islands Company Limited,
Stanley.

EXTRACT FROM MINUTES OF MEETING OF MEMBERS OF EXECUTIVE COUNCIL HELD ON 13TH MARCH, 1957.

.....

25. MAIL CONTRACT.

His Honour informed Council that the Falkland Islands Company was proposing to make a case to Government for an increase in the freight rates in respect of both the current mail contract and the new mail contract that will apply to the s.s. "Darwin". It was understood that the Company's claim would be based on the international oil situation which had resulted in a 40% increase in the price of oil. The new mail contract would involve an increase in the subsidy of approximately £7,000 a year.

.....

Clerk of Executive Council.

451

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

Stanley,

25th March 1957

The Honourable the Colonial Secretary,
STANLEY.

Sir,

430

Further to my letter of 19th inst. on the subject of Freights and Passages.

443 to 452.

Disbursements Accounts:

We enclose duplicates for nine voyages in 1956, and January voyage 1957 of s.s. "FITZROY". These will give you an idea of the multiplicity of expense items to be met every voyage regardless of the amount of cargo worked.

For example you will note that a fixed charge of $25.00 for Sanitary Services increased to $82.20 at one jump.

Tender Hire and Pilotage are both compulsory and vouchers do not always state what service is rendered, if any, but increased from $395 and $177 to $740 and $349 respectively between February 1956 and January 1957.

Laundry charges have increased by 50% during the same period.

Bunkers:

We are not yet able to inform you regarding the price ex Admiralty Tanks at Stanley since June 1956.

The following figures may be of interest:-

s.s. "Fitzroy"	1955	1956
Miles steamed	29178	27050
Fuel costs	£15777	£16699
% of Total costs	17.71	23.88

Schedule of Freight and Passage Increases 1939-57.

440.

Copy enclosed.

Fares to and from Punta Arenas, Freights from Montevideo and Punta Arenas show an increase of 100% or more but other Fares and Freights are all less than 100% up on 1939.

You will note there has been no increase in coastwise freight on general cargo since 1951. Sections 5 to 7 of our letter dated 2nd December 1955 apply even more now than they did then.

Second Schedule of Mail Contract:

441+ 442

We enclose a list of amendments which will apply as soon as the proposed increase of 10% receives the approval of Council, which we trust will not be long in forthcoming.

I am, Sir,
Your obedient Servant,

A.G. Barton

MANAGER.

Reply 453

TABLE SHOWING INCREASES IN FREIGHT AND PASSAGES 1939-1957

		1939-50	April 1951	Second Sched: 1956	Revised 1957
PASSAGES					
*	Stanley to furthest Falkland Island Port or vice-versa	49/-	73/6	75/-	82/6
	Stanley to Montevideo				
	Cabin	£14	£20	£20	£22 min.
	Intermediate	£10	£16	-	-
	Stanley to Punta Arenas	£6	£9	£15	£16/10/- min.

* Victualling extra.

		1939-42	1942-50	Apl 1951	Second Sched: 1956	Revised 1957
FREIGHTS						
per ton weight or measurement	Stanley to East Falkland Port	30/-	36/-	53/4	53/4	58/4
					1st Jan 1956 and Second Schedule	
	Montevideo and Punta Arenas to Stanley	40/-	48/-	72/½	80/-	88/4

STANLEY
25th March 1957

AMENDMENTS TO SECOND SCHEDULE

2.- PASSAGE RATES. From Stanley to following Ports & vice versa

		Saloon
Group 1.	Berkeley Sound Fitzroy Bluff Cove	22/-
Group 2.	Darwin Walker Creek Salvador Rincon Grande Teal Inlet Douglas Station Horseshoe Bay Lively Island	49/6
Group 3.	North Arm Speedwell Island Bleaker Island Brenton Loch San Carlos Port San Carlos Port Howard Fox Bay Port Stephens Chartres Dunnose Head Roy Cove Hill Cove Albemarle	82/6
Group 4.	New Island Beaver Island Weddell Island Passage Islands Pebble Island Carcass Island Saunders Island West Point Island	82/6

(PAGE -2-).

(PAGE -3-).

Group 5. INTER-PORT PASSAGES for which rates are not specified in Groups 1 to 4.

Up to 30 miles.....22/-
31 to 65 " 49/6
Over 65 " 82/6

Group 6. Montevideo Single, Saloon £22 Return £44 Min.rate.
Punta Arenas Single, Saloon £16.10. -.Return £33 "

(Government taxes not included)

5.- CARGO RATES. Cargo is accepted on the terms and conditions printed on the Company's Bill of Lading.

(PAGE -5-).

1. MONTEVIDEO & PUNTA ARENAS.

General Cargo 88/4 per tonweight or measurement 2/2½c.f
Special Stowage & Petrol 176/8 " " " 4/5 "
Minimum rates of freight as for half ton weight or measurement.
Parcel freight -2/6 per cubic foot,minimum 10/-
Light oils in bulk,by special arrangement.

2. INTER-ISLAND FREIGHT RATES

Between Port Stanley & vice versa

Berkeley Sound & Fitzroy	40/-	W/m	- 1/-	per ft. cub.
Lively Island & Darwin	52/6	"	1/3¾	"
Speedwell Island	72/6	"	1/9¾	"
Other East Falkland Ports.....	58/4	"	1/5½	"
Fox Bay & Port Hpward,) Great Island & Island) Harbour)	84/2	"	2/1¼	"
Other West Falkland Ports.....	95/-	"	2/4½	"
Manybranch Harbour) Passage Island &) Sea Lion Island)	117/6	"	2/11¼	"

(If over 10 tons
if less £60.per cal

3. INTER-PORT RATES. Freight rates which are not specified in group 2.

Up to 30 miles	40/-	p.t. W/M	1/-	per ft. cub.
31 - 50 "	52/6	"	1/3¾	"
51- 100 "	58/4	"	1/5½	"
101-120 "	84/2	"	2/1¼	"
121 & above	117/6	"	2/11¼	"

.x.x.x.x.x.x.x.x.x.x.x.x.x.

MACLEAN & STAPLEDON S.A.

443

DISBURSEMENTS OF S. S. "FITZROY" at Montevideo

Arrived from Port Stanley on 22nd Feb. 1956 Sailed for Port Stanley on 25th Feb. 1956

Voucher Nr.			Currency	Currency
1	Sanitary Services		" 25.00	
2	Light dues		" 19.60	
3	Tender hire and Motor Launch		" 395.00	
	Porterage on gangway			
4	Washing		" 195.02	
5	Custom House pass, stamps, etc.		" 68.75	
	Coast guards			
6	British Consul		" 5.80	
	Brazilian "			
	Spanish "			
7.10	~~Portuguese~~ " Gratuitos		" 20.00	
	Argentine "			
	Repairs a|c.			
11.12	Inmigration Fees		" 70.00	
13	Advising arrival		" 6.00	
14.17	Harbour pilotage	River Plate pilotage	" 177.00	
18	Custom House Despatchante		" 20.00	
19	Taxi hire		" 25.20	
20	Government License Tax		" 11.00	
	Cartage and permit on stevedoring gear			
21.22	Stevedores		" 3.036.59	
23.24	Tally clerks		" 1.027.14	
25	Sewers		" 99.07	
26	Watchmen		" 451.62	
27.28	Provisions and several purchases as per a|cs.		" 2.080.41	
	Cartage, permits and shipping charges on purchases and provisions			
29.30	Cooperage		" 279.19	
	Cash to Captain			
	Quay Dues			
	Overtime Labour			
	Expenses on baggage			
	Telegrams and radios	D		
31	Postages, petties, receipt stamps and tax on remmittance		" 20.77	
32	Centro de Navegación		" 5.00	
33.36	Members ot the crew expenses as per receipts		" 96.53	
37.42	Prefectura Watchmen		" 105.00	
	Hire of crane			
	Hire of telephone onboard			
43	Lloyds Register of shipping		" 316.00	
44	2.50% on $ 3.930.23 Commission on payments		" 98.26	
	Agency Fee		" 100.00	
			$ 8.743.21	

Montevideo, 24th March de 19 56

MACLEAN & STAPLEDON S. A.
AGENTS

44

MACLEAN & STAPLEDON S. A.

DISBURSEMENTS OF S. S. "FITZROY" at Montevideo

Arrived from Port Stanley on 22nd March 1956 Sailed for Port Stanley on 24th March 1956

Voucher Nr.			Currency	Currency
1	Sanitary Services		$ 25.00	
2	Light dues		" 19.60	
3.5.	Tender hire and Motor Launch		" 356.00	
	Porterage on gangway			
6	Washing		" 239.80	
7	Custom House pass, stamps, etc.		" 68.75	
8.12	Coast guards		" 22.00	
13	British Consul custody papers		" 5.80	
	Brazilian "			
	Spanish "			
	Portuguese "			
14	~~Argentinex~~" Firemen		" 20.00	
	Repairs a|c.			
15.16.	Inmigration Fees		" 70.00	
17	Advising arrival		" 10.00	
18.20	Harbour pilotage	River Plate pilotage	" 243.67	
21	Custom House Despatchante		" 20.00	
22	Taxi hire		" 19.10	
23	Government License Tax		" 11.00	
	Cartage and permit on stevedoring gear			
24.27	Stevedores		" 4.419.14	
28.29	Tally clerks		" 1.201.31	
30	Sewers		" 160.99	
31	Watchmen		" 361.30	
32.33	Provisions and several purchases as per a|cs.		" 1.019.26	
	Cartage, permits and shipping charges on purchases and provisions			
34.35	Cooperage		" 369.64	
	Cash to Captain			
	Quay Dues			
36	Overtime Labour		" 25.65	
	Expenses on baggage			
37.38	Telegrams and radios	D	" 3.92	
39	Postages, petties, receipt stamps and tax on remmittance		" 21.14	
40	Centro de Navegación		" 5.00	
	Members ot the crew expenses as per receipts			
41.46	Prefectura Watchmen		" 90.00	
	Hire of crane			
	Hire of telephone onboard			
47	2.50% commission on $ 3.471.41		" 86.79	
48	Agency Fee		" 100.00	
			$ 9.800.94	

Montevideo, 24th April de 19 56

MACLEAN & STAPLEDON S. A.
AGENTS

445

MACLEAN & STAPLEDON S. A.

DISBURSEMENTS OF S. S. "FITZROY" at Montevideo

Arrived from Port Stanley on 22 -4- 1956 Sailed for Port Stanley on 25 -4- 1956

Voucher Nr.			Currency	Currency
1	Sanitary Services		$ 25.00	
2	Light dues		" 18.50	
3.5	Tender hire and Motor Launch		" 636.00	
	Porterage on gangway			
6	Washing		" 287.48	
7	Custom House pass, stamps, etc.		" 68.05	
8.9	Coast guards		" 58.55	
10	British Consul		" 8.50	
	Brazilian "			
	Spanish "			
	Portuguese "			
11.15	~~Argentine~~ " Gratuities		" 22.00	
	Repairs a|c.			
	Inmigration Fees			
16	Advising arrival		" 6.00	
17.21	Harbour pilotage	River Plate pilotage	" 332.76	
22	Custom House Despatchante		" 20.00	
23	Taxi hire		" 21.50	
24	Government License Tax		" 11.00	
	Cartage and permit on stevedoring gear			
25.26	Stevedores		" 3.835.82	
27.29	Tally clerks		" 1.425.96	
30	Sewers		" 160.99	
31	Watchmen		" 564.53	
32.33	Provisions and several purchases as per a|cs.		" 2.055.36	
	Cartage, permits and shipping charges on purchases and provisions			
34.35	Cooperage		" 380.48	
	Cash to Captain			
	Quay Dues			
36.40	Overtime Labour		" 648.92	
	Expenses on baggage			
41.42	Telegrams and radios	D	" 10.73	
43	Postages, petties, receipt stamps and tax on remmittance		" 25.60	
44	Centro de Navegación		" 5.00	
45	Members ot the crew expenses as per receipts		" 75.00	
46.53	Prefectura Watchmen		" 120.00	
54	Hire of crane		" 21.00	
	Hire of telephone onboard			
55	Firemen		" 30.00	
56	2.5% commission on $ 4.885.37		" 122.13	
57	Agency Fee		" 100.00	
			$ 11.114.30	

Montevideo, 31st May de 1956

MACLEAN & STAPLEDON S. A.
AGENTS

MACLEAN & STAPLEDON S. A.

446

DISBURSEMENTS OF S. S. "FITZROY" at Montevideo

Arrived from Port Stanley on 11th. May 1956 Sailed for Port Stanley on 15th. May 1956

Voucher Nr.			Currency	Currency
1	Sanitary Services		$ 25.00	
2	Light dues		" 19.60	
3.4.	Tender hire and Motor Launch		" 863.00	
	Porterage on gangway			
5	Washing		" 285.43	
6	Custom House pass, stamps, etc.		" 67.80	
	Coast guards			
7	British Consul		" 6.15	
	Brazilian "			
	Spanish "			
	Portuguese "			
8.12	~~Argentine~~ " Gratuities.-		" 20.00	
	Repairs a|c.			
13	Inmigration Fees		" 50.00	
14	Advising arrival		" 6.00	
15.20	Harbour pilotage	River Plate pilotage	" 388.84	
21	Custom House Despatchante		" 20.00	
22	Taxi hire		" 35.60	
23	Government License Tax		" 11.00	
	Cartage and permit on stevedoring gear			
24.25	Stevedores		" 3.562.70	
26.27	Tally clerks		" 966.46	
28	Sewers		" 138.02	
29	Watchmen		" 700.02	
30.31	Provisions and several purchases as per a|cs.		" 1.852.31	
	Cartage, permits and shipping charges on purchases and provisions			
32.33	Cooperage		" 371.59	
	Cash to Captain			
34	Quay Dues		" 45.00	
35.37	Overtime Labour		" 443.02	
38	Expenses on baggage		" 2.00	
39	Telegrams and radios	D	" 24.33	
40	Postages, petties, receipt stamps and tax on remmittance		" 5.00	
41.42	Centro de Navegación		" 30.00	
	Members ot the crew expenses as per receipts			
	Prefectura Watchmen			
	Hire of crane			
	Hire of telephone onboard			
43	Firemen		" 20.00	
44	Reshipping expenses of 1 case ex Airplane "PHDFK" .-		" 14.50	
45	2.50% commission on $ 4.618.77		" 115.47	
46	Agency Fee		" 100.00	
			$ 10.201.44	

Montevideo, 31st May de 19 56

MACLEAN & STAPLEDON S. A.
AGENTS

447

MACLEAN & STAPLEDON, S. A.

DISBURSEMENTS OF S. S. **"FITZROY"** *at Montevideo*

Arrived from **Port Stanley** *on* **11.6.1956** *Sailed for* **Port Stanley** *on* **13.6.1956**

Barreiro y Ramos S. A.

Voucher Nr.		Currency	Currency
		$ 25.00	
1	Sanitary Services	" 19.60	
2	Light dues	" 489.00	
3.5	Tender hire and Motor Launch		
	Porterage on gangway	" 285.55	
6	Washing	" 68.50	
7	Custom House pass, stamps, etc.		
	Coast guards	" 9.36	
8	British Consul		
	Brazilian »		
	Spanish »		
	Portuguese »		
9.12	~~Argentine~~ » **Gratuities.-**	" 18.00	
	Repairs a/c.		
13	Inmigration Fees	" 50.00	
14	Advising arrival	" 6.00	
15.19	Harbour pilotage River Plate pilotage	" 306.21	
20	Custom House Despatchante	" 20.00	
21	Taxi hire	"A 25.50	
22	Government License Tax	" 11.00	
	Cartage and permit on stevedoring gear		
23.24	Stevedores	" 2.626.51	
25.26	Tally clerks	" 858.08	
27	Sewers	" 211.43	
28	Watchmen	" 361.30	
29.30	Provisions and several purchases as per a/cs.	" 1.746.75	
	Cartage, permits and shipping charges on purchases and provisions		
31	Cooperage	" 276.04	
	Cash to Captain		
	Quay Dues		
32.36	Overtime Labour	" 157.15	
	Expenses on baggage		
37.39	Telegrams and radios	" 20.00	
40	Postages, petties, receipt stamps and tax on remmittance	" 22.50	
41	Centro de Navegación	" 5.00	
	Members ot the crew expenses as per receipts		
42.49	Prefectura Watchmen	" 120.00	
	Hire of crane		
50	Hire of telephone onboard	" 20.00	
51	**Firemen**	" 20.00	
52	**2.50% on $ 3.721.16 commission on payments**	" 93.03	
53	Agency Fee	" 100.00	
		$ 7.971.51	

Montevideo, 24th July 1956

[signature]

MACLEAN & STAPLEDON S. A.

448

DISBURSEMENTS OF S. S. "FITZROY" at Montevideo

Arrived from Port Stanley on 19th July 1956 Sailed for Port Stanley on 25th July 1956

Voucher Nr.		Currency	Currency
1	Sanitary Services	$ 25.00	
2	Light dues	" 19.60	
3.4	Tender hire and Motor Launch	" 893.00	
	Porterage on gangway		
5	Washing	" 240.61	
6	Custom House pass, stamps, etc.	" 68.83	
7	Coast guards	" 25.00	
8	British Consul	" 6.30	
	Brazilian "		
	Spanish "		
	Portuguese "		
9.14	~~Argentinex~~ " Gratuities.	" 33.00	
	Repairs a|c.		
15.16	Inmigration Fees	" 70.00	
17	Advising arrival	" 10.00	
18.24	Harbour pilotage River Plate pilotage	" 528.64	
25	Custom House Despatchante	" 20.00	
26	Taxi hire	" 42.60	
27	Government License Tax	" 11.00	
	Cartage and permit on stevedoring gear		
28.29	Stevedores	" 6.277.83	
30.31	Tally clerks	" 1.707.13	
32	Sewers	" 327.27	
33	Watchmen	" 970.99	
34.36	Provisions and several purchases as per a|cs.	" 1.823.89	
	Cartage, permits and shipping charges on purchases and provisions		
37.38	Cooperage	" 430.49	
	Cash to Captain		
	Quay Dues		
39.43	Overtime Labour	" 216.20	
	Expenses on baggage		
	Telegrams and radios D		
44	Postages, petties, receipt stamps and tax on remmittance	" 26.14	
45	Centro de Navegación	" 5.00	
46.47	Members of the crew expenses as per receipts	" 8.97	
48.81	Prefectura Watchmen	" 555.00	
82	Hire of crane	" 63.00	
	Hire of telephone onboard		
83	Firemen	" 60.00	
84	Lloyd's register of shipping	" 220.00	
85	Reshipping expenses parcel	" 15.73	
86	2.50% on $ 5.424.00 on payment.	" 135.60	
87	Agency Fee	" 100.00	
		$ 14.942.82	

Montevideo, 31st August de 1956

MACLEAN & STAPLEDON S. A.
AGENTS

449

MACLEAN & STAPLEDON S.A.

DISBURSEMENTS OF S. S. "PITZROY" at Montevideo

Arrived from PORT STANLEY on 17th/9/1956 Sailed for PORT STANLEY on 24th.9.1956

Voucher Nr.			Currency	Currency
1	Sanitary Services		25.00	
2	Light dues		10.60	
3.6	Tender hire and Motor Launch		946.00	
	Porterage on gangway			
7	Washing		251.03	
8	Custom House pass, stamps, etc.		64.75	
9	Coast guards		25.00	
10	British Consul		6.15	
	Brazilian "			
	Spanish "			
	Portuguese "			
11.15	[redacted] " Gratuities.-		24.00	
	Repairs a|c.			
	Inmigration Fees			
16	Advising arrival		6.00	
17.21	Harbour pilotage	River Plate pilotage	316.53	
22	Custom House Despatchante		20.00	
23	Taxi hire		49.30	
24	Government License Tax		11.00	
	Cartage and permit on stevedoring gear			
25.26	Stevedores		3.901.91	
27.28	Tally clerks		2.601.33	
29.30	Sewers		83.07	
31	Watchmen		1.106.47	
32.33	Provisions and several purchases as per a|cs.		2.163.50	
	Cartage, permits and shipping charges on purchases and provisions			
34.35	Cooperage		630.25	
	Cash to Captain			
	Quay Dues			
36.52	Overtime Labour		2.033.84	
	Expenses on baggage			
	Telegrams and radios	D		
53	Postages, petties, receipt stamps and tax on remmittance		24.13	
54	Centro de Navegación		8.00	
	Members ot the crew expenses as per receipts			
55.64	Prefectura Watchmen		172.50	
	Hire of crane			
	Hire of telephone onboard			
65.66	Exención Certificato .-		42.16	
67	Firemen .-		30.00	
68	Lloyd'S Register of Shipping.-		168.00	
69	2.50% on $ 7.142.74 Commis ion on payment.-		178.57	
70	Agency Fee		100.00	
			20.114.09	

Montevideo, 19th October de 1956

MACLEAN & STAPLEDON S. A.
AGENTS

450

MACLEAN & STAPLEDON S. A.

DISBURSEMENTS OF S. S. "FITZROY" at Montevideo

Arrived from Port Stanley on 3rd.11.1956 Sailed for Port Stanley on 7th.11.1956

Voucher Nr.			Currency	Currency
1	Sanitary Services		$ 25.00	
2	Light dues		" 19.60	
3	Tender hire and Motor Launch		" 395.00	
	Porterage on gangway			
4	Washing		" 172.92	
5	Custom House pass, stamps, etc.		" 64.73	
6.7	Coast guards		" 50.00	
8	British Consul		" 6.04	
	Brazilian "			
	Spanish "			
	Portuguese "			
9.13	~~xxxxxxxx~~ " Gratuities.		" 24.00	
	Repairs a|c.			
14.15	Inmigration Fees		" 70.00	
16	Advising arrival		" 10.00	
17.20	Harbour pilotage	River Plate pilotage	" 338.66	
21.	Custom House Despatchante		" 20.00	
22	Taxi hire		" 35.80	
23	Government License Tax		" 11.00	
	Cartage and permit on stevedoring gear			
24.25	Stevedores		" 3.045.45	
26.27	Tally clerks		" 1.056.79	
28	Sewers		" 155.06	
29	Watchmen		" 654.85	
30.31	Provisions and several purchases as per a|cs.		" 2.511.95	
	Cartage, permits and shipping charges on purchases and provisions			
32.33	Cooperage		" 276.04	
	Cash to Captain			
	Quay Dues			
34.35	Overtime Labour		" 105.54	
	Expenses on baggage			
	Telegrams and radios	D		
36	Postages, petties, receipt stamps and tax on remmittance		" 26.34	
37	Centro de Navegación		" 8.00	
	Members ot the crew expenses as per receipts			
38.39	Prefectura Watchmen		" 30.00	
40	Hire of crane		" 126.00	
	Hire of telephone onboard			
41	Firemen		" 10.00	
42	2.5% on $ 4.336.62 commission on payments.		" 108.42	
43	Agency Fee		" 100.00	
			$ 9.457.19	

Montevideo, 17th December de 1956

MACLEAN & STAPLEDON S. A.
AGENTS

451

MACLEAN & STAPLEDON S. A.

DISBURSEMENTS OF S. S. "FITZROY" at Montevideo

Arrived from PORT STANLEY on 5th December 1956 Sailed for PORT STANLEY on 17th December 1956

Voucher Nr.			Currency	Currency
1	Sanitary Services		$ 25.00	
2	Light dues		" 19.60	
3.5	Tender hire and Motor Launch		" 740.00	
6.11	Porterage on gangway		" 28.00	
12	Washing		" 342.93	
13	Custom House pass, stamps, etc.		" 64.75	
14	Coast guards		" 25.00	
15	British Consul		" 5.78	
	Brazilian "			
	Spanish "			
	Portuguese "			
	Argentine "			
	Repairs a|c.			
16	Inmigration Fees		" 20.00	
17	Advising arrival		" 6.00	
18.24	Harbour pilotage	River Plate pilotage	" 448.99	
25	Custom House Despatchante		" 20.00	
26	Taxi hire		" 84.60	
27	Government License Tax		" 11.00	
	Cartage and permit on stevedoring gear			
28.30	Stevedores		" 4.907.91	
31.33	Tally clerks		" 1.372.86	
34	Sewers		" 202.14	
35.36	Watchmen		" 1.944.89	
37.38	Provisions and several purchases as per a|cs.		" 2.422.05	
	Cartage, permits and shipping charges on purchases and provisions			
39.40	Cooperage		" 475.07	
	Cash to Captain			
	Quay Dues			
41.45	Overtime Labour		" 407.01	
	Expenses on baggage			
	Telegrams and radios	D		
46	Postages, petties, receipt stamps and tax on remmittance		" 35.15	
47	Centro de Navegación		" 8.00	
	Members ot the crew expenses as per receipts			
48.49	Prefectura Watchmen		" 30.00	
50	Hire of ~~xxxx~~ FENCES		" 360.00	
	Hire of telephone onboard			
51	Postages of letters received from vessel.-		" 6.48	
52	Lloyd's Register of Shipping .-		" 248.00	
53	Firemen		" 10.00	
54	2.50% on $ 5.849.41 Commission on Payment .-		" 146.24	
55	Agency Fee		" 100.00	
			$ 14.523.45	

Montevideo, 24th January de 1956

MACLEAN & STAPLEDON S. A.
AGENTS

452

MACLEAN & STAPLEDON S. A.

DISBURSEMENTS OF S. S. "FITZROY" at Montevideo

Arrived from Port Stanley on 23.1.1957 Sailed for Port Stanley on 27.1.1957

Voucher Nr.		Currency	Currency
		$ 82.20	
1.2	Sanitary Services	" 19.60	
3	Light dues	" 740.00	
4.5	Tender hire and Motor Launch		
	Porterage on gangway	" 246.20	
6	Washing	" 62.50	
7	Custom House pass, stamps, etc.	" 25.00	
8	Coast guards	" 5.78	
9	British Consul	" 23.00	
10.14	~~Brazilian~~ " Gratuities		
	Spanish "		
	Portuguese "		
	Argentine "		
	Repairs a|c.		
15.16	Inmigration Fees	" 70.00	
17	Advising arrival	" 12.00	
18.21	Harbour pilotage River Plate pilotage	" 349.28	
22	Custom House Despatchante	" 20.00	
23	Taxi hire	" 29.50	
24	Government License Tax	" 11.00	
	Cartage and permit on stevedoring gear		
25.28	Stevedores	" 2.032.24	
29.32	Tally clerks	" 674.27	
33	Sewers	" 174.77	
34.35	Watchmen	" 674.27	
36.38	Provisions and several purchases as per a|cs.	" 2.537.60	
	Cartage, permits and shipping charges on purchases and provisions		
39	Cooperage	" 119.06	
	Cash to Captain		
40	~~Cooperage~~ Extra Patent for 1957	" 50.00	
41.43	Overtime Labour	" 85.54	
	Expenses on baggage		
	Telegrams and radios D		
44	Postages, petties, receipt stamps and tax on remmittance	" 23.75	
45	Centro de Navegación	" 8.00	
	Members ot the crew expenses as per receipts		
	Prefectura Watchmen		
	Hire of crane		
	Hire of telephone onboard		
46	2.50% on $ 4.520.01 commission on payments.	" 113.00	
47	Agency Fee	" 100.00	
		$ 8.288.56	

Montevideo, 31st January de 1957

MACLEAN & STAPLEDON S. A.
AGENTS

453

6th April, 57

Sir,

439

I have the honour to refer to your letter of the 25th March on the subject of the costs of freights and passages.

Government is prepared to agree to a 10% increase on the existing freight and passage rates to come into effect when the Company's new vessel, the s.s. "Darwin", comes into service. Members of Executive Council have been consulted and have approved the proposal.

The new rates are being inserted in the appropriate schedules in the draft Mail Contract between Government and the Falkland Islands Company and copies will be forwarded to you as soon as possible.

I am, Sir,
Your obedient servant,

A. G. Thatcher Thomson

OFFICER ADMINISTERING THE GOVERNMENT.

The Hon. Mr. A. G. Barton, C.B.E., J.P.,
Colonial Manager,
Falkland Islands Company, Limited,
STANLEY.

See 476

AGDT/PT

NOTE.

I flew to Port San Carlos on Tuesday, 26th March, and to Darwin on the following day to consult Mr. Norman Cameron and Mr. Gilruth and Dr. Slessor with regard to the proposed 10% increase on freights and passages.

On Saturday, 30th March, I discussed the matter with Mr. Harding and I had already talked to Mr. Trees.

All Members of Council agreed that the Company had made out a reasonable case for a 10% increase on freights and passages to come into effect when the s.s. "Darwin" comes into service.

A.G.D.T.
O.A.G.

5th April, 1957

AGDT/PT

0327/III

455

18th April 1957

D/O

Would you please refer to my letter No:0327/III of the 11th September, 1956, and to the exchange of telegrams ending with my telegram No:5 of the 15th January.

381 386 390 394 395

I am enclosing two copies of the draft Mail Agreement between Government and the Falkland Islands Company. Copies have also been forwarded by the Colonial Manager of the Company to his Head Office in London. -456.

I hope that this draft will meet the requirements of the Ministry of Transport and Civil Aviation. Should any further snags arise I hope they will bear in mind that the draft in its present form represents something agreed in principle between Government and the Company as embodying what we feel is required to meet local circumstances and conditions. I hope also that they will bear in mind that our local conditions are very different from most other places, particularly the United Kingdom and that this ship is our main link with the outside world and is really our only link so far as regular mails and passengers are concerned.

Perhaps you would let me know as soon as possible whether or not the draft in its present shape and form meets the requirements of the Colonial Office and the Ministry of Transport.

There has, of course, been further delay in delivery of the new ship and late July or early August appears to be the earliest we can expect her. That means about three months without a ship or a mail!

(Signed) A. G. Denton Thompson.

A. H. Sheffield, Esq.,
COLONIAL OFFICE.

AGT/PT

Reply at 473.

FILE COPY

Copy of 12th April 1957. Communicated to (1) F.I.C. Head Office (2) Colonial Office.

456.

FALKLAND ISLANDS

THIS INDENTURE made this day of One thousand nine hundred and BETWEEN THE GOVERNMENT OF THE FALKLAND ISLANDS (hereinafter called "the Government") of the one part and THE FALKLAND ISLANDS COMPANY LIMITED whose Registered Office is situate at 120 Pall Mall in the City of Westminster (hereinafter called "the Company") of the other part W H E R E A S the Government is desirous of providing for the transmission of mails, passengers and freight within the home trade limits of the Colony, the collection of produce and the transit of mails, passengers and freight within and between the Colony and the mainland of South America upon the terms hereinafter appearing which terms are acceptable to the Government N O W T H E S E P R E S E N T S W I T N E S S AND IT IS HEREBY AGREED AND DECLARED by and between the parties hereto as follows that is to say

1. THESE provisions shall become operative from and shall remain in force during the currency of this Agreement.

2. IN this Agreement the following expressions shall have the following meanings:-

"The Colony" means the Colony of the Falkland Islands.

"The Governor" means the Officer Administering the Government of the Colony or the Colonial Secretary acting of his behalf.

"The Postmaster" means the officer for the time being exercising the function of that office.

3. THE COMPANY shall provide a Steamship short particulars of which are set out in the first schedule hereto and shall maintain it in Lloyd's highest class for the carriage of mails, passengers and freight between the Colony and Montevideo, Uruguay, and between the several ports of the Colony and generally to provide transport facilities for farm settlements in the Colony and to enable shipment of produce to home markets to be effected. Provided that should the steamship become a total loss or be rendered wholly unseaworthy owing to circumstances not within the Company's control this Agreement shall forthwith be terminated.

4. THE Steamship shall be properly found in all respects and capable of carrying not less than thirtysix saloon passengers with reasonable comfort and shall at all times be supplied and furnished with whatever may be requisite and necessary for rendering the Steamship having regard to the nature thereof constantly efficient for the services hereby contracted to be performed and shall also be manned with a proper and efficient crew of officers, engineers and seamen. The Steamship shall be fitted with wireless telegraphy apparatus as required by the Ministry of Transport and Civil Aviation for a vessel of this class.

5. (a) THE maximum passenger fares and freight rates charged by the Company for Inter-island trade and between the Colony and Montevideo and vice-versa, the Colony and Punta Arenas and vice-versa are detailed in the Second Schedule hereto attached and shall not be altered or amended except by and with the consent of Government.

(b) Should the Government or the Company consider that basic operating expenses have increased or decreased to such an extent that increases or decreases in passenger fares and freights set out in the second schedule attached hereto are justified, a statement shall be prepared and certified by the Company's Auditors in support of the claim for an increase or decrease, agreement to which shall not be unreasonably withheld by Government or the Company as the case may be.

6. (a) THE Company shall allow the Government a rebate of twenty-five per centum of all cargo and, passenger rates chargeable on all bona fide Government personnel and cargo carried by the vessel or any substitute or substitutes approved by the Governor. This rebate shall apply to Inter-island voyages and voyages to and from the South American continent but shall not apply to victualling charges incurred on voyages where victualling is not included in the quoted fare.

(b) The rebates referred to in sub-clause (a) of this clause shall not apply to cargo and passengers of the Falkland Islands Dependencies Survey.

7. THE Company shall not charge the Government any Landing or Wharfage Charges at Port Stanley on bona fide Government cargo as specified in clause 6(a).

8. IN consideration of the payments hereinafter mentioned the Company shall convey free of any charge whatever to the Government on any voyage made for the Government under this Agreement from any Port and to any Port included in the itinerary of such voyage all mails both letter mails and parcel mails which the Governor through the Postmaster may desire so to be conveyed.

9. THE Company shall as hereinafter mentioned provide at its own cost a convenient and proper place or places of deposit on board the Steamship for the safe keeping of the aforesaid mails and in particular the letter mails shall be placed under secure lock and key and shall be cleared by an officer of the Post Office or other person authorised to such effect by the Governor upon the arrival of the Steamship at a port of call within the Colony and by some officer duly authorised to such effect upon the arrival of the Steamship at Montevideo or other foreign port of call and the Company shall also provide a suitable boat properly manned and equipped and whatever else may be necessary for the safe embarkation and disembarkation of the same mails and shall defray all charges for the immediate taking on board and landing of the same mails.

10. ALL mails carried under this Agreement are to be delivered on the quayside nearest adjacent to the Steamship by the Postmaster or other official appointed for the purpose and shall be delivered in like manner from the vessel to the Postmaster or other official appointed by him for the purpose and the Master of the Steamship shall without any charge to the Government other than that otherwise provided in this Agreement to be paid to the Company take due care of and the Company shall be responsible for the receipt, safe custody and delivery of the mails as aforesaid and the Master of the Steamship shall make such Declaration as shall be required by the Postmaster or his officers or agents or by the proper Authority at Montevideo or other foreign ports and shall furnish such journals, returns and information and perform such services as may be required by the Postmaster or his officers or agents or by the proper Authority at Montevideo or other foreign port and the Master shall on arrival at any of the said places of the Steamship either himself or by some competent person deliver all mails for such place into the hands of the Postmaster or other person authorised to receive them and shall receive in like manner all the return or other mails to be forwarded in due course.

11. THE Company shall be responsible for the loss or damage of any parcel or of any registered postal packet of any kind conveyed or tendered for conveyance under this Agreement (unless such loss or damage be caused or occasioned by Act of God the Queen's enemies pirates restraints of Princes, rulers, or people, jettison, barratry, fire, collision, or perils or

accidents of the seas, rivers and steam navigation) and in the event of any such loss or damage (except as aforesaid) the Company shall be liable to pay to the Postmaster in respect of each parcel or registered postal packet so lost or damaged (subject to the proviso hereinafter contained) such sum of money as shall be equal to the amount which may have been awarded and paid by the Postmaster at his sole option and discretion (and although not under legal obligation) to the sender or addressee of such parcel or registered postal packet as compensation for the loss or damage thereof provided that such sum shall not in any one case exceed One pound per parcel or Two pounds per registered postal packet.

12. THE Company shall not nor shall the Master of the Steamship receive or permit to be received on board the Steamship any letters for conveyance other than those contained in Her Majesty's mails.

13. THE Company and the Master of the Steamship and all Agents, seamen and servants of the Company shall at all times punctually attend to the orders and directions of the Postmaster, his officers or Agents or the proper Authority at Montevideo or other foreign Port as to the mode, time and place of landing, delivering and receiving mails provided always that such orders and directions shall be in conformity with the provisions of this Agreement.

462

14. THE Company shall not carry nor permit to be carried in the Steamship any nitro-glycerine or any other substance or articles which in the opinion of the Government shall be dangerous except with the permission of the Governor.

15. (a) THE Steamship shall make such voyages from Stanley to Montevideo and return as the Government may require not exceeding twelve voyages each way in any one year. The dates of these voyages shall be fixed by the Company in consultation with the Government.

(b) THE Steamship shall make not less than twelve calls in every year at a principal port on the main West Falkland Island in the course of separate voyages. The term principal port shall be taken to mean any one of the following places, videlicet, Fox Bay, Port Howard, Chartres and Hill Cove.

(c) Additional voyages to Montevideo or voyages to other places on the South American continent or to the Dependencies shall be the subject of special arrangement between the Government and the Company but the Company shall be at liberty to make such voyages on its own account and at its own expense.

16. IN consideration of the carriage of mails as provided for in this Agreement so long as this Agreement is in force the Government shall pay to the Company in Stanley, or by mutual agreement in London by the Crown Agents on behalf of the Government,

the sum of Thirteen thousand two hundred pounds per annum in equal quarterly payments of Three thousand three hundred pounds or in such other manner as may be agreed between the Government and the Company; provided that an abatement at the rate of One thousand pounds per return voyage or of Five hundred pounds per single voyage shall be made in respect of any of the twelve return voyages specified in Clause 15(a) hereof which the Company may be unable from any cause to perform or on which it may be unable from any cause to carry mails, passengers and cargo in accordance with the provisions of this Agreement.

17. SHOULD the Company charter vessels which have adequate passenger accommodation for twelve persons single voyages Port Stanley to Montevideo or vice versa made during the months of January and February or June and July shall be an adequate substitute for a single mail voyage under this contract up to a total of two voyages Montevideo to Port Stanley and two voyages Port Stanley to Montevideo. In such cases it shall be permissible to carry mails suitably stowed in holds.

18. IN the event of any breach of this Agreement by the Company or failure on the part of the Company fully to carry out the terms, stipulations or provisions hereof (unless the Company shall prove to the satisfaction of the Governor that such breach or failure arose solely from a cause or causes beyond the control of the Company and the servants of the Company) the Company shall be liable by way of penalty and not as liquidated damages for any such breach or failure to pay to the

Government such a sum not exceeding £5. 0. 0d. (five pounds sterling) as the Governor shall determine and if such breach or failure shall continue to a further penalty of £5. 0. 0d. (five pounds sterling) for every day during which such breach or failure may continue and should there be any repetition of such breaches or failures or any breach or failure on the part of the Company as in the opinion of the Governor to render such a course desirable the Government may by giving to the Company notice in writing forthwith determine this Agreement but without prejudice to the rights or remedies of the Government in respect of any antecedent breach of this Agreement by the Company and nothing herein contained shall prevent the Government in the event of such breach or failure from making such other arrangements as shall seem to the Government fit for the despatch and carriage of the aforesaid mails and passengers by some other vessel or vessels and from bringing an action for damage against the Company instead of recovering a penalty under this Clause.

19. NOTHING in this Agreement shall be deemed to or shall impose any personal liability on the Governor or on any other member or Officer of the Government.

20. THE Government shall not be liable for any loss or damage whatever which may be sustained by the Company in consequence of the employment of the Steamship on any of the services contracted to be performed under this Agreement.

21. THIS Agreement shall continue in force for a period of five years from the date mentioned in Clause 1 hereof and shall continue thereafter on the same terms until either party gives to the other six months written notice at any time to determine same.

THE FIRST SCHEDULE ABOVE REFERRED TO

THE Steamer shall comply with the requirements of Lloyd's highest class and have suitable accommodation for a minimum of thirtysix saloon passengers in fourteen cabins, dining and smoke rooms.

Dimensions

Cubic capacity about cu. ft.

Gross tonnage Net tonnage Speed knots.

THE SECOND SCHEDULE ABOVE REFERRED TO

Particulars of:-

Coasting Service - ports of call.

Passage and freight rates.

Conditions of carriage of cargo and passengers etc.

THE FALKLAND ISLANDS COMPANY, LIMITED.

COASTING SERVICE.

1. THE Company carries Her Majesty's mails between inter-island ports, Montevideo and Punta Arenas. The following are the ports of call:-

East Falkland	West Falkland	Overseas.
Darwin	Hill Cove	Montevideo
Goose Green	Fox Bay	Punta Arenas
North Arm	Roy Cove.	
Walker Creek	Port Stephens	
San Carlos	Port Howard	
Port San Carlos	Pebble Island.	
Lively Island	Saunders Island.	
Bleaker Island	West Point Island.	
Speedwell Island	Carcass Island.	
Port Louis N & S	New Island	
Johnson's Harbour	Weddell Island.	
Salvador	Beaver Island.	
Teal Inlet	Chartres	
Rinson Grande	Dunnose Head.	
Fitzroy	Albemarle.	
Douglas Station		
Bluff Cove.		

2. PASSAGE RATES. From Stanley to Following ports and vice versa:

		Saloon
Group 1.	Berkeley Sound Fitzroy Bluff Cove	22/-d.
Group 2.	Darwin Walker Creek Salvador Rincon Grande Teal Inlet. Douglas Station Horseshoe Bay Lively Island.	49/6d.
Group 3.	North Arm Speedwell Island Bleaker Island. Brenton Loch San Carlos Port San Carlos Port Howard Fox Bay Port Stephens Chartres Dunnose Head Roy Cove. Hill Cove. Albemarle	82/6d.

Group 4.	New Island. Beaver Island. Weddell Island. Passage Islands. Pebble Island. Carcass Island. Saunders Island. West Point Island.	Saloon. 82/6d.

Group 5. INTER-PORT PASSAGES for which rates are not specified in Group 1 to 4.

Up to 30 miles..... 22/-d.
31 to 65 " ..... 49/6d.
Over 65 " ..... 82/6d.

Group 6. Montevideo Single, Saloon £22 Return £44. Min. rate.

Punta Arenas Single, Saloon £16. 10. 0d. Return £33 Min. rate.

(Government taxes not included).

CHILDREN. 12 years or over .....Full adult fare.
6 years & under 12 years....Half fare.
2 years & under 6 years.....Quarter fare.
1 child under 2 years .....Free
Each additional child under 2 years .....Quarter fare.

The fares quoted are MINIMUM rates and are applicable to:-

4 x 4 berth cabins
2 x 2/3 " " } Main deck.

8 x 2 Bedstead cabins on Upper deck will be subject to a supplement of 25% on the MINIMUM rate per bed.

Sole occupancy of cabin by special arrangement.

BERTHING OF CHILDREN.

Two children paying quarter fare each will occupy one berth. Cots will be provided for infants when possible, free of charge.

BERTHS.

Berths are not guaranteed on Inter-Island voyages.

Berths are not available for passengers making a voyage within the hours of sunrise and sunset but if required and if available an additional charge will be made of 10/-d. per berth.

Passengers are carried on the terms and conditions printed on the Company's passenger tickets.

3. CONDITIONS OF CARRIAGE OF PASSENGERS AND BAGGAGE.

THE Company reserves the right to charge the fare applicable to the most distant port when passengers are bound for a port called at after the most distant port, e.g. a passenger booked for Darwin by a vessel going North about East Falkland and calling at Fox Bay and then Darwin will pay the passage money equal to the fare to Fox Bay.

Baggage allowance - 36 cubic feet.

Excess Baggage will be charged at freight rates.

4. CATERING.

Inter-Island Voyages.

Breakfast, Dinner or Supper @ 5/-d. per meal.
Early morning or afternoon tea, 1/-d.
Or contract rate per day 15/-d.

Overseas voyages.

Included in the relative fare.

5. CARGO RATES.

Cargo is accepted on the terms and conditions printed on the Company's Bill of Lading.

1. MONTEVIDEO & PUNTA ARENAS.

General cargo	88/4d.	per ton weight or measurement.
Special stowage & Petrol	176/8d.	" " " " "

Minimum rates of freight as for half ton weight or measurement.

Parcel freight - 2/6d. per cubic foot, minimum 10/-d.

Light oils in bulk, by special arrangement.

2. INTER-ISLAND FREIGHT RATES.

Between Port Stanley and vice versa

Berkeley Sound & Fitzroy	40/-d.	per ton weight or measurement.
Lively Island & Darwin	52/6d.	" " " " "
Speedwell Island	72/6d	" " " " "
Other East Falkland Ports	58/4d.	" " " " "
Fox Bay & Port Howard, Great Island & Island Harbour	84/2d.	" " " " "
Other West Falkland Ports	95/-d.	" " " " "
Manybranch Harbour, Passage Island & Sea Lion Island.	117/6d.	" " " " "

(If over 10 tons, if less £60 per call).

3. INTER-PORT RATES. Freight rates which are not specified in Group 2.

Up to 30 miles	40/-d.	per ton weight or measurement.
31 - 50 "	52/6d.	" " " " "
51 - 100 "	58/4d.	" " " " "
101 - 120 "	84/2d.	" " " " "
121 & above	95/-d.	" " " " "

Special calls can usually be arranged provided there is sufficient inducement.

4. PARCELS - Local.

No parcels weighing over 28-lbs. will be accepted. The minimum charge per parcel is 5/-d. for the first 11-lbs. and thereafter 6d. per lb.

5. ANIMALS.

To any Island port:-

Cats	7/6d.	each
Dogs	10/-d.	"
Poultry (in crates)	2/-d.	"
Pigs (" ")	freight rates	
Cows, bullocks & bulls	£3.	"
Horses	£3.	"
Horses (across Falkland Sound)	£2.	"
Sheep (in crates)	£2.	"
Sheep - shifting in numbers - by arrangement.		
Sheep (carcasses) East Falkland) West Falkland)	5/-d.	"
Beef Quarters	10/-d.	"

Overseas - by arrangement.

6. WHARFAGE.

The freights quoted in Groups 1 to 5 do not include Wharfage and/or transhipment at Montevideo and/or Port Stanley.

7. WAREHOUSING.

Any cargo delivered into the Company's Warehouse(s) or other storage place is given free storage for seven days, after which the Company reserves the right to charge for storage at the rate of 13/4d. (thirteen shillings and fourpence) per ton weight or measurement per month or part of a month.

All storage is at Owner's risk.

8. PRODUCE for shipment overseas.

By arrangement at rates which include lighterage where required, shipment, storage, transhipment, Bill of Lading and Agency, i.e. all charges from point of shipment to final discharge.

9. DEVIATION & SPECIAL VOYAGES.

By arrangement.

DECODE.

TELEGRAM SENT.

473.

From SECRETARY OF STATE *to* GOVERNOR

Despatched : 12.6.57. *Time :* 1425 *Received :* 12.6.57. *Time :* 1130

No: 77. Following for Colonial Secretary.

455 Your letter 0327/III of 18th April, Draft mail agreement. Draft now considered satisfactory by M.T., C.A. and C.O.

SECRETARY.

GTC : PT

see 478

474

Y.E./

You will I think probably wish to study the draft mail contract for the new Dominion and I attach a copy.

Colonial Office have now advised us that they and the Ministry of Transport and Civil Aviation are satisfied with the draft. We now await the F.P.C. Head Office reaction to the draft.

L.G.T.T.
16.6.57.

475.

C.S.

Read with interest. The file reveals that operating a ship isn't quite so easy as some people think!

ZBA. 17.6.57.

4·16

0327/III

19th June, 57.

Sir,

I am directed to refer to my letter of the 6th April and previous correspondence and discussions in connection with the new mail contract.

2. I have to confirm the information I conveyed to you verbally on Wednesday the 19th June to the effect that the draft agreement has been approved by both the Secretary of State for the Colonies and the Ministry of Transport and Civil Aviation.

3. Government now awaits the reaction of the Falkland Islands Company. It is considered desirable that the agreement should be signed at the same time as the s.s. "Darwin" comes into service on the South America/Falkland Islands run. It would therefore be much appreciated if you would ask your Company for further information as to their views on the draft agreement if you receive no intimation from them by the end of this month.

I am,
Sir,
Your obedient servant,

(Sgd.) A. G. Denton Thompson.

COLONIAL SECRETARY.

The Colonial Manager,
Falkland Islands Co. Ltd.,
STANLEY.

AGDT/MC

Bu 7/7
19/6

477

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

Stanley,

1st July, 1957.

Sir,

476 I have to thank you for your letter No. 0327/III dated 19th June, 1957 advising that the draft Mail Contract has been approved by both the Secretary of State for the Colonies and the Ministry of Transport and Civil Aviation.

Our Head Office were informed of this by telegram on 24th June also of Government's desirability that the Agreement be signed here at the same time as s.s."Darwin" comes into service on the South America/Falkland Islands run.

I am now instructed to request you to inform His Excellency the Governor that in view of the implications of the Finance Bill 1957 and our position as an Overseas Trading Corporation, it is regretted that the Company are unable to consider the Mail Contract at present.

The Company are, however, prepared to maintain the service on a month to month basis providing Government will pay us £1,100 per round voyage Stanley/Montevideo.

Our Head office advise that the Secretary of State for the Colonies is aware of the position.

As s.s."Darwin" shipped mails from London and has reserved space for mails ex Montevideo I am to request that Government will consider a payment to us of £1,100 for the maiden voyage.

I am,
Sir,
your obedient servant,

for Manager.

Ack'd 1/7

The Honourable
The Colonial Secretary,
Stanley.

see 478
replies at 479 + 480

478

DECODE.

TELEGRAM SENT.

From GOVERNOR *to* SECRETARY OF STATE

Despatched : 2.7.57. *Time :* 1160 *Received :* : *Time :*:

No: 101. 473

Your tel. No: 77. Draft Mail Agreement.

477

I have to-day received communication from local Office of F.I.C. stating inter alia :-

" In view of the implications of the Finance Bill 1957 and our position as an Overseas Trading Corporation, it is regretted that the Company are unable to consider the Mail Contract at present.

The Company are, however, prepared to maintain the service on a month to month basis providing Government will pay us £1,100 per round voyage Stanley/Montevideo.

Our Head Office advise that the Secretary of State for the Colonies is aware of the position. "

2. Local Manager knows no more than facts contained in letter. Grateful for any further information you can give.

GOVERNOR.

GTC : PT

Reply at 486

0327/III

3rd July, 57

Sir,

I am directed to refer to your letter of the 1st of July in which you have advised Government that in view of the implications of the Finance Bill, 1957, and your Company's position as an Overseas Trading Corporation, your Company regrets that it is unable to consider the mail contract at present. I am to say that Government views this development with concern, and trusts that you will be in a position to clarify the situation in the near future. 477

It is noted that in the meantime the Company is prepared to maintain the service on a month to month basis provided Government will pay the Company £1,100 per round voyage Stanley/Montevideo. Government is prepared to agree to this proposal as a temporary measure and pending clarification of the situation that has now arisen. Government's agreement to this arrangement is without prejudice to the fact that the mail subsidy rate of £15,200 per annum (or £1,100 per round voyage) has been negotiated on the principle of a regular mail service consisting of twelve round voyages per year between Montevideo and Stanley.

In agreeing to this proposal, Government has assumed that the freight rates, passenger fares, and concessions contained in the draft agreement and its schedules will be operative in the case of all voyages made by the s.s. "Darwin" between South America and the Falkland Islands and between Falkland Islands ports of call during the interim period during which this temporary arrangement is in force and while there is no formal agreement between your Company and Government. Government would, however, appreciate confirmation that this assumption is correct.

480 Finally, I am to say that the request contained in the last paragraph of your letter under reference will form the subject of a separate reply.

I am, Sir,
Your obedient servant,

(Signed) A. G. Denton-Thompson.

COLONIAL SECRETARY.

The Manager,
Falkland Islands Company Limited,
STANLEY.

Reply at 481

AGDT/PT

0327/III

480.

3rd July, 57

Sir,

I am directed to refer to the last paragraph of your letter of the 1st of July in which you ask that Government should consider a payment to the Falkland Islands Company of £1,100 on the grounds that the s.s. "Darwin" shipped mails from London and has reserved space for mails ex Montevideo. 477

This matter was previously raised by the Manager of your Company in January of this year, and Government's view was conveyed to him in the Colonial Secretary's demi-official letter No: 0327/III of the 19th of January. Government does not feel that it has anything to add to the views expressed in that letter so far as the carriage of mails from the United Kingdom to Montevideo is concerned.

It is noted that mail space has been reserved ex Montevideo in accordance with the terms of the former mail contract and the present draft agreement. In such circumstances, the single voyage between Montevideo and Stanley would naturally qualify for half the mail contract subsidy of £1,100 per round trip. In other words, Government would pay the Falkland Islands Company £550 in respect of the single voyage and £1,100 per round voyage thereafter, up to a maximum of twelve round voyages in any one year, unless other arrangements were made.

I am, Sir,
Your obedient servant.

(Signed) A. G. Denton-Thompson.

COLONIAL SECRETARY.

Manager,
Falkland Islands Company, Limited,
STANLEY.

AGDT/PT

Bel. 30/7
d
97

481

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

Stanley,

9th July, 1957.

COLONIAL SECRETARY'S OFFICE -9 JUL 1957 FALKLAND ISLANDS

Your No. 0327/III.

479 + 480

Sir,

I have to acknowledge receipt of your letters (2) dated 3rd July, 1957, details of which were conveyed to our Head Office by telegram.

I now confirm that it is the Company's intention to maintain the conditions, rates of freight, passenger fares and concessions in accordance with the new draft Mail Contract pending clarification of the position.

I am,
Sir,
your obedient servant,

for Manager.

482.

The Honourable
The Colonial Secretary,
Stanley.

Noted. Governor advised accordingly.

10.7.57.

15/8

483

For insert on the merit contract file.

R.G.H.
12.7.57.

484

COMPANIES TRADING ABROAD

SPECIAL TREATMENT

The second major commitment which I inherited was an undertaking to consider the taxation of United Kingdom companies that carry on business oversea. Such companies, when they are controlled and managed in this country, have to pay tax at our very high rates on their profits earned abroad, subject to a set-off against the United Kingdom tax bill for similar taxes paid oversea.

This position has been much criticized over many years on the ground that the United Kingdom concern trading in an oversea country where tax rates are lower than ours is at a disadvantage compared with local competitors. It was fully reviewed by the royal commission under Lord Radcliffe's chairmanship which reported in 1955.

The commission put forward a novel idea for dealing with the problem, which I propose in substance to adopt. The idea is that our law should recognize as entitled to special tax treatment a class of oversea trade corporations. Broadly speaking, these will be United Kingdom companies controlled and managed from this country but having all their actual trading operations abroad.

Concerns that qualify as oversea trade corporations will be exempted from income tax and profits tax on their trading profits earned abroad. When they pay dividends or other distributions to shareholders out of those trading profits those dividends will be liable to United Kingdom income tax, and if they are received by a United Kingdom company to profits tax also. In appropriate cases there would be relief for taxes paid abroad.

INTERESTS EXCLUDED

The companies to be covered by my proposals will include those wholly engaged oversea in mining, oil winning, agriculture, manufacture and processing, public utilities, and distribution. I do not propose to include shipping, as I am proposing to deal with the industry in a different way. Nor do I propose the inclusion of financial activities such as banking and insurance, as I do not think they could properly be brought within the underlying conception of the scheme.

I must also give some precision to the proposed treatment of selling activities oversea. The royal commission contemplated that some oversea trade corporations would be the exporting side of the United Kingdom manufacturing businesses, which would obtain merchandise from the United Kingdom and send it oversea for sale there.

We must be careful that this new relief has no possible suggestion of an export subsidy about it, and the legislation will make it clear that to qualify as oversea trade corporations concerns dealing in United Kingdom goods must buy those goods "free on board" at a United Kingdom port at the price appropriate to a transaction between independent persons. Thus only profits arising from that point onwards which can be seen to flow from selling activities outside this country will come within the exemption.

485

"HIVE OFF" NECESSARY

There doubtless are some concerns which already have all their trading operations outside this country and can qualify as oversea trade corporations immediately. But there are also many mixed businesses with their operations partly here and partly oversea. To secure the benefit of my proposals such concerns will have to "hive off" their oversea business into a separate company that fulfils the conditions for qualification as an oversea trade corporation.

These, then, are the outlines of my proposals on this matter. The legislation to put through a major reform of this kind will inevitably be long and complicated. I must ask the Committee to wait until the Finance Bill is published for details. As well as a close definition of this new class of corporation, there will clearly have to be provisions defining distributions which are to be taxable, and the method of dealing with them, and possibly safeguards against abuse.

IMPETUS OF REFORM

I commend these proposals with confidence. (Ministerial cheers.) I believe them to be a justifiable reform in our tax system and a legitimate help to companies which plough back their profits oversea in competition with those that operate under easier tax laws. (Ministerial cheers.) Many of them operate in Commonwealth countries and in the colonies. Under the impetus of this reform more may well do so.

As things stand at present a British company engaged in such oversea operations may be at a serious disadvantage compared with its competitors. We must seek to remove these disadvantages. Moreover, under the existing law any such British company is a somewhat tempting object for a takeover bid by foreign buyers, who can often base their offer upon a future tax position more favourable than would be open to any British bidder.

Although the remission of the tax will represent an initial loss to the balance of payments, these proposals are a step towards more investment, more trade, and more exports. I am confident that this is a sound measure which will bring us increasing rewards in future years. (Ministerial cheers.) The cost to the revenue will not be negligible. I cannot, of course, give precise figures, but I estimate the cost at £25m. this year and something over £35m. next year.

486

DECODE.

TELEGRAM SENT.

From SECRETARY OF STATE *to* GOVERNOR

Despatched : 17.7.57. *Time :* 1756 *Received :* 18.7.57. *Time :* 1600

478

No: 92. Your tel. No: 101. Mail Agreement.

Because of reservations in the Financial Bill Company are reviewing shipping side of their business. I am in contact with the Chairman on the subject.

2. I suggest you accept the provisional arrangements pending developments.

SECRET.

GTC : PT

487
1.1/7
22.7.57.

488
Mr Lord seen

See 516

Ber. 10/9 ~~30/8~~

489

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

Stanley,

10th December, 1957.

Sir,

MAIL CONTRACT.

456

With reference to the draft Mail Contract, s.s."Darwin" has now been sold to the Falkland Islands Trading Co.,Ltd. and the contract will therefore have to be made with that Company. It is proposed that the contract commences from 1st January, 1958 and is for a period of 4½ years, and not 5 years, in view of the fact that the mail service has been operating from about 1st July last.

1st July (1957)

We have a few amendments to propose.

2. Clause 5 (B). We are of the opinion that the basic costs should be those current at the approximate date when it was agreed that we should build a new vessel and enter into a contract with the Falkland Islands Government. The date proposed is 1st January, 1956.

It should be noted that Montevideo expenses have increased considerably since then and it is possible that Stanley expenses may rise.

So has the schedule of fares

3. Clause 15 (a).
(b).

Clause 17.

It appears that we may at times be hard pressed to make twelve Montevideo and twelve inter-island voyages per annum owing to the present slow turn round in Montevideo and the time required for the proper maintenance of the vessel.

We have now chartered a vessel, the "A.E.S.", for a number of consecutive voyages between United Kingdom and Falkland Islands and we suggest that these voyages shall rank

Rcd'd 11/12/57

The Honourable
The Colonial Secretary,
Stanley.

/as

490

mail voyages for the purpose of the contract thus making the number of mail voyages up to a minimum of twelve per annum.

"A.E.S." will normally sail from United Kingdom to Las Palmas and thence Falkland Islands direct and vice versa and is expected to make the transit in 28 - 30 days. She had good passenger accommodation for sixteen persons, some cabins have showers and W.C's., and the accommodation is air conditioned.

According to present arrangements she left/leaves

London - 20th November, 1957.
20th February, 1958.
second half May,
August/September,
November,

and at approximate three monthly intervals thereafter. We suggest that the payment for the carriage of mails covers voyages made by "Darwin" and by "A.E.S." and the minimum number of voyages to be twelve - it is probable that the actual number will be 13 or 14, but no extra payment is to be made for voyages in excess of 12.

We trust that the Falkland Islands Government will make use of "A.E.S." for their cargo out-turns should be better than via Montevideo and the cost lower as no Montevideo transhipment charges will arise. Moreover, if the Falkland Islands Government agrees to include such voyages as part of the mail contract, we are prepared to allow the 25% rebate on the portion of through freight which represents the Montevideo - Falkland Islands proportion. The make up of the through freight is River Plate Conference rates to Montevideo plus Falkland Islands Trading Co. freight Montevideo - Port Stanley.

We cannot offer any rebate on passages per "A.E.S." owing to the conditions of our agreement with the owner but would point out that the passage rates quoted United Kingdom - Falkland Islands or vice versa, with shower etc. £165,
without shower etc. £150
compare favourably with via Montevideo and 'A' class vessel, which is -

Uruguayan visa £ 1. 11. 3.

/Port

Port Stanley - Montevideo, minimum	£ 22.	-.	-.
Montevideo hotels and luggage		?	
Montevideo - Southampton, 2nd class	143.	-.	-.
Embarkation and landing taxes	3.	17.	-.
	£ 170.	8.	3. plus

If Government considers these proposals favourably we suggest that the Agreement be modified accordingly and duly signed.

I am,

Sir,

your obedient servant,

R. G. Barton

Manager.

0327/III

492

13th December, 57.

Sir,

I am directed to refer to your letter of the 10th December and to the discussion that took place between the Chairman of the Falkland Islands Company, yourself, and the Colonial Secretary on Thursday the 12th December on the subject of the Mail Contract. 489.

2. Government would have no objection to the proposal that the Contract should take effect from the 1st January, 1958 and that it should be for a period of 4½ years in the first instance, instead of five years, in view of the fact that the R.M.S. "Darwin" has been in service for approximately six months.

3. It was agreed at our discussion that Clause 5 (b) should not be amended and that any case made by the Company for an increase in freight rates and passenger fares, or, conversely, a case made by Government for a decrease in freight rates and passenger fares, should be based on the schedules of such rates and fares contained in the present draft agreement, on the basis of which the Company is at the moment operating the R.M.S. "Darwin", subject to the understanding that only increases or decreases in costs occurring or arising after the 1st July, 1957 shall be taken into account for the purposes of any negotiations under Clause 5 (b).

4. As I explained to you verbally, Government is not at the moment in a position to give any answer to the Company's proposal to the effect that the voyages made by the "A.E.S." between the United Kingdom and the Falkland Islands should rank as mail voyages for the purposes of the Mail Contract. This matter will have to be considered by His Excellency the Governor on his return and it is possible that His Excellency may decide to refer the matter to Executive Council.

5. Your Company can rest assured that Government will endeavour to support the "A.E.S." with both Government freight and passengers for so long as the freight rates and passenger fares compare favourably with those prevailing on the normal route via Montevideo. Government is, however, examining the financial implications and you will be advised of Government's views in due course.

I am,
Sir,
Your obedient servant,

(Sgd.) A.G. Denton-Thompson.

COLONIAL SECRETARY.

The Manager,
The Falkland Islands Co. Ltd.,
STANLEY.

AGDT/SJA

Y.E.

Folio 489. During your absence Mr. Young and Mr. Barton asked to see me in order to speak on the contents of folio 489. Mr. Young opened the discussion by asking me for my reactions.

2. I advised him along the following lines:-

(i) There would be no objection, from Government's point of view, to the contract with the Falkland Islands Trading Co. Ltd. beginning from the 1st January, 1958.

(ii) There would be no objection to the contract running for 4½ years instead of five. The draft contract provides for a period of five years and the "Darwin" has already been running, under the terms and conditions of the draft contract, for approximately six months.

(iii) Government would find it difficult to agree to the proposed amendment of Clause 5 (b). The schedules of passenger fares and freight rates incorporated in the draft agreement under which the "Darwin" is operating (folio 456) included the 10% increase agreed between Government (Executive Council having been fully consulted) and the Company earlier this year. Consequently I think we must hold to the contention that any case for an increase or decrease inasmuch as fares or freight rates are concerned must be presented and considered in the light of any increases or decreases in costs that have occurred or arisen since that 10% increase was agreed. There is no objection from our point of view to fixing an arbitrary date of the 1st July, 1957, the date agreed in principle in my discussion with Young. In fact it is slightly to Government's advantage inasmuch as the 10% increase was agreed officially in April, 1957. I think that the second part of paragraph 2 of Barton's letter is misleading inasmuch as freight rates and passenger fares have gone up to compensate for the increased costs that have arisen since the 1st January, 1956. I think Young had his tongue in his cheek and he quite quickly dropped what in my opinion was a "try on".

(iv) I could not commit Government with regard to the proposals in paragraph 3. I pointed out that this in effect would mean ten or less mail connections (notably Airmail connections) with Montevideo and that this was really a return to the bad old days of the "Fitzroy" rather than an improvement in the mail connections which is one of the baits held out by the Company when they were negotiating the increased mail contract price.

/(v) I intimated

I intimated that I would have to submit the matter to you for consideration and I thought it likely that you would wish to refer the matter to Council. Personally I am opposed to giving way on this point until the twelve voyages have been tried and proved quite conclusively to be impossible. I think we would find it very difficult indeed to put it across politically. I have no doubt that Council would also oppose it at this stage.

(v) Government would support the "A.E.S." with cargo and passengers for so long as freight rates and passenger fares compare favourably with those prevailing on the normal route via Montevideo. We have some arithmetic to do on the subject of freight rates, but if, as I suspect, we shall be better off with the "A.E.S." (bearing in mind the all important factor of pilferage at Montevideo) then I think we should instruct the Crown Agents to ship as much of our stuff as possible by her.

3. I replied at folio 492 and this I think is self-explanatory. On the assumption that you would wish to refer the question of a lesser number of voyages to Montevideo to Executive Council I have prepared a draft memorandum which is at the back cover for consideration.

16.12.57

AGDT/SJA

495

HCS

Thank you. We spoke on the telephone & agreed to cut last para of draft Ex Co memo.

TRA 16.12.57

496

Acs.

1. T/. note for Secy.

2. Memo, as amended, for filing.

17/12/57.

497.

as on para. 2 above, pl.

17/12

498

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

COLONIAL SECRETARY'S OFFICE 14 DEC 1957 FALKLAND ISLANDS

Stanley,

13th December, 1957.

Sir,

492 We have to thank you for your letter No. 0327/III of 13th inst. and confirm that your interpretation of the discussion coincides with our own.

We trust His Excellency and yourself will visit m.v."A.E.S." at a time and date to be arranged later, and inspect the passenger accommodation.

I am,

Sir,

your obedient servant,

A. G. Barton

Manager.

499

The Honourable

The Colonial Secretary,

Stanley.

Ref: 0327/III

18th December, 1957.

MEMORANDUM NO. 49 FOR EXECUTIVE COUNCIL.

Mail Contract.

The draft mail contract, under the terms of which the R.M.S. "Darwin" is operating although the contract itself is yet to be signed, provides that the ship shall make such voyages from Stanley to Montevideo and return as the Government may require not exceeding twelve voyages in any one year. It also contains a clause to the effect that should the Company charter vessels which have adequate passenger accommodation for twelve persons, single voyages Port Stanley to Montevideo or vice versa made during the months of January and February or June and July shall be an adequate substitute for a single mail voyage under the contract up to a total of two voyages Montevideo to Port Stanley. Another clause provided for an abatement at the rate of £1,000 per return voyage or of £500 per single voyage in respect of any of the twelve return voyages which the Company may be unable from any cause to perform or in which it may be unable to carry mails, passengers and cargo.

2. The Falkland Islands Company have now made representations to the following effect:-

"It appears that we may at times be hard pressed to make twelve Montevideo and twelve inter-island voyages per annum owing to the present slow turn round in Montevideo and the time required for the proper maintenance of the vessel.

"We have now chartered a vessel, the "A.E.S.", for a number of consecutive voyages between United Kingdom and Falkland Islands and we suggest that these voyages shall rank as mail voyages for the purpose of the contract thus making the number of mail voyages up to a minimum of twelve per annum.

"A.E.S." will normally sail from United Kingdom to Las Palmas and thence Falkland Islands direct and vice versa and is expected to make the transit in 28 - 30 days. She has good passenger accommodation for sixteen persons, some cabins have showers and W.C's. and the accommodation is air conditioned.

According to present arrangements she left/leaves London - 20th November, 1957.
20th February, 1958.
Second half May,
August/September,
November,
and at approximate three monthly intervals thereafter. We suggest that the payment for the carriage of mails covers voyages made by "Darwin" and by "A.E.S." and the minimum number of voyages to be twelve - it is probable that the actual number will be 13 or 14, but no extra payment is to be made for voyages in excess of 12."

/3. Honourable

3. Honourable Members are asked to advise on the policy Government should adopt with regard to these representations. In considering the question Members will no doubt appreciate that:-

(i) it will mean that the "Darwin" will only be providing ten or less mail connections (notably airmail connections) with Montevideo;

(ii) there will be some advantage in having sea mail, particularly parcel mail, delivered direct to the Colony by the "A.E.S." on four regularly spaced occasions in the year.

COLONIAL SECRETARY.

AGDT/SJA

EXTRACT FROM MINUTES OF MEETING OF MEMBERS OF EXECUTIVE COUNCIL HELD ON 23rd & 24th JANUARY, 1958.

.....

2. MAIL CONTRACT. The Honourable Mr. Barton explained that it was the intention, though it was not perhaps clearly explained in the Company's letter to Government, that the A.E.S. should act as a substitute for the Darwin in the event of the Darwin not being able to complete 12 round voyages Stanley/Montevideo during the year. Council advised that

489

(i) there should be no objections to this arrangement provided it conformed generally with the terms of Clause 17 of the Mail Contract which specifically provides that the Falkland Islands Company may substitute a suitable charter vessel for the Darwin during the specified months of the year;

(ii) depending on circumstances there should in principle be no objection to some elasticity so far as the months in which the Company are entitled to substitute a charter vessel within the terms of the Mail Contract are concerned.

.....

Clerk of Executive Council.

0327/III

503

12th February, 58.

Sir,

I am directed to refer to my letter of the 13th December, 1957, in which you were informed that the Company's proposal to the effect that the voyages made by the "A.E.S." between the United Kingdom and the Falkland Islands should rank as mail voyages for the purpose of the mail contract would, after consideration by His Excellency the Governor, probably be referred to Executive Council. 492

2. As you are aware the proposal was considered in Executive Council on the 23rd January when you stated that it was the Company's intention, although this was perhaps not clearly explained in your letter of the 10th December, 1957, that the "A.E.S." should act as a substitute for the R.M.S. "Darwin" in the event of the latter vessel being unable to complete 12 round voyages Stanley/Montevideo per annum. 489.

3. On the understanding that the "A.E.S." will in fact call at Montevideo outward and homeward bound, I am to inform you that there is no objection to the proposal that the vessel should act as a substitute for the R.M.S. "Darwin" during certain specified months of the year.

4. Clause 17 of the draft Mail Contract provides for the substitution of a charter vessel from Port Stanley to Montevideo or vice versa during the months of January and February or June and July. I am to state that, depending upon circumstances, there is, in principle, no objection to some elasticity so far as the months in which the Company are entitled to substitute a charter vessel are concerned, provided any change from the months specified in Clause 17 of the Mail Contract is first approved by Government.

I am,
Sir,
Your obedient servant,

A.G.G.
COLONIAL SECRETARY.

See 505

e Manager,
The Falkland Islands Co. Ltd.
STANLEY.
JA

504.

0327/III

25th February, 1958.

D/O

Do you think that we could now tie up the Mail Contract subject to the following amendments:-

1. The Falkland Islands Trading Company Limited to be substituted where it occurs for the Falkland Islands Company Limited.

2. Clause 1 to read "These provisions shall be regarded as having become operative from the 1st January, 1958 and shall remain in force during the currency of this agreement."

3. Clause 21. "This agreement shall continue in force for a period of 4½ years from the date mentioned in Clause 1 hereof .....

If you agree I think it would be as well to have the agreement printed and we could then sign it. Perhaps you would let me know how many copies the Falkland Islands Trading Company will require.

(12)

A.G.D.T.

The Hon. Mr. A.G. Barton, C.B.E., J.P.,
STANLEY.

ADT/SJA

Bu 7/3

503

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

Stanley,

15th February, 1958.

COLONIAL SECRETARY'S OFFICE
17 FEB 1958
FALKLAND ISLANDS

Sir,

503 We have for acknowledgement your letter No. 6327/III of 12th instant, and return the draft and file copy of same which were inadvertently enclosed in the envelope addressed to us.

I am,

Sir,

your obedient servant,

A. C. Davidson

Manager.

6471

The Honourable

The Colonial Secretary,

Stanley.

506

Note.

Mr Barton called to see me this morning - 27 February - to ask whether Government would agree postponing the action suggested in f. 504 until he had had an opportunity of obtaining from the Chairman of the Company a reply to a letter he had sent to London about the R.E.S. calling at Montevideo - about which there is still some doubt - in spite of what he, Mr Barton, said at Esto (f 502).

I agreed to this arrangement and he will let us know as soon as he hears something definite from Young.

C.G.J.
27/2/58

Bu 25/3
27/3/58

Bu 1/4
25/3/58

~~31/5~~ ~~2/4~~ 6/6
Bu. 17/4
R. 25/3/58

Bu 23/6/58

Y.E.

I am discussing the hire contract with Mr. Baton tomorrow afternoon (Friday). The question of the 'AES' calling at Montevideo outward bound from the U.K. and homeward bound from the Colony has now been clarified. F.C. head office agree that a call at Montevideo in each direction should rank as one round trip for the purpose of the Contract. You will recall that when the matter was discussed in Co Co the proposal was far from clear (please see memo at f. 500, and fs. 502 and 503 - para 3).

2. It would appear, however, that if the 'AES' is to call at Montevideo outward and homeward bound (ranking as a round trip in substitution for the Darvin) the wording of Clause 17 of the draft Contract at f. 463 requires amendment. The clause, as it stands, deals with single voyages. Under this draft Clause it would appear to me that the 'AES' could make two calls at Montevideo when returning to the U.K. which would rank as one round trip by the Darvin. This would result in 13 outgoing mails (to Montevideo) but only 11 incoming instead of a minimum of 12.

3. I would suggest that Clause 17 might be amended as follows:-

"Should the Company charter vessels which have adequate passenger accommodation for twelve persons voyages Montevideo to Stanley and return made during the months of January and February or June and July shall be an adequate substitute for a mail voyage Montevideo to Stanley and return under this contract up to a total of two such voyages made by vessels chartered by the Company."

If necessary, clarify by letter rather than amend agreement

MMcG We spoke 12.6.58

12/6/58

508

T.E.

Mail Contract.

A copy of the Mail Contract, as amended and agreed with Mr Barton, is submitted prior to being printed (at b.c.)

The amendments to the preamble and Clauses 1 and 21 follow those suggested in f. 504. Clause 17 is remain as drafted and the point raised at f. 507 will be clarified by letter.

On page 2 of the Schedule, the word "group" has been added to "Speedwell Island" as there are some other small islands adjacent to Speedwell. Horseshoe Bay and Keppel Islands have been added to the ports of call.

Provision is made on page 4 of the Schedule for round trip voyages. This follows the practice that has always been used.

The amendment under 1 on page 5 means the same thing.

The new heading 2 on page 5 is taken from heading 6 on page 6, the remainder of heading 6 being deleted as it is not applicable.

The amendment under heading 3 is for clarification purposes.

14/6/58

17.6.58.

0327/III

509

18th June, 58

Sir,

I am directed to refer to our meeting of the 13th June, when certain minor amendments to the draft Mail Contract were discussed and agreed. The draft Contract is now in the hands of the Printer and a proof will be furnished as soon as possible.

2. You will recall that when we discussed Clause 17 of the contract which deals with single voyages Port Stanley to Montevideo or vice versa by charter vessels up to a total of two voyages, I expressed the view, with which you agreed, that a possible interpretation of the Clause is that it would be permissible for a charter vessel to make two calls at Montevideo when northbound, ranking as two single voyages or one round trip. In such event only 11 mails would be collected from Montevideo by the R.M.S. "Darwin" although there would, of course, be 13 outgoing mails (11 by the "Darwin" and 2 by charter vessels).

3. I am to request, therefore, that you will confirm that in the event of charter vessels being substituted for the "Darwin" up to a total of two round trips, the charter vessels will call at Montevideo both southbound and northbound so that there will, in effect be 12 incoming and 12 outgoing mails under the terms of the contract.

I am,
Sir,
Your obedient servant,

(Sgd.) S. G. Trees.
ACTING COLONIAL SECRETARY.

he Manager,
Falkland Islands Company Ltd.,
STANLEY.

ST/MF

2/8/58

~~13/7~~
~~24/6~~

Spoke w/ Barton.
Cases 3 inquiries orally but he will inquire in writing.
R. 11/8/58

B.O. 14/8/58

510

note Printer's first proof of rail contract sent Manager, F.C. 1/8/58.

[illegible] 1/8/58

B.V. 10/8/58

16/8/58

Returned & passed to Printer

[illegible]
13/8/58.

511

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

Stanley,

13th. August 1958

Sir,

Mail Contract.

509 Your letter No. 0327/111 dated 18th. June 1958 was copied for our London Office and despatched by Airmail 20th. July.

At the time we confirmed verbally that your para 3 coincided with our views and have no reason to suppose that our Head Office will think otherwise, but we will let you know definitely at a later date.

I am,

Sir,

Your obedient servant,

A. G. Barker

Manager.

The Honourable

The Colonial Secretary,

Stanley.

R. 14/8

512

Rec. 21/8

513

FALKLAND ISLANDS

This Indenture made this twentieth day of August, One thousand nine hundred and fifty-eight, between THE GOVERNMENT OF THE FALKLAND ISLANDS (hereinafter called "the Government") of the one part and THE FALKLAND ISLANDS TRADING COMPANY LIMITED whose Registered Office is situate at 120 Pall Mall in the City of Westminster (hereinafter called "the Company") of the other part.

WHEREAS the Government is desirous of providing for the transmission of mails, passengers and freight within the home trade limits of the Colony, the collection of produce and the transit of mails, passengers and freight within and between the Colony and the mainland of South America upon the terms hereinafter appearing which terms are acceptable to the Government.

NOW THESE PRESENTS WITNESS AND IT IS HEREBY AGREED AND DECLARED by and between the parties hereto as follows that is to say :

1. These provisions shall be regarded as having become operative from the first day of January, 1958, and shall remain in force during the currency of this Agreement.

2. In this Agreement the following expressions shall have the following meanings:—

"THE COLONY" means the Colony of the Falkland Islands.

"THE GOVERNOR" means the Officer Administering the Government of the Colony or the Colonial Secretary acting on his behalf.

"THE POSTMASTER" means the officer for the time being exercising the function of that office.

3. The company shall provide a steamship short particulars of which are set out in the first schedule hereto and shall maintain it in Lloyd's highest class for the carriage of mails, passengers and freight between the Colony and Montevideo, Uruguay, and between the several ports of the Colony and generally to provide transport facilities for farm settlements in the Colony and to enable shipment of produce to home markets to be effected.

Provided that should the steamship become a total loss or be rendered wholly unseaworthy owing to circumstances not within the Company's control this Agreement shall forthwith be terminated.

4. The steamship shall be properly found in all respects and capable of carrying not less than thirty-six saloon passengers with reasonable comfort and shall at all times be supplied and furnished with whatever may be requisite and necessary for rendering the Steamship having regard to the nature thereof constantly efficient for the services hereby contracted to be performed and shall also be manned with a proper and efficient crew of officers, engineers and seamen. The steamship shall be fitted with wireless telegraphy apparatus as required by the Ministry of Transport and Civil Aviation for a vessel of this class.

5. (a) The maximum passenger fares and freight rates charged by the Company for Inter-island trade and between the Colony and Montevideo and vice versa, the Colony and Punta Arenas and vice versa are detailed in the Second Schedule hereto attached and shall not be altered or amended except by and with the consent of Government.

(b) Should the Government or the Company consider that basic operating expenses have increased or decreased to such an extent that increases or decreases in passenger fares and freights set out in the Second Schedule attached hereto are justified, a statement shall be prepared and certified by the Company's Auditors in support of the claim for an increase or decrease, agreement to which shall not be unreasonably withheld by Government or the Company as the case may be.

not in 1937

6. (a) The Company shall allow the Government a rebate of twenty-five *per centum* of all cargo and passenger rates chargeable on all bona fide Government personnel and cargo carried by the vessel or any substitute or substitutes approved by the Governor. This rebate shall apply to Inter-island voyages and voyages to and from the South American continent but shall not apply to victualling charges incurred on voyages where victualling is not included in the quoted fare.

(b) The rebates referred to in sub-clause (a) of this clause shall not apply to cargo and passengers of the Falkland Islands Dependencies Survey.

7. The Company shall not charge the Government any Landing or Wharfage Charges at Stanley on bona fide Government cargo as specified in clause 6 (a). Agreed on inter-Island Voyages + voyages to + from the S-A Continent

8. In consideration of the payments hereinafter mentioned the Company shall convey free of any charge whatever to the Government on any voyage made for the Government under this Agreement from any Port and to any Port included in the itinerary of such voyage all mails both letter mails and parcel mails which the Governor through the Postmaster may desire so to be conveyed.

9. The Company shall as hereinafter mentioned provide at its own cost a convenient and proper place or places of deposit on board the Steamship for the safe keeping of the aforesaid mails and in particular the letter mails shall be placed under secure lock and key and shall be cleared by an officer of the Post Office or other person authorised to such effect by the Governor upon the arrival of the Steamship at a port of call within the Colony and by some officer duly authorised to such effect upon the arrival of the Steamship at Montevideo or other foreign port of call and the Company shall also provide a suitable boat properly manned and equipped and whatever else may be necessary for the safe embarkation and disembarkation of the same mails and shall defray all charges for the immediate taking on board and landing of the same mails.

10. All mails carried under this Agreement are to be delivered on the quayside nearest adjacent to the Steamship by the Postmaster or other official appointed for the purpose and shall be delivered in like manner from the vessel to the Postmaster or other official appointed by him for the purpose and the Master of the Steamship shall without any charge to the Government other than that otherwise provided in this Agreement to be paid to the Company take due care of and the Company shall be responsible for the receipt, safe custody and delivery of the mails as aforesaid and the Master of the Steamship shall make such Declaration as shall be required by the Postmaster or his officers or agents or by the proper Authority at Montevideo or other foreign ports and shall furnish such journals, returns and information and perform such services as may be required by the Postmaster or his officers or agents or by the proper authority at Montevideo or other foreign port and the Master shall on arrival at any of the said places of the Steamship either himself or by some competent person deliver all mails for such place into the hands of the Postmaster or other person authorised to receive them and shall receive in like manner all the return or other mails to be forwarded in due course.

11. The Company shall be responsible for the loss or damage of any parcel or of any registered postal packet of any kind conveyed or tendered for conveyance under this Agreement (unless such loss or damage be caused or occasioned by Act of God, the Queen's enemies, pirates, restraints of Princes, rulers, or people, jettison, barratry, fire, collision, or perils or accidents of the seas, rivers and steam navigation) and in the event of any such loss or damage (except as aforesaid) the Company shall be liable to pay to the Postmaster in respect of each parcel or registered postal packet so lost or damaged (subject to the proviso hereinafter contained) such sum of money as shall be equal to the amount which may have been awarded and paid by the Postmaster at his sole option and discretion (and although not under legal obligation) to the sender or addressee of such parcel or registered postal packet as compensation for the loss or damage thereof provided that such sum shall not in any one case exceed One pound per parcel or Two pounds per registered postal packet.

12. The Company shall not nor shall the Master of the Steamship receive or permit to be received on board the Steamship any letters for conveyance other than those contained in Her Majesty's mails.

13. The Company and the Master of the Steamship and all agents, seamen and servants of the Company shall at all times punctually attend to the orders and directions of the Postmaster, his officers or agents or the proper authority at Montevideo or other foreign Port as to the mode, time and place of landing, delivering and receiving mails provided always that such orders and directions shall be in conformity with the provisions of this Agreement.

14. The Company shall not carry nor permit to be carried in the Steamship any nitro-glycerine or any other substance or articles which in the opinion of the Government shall be dangerous except with the permission of the Governor.

15. (a) The Steamship shall make such voyages from Stanley to Montevideo and return as the Government may require not exceeding twelve voyages each way in any one year. The dates of these voyages shall be fixed by the Company in consultation with the Government.

(b) The Steamship shall make not less than twelve calls in every year at a principal port on the main West Falkland Island in the course of separate voyages. The term principal port shall be taken to mean any one of the following places, *videlicet*, Fox Bay, Port Howard, Chartres and Hill Cove.

(c) Additional voyages to Montevideo or voyages to other places on the South American continent or to the Dependencies shall be the subject of special arrangement between the Government and the Company but the Company shall be at liberty to make such voyages on its own account and at its own expense.

16. In consideration of the carriage of mails as provided for in this Agreement so long as this Agreement is in force the Government shall pay to the Company in Stanley, or by mutual agreement in London by the Crown Agents on behalf of the Government, the sum of Thirteen thousand two hundred pounds per annum in equal quarterly payments of Three thousand three hundred pounds or in such other manner as may be agreed between the Government and the Company; provided that an abatement at the rate of One thousand pounds per return voyage or of Five hundred pounds per single voyage shall be made in respect of any of the twelve return voyages specified in Clause 15(a) hereof which the Company may be unable from any cause to perform or on which it may be unable from any cause to carry mails, passengers and cargo in accordance with the provisions of this Agreement.

17. Should the Company charter vessels which have adequate passenger accommodation for twelve persons single voyages Port Stanley to Montevideo or vice versa made during the months of January and February or June and July shall be an adequate substitute for a single mail voyage under this contract up to a total of two voyages Montevideo to Port Stanley and two voyages Port Stanley to Montevideo. In such cases it shall be permissible to carry mails suitably stowed in holds.

18. In the event of any breach of this Agreement by the Company or failure on the part of the Company fully to carry out the terms, stipulations or provisions hereof (unless the Company shall prove to the satisfaction of the Governor that such breach or failure arose solely from a cause or causes beyond the control of the Company and the servants of the Company) the Company shall be liable by way of penalty and not as liquidated damages for any such breach or failure to pay to the Government such a sum not exceeding £5 : 0 : 0 (five pounds sterling) as the Governor shall determine and if such breach or failure shall continue to a further penalty of £5 : 0 : 0 (five pounds sterling) for every day during which such breach or failure may continue and should there be any repetition of such breaches or failures or any breach or failure on the part of the Company as in the opinion of the Governor to render such a course desirable the Government may by giving to the Company notice in writing forthwith determine this Agreement but without prejudice to the rights or remedies of the Government in respect of any antecedent breach of this Agreement by the Company and nothing herein contained shall prevent the Government in the event of such breach or failure from making such other arrangements as shall seem to the Government fit for the despatch and carriage of the aforesaid mails and passengers by some other vessel or vessels from bringing an action for damage against the Company instead of recovering a penalty under this Clause. (1958 Agreement)

19. Nothing in this Agreement shall be deemed to or shall impose any personal liability on the Governor or on any other member or Officer of the Government.

20. The Government shall not be liable for any loss or damage whatever which may be sustained by the Company in consequence of the employment of the Steamship on any of the services contracted to be performed under this Agreement.

21. This Agreement shall continue in force for a period of four and a half years from the date mentioned in Clause 1 hereof and shall continue thereafter on the same terms until either party gives to the other six months' written notice at any time to determine same.

IN WITNESS whereof Stanley Graham Trees, Acting Colonial Secretary, for and on behalf of the Government of the Falkland Islands has hereunto set his hand and seal and Arthur Grenfell Barton on behalf of the Falkland Islands Trading Company Limited, has hereunto set his hand and seal the day and year first above written.

SIGNED SEALED AND DELIVERED by STANLEY GRAHAM TREES, *Acting Colonial Secretary*, for and on behalf of the Government of the Falkland Islands in the presence of

Acting Colonial Secretary.

Assistant Colonial Secretary.

SIGNED SEALED AND DELIVERED by ARTHUR GRENFELL BARTON on behalf of the Falkland Islands Trading Company Limited in the presence of

Colonial Manager.

Assistant Colonial Secretary.

THE FIRST SCHEDULE ABOVE REFERRED TO

The Steamer shall comply with the requirements of Lloyd's highest class and have suitable accommodation for a minimum of thirty-six saloon passengers in fourteen cabins, dining and smoke rooms.

Dimensions 220 feet between perpendiculars, 40 feet moulded beam and 17 feet 6 inches moulded depth.

Cubic capacity about 40,000 cubic feet.

Gross tonnage 1792·86. Net tonnage 738·55. Speed 12 knots.

THE SECOND SCHEDULE ABOVE REFERRED TO

Particulars of :—

Coasting Service—ports of call.

Passage and freight rates.

Conditions of carriage of cargo and passengers etc.

THE FALKLAND ISLANDS TRADING COMPANY, LIMITED.

COASTING SERVICE.

1. The Company carries Her Majesty's mails between inter-island ports, Montevideo and Punta Arenas. The following are the ports of call :—

East Falkland	*West Falkland*	*Overseas*
Darwin	Hill Cove	Montevideo
Goose Green	Fox Bay	Punta Arenas.
North Arm	Roy Cove	
Walker Creek	Port Stephens	
San Carlos	Port Howard	
Port San Carlos	Pebble Island	
Lively Island	Keppel Island	
Bleaker Island	Saunders Island	
Speedwell Island Group	West Point Island	
Port Louis North & South	Carcass Island	
Johnson's Harbour	New Island	
Salvador	Weddell Island	
Teal Inlet	Beaver Island	
Rincon Grande	Chartres	
Fitzroy	Dunnose Head	
Douglas Station	Albemarle.	
Horseshoe Bay		
Bluff Cove.		

2. PASSAGE RATES. From Stanley to following ports and vice versa :

		SALOON
GROUP 1.	Berkeley Sound Fitzroy Bluff Cove.	22/-
GROUP 2.	Darwin Walker Creek Salvador Rincon Grande Teal Inlet Douglas Station Horseshoe Bay Lively Island.	49/6d.
GROUP 3.	North Arm Speedwell Island Group Bleaker Island Brenton Loch San Carlos Port San Carlos Port Howard Fox Bay Port Stephens Chartres Dunnose Head Roy Cove Hill Cove Albemarle.	82/6d.
GROUP 4.	New Island Beaver Island Weddell Island Passage Islands Pebble Island Keppel Island Carcass Island Saunders Island West Point Island	82/6.

GROUP 5. INTER-PORT PASSAGES for which rates are not specified in Groups 1 to 4.

Up to 30 miles	... ...	22/-.
31 to 65 miles	... ...	49/6d.
Over 65 miles	... ...	82/6d.

GROUP 6. Montevideo Single, Saloon £22 Return £44. Minimum rate.

Punta Arenas Single, Saloon £16. 10s. 0d. Return £33 Minimum rate.

(Government taxes not included).

CHILDREN.

12 years or over	... ...	Full adult fare.
6 years and under 12 years	... ...	Half fare.
2 years and under 6 years	... ...	Quarter fare.
1 child under 2 years	... ...	Free.
Each additional child under 2 years	...	Quarter fare.

The fares quoted are MINIMUM rates and are applicable to :—

4 x 4 berth cabins
2 x 2/3 „ „ } Main Deck.

8 x 2 Bedstead cabins on Upper deck will be subject to a supplement of 25% on the MINIMUM rate per bed.

Sole occupancy of cabin by special arrangement.

BERTHING OF CHILDREN. Two children paying quarter fare each will occupy one berth. Cots will be provided for infants when possible, free of charge.

BERTHS. Berths are not guaranteed on inter-island voyages. Berths are not available for passengers making a voyage within the hours of sunrise and sunset but if required and if available an additional charge will be made of 10/- per berth.

Passengers are carried on the terms and conditions printed on the Company's passenger tickets.

3. CONDITIONS OF CARRIAGE OF PASSENGERS AND BAGGAGE.

The Company reserves the right to charge the fare applicable to the most distant port when passengers are bound for a port called at after the most distant port, e.g., a passenger booked for Darwin by a vessel going North about East Falkland and calling at Fox Bay and then Darwin will pay the passage money equal to the fare to Fox Bay.

Round voyages, coastwise :— twice the single fare to the most distant port.

Baggage allowance :— 36 cubic feet.

Excess Baggage will be charged at freight rates.

4. CATERING. INTER-ISLAND VOYAGES.

Breakfast, Dinner or Supper @ 5/- per meal.

Early morning or afternoon tea, 1/-.

Or contract rate per day 15/-.

OVERSEAS VOYAGES. Included in the relative fare.

5. CARGO RATES. Cargo is accepted on the terms and conditions printed on the Company's Bill of Lading.

(a) MONTEVIDEO & PUNTA ARENAS.

General cargo ...	88/4d. per ton weight or measurement.	*These freights are exclusive of wharfage and/or transshipment charges wherever incurred.*
Special stowage & Petrol	176/8d. per ton weight or measurement.	
Minimum per Bill of Lading as for half ton weight or measurement.		
Parcel freight :— 2/6d. per cubic foot, minimum 10/-.		
Light oils in bulk, by special arrangement.		

(b) INTER-PORT FREIGHT RATES. Between Stanley and vice versa.

Berkeley Sound & Fitzroy	... ...	40/- per ton weight or measurement.
Lively Island & Darwin	... ...	52/6d. „ „ „ „ „
Speedwell Island Group	... ...	72/6d. „ „ „ „ „
Other East Falkland Ports	... ...	58/4d. „ „ „ „ „
Fox Bay & Port Howard, Great Island & Island Harbour		84/2d. „ „ „ „ „
Other West Falkland Ports	... ...	95/- „ „ „ „ „
Manybranch Harbour, Passage Island & Sea Lion Island.		117/6d „ „ „ „ „ *

* (If over 10 tons. If less than 10 tons, £60 per call)

(c) INTER-PORT RATES. Freight rates which are not specified in 5 (b).

Up to 30 miles	40/- per ton weight or measurement.
31 „ 50 „	52/6d. „ „ „ „ „
51 „ 100 „	58/4d. „ „ „ „ „
101 „ 120 „	84/2d. „ „ „ „ „
121 & above	95/- „ „ „ „ „

Special calls can usually be arranged provided there is sufficient inducement.

(d) PARCELS — LOCAL. No parcels weighing over 28lb will be accepted. The minimum charge per parcel is 5/- for the first 11lb and thereafter 6d. per lb.

(e) ANIMALS. To any Island port :—

Cats	... ...	7/6d each
Dogs	... .	10/- „
Poultry (in crates)	... ..	2/- „
Pigs (in crates)	... ...	freight rates
Cattle	... ...	£3 each
Horses	... ...	£3 „
Horses (across Falkland Sound)	...	£2 „
Sheep (in crates)	... ...	£2 „
Sheep — shifting in numbers —		by arrangement
Sheep (carcasses) East Falkland / West Falkland		5/- each
Beef Quarters	... ...	10/- „

OVERSEAS — by arrangement.

6. WAREHOUSING. Any cargo delivered into the Company's Warehouse(s) or other storage place is given free storage for seven days, after which the Company reserves the right to charge for storage at the rate of 13/4d, (thirteen shillings and fourpence) per ton weight or measurement per month or part of a month.

All storage is at Owner's risk.

7. PRODUCE — for shipment overseas. By arrangement at rates which include lighterage where required, shipment, storage, transhipment, Bill of Lading and Agency, i.e. all charges from point of shipment to final discharge.

8. DEVIATION & SPECIAL VOYAGES — By arrangement.

S14

Bal. for printed copies - one. of wh.
sld. 90 to C.O (see 371) v 10 to F.I.C.
+ 2 to S.P.T.

21/8/58

Bal. 27/8/58

S15

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2 " " " " S.P.T

26.8.58.

Spares kept in S/Certs Cabinet

27.8.58.

F. I. ref: 0327/III.

C. O. ref:

516

SAVING TELEGRAM.

From: The Officer Administering the Government of the Falkland Islands.

To: The Secretary of State for the Colonies.

Date: 27th August, 1958.

No. 162. SAVING. COLONY.

486

Your telegram No. 92 of the 17th July, 1957. Mail Agreement.

The Mail Agreement was signed on the 20th August, 1958, and I enclose three copies for your information.

GOVERNOR.

GT/LJH.