

# SECRETARIAT

(Formerly)

SUBJECT :

FUEL SUPPLIES.

1 9 5 8 9	1
	9
	5
	8
	9

## CONNECTED FILES.

NUMBER

0014  
0315/B

Supply of Petrol, Paraffin etc.  
Fox Bay Government Station - Fuel Supplies.

1961.

Posts & Tels Dept.	5 tons	phurnacite @ £30. 7s. 6d. per ton	£ 151. 17s. 6 d.
Education Dept.	15 tons 1 cwt	" " " " " "	£ 457. 2s. 10 $\frac{1}{2}$ d.
Medical Dept.	37 tons 1 cwt	" " " " " "	£1,125. 7s. 10 $\frac{1}{2}$ d.
	<hr/>		<hr/>
	57 tons 2 cwts	" " " " " "	£1,734. 8s. 3 d.
Education Dept.	25 tons 3 cwts	(already paid for)	
	<hr/>		
	82 tons 3 cwts		

FUEL REQUIREMENTS.

	<u>1959/60</u>	<u>1960/61</u>	<u>1961/62</u>
Education	<sup>20</sup> <del>20</del> <sup>16½</sup> tons phurnacite (AGA) <sup>30</sup> <del>28</del> tons patent fuel	<sup>40</sup> <del>41</del> <sup>41</sup> tons phurnacite -	<sup>40</sup> <del>41</del> <sup>41</sup> tons phurnacite -
Medical	- nil -	30 tons phurnacite (AGA)	30 tons phurnacite
P. and T.	- nil -	10 tons phurnacite (P.T.E.)	10 tons phurnacite

<sup>178½</sup>  
TOTAL - ~~172~~ tons Phurnacite  
<sup>30</sup> ~~28~~ <sup>28</sup> tons Patent Fuel

Long term reserve - 100 tons Patent Fuel

<sup>178½</sup>  
PHURNACITE = ~~172~~ tons  
PATENT FUEL = ~~28~~ tons  
128

13th August, 1959.

[Dear Mr. Barton]

Would you please refer to our discussion on the subject of fuel supplies.

So far as we can tell at the present time, Government requirements over the financial years 1959/60, 1960/61 and 1961/62 will be of the following order -

Pharmacite - 120 tons  
Patent fuel - 130 tons

The figure of 130 tons of patent fuel is subject to the agreement of Standing Finance Committee to the purchase of 100 tons as a Government reserve. Assuming the Committee's approval the 130 tons of patent fuel would be purchased and paid for in the current financial year. Of the 120 tons of pharmacite, 60 tons would be required in 1960/61 and a further 60 tons would be required in 1961/62. In each case the 60 tons of pharmacite would be divided as follows:-

Education	-	20 tons
Medical	-	30 tons
Posts and Telegraphs	-	10 tons

Total - 60 tons

Before giving further consideration to a firm order and before taking up the matter with S.F.C., however, we should be grateful for a more definite price quotation for the patent fuel and pharmacite and I understand that you are arranging to obtain this. I am told, incidentally, that at the present time patent fuel is being purchased from The Falkland Islands Company on behalf of the Lighthouse and Philonel at £19. 16. 0d. per ton, a figure which is rather lower than the tentative figure of £21 - £25 but probably nearer £25 per ton that I understood you to have mentioned during the course of our discussion.

V.S.  
[A.G.D.T.]

See 4

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

Record of a discussion held at Government House on Monday, the 17th August, 1959, at which were present the O.A.G., Acting C.S., Superintendent of Education, Superintendent of Power and Electricity and the Superintendent of Public Works.

Copy filed in 0355/3/IV

DARWIN SCHOOL.

Mr. Gutteridge advised that the pipes for oil firing Darwin School could not be delivered United Kingdom until November. This in effect would mean that they would not arrive in the Colony until December or January and that work on the pipeline from the jetty to the school could not, in all probability, start until after shearing as Government would be dependent on farm labour for the job.

It was decided that we should aim at installing this equipment during the mid-year school holiday so as to give the maximum amount of time for overcoming the teething difficulties while the children were away from school.

That being the case, the Superintendent of Education advised that he would require an additional 30 tons of patent fuel in the course of the present financial year, assuming that either Government or Company held some additional stocks on which he could draw if serious teething troubles developed beyond the present financial year. On the assumption that only one lot of oil might have to be purchased during the current financial year, funds would be available for the purchase of the 30 tons of patent fuel.

Taking into account the requirements of the Education Department, Medical Department and the Post and Telegraphs Department, it was concluded that Government requirements over the 1959/60, 1960/61 and 1961/62 financial years would be as follows:-

	<u>1959/60</u>	<u>1960/61</u>	<u>1961/62</u>
Education	30 tons patent fuel	20 tons phurnacite	20 tons phurnacite
Medical	Nil (already on order)	30 tons phurnacite	30 tons phurnacite
Posts and Telegraphs	Nil (already on order)	10 tons phurnacite	10 tons phurnacite
<hr/>			
		Total -	120 tons phurnacite 30 tons patent fuel
Long term Reserve -	100 tons patent fuel		
		Patent fuel = 130 tons Phurnacite = 120 tons	

The Superintendent Public Works Department advised that Government should, if possible, purchase 100 tons of fuel as a "stand by" reserve in the case of emergencies. This was subsequently discussed with Mr. Barton, who is to be advised of Government requirements so that The Falkland Island Company can consider shipping direct from a Welsh port, and he recommended that the stand by reserve should be in the form of patent fuel. This has definite advantages in as much as it is more satisfactory for the large boilers and it is much more satisfactory, when broken up, for use in Rayburn stoves. It is cheaper to buy and it does not have to be bagged, thereby saving in labour costs.

The Falkland Islands Company will be asked for a firm quotation for both phurnacite and patent fuel and when this is obtained the views of Standing Finance Committee with regard to the purchase of a reserve stock will be obtained and, subject to their agreement, 100 tons will be purchased.

Copies to all present, S.M.O., Superintendent Posts and Telegraphs and Darwin Boarding School. *Fuel Supplies files*



MEMORANDUM

E 4/59.

20th August 1959.

Superintendent of Education.

Acting Colonial Secretary,  
Stanley.

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Fuel Requirements - Darwin School

The following information has been received from the headmaster, Darwin School, today, 20th. August.

2. Phurnacite - 6 tons in stock, estimated to last until December.  
Patent Fuel - 50 tons in stock, estimated to last 8 or 9 months (April - May 1960).
3. Requirements to last until June 1960:  
Phurnacite - 20 tons.  
Patent Fuel - 20 tons.
4. The headmaster indicates that he would like 50 tons of Phurnacite to be ordered.

*The S/E however on analysis of headmaster's figures, recommended 36 tons for 1960/61 & a further 36 tons for 1961/62.*

*J. B. Swan*  
Superintendent of Education.

*22/8/59*

22nd August, 1959.

With reference to my letter DDI/IV of the 18th August and to our discussion on the subject of fuel supplies, I enclose a revised schedule of Government requirements over the current financial year and the two following financial years.

Firm orders will still be contingent upon quotations and the approval of Legislature.

Yours sincerely,

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

AGDT/SM

FUEL REQUIREMENTS.

	<u>1959/60</u>	<u>1960/61</u>	<u>1961/62</u>
Education	20 tons phurnacite (AGA) 20 tons patent fuel	35 tons phurnacite -	35 tons phurnacite -
Medical	- nil -	30 tons phurnacite (AGA)	30 tons phurnacite
P. and T.	- nil -	10 tons phurnacite (AGA)	10 tons phurnacite

TOTAL - 172 tons Phurnacite  
20 tons Patent Fuel

Long term reserve - 100 tons Patent Fuel

PHURNACITE = 172 tons  
PATENT FUEL = 120 tons

7.9.59  
Rec. 30/8  
J. B. 59.

R. G. B. passed through the following quotations

(1) 120 tons patient fuel

£ 21. 0. 0. landed Stanley.

+ 8 tons  
£ 2,520  
168  
£ 2,688

2. Phenacite (in double bags)

20 tons 1959/1960 £ 28. 15. 7.

76 tons 1960/61 £ 30. 7. 6.

76 .. 1961/62 £ 31. 15. 0.

landed Stanley.

Do we want these supplies  
on way of them shipped Darwin  
on Fox Bay. DARWIN  
45 tons Phenacite  
28 " Patient Fuel  
FOX BAY - NIL

Pt. brief me on what  
action we need to take now

B.G.B.  
2.9.57.

URGENT

7



MEMORANDUM

E.4/59.

3rd September, 1959.

Superintendent of Education.

Acting Colonial Secretary,  
Stanley.

---

Fuel Requirements

The enclosed list of revised figures is submitted.

A handwritten signature in dark ink, appearing to read "J. Swan".

Superintendent of Education.

EDUCATION DEPARTMENT: Fuel Requirements: 3rd September, 1959.

Till June 1960.

Annually thereafter.

<u>Phurnacite:</u>	Darwin School.	15 tons.	30 tons.
	Port Howard School.	Nil.	8 tons.
	Fox Bay East.	<u>1½ tons.</u>	<u>3 tons.</u>
		<u>16½ tons.</u>	<u>41 tons.</u>
Patent Fuel:	Darwin School.	28 tons.	

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To be shipped direct to Darwin: 45 tons phurnacite, 28 tons patent fuel.

F.H.  
⑥

9.

Patent Dye is 24/- a ton more expensive than that at present on sale at F.R. I wonder what S.E. & S.H. will pay for theirs which arrives on the J.F. F.I.B. vessels.

Pharmacite is considerably cheaper. S.H. informs me that <sup>he paid</sup> £44-15-4 a ton plus £3-10- a ton to have the stuff rebagged (the original bags in which it was shipped were rotten) on arrival Stanley = £48-5-4 a ton.

### Education Dept. Requirements

S/E informs me that he has had to revise his requirements again following further correspondence from Hume & Turner. His revised requirements are (8). This is infuriating as we have already been to F.R. twice with our requirements. I have therefore revised the H.T. requirements on the sheet at G.C.

### Action Required


I shall have to go to S.F.C. for £2,688 for 128 tons Patent Dye (Reserve 100, Darwin B.S. 28). I am not however very optimistic about their reaction when they learn that the price is up 24/- which is difficult to reconcile with the marked drop in the price of Pharmacite. Perhaps we should discuss further with A.E.B. before proceeding?

I appreciate that what we lose on the Swings (Patent Dye) ~~lose~~ we will gain on the roundabouts (Pharmacite) but I should like a better explanation than that to take to S.F.C. at a time of financial stress.

J  
3/9/59

N.B. Note that the less we order the more we are likely to have to pay for what we do buy - and have to buy in occasional from F.I.C.

12  
Record

Discussion with Messrs. Harding,  
Hardy & Breeze of S.F.C. & all  
agree to 100 tons reserve of material  
Dued at  expenditure of £2,100  
7.9.59,

# The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

*Stanley,*

4th September, 1959.



Sir,

We can now make a firm quotation for Patent Fuel and Phurnacite landed East Jetty ex m.v. "A.E.S" February/March 1960.

Tons.		Terms	Per ton.		
			£.	s.	d.
130 120	Patent Fuel	Prompt cash.	21.	-.	-.
20 20	Phurnacite, double bags.	do.	28.	18.	7.
80 76	do. do.	Payment during financial year ending 30/6/61.	30.	7.	6.
80 76	do. do.	Payment during financial year ending 30/6/62.	31.	18.	-.

Your specification of fuel requirements enclosed with your letter dated 22nd August, 1959 does not request direct discharge at any outport, nor do we know the division between Darwin School, Port Howard School and Government Quarters at Fox Bay, therefore we assume that the whole consignment of both types of fuel will be stored by Government in Stanley and re-shipped as convenient.

As requested in your letter of 18th August, 1959 we have allowed in our quotation for deferred payments in respect of the Phurnacite.

Our London Office asks for speedy confirmation of Government's order which coupled with our own will suffice to put m.v. "A.E.S" to a Welsh port to load. Please let us have this as soon as possible.

I am,  
Sir,  
your obedient servant,

The Honourable  
The Colonial Secretary,  
STANLEY.

*A.G. Barton*  
Manager.

*Reply at 16*

*Not acknowledged  
16/9/59*

14

J. H.

12-13.

~~Other requirements will be required of~~  
~~this revised figures~~

Revised requirements have been brought  
to some figures.

2. You will note that the fuel is now  
not coming until Dec/Jan but S/E  
can manage until then.

3. I will reply to (13) when I get  
Mr. Ciletti's approval - probably this evening  
- as in draft at G.C.

8/9/59

15.

Fin. We must now ask the S.G.S. for financial  
approval - when you have cleared everything that has  
to be tied up here.

AGJ-7  
9.9.59.

19

# The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.



*Stanley,*

2nd April, 1960.

The Colonial Secretary,  
The Secretariat,  
Stanley.

DBK/BOB.

Dear Sir,

FUEL EX 'A.E.S.'

We attach our Counter Slips for the following fuel received per 'A.E.S.' on 5th March, 1960 :-

*Phurnacite 20 30 55 80 120*  
*Patent Fuel 100 120*

<u>Darwin School</u>	-	✓ 20 ton Phurnacite @ £28. 18. 7. per ton.
		✓ 30 ton Patent Fuel @ £21 per ton.
<u>Colonial Govt.</u>	-	100 ton Patent Fuel @ £21 per ton.
<u>Stanley</u>		

*120 130 31-10-60*

We would also advise you that we will be charging the Colonial Government as follows for the balance of the Fuel supplied ex 'A.E.S.' This is in accordance with the agreement reached between the Colonial Manager, Falkland Islands Company Ltd. and the Colonial Government last September.

ON 1st JULY 1960

*120 45 125 phurnacite 100 patent fuel*

<u>Darwin School</u>	-	25 Ton 3 Cwt. Phurnacite @ £30. 7s. 6d. per ton.
<u>Colonial Govt.</u>	-	55 Ton 2 Cwt. Phurnacite @ £30. 7s. 6d. per ton.
<u>Stanley</u>		

(The above quantities include 5 cwt. Phurnacite shipped in excess of the amount specified).

ON 1st JULY 1961

<u>Colonial Govt.</u>	-	80 Ton Phurnacite @ £31. 18s. 0d. per ton.
<u>Stanley</u>		

*D. G. King*

Chief Storekeeper.

*Acc'd  
2/4  
4.4.60*

*Barf.  
4.4.60*

00551 - 43

STANLEY

2 APR

1960

COLONIAL GOVERNMENT,  
STANLEY

Bought of

The Falkland Islands Company, Limited

100 TON PATENT FUEL @ £21

per ton

£2100 0 0

A/-

LAMSON PARAGON

Per

50/

00551 - 42

STANLEY

2 APR 1960

COLONIAL GOVERNMENT (EDUCATION DEPT)  
 (DARWIN SCHOOL)

Bought of

The Falkland Islands Company, Limited

20 TON PHOSPHATE @ £28.18.7 per ton	578	11	8
30 TON PATENT FUEL @ £21 per ton	630	0	0
	£1208	11	8

LANSON PARAGON

A/c

Per

20

S/W  
(18) - pl. see (19).

Extra provision - how much?

~~S~~  
S/W/60.

21

HCS Extra Provision £2,100.- 0-0

*[Signature]*  
6/4/60

22

YE.

15. Draft telegram seeking  
copy of approval of Special  
Warrant submitted pl.

*[Signature]*  
5.5.60

H. E. S.

8 months being sat on by someone  
and no action on my minute of 9.9.59!

As these papers have gone to ground  
we had better check we are alright for  
1960/61 when the Pelagium has issued.

S. G. H.

7.5.60.

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 7.5.60      Time: 1000      Received:      Time:

No. 71. Patent Fuel. In order build up reserve supply patent fuel advantage has been taken direct shipment from Wales 100 tons. Purchase approved by Standing Finance Committee. Grateful covering approval Special Warrant £2,100 Head XVI item 12.

Officer Administering the Government.

P/L: DRM/LH

Reply at 27

25

Am

We spoke regarding payment for fuel (23.4 pps)  
I confirm you are alright for money for  
1960/61.

Don 9.5.60

26.

HCS

I have asked for £2.100 for the 100 tons to be  
in stock at PARD.

Other commitments must be Medical and Education.  
Sincerely,

RGH  
14/5/60.

DECODE.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 14.5.60. Time: 1500 Received: 15.5.60. Time: .....

24 No. 53. Your telegram No. 71.

1959/60 Colony Estimates.

Additional expenditure £2,100 under Head XVI Item 12 approved.

Secretary of State.

(Initialed)

AGDP

28  
Ag. C.T.

for necessary action on above pl.

DSH

19.5.60

H. L. S.,

29

Special Warrant at back for O.A.C.'s  
signature, please. I have made a note of it  
for the next S.G.B. meeting.

A.R.

A.C.T.

20/5/60

YK

30

Q. (a) submitted accordingly.

YK

21.5.60

31.

C.T.

S.W. signed accordingly. This has already been  
approved by S.F.C.

C.L.P.

23.5.60

32.

y/e,

noted, thank you

A.R.

A.C.T.

1/6/60

J. E.,

33

The arrangements for the payment of pharmaceuticals to be used in the financial years 1960/61 and 1961/62 do not appear to be satisfactory.

From paragraphs 2 and 3 of page 16 it appears that Government has now taken delivery of the pharmaceuticals for these years. If we do not make application for additional funds now, Government will be committing expenditure for 1960/61 and 1961/62 without authority.

From the details hereunder it can be seen the S.G. 6 is charging an additional £353. 13. 10d for deferring the payments.

Pharmaceuticals for 1960/61  
financial year.

80 tons 5 cwt @  
£20. 7. 6. per ton  
(rate for deferring  
payment until 1/7/60) £2437. 11. 10d.

Same quantity  
@ £25. 18. 7 per  
ton (C.O.D. rate) 2321. 11. 4d.

Additional cost for deferring payment £116. - 6.

Pharmaceuticals for 1961/62  
financial year.

80 tons @  
£21. 18. - per  
ton (rate for  
deferring payment  
until 1/7/61) £2552. - -d.

Same quantity  
@ £25. 18. 7 per  
ton (C.O.D. rate) 2514. 6. 8.

Additional cost for deferring payment 237. 13. 4.

Total for deferring payments £353. 13. 10d

I recommend we now seek authority from the Secretary of State and Finance Committee, and pay the S.G. 6 at the rate of £25. 18. 7d. per ton in the current year.

A.R.  
1/6/60

15th June, 1960

Dear Martin,

I have been looking through the papers dealing with the purchase of Phurnacite and Patent Fuel from the Falkland Islands Company and feel there may be some genuine misunderstanding about the position with regard to Government requirements for the 1960/61 and 1961/62 financial years.

2 The misunderstanding arises I think from the common sense desire to assist in making it worth while for the Falkland Islands Company to put a vessel into a Welsh port and ship supplies in bulk at a more economic price by forecasting our probable requirements as far ahead as possible on the one hand, and the need to exercise great care and discretion as to the extent that one commits the Legislature on expenditure too far ahead and beyond the ordinary limits of a financial year for which funds are voted on the other hand.

3 When I first discussed this matter on the telephone with Mr. Barton I said that in my view it was probable that I could obtain funds to purchase a "stand by reserve" of fuel (and in fact the proposal to buy 100 tons of Patent Fuel was approved) and I could forecast Government's requirements for the 1960/61 and 1961/62 financial years if that would help in arranging an economic shipment of fuel direct from a Welsh port, but could go no further than that. You will appreciate that what I had in mind was the problem of weighing the need for common sense purchases against the need to hold down capital expenditure, and the consequential disposal of reserve investments, to a minimum and of striking a reasonable balance between the two.

/Subsequently.....

H. G. Creece, Esq., J.P.,

STANLEY

AGBZ/ME

35

4 Subsequently we agreed (our letter of the 10th September, 1959) that the balance of the consignment, the quantities that we should be needing in future financial years, should be stored by Government in Stanley. What I should have done, but did not do, is to have made it clear in the correspondence that passed on the subject that our forecast of probable requirements and our agreement to store did not at that stage constitute actual purchase. Strictly speaking, therefore, the 1960/61 and 1961/62 stocks remain your property until actually purchased and paid for by Government.

5 I am sorry about this misunderstanding if indeed there is one. On the other hand you will appreciate that there are limits with regard to the firm commitments of a financial nature into which we can properly enter and I have little doubt that in practice things will work out entirely satisfactorily. Certainly I can not foresee at present anything that is likely to arise that will result in Government not requiring these Phosphate supplies, amounting to 160 tons in all, in 1960/61 and 1961/62.

Yours sincerely,

A. G.  
Aubrey Denton-Thompson.

Copy to Supt. Public Works.

24/10/60

36.

Notes.

[ The Chief Clerk, you telephoned me  
a day or so ago and said that they understood  
the position as explained in p. 34. The F.I.C. are  
making their own arrangements to insure the balance  
which remains their property. ] H.F.A.

R.G.H.  
28.6.60

37

Act. C.T.

To note as from p. 34. J.I.

R.G.H.  
28.6.60.

38

Mr. L. J.,

noted, thank you.

A.L.  
28.6.60.

SPT  
ED

39

40  
by  
by

SW  
SPT  
SE.

Noted thank you W.H. 30/6/60

all 6.7.60.

41  
Thank you. 4/8. 2/7/60.

To note the position regarding fuel stocks pl

D.H.  
29.6.60

20.1.61

for any estimating  
that may be necessary

Shaken to the Greece. He believes that  
 the 60/61 strike will be paid for in the  
 course of the next few months but before the  
 time has not been for any strike  
 action

42.

# The Falkland Islands Company, Limited.

° (INCORPORATED BY ROYAL CHARTER 1851.) °

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

*Stanley,*

21st September, 1960.

The Colonial Secretary,  
The Secretariat,  
Stanley.

DBK/BOB.

Dear Sir,

FUEL EX 'A.E.S.'

Further to our letter of even reference dated  
2nd April, 1960.

We now enclose our Counter Slips for a total  
of 80 ton 5 cwt. Phurnacite @ £30. 7s. 6d. per ton.

The remaining 80 ton Phurnacite will be charged  
to the Colonial Government, Stanley, on 1st July, 1961.

Yours faithfully,

Ack'd  
JH 23/9/60.

*29 B Knig*

Chief Storekeeper.

Ag. S/E,

This is the file on fuel supplies - you wished to see it in connexion with the L.P.O. at b.c.

B  
for C.S.  
S. 10.60.

H.C.S.

44.

45 tons of Phosphate and 30 tons Patent Fuel were delivered to Darwin School in March 1960. 20 tons of Ph. and 30 tons of P.F. (£1209.11.9) were paid for in April '60. The balance of 25 tons 3 cwt is outstanding.

An L.P.O. for the 25 tons 3 cwt (£763.19.7) will be made out.  
J.P. 10.10.60.

2. The estimated annual consumption was stated at 41 tons. Theoretically 15 tons should be on hand in the Army Camp - this will be paid for as we take delivery. I shall inquire of Darwin, Fox Bay and Pt Hessel their future requirements and place the necessary orders.  
J.P.

45

Spoke to Mr Green. He agrees that to 60/61 stock will be paid for in the next few months but that he does not press for any special action - 42. Better find out the exact position as regards taking over of stocks and also to give instructions as to how we should be aided if he takes over of stocks in future or beyond made to be known as he has of taking over. P.E. also relevant to be handled in 3 months.  
on.

14/10/60

1959

46.

18th October,

60.

From: The Colonial Secretary,

To: Superintendent of Education,  
Superintendent of Works,  
Senior Medical Officer,  
Supt. Posts & Telegraphs,

STANLEY.

Patent Fuel and Phurnacite

I am directed to refer to the bulk supply of the above fuel held by the Public Works Department and to inform you that in order to keep a record of the payment for fuel, Heads of Departments who have taken delivery of fuel should inform me of

- (i) amount and payment made
- (ii) the taking over of stocks in the future. Departments should ensure that payment is made to the Company at the time of taking delivery.

(sgd.) D.R. Morrison

for COLONIAL SECRETARY.

Reply from S/E. f. 47.  
" " S.P.T. f. 48.  
" " S/W. f. 51

Copy to: Ag. C.T.

DRM/LH

Bu 25.10.60.

No.

MEMORANDUM.

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

22nd October, 19 60

To: The Hon. the Colonial Secretary,  
Stanley.

From: Superintendent of Education

Stanley, Falkland Islands.

SUBJECT :-

Patent Fuel and Phurnacite

With reference to your Memorandum 1959 of the 18th October - Patent Fuel and Phurnacite - the following is the return as required at (1).

29.4.60	Phurnacite	20 tons	£578	11	8	✓
	Patent Fuel	30 tons	630	0	0	✓
11.10.60	Phurnacite	25 tons				
		3 cwts	<u>763</u>	18	7	✓
			<u>£1,972</u>	10	3d	

*H. H. H. H.*

Superintendent of Education

7. 11. 60  
By 23. 10. 60.

No. CS 1959

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

From

Superintendent,

Posts & Telegraphs,

Stanley, Falkland Islands.

MEMORANDUM.



31st October, 1960.

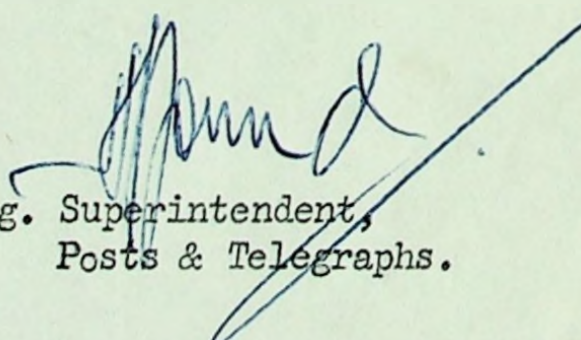
To

The Honourable  
The Colonial Secretary,

STANLEY.

SUBJECT:- Patent Fuel & Phurnacite.

H26. I refer to your memo 1959 of the 18th inst., and confirm that this Office has, since the beginning of the current financial year, taken delivery and despatched to Fox Bay five tons of phurnacite. I am advised by the Falkland Islands Company, Ltd., that this has been costed at £30. 7s. 6d. per ton and that a collective account has already been submitted to your Department.

  
Ag. Superintendent,  
Posts & Telegraphs.

Recd 7. 11. 60.  
Recd 21. 11. 60

49

ACSP

No reply from Sino or Su

*[Signature]*

21. 11. 60

I refer to your letter of 19th Nov 1960, and in reply to inform you that the matter is being dealt with by the relevant authorities. I am advised by the relevant authorities that this has been done and that the necessary arrangements are being made.

*[Signature]*  
The Secretary  
The Ministry of Defence

1959

50.

23rd November,

60.

To: The Honourable,  
The Superintendent,  
Senior Medical Officer,  
Public Works Department,  
STANLEY.

From: The Colonial Secretary,

Patent Fuel and Phurnacite

46 I am directed to refer to my memorandum 1959 of 18th October, 1960, and to request that a reply be furnished not later than Monday 28th November.

(SGD.) H.L. BOUND

for COLONIAL SECRETARY.

HLB/LH

ACD  
No reply  
20 11 60  
BU 29 11 60

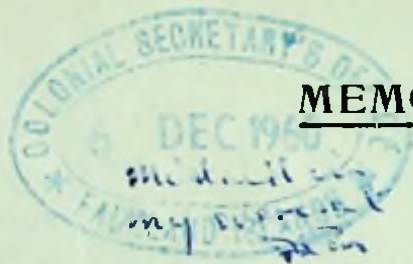
(a) SMO spoken

(b) S/p.w. requested copy of 46 which has now  
been supplied.

BW. 7.12.60  
12.12.60

No. \_\_\_\_\_

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

MEMORANDUM.

29th November, 1960

To: The Honourable, \_\_\_\_\_

The Colonial Secretary,

STANLEY.

From: The Superintendent of Works

Stanley, Falkland Islands.

SUBJECT :-

Patent Fuel and Phurnacite

46 I have to refer to your memo ref 1959 dated 18th October, 1960 and to make the following reply:-

- (1) 100 tons Patent Fuel received for which payment of £2,100 was made to F.I.C.
- (11) No Phurnacite was ordered for this Department.

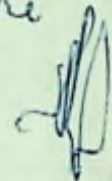
Supt. of Works.

6'

52

S/c.

Medical report is still awaited. P. enquiry



10.12.60

enquiry made

12.12.60

BU 16.12.60

ACF. BU 20.12.60  
In Slesser of  
enquiry of  
Fox Bank whether  
they got any  
fact. 20.12.60

BU 31.12.60

Ref 1959.



Medical Department,  
Stanley, Falkland Islands.

.....20th..December,....19..60..

H.C.S.

Patent Fuel and Phurnacite.

I wrote to Dr Cunningham on the a/m subject, having failed to obtain any information here.

I received his reply today.

Dr Cunningham received three tons Phurnacite Feb., 1960 per "Philomel" and sixteen tons per "Darwin" in April, 1960

The Care-taker received twelve tons Phurnacite in April, 1960.

Requirements for 1961 will be

Dr Cunningham 20 tons

Care-taker 12 tons.

RRS

54

How CS.

The afc at h.c. shd. presumably be paid without much further delay, but all the movement only 5 tons (P.T) appears to have been issued from this year's allocation.

Heads of relative Dipts shd. now be asked to expedite delivery of their commitments but from information contained in ~~the~~ 53 the ~~Estimated~~ Medical will require 2 tons above their allocation. Perhaps this shd be obtained elsewhere, otherwise we may easily upset the balance of stocks for subsequent years.

23.12.60

~~I should be inclined not to worry too much yet about Dr C. For we are going to find out what he is doing.~~

~~He received that order but I don't know whether he used it. There may be savings from other departments. The Movement branch seems to be more to set people to work it up.~~

~~I am inclined to think that it might be worth getting a check department a form of account or perhaps some book as a book of better form - as at O.C. The department may want to be too complicated. Personal observation would be~~

BU 5.1.61

55

London sent for as follows:

~~Education Dept.~~

A. Parker field.

Regiments Education Department 20  
P.W.D. for Peace 100.

P.W.D. has been for here 100

S/E sent to her taken his 20

+ another 10 which we can only assume had to  
be for P.W.D.

~~We are~~ assuming had S/E had

F.I.C. for his 20 x P.W.D. for 10 his

is all right. & S/E sent (Mink) rather  
to his P.W.D.

Pharmaceutical

Education Dept.

1959 - 1960. cleared.

1960 - 61 Regiments 36 tons.

Boys Boys 25 tons 3 cars

Balance 10 tons 17 cars.

Point out to S.E. that we have noted a balance

10 tons 17 cars required for his in the financials

year 1960 - 61. We assume he will be

buying his in the course of the financial year or would  
be glad to know roughly when he expects to do so

Part medical. This is <sup>all</sup> required apparently

as Fox has a 1 month we will compare if  
necessary in future direct with Dr. Cunningham

although no action is necessary now since

he took his entire 1960/61 requirement

+ 1 ton extra in advance in April 1960

if he anticipates it ~~to~~ 53 is rather

by and then he will be exceeding his



Position seems to be as follows:-

A. Patent Fuel

Requirements - Education Department	20
" P.W.D. for reserve	100

P.W.D. have paid for their 100. S/E seems to have taken his 20 and another 10 which we can only assume that he got from P.W.D. Assuming that S/E paid F.I.C. for the 20 and P.W.D. for the 10 this is all right. Easiest I think settled by *Phurnacite* P.W.D.

B. Phurnacite

Education Department

1959/60	-	cleared	
1960/61		Requirement -	36 tons
		Bought	25 tons 3 cwt.
		Balance	10 tons 17 cwt.

Point out to S/E that we have noted a balance 10 tons 17 cwt. required for this in the financial year 1960/61. We assume that he will be buying his in the course of the financial year or would be glad to know roughly when he expects to do so.

Medical Department

This is all required apparently at Fox Bay and I think we could correspond if necessary in future direct with Dr. Cunningham. Anyhow no action is necessary now since he took his entire 1960/61 requirement and 1 ton extra in advance in April 1960. If his estimate at (53) is right by next year he will have exceeded his estimated requirement by 3 tons but we can no doubt ~~adjust object~~ since we shall presumably have to order again eventually.

Posts and Telegraphs (i)

As with Education Department we should write assuming that he will take the remaining 5 tons before June. This could if necessary be gone into when he goes to Fox Bay. But there is another point to be dealt with. In (48) he shows no sign of any intention to pay for what he has already got. Surely he must do that now? When we get replies we might write to F.I.C. saying that the following appears to be the position at present. We can also tell them when we expect to draw our remaining stocks. We can then ask them to confirm that the position is as stated and that the suggested arrangements for payment are satisfactory.

By about June 1961 we should consider the question of getting supplies for the future. We should consult C.T. as to the best method of payment. I think the present method is probably more trouble than it is worth.

Saw into further.

I now find as follows

Patient found Education Dept has 30

from for F.I.C. & 20 from from PWD

Reserves. He may not need any more. If he

does make of other things PWD reserves will  
have to be considered.

Pharmacist Education Dept has now

taken a further 10 tons - and promise to have

been required for 1961 - 62 at the beginning

of the year. Unfortunately owing to wrong

information it was not shifted in time as they had

to know that.

Medical.

He has taken all he is entitled to

and could stop more.

Before write to D.O. says he / found the

~~has been taken to~~ determined the exchange

in vote. If he wants more before he runs of fuel  
he will have to apply for more funds.

Para T. <sup>tells me he has</sup>

He has got one from F.I.D.S. this

unknown of the arrangement. Please phone up SPT

on his return & find out (a) what he

<sup>at 43</sup> ~~information~~ but he began 5 tons for F.I.C.

is correct & when he requires any more his

forward Gen. He has estimated for 10 tons

or according to 43 has got 5 for F.I.C.

but he also told us he had got one for F.I.D.S.

if he has got 5 L F.I.C. has no hair for 2

on  
12/11

3 tons authorized  
from F.I.D.S. (P)

2 tons Patient Fund  
from F.I.C. (P)

5 tons pharmacist  
from Army Camp.  
unpaid

57

A. C. S.,

1. I went into this with the A. C. T., and the present position appears to be as follows:

Of the estimated fuel requirements for 1960/61 - 80 tons 5 cwt - the undermentioned amounts have been taken delivery of:

Education Dept. -

Darwin School - 25 tons 3 cwt - paid for on 31. 10. 60.

Port Howard School - 10 tons in Jan. 1961 - not yet paid for.

Posts & Telegraphs Dept. -

Fox Bay Station - 5 tons - not yet paid for.

Medical Dept. -

Fox Bay - 37 tons 1 cwt - not yet paid for.

2. At p. 53 the S. M. O. states that 31 tons were received by his department at Fox Bay during 1960. As far as can be ascertained this figure is made up of:

17 tons - being the balance of 32.9 tons purchased from

C/AA and shipped out in the "Shackleton" in

late 1959 (15.9 tons of the consignment were

shipped to Fox Bay by "Darwin" on 9. 12. 59), and

14 tons - from the stocks held for the present year -

i.e. 1960/61.

In addition to the above 23 tons 1 cwt. from 1960/61 stocks were shipped to Fox Bay in Jan. 1961.

The S. M. O. has thus overdrawn by 7 tons 1 cwt.

3. The S. P. T. has 5 tons still on balance which he doesn't require (this amount could be allotted to the S. M. O.) - and the S/E has 5 tons 1 cwt. which he will have shipped to Port Howard before 30th June next.

4. The net result is that when the S/E draws his full quota, we shall have over-issued some 2 tons above the estimate.

5. The balance of F. I. C. pharmaceutical which should now be in the Army Camp, is:

1960/61 Education Dept. 3 tons 1 cwt.

1961/62 80 tons (estimated requirement for that year)

6. The following amount from the 1960/61 stock is, as yet, unpaid for -

3 tons 1 cwt. - not yet issued.  
 10 tons - Education Dept.  
 5 tons - P. & T. Dept.  
 37 tons 1 cwt. - Medical Dept.  
 a total of 55 tons 2 cwt.

7. The first step appears to be to get S/C to take delivery of his remaining balance of 5 tons, and then get the F.I.C. to render a fresh account for 82 tons 5 cwt. (or whatever amount is actually taken delivery of), which can then be met.

8

11. 2. 61.

58

H.C.S.

I am sorry this has taken so long but it has become so involved I have decided to hand it over to Mr. Browning for specialised treatment.

His suggestions at 3 & 7 of 57 are most reasonable + I propose we act accordingly.

20/2/61

H.C.S.

59

I think there is no mistake in the above statement - SPT. has not / believe drawn any / have funds but has got his from F.I.C. Then in the end we will not have drawn on full requirement for the year.

re first thing appears to be to put new figures to medical & Education Dept. for comparison or by moving amount forward to F.I.C.

without further delay -

We must also call in to draw new 1961-62 figures and say for new as early as possible in the year. SPT. could also check in the figures.

21/2/61

60

S/C I have discussed X on 59 with H.C.S. It is a fact that SPT did draw 5 tons at the beginning of this financial year. The purchase from F.I.C. was a separate transaction. Ask Mr. Browning to proceed.

22/2/61

23rd. December, 1960.

Sir,

re bulk purchase of phurnacite for 1960/61, & 1961/62.

There are several points that I wish to raise regarding the purchase, and deferred payment for 180 tons 5 cwt., of phurnacite. This quantity of fuel was ordered from the F.I.C. , by letter 1959/16, dated 10th. September, 1959; 20 tons was paid for on delivery at the rate of £28.18. 7., per ton. It would appear that Government came to an arrangement with the Company, to pay for 80 tons 5 cwt., on the 1st. July, 1960, and the balance to be paid for on the 1st. July, 1961. I consider that this arrangement is contrary to C.R. 227, and in view of the Director General's certificate for the financial year 1958/59, I must again comment regarding this further contravention of C.R. 227, in my next report.

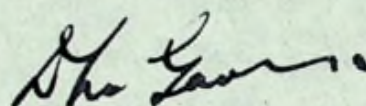
2. As the result of deferring the payment of 80 tons 5 cwt., to 1st. July, 1960, we have been charged £30.7.6., per ton, which means an additional cost of £116.0.6., for delaying the payment a month. I know that we did not pay until later than July, but the fact remains, that this was due to an oversight by the Company, and we were liable to the Company on the 1st. July. By delaying the balance for a further year we have incurred a charge of £237.13.4. This results in public funds bearing an additional cost of £353.13.10., by the contravention of C.R. 227. This point was quite rightly pointed out to Government by the Ag. Colonial Treasurer, but no action appears to have been taken on his advice.

3. I believe, that one of the arguments for deferring the payments, was to save the withdrawal of funds from the J.C.F. , and the consequent loss of interest. However if we consider this, the following facts come to light. As we were liable in any case to have funds available to pay the first £2,437.11.10., on the 1st. July, 1960, the J.C.F., interest gained is negligible. There remains the interest on £2,552, for the year to 1st. July, 1961, and taken at 4% this equals £102. So that allowing for the interest gained of £102, we are still left with a loss of £251, through the payments being deferred.

4. There is the further point, that the fuel was ordered through the F.I.C., and not through the Crown Agents, as required by C.R. 271, and 273. The Medical Department purchased in September, 1959, direct through the Crown Agents 32 tons 9 cwt., of phurnacite at a F.O.B., cost of £16.19.6., per ton: with the addition of £7.10., per ton freight, we arrive at a total cost of approx., £24.9.6., per ton delivered in Stanley. It would therefore appear that not only have public funds suffered the additional charge of £251, but we have been charged a C.O.D., price of £28.18.7., against the Crown Agents figure of approx., £24.9.6., per ton. If we allow for this over 180 tons, we have been charged an excess of £810. So that all together, this amounts to a loss of £1,061, through the payments being deferred, and by not purchasing direct through the Crown Agents.

5. There may very well be factors that effect this purchase, of which I am unaware, but I should be grateful for an explanation for the contravention of regulations resulting in an apparent loss to public funds.

I have the honour to be,  
Sir,  
your obedient servant,



Auditor.

The Hon. Colonial Treasurer,  
The Treasury,  
Stanley.

Mr. L. A.

63

63

I am doubtful whether the Auctioneer's allegation that the fuel could have been purchased more cheaply through the Crown Agents is correct. I cannot get a quotation from F.I.C. regarding the freight rate from UK to F.I. per A.E.S. (the consignment was ordered cif) but I am convinced that it is more than the £7.10/- charged for the Medical Dept shipment by F.I.D.S.

With regard to the alleged contravention of CR 227 can you please advise me how I should reply. I have no knowledge of the unrecorded history of the transaction and from what I read I form the opinion that the Auctioneer is correct.

g

L.C.

1.3.61

~~By hand to Mr. L. A. 6.6.61~~

3/3/61

64

A.C.T.

I planned was briefly on this but I have been working into it again. The arrangement has been a most troublesome one from our point of view but as I see it the idea of the transaction

was (a) to save Government money & (b) to enable the Dept of CR 227 by making departments buy it as they required it. Please see 34 & 35.

The position was awkward but made quite clear to us comparing the two our point of view and was intended was that we should (a) guarantee to buy certain quantities in up repulsive years (which were actually our requirements for those years) & (b) would storage in the meantime. Presumably if we had been over to make things at once it

would have complied with the spirit  
of 227 but would have made the  
we had begun or laid for for more  
~~thorough~~ feel in no way but at large  
needed.

The reason for the break of 271 & 273  
is fairly obvious & depends on geographical & economic  
facts. Looking back on it I think I would be  
very glad to have referred to whole thing to the SPS  
& get his opinion. The fact of the thing I think it  
was that it would be a lot of money in the  
long run if a whole sub-load could be  
got for a block here. 16 Mr. Anderson's  
figures are correct then something must have gone  
wrong with our calculations, now where  
then could you have checked?

for  
3/3/61

Shown to Treasurer.

~~note return of file to Anderson with for Harkin.~~

Wm C.T. I would say.

1. Procedure for payment unnecessarily <sup>cumbersome</sup> ~~attention~~  
or position not made sufficiently clear p. 34 & 35  
but NOT about of 227 since each department  
paid for it as it got it
2. Procedure for getting it from the Customs  
or the Crown Agents presumably justified  
by Harkin conditions here as a Board Trade  
attempt to save money.

As to be done again I would suggest

- (a) Careful consideration of the economics
- (b) Special permission of SPS
- (c) Change to small scattered stores

for  
6/3/61

✓ L.L.  
15.3.61

1959

11th March,

61

To The Auditor,

From: Colonial Treasurer.

STANLEY.

Bulk purchase of phurnacite.

With reference to your memorandum No P6/2 of 23rd December, 1960, I have to advise you that it now seems almost certain that the freight rate charged by F.I.D.S. for the Medical Department consignment of fuel was lower than that which Government would have to pay by the normal route for imports and that, consequently, the suggestion that a loss of public money occurred through the order not being placed with the Crown Agents is not correct.

With regard to the allegation that a breach of CR227 has been committed, I have to advise you that Government is not prepared to make such an admission on the grounds that the fuel was imported by the F.I.C. for purchase by the Government if and when it was required. No contract was entered into to buy the fuel and Government could have, had it wished, purchased only part of the consignment.

Colonial Treasurer

LG/JR.

68

See

N.F.A

R

16/3/61

Mr Branning

69

How are we progressing with payk. for this year's issues &c?

16/3/61

A. C. S.,

● For file in 1959 please. I do not propose to enter into further correspondence with the Auditor on this matter. There is nothing more I can say and Auditor will no doubt mention the case in his report.

L.G.

23.3.61

23rd. March, 1961.

re bulk purchase of phurnacite for 1960/61, & 1961/62.

67 Thank you very much for your Memorandum 1959, of the 11th. March, 1961.

2. You will I know appreciate that C.R. 273, states inter alia "orders shall in no case be given by the Colonial Government directly or through local agents". This quite clearly does not give an option to a Colony to vary this regulation. Even if it could be proved that purchase through a local agent is cheaper, and certainly in this case I am not satisfied that it was, this would not legalize the contravention of the above regulation. I cannot see how it can ever be cheaper to buy through a local agent when it is appreciated that the price Government would pay, will always include an element of profit for the trader. This is no doubt why C.R. 273, does not give an option to vary.

13 16 3. I am sorry that I am not able to agree with your second paragraph, a breach of C.R. 227, has taken place. Public funds were committed for two years ahead, contrary to Colonial Regulations. The offer of sale was conveyed by the F.I.C., in their letter of the 4th. September, 1959, at 13, on file 1959. The offer was accepted by Government by their letter 1959, of 10th. September, 1959, at 16, on the above file. The letter of acceptance stated quite clearly the quantities ordered for cash on delivery, payment during the financial year ending 30th. June, 1961, and financial year ending 30th. June, 1962. The letter of acceptance further stated and I quote "subject to these minor amendments I am to confirm Governments order on the terms set out in your letter under reference". One of the main principles of the law of contract is that the vendor can withdraw his offer up till the offer is accepted, after that the contract is binding on both parties. The unanswered letter at 34, on file 1959, has therefor no bearing on this contract.

I have the honour to be,  
Sir,  
your obedient servant,



Auditor.

The Hon. Colonial Treasurer,  
The Treasury,  
Stanley.

Kiv 69.

72

Hon. Secy.

S.P.T., ✓ 28/3/61

Certificates on the L.P.O. at b.c. for signature, pl.

for C.S.  
24. 3. 60

Education fuel (5000 lbs) to be shipped  
to Port Harcourt by "M. M. M." - mid April

See 10. 4. 61 to KIV.  
14. 4. 61 — 8

73

S/E.

It is understood that arrangements to ship  
the phosphates are in hand (i.e. that the  
phosphate has been put into new bags and  
will be loaded on the "Philomet" tomorrow).

Would you sign the certificate on the  
L.P.O. at b.c. when you have taken delivery, pl.

for C.S.  
16. 4. 61.

74

H.C.S.

I do not agree. I have 10 tons in  
Tennery & 5 tons to be shipped this  
month; I should, surely, pay for 15 tons.

8/8.  
17/4/61.

S/E.

75

The F.I.C. have so far submitted an account for 55 tons 2 cwt of  
phosphate - delivery has been taken of 57 tons 2 cwt. Another L.P.O.  
will have to be made out when a further account is received.

for C.S.  
20. 4. 61.

76

H.C.S. Very well. L.P.O. signed. 24. 4. 61.

# FALKLAND ISLANDS.

Treasury P. V. No.....

## LOCAL PURCHASE ORDER.

Head of Estimates .....

Department as below

Subhead .....

Dr. to The Falkland Is. Co., Ltd.

Date.	Article.	Quantity.	Rate. per ton.	Ledger Folio.	Amount.		
					£	s.	d.
(1) 30.9.60	Pharmocite	5 tons	430.7.6.		151	17	6
	XIII POSTS & TELEGRAMS 10 Stos. of Fox Bay Station				151	17	6
(2) 30.9.60	Pharmocite	13 tons 1 cwt	430.7.6.		396	7	10
	VI EDUCATION 17 Boat Light & Fuel				396	7	10
(3) 30.9.60	Pharmocite	37 tons 1 cwt	430.7.6.		1125	7	11
	VII MEDICAL 16 Boat Light & Fuel				1125	7	11
<p>I certify that 5 tons of pharmocite as at (1) above are expendable and have been correctly issued.</p> <p>(Sgd.) J. Bound Storekeeper or Head of Department.</p> <p>I certify that 13 tons 1 cwt of pharmocite as at (2) above are expendable and have been correctly issued.</p> <p>(Sgd.) D.J. Draycott Storekeeper or Head of Department.</p> <p>I certify that 37 tons 1 cwt of pharmocite as at (3) above are expendable and have been correctly issued.</p> <p>R. H. ... Storekeeper or Head of Department.</p>							

### General Warrant.

Authority for Expenditure.....

(a) I certify that the articles have been received and taken on charge in the stores ledger.

(b) I certify that the articles are expendable and have been correctly issued.

certificate above

certificate above

Storekeeper or Head of Department.

Head of Department.

1,673

13

3

Received the sum of ..... Pounds..... Shillings, and ..... Pence, this ..... day of ..... 19...

*Ben 26.6.61. (to consider making arrangements for taking delivery of 1964/62 stocks)*

No. E.37/61

## MEMORANDUM.

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

25th May, 1961

To: The Hon. the Colonial Secretary

From: The Education Department,

Stanley.

Stanley, Falkland Islands.

SUBJECT :-

Fuel

The following order for PATENT FUEL has been placed with P.W.D.:-

20 Tons to Darwin School. This is from Government stock and the cost is payable to F.I.C.

I would like to pay this charge before the end of this financial year - estimated cost £436. 10. 0d.

Superintendent of Education

HCT

Any objection?

20. 6. 61

Ag. A.C.S.,

I phoned P.W.D. - above is not quite correct. It relates to patent fuel, not pharmaceutical, and was delivered from P.W.D. unallocated stores.

20. 6. 61.

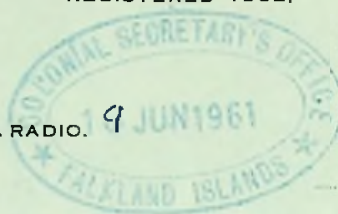
# The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.



*Stanley,*

19th June, 1961.

The Colonial Secretary,  
The Secretariat,  
Stanley.

BOB/EA

Dear Sir,

We refer to our letter DBK/BOB dated 2nd April 1960 and beg to advise you that we will be charging the Colonial Government for 80 Tons Phurnacite at £31. 18s. Od. per ton on 1st July next.

Would you please be so good as to let us know prior to that date which particular Government Departments should be charged and the quantity for each Department.

Yours faithfully,

*R*

*Bob Barnes*

A/Chief Storekeeper.

*Ag OC*

*Draft letter pl.  
Inform Mr. Draycott pl.*

KIV - 79A.

*Ack'd*

*at*

*20/6/61.*

*Rev*

*Will you speak to S/B  
about this please*

*20.6.61*

82.  
**The Falkland Islands Company, Limited.**

° (INCORPORATED BY ROYAL CHARTER 1851.) °

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

*Stanley,*

4th July, 1961.

The Colonial Secretary,  
The Secretariat,  
Stanley.

BOB/EA.

Dear Sir,

Further to our letter of even reference dated  
19th ult.

Enclosed please find our Counter Slip (Original)  
for 80 Tons Phurnacite at £31. 18s. 0d. per ton.

Could we please be favoured with a reply to the  
second paragraph of our above-quoted letter at your  
earliest convenience.

Yours faithfully,

*Bob Barnes*

Acting Chief Storekeeper.

At A.C.S.,

There should be a balance of 80 tons of pharmaceuticals at the 1st July, according to these papers, and this has still to be paid for.

Originally the quotas were:

Education Dept.	40 tons
Medical Dept.	30 tons
Posts & Tels. Dept.	10 tons

I checked with the Heads of Departments concerned that they would accept the amounts. The S.P.T. advised that he would require only 8 tons this year, the S.M.O. wanted his full quota, and the S/C wants some 72 tons - made up of 38 tons for Darwin 31 tons for Port Howard and 3 tons for Fox Bay - he enquired whether there were stocks of pharmaceuticals available other than that concerned in this present arrangement, but I couldn't say.

The S/C has already taken delivery of 20 tons, and the S.M.O. owes for 2 tons (overdrawn last year).

I suggest that the quota for this year is divided as follows:

Education Dept.	40 tons
Medical Dept.	32 tons
Posts & Tels. Dept.	8 tons

Draft reply to p.80 submitted for consideration, pl.

RS

12.7.61.

84

YH

83 This seems a suitable arrangement. (I hope)

This will then dispose of the back supply ordered in 1959.

app.

Ref in my file for H & W  
Dept. unused.

12.7.61

DR

12.7.61

1959.

14th July,

61.

80  
Sir,

I have to refer to your letter of the 19th June, 1961, and to advise you that the undermentioned Government departments should be charged for the quantities shown upon taking delivery of the phurnacite:-

Education Department	40 tons
Medical Department	32 tons
Posts & Telegraphs Department	8 tons

2. I have also to advise you that the Education Department has already taken delivery of 20 tons and the Medical Department of 2 tons.

I am,  
Sir,  
Your obedient servant,

(Sgd.) D.R. Morrison  
for Officer Administering the Government

The Ag. Chief Storckeeper,  
West Store,  
STANLEY.

Copies to: S.P.T.  
S/E  
S.M.O.  
Treasury

RB/IM.

Ag. A.C.S.,

S/E has spoken to me by phone and says that it is thought that there are still about 200 tons of phurnacite in store at the Army Camp (according to this file there should be 80 tons!). If he can't get all the fuel he wants he will have to indent for the extra almost immediately.

The P.W.D. have undertaken to estimate the balance by measurement (they say they can get to within 10 tons by this method), and until this is done S/E won't know whether phurnacite is available locally or not.

B

17. 7. 61.

SR

Bu 20. 7. 61

Bu 26. 7. 61

Hold for memo coming in today from SE.

88

JH.

Chief Storekeeper says he has to clear the account for phurnacite off his books now as FIC have to pay insurance on it. He says we were told at folio 19 that we would be billed on 1st July 1961 for this.

We told West Store Office at 86 that Dept would pay on taking delivery. SE has only taken over 20 tons of phurnacite yet and says he cannot pay for the other 20 tons until he takes it over in Sept.

At 16 in reply to Mr. Bastons 13 it is not stated that payment would be made immediately but during the financial year 1961/1962. Our letter at 34 may have

put a different complexion on matters as it makes it quite clear that the pharmaceutical belongs to the FIC until we actually purchase.

I think we should ask for a stay of execution until Depts actually take over the pharmaceutical.

Draft to manager FIC etc.

*[Signature]*

26.7.61

# GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS AND DEPENDENCIES.

90

(W. & S. Lt. 250 Pd/7/59).

SENT

Number	Office of Origin	Words	Handed in at	Date
	Psy			29.7.61
To	etat Dr. Cunningham Fox Bay East			HOA/c

Reference phurnacite stop Grateful learn when you can take your  
allocation

Colonial Secretary

Copy to: EMC

Time DRM/LII

Reply at 91. BA 2.8.61

# GOVERNMENT TELEGRAPH SERVICE

91

FALKLAND ISLANDS

RECEIVED

(W. & S. Ltd. - Pd/7/59).

Number	Office of Origin	Words	Handed in at	Date
200	FBay	14	1600	3.7.61

To

etat Col Sec Stanley

90 Thanks message sooner fuel arrives more convenient this end

Cunningham

NB

Time

1959.

4th August,

61.

Sir,

I have to refer to the bulk order for phurnacite made by Government and to inform you that it is hoped to clear this account shortly.

2. The position regarding the remaining 80 tons is:-

- (a) Medical Department has prepared a voucher for their 32 tons.
- (b) Posts & Telegraphs has had his 8 tons bagged and payment will be made shortly.
- (c) Education Department has taken delivery of 20 tons but still has 20 tons to come. The balance of 20 tons will be shipped to Darwin as soon as possible and payment made accordingly.

3. In the meantime however the Superintendent of Education has received an account for 40 tons which he has referred to me as he has only taken over 20 tons and does not feel inclined to pay for phurnacite he has not taken delivery of.

4. In these circumstances it would be appreciated if the attached account could be amended to 20 tons and the balance will be paid on delivery.

I am,  
Sir,  
Your obedient servant,

Officer Administering the Government

Acting Chief Storekeeper,  
West Store Office,  
STANLEY.

DRM/IM.

Reply at 93.

Bu 25.8.61

# The Falkland Islands Company, Limited.

° (INCORPORATED BY ROYAL CHARTER 1851.) °

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.



*Stanley,*

7th August, 1961.

The Colonial Secretary,  
The Secretariat,  
Stanley.

/BOB.

Dear Sir,

92 Thank you for your letter reference no. 1959 dated 4th inst.

19 It is regretted that we cannot amend our account for 40 Tons Phurnacite to the Education Department as this account, when taken in conjunction with those to the Medical and Posts and Telegraphs Departments, is strictly in accordance with our letter reference DBK/BOB dated 2nd April, 1960, to the terms of which no objection has heretofore been raised.

71 It is pointed out, with respect, that the fact that the Education Department has not yet taken delivery of the last 20 Tons Phurnacite has no bearing on the matter as the Colonial Government took delivery of the whole quantity of 180 Tons 5 Cwt. Phurnacite in March, 1960.

We are therefore returning our account herewith.

Yours faithfully,

*Bob Barnes*

Acting Chief Storekeeper.

*Ready at 96*

94

YH

93 There is certainly some misunderstanding about the Phumacite. Mr Denton-Thompson explained the situation at 34 and this was accepted by FIC see 36.

Draft letter re.

*[Signature]*

10.8.61

*[Signature]*

1959.

14th August,

61.

Sir,

I have to refer to your letter of the 7th August, 1961, and to state that it would appear that there is some misunderstanding over the phurnacite and I enclose a copy of Mr. Denton-Thompson's letter of the 15th June, 1960 to the Acting Manager of the Falkland Islands Company. Mr. Denton-Thompson subsequently minuted on the file as follows:-

'The Chief Storekeeper telephoned me a day or so ago and said that they understood the position as explained in f.34 (his letter 1959 of the 15th June, 1960). The F.I.C. are making their own arrangements to insure the balance which remains their property'.

2. From the above it will be seen that Government did not in fact agree to payment on the 1st July, 1961 and that it was agreed by the Falkland Islands Company that our agreement to store did not in fact constitute actual purchase.

I am,  
Sir,  
Your obedient servant,

*for* Officer Administering the Government

Ag. Chief Storekeeper,  
West Store Office,  
STANLEY.

DRM/IN.

Reply at 100.

YH

We spoke one day about a further direct shipment of phonacite and/or patent fuel. Drafts 8/2.

SE says if we ever get any more it would be advantageous if his requirements were discharged at Bowen and Port Howard as with extra shipping costs it would be cheaper than bagging in Stanley and shipping out later.

97

16 8 61

1 Drafts of fuel.

2. SE has ordered and 40 tons for his gun. PC for under one but other departments do not need any his gun.

3 We will have to arrange for the phonacite to be dropped where it is needed instead of his left at Stanley.

2/2/00

98

Noted. SEH

Para 2 of 97. No other Dept. requires any this financial year.

CHOSH  
SEH  
VOW II

100  
99

# The Falkland Islands Company, Limited.

° (INCORPORATED BY ROYAL CHARTER 1851.) °

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

*Stanley,*

22nd August, 1961.

The Officer Administering the Government,  
The Secretariat,  
Stanley.

/BOB.

Dear Sir,

Thank you for your letter reference no. 1959  
dated 14th inst.

It is apparent from Mr. Denton-Thompson's letter  
to Mr. Creece of 15th June, 1960 (the contents of  
which were not known to the writer), and from his  
subsequent Minute, that the final 20 Tons Phurnacite  
(which will be shipped by the Education Department  
to Darwin as soon as possible, vide your letter no.  
1959 dated 4th inst. (para. 2(c))), is still the  
property of the Falkland Islands Company Ltd.

We therefore enclose our Credit Note for 20  
Tons Phurnacite at £31. 18s. Od. per ton and trust  
that you will forward this to the Education Department  
at your convenience.

Please accept our apologies for the inconvenience  
this has caused you.

Yours faithfully,

*Bob James*

Acting Chief Storekeeper.

95  
in Vol I

34  
in Vol I

36  
in Vol I

92  
in Vol I

Sent to SEA  
*[Signature]*

CLOSED

See Vol II