

C.S.

MISCELLANEOUS

193 5

No.

257/35

THE CHAIRMAN,  
F.I. SHEEPOWNERS ASSOCIATION

SUBJECT.

193 5

6th AUGUST.

REPRESENTATIONS MADE BY THE FALKLAND ISLANDS  
SHEEPOWNERS ASSOCIATION.

Previous Paper.

e/2/31.  
171/33.

See sub 724/35.

MINUTES.

1-18

Letter from Sheeponers Association of  
6<sup>th</sup> August 1935, together with three  
copies of memorandum.

Yh. Submitted. I do not see how the  
position in this Colony can be compared  
with that of a Colony burdened with  
heavy taxation such as Br. Honduras.  
The Association has put forward no grounds  
which would justify an investigation  
into the finances of this Colony  
unless it is the supposed expenditure  
of £30,000 from Land Sales. The  
Association is under a wrong impression  
regarding this - there was no actual  
expenditure but a paper transaction

Subsequent Paper.

regarding appreciation of investments.

2. With regard to the points raised regarding the civil staff, Mr Harding admitted so long ago as 1922 that a sufficient staff had to be maintained so long as the many requirements of the Imperial Gov. had to be met - such requirements have not diminished but have increased.

MCH  
CS  
16.9.35

If the memoranda has been sent in triplicate we can forward it to the SOA and tell the Commission that we have done so and that I am not aware of any sufficient ground for recommending to the SOA the appointment of a special commission to investigate the financial position of the Colony.

If not sent in triplicate they can be told as above and asked for further copies if they wish it to be so.

MCH 17 Sept 35

I do not understand about a reduction of £ 30000 through an appreciation of investments. Can you let me have a table of the actual prices of the fund 1929 - 1934 showing cause of variation?

MCH

Yr.  
The Association sent 5  
share copies of this letter  
and memorandum.

Recd 19

2. Statement regarding  
the Land Sales Fund put up.  
The difference between 1933  
and 1934 is explained by the  
fact that appreciation of  
investments in 1932 and 1933  
was credited to the Fund but  
the D.C.A. pointed out that  
this was incorrect and stated  
that the amounts so credited  
should have gone to F.I. Revenue.  
The necessary adjustment was  
made and this reduced the  
balance of £271,916 in 1933 to  
£241,129 in 1934.

WCH  
C.

Thanks. I am pleased 25.9.35  
to have seen this (The Col. by)  
~~is 275 not 291 I think~~  
before

ttttt

Yk.

Letter to Mr. Harding and typed copies put up, also typed copy of draft notes on memorandum.

I think there is a slip on sheet 5 - Extraordinary expenditure in 1931 was £13,690 the difference between that amount and £33,900 was a payment to the Reserve Fund.

2. Letter to go to the Association as indicated in Yk's minute of the 17<sup>th</sup> inst?

Presumably Yk. will wish a copy of the notes on the memorandum to go to the S. of S.

McH  
C.S.

24.9.35

The notes have now been finally amended and can be cycle-styled when received the first and last pages have been retyped. Thanks for drawing attention to the error in sheet 5 which should be put right.

I will send the notes privately to Mr. Allen as they are "unofficial"

~~McH~~ 25/9/35

Enclose drafts of replies to the Chairman of the Association and to the S. of S. There can be no doubt as to the value of the drafts ~~McH~~

19<sup>th</sup> 22

23.

Despatch to S. of S. No. 150 of 28/9/35.  
Letter to S. Sheepowners Assoc. of 28/9/35.

Jh.

Despatch Submitted.

MCH  
CS

30. 9. 35

Will you please have the  
first page retyped as I see  
that para of apt 3 can be much  
improved.

~~ttttt~~ 30/9/35

Hon. S. M. O. ~~21/10/35~~

Hon. G. Roberts ~~22/10/35~~

Hon. A. R. House M.B.E. ~~21/10/35~~

To Sec. MCH  
CS  
18 X. 35

P.A.  
22/10/35

~~Minutes of 7th Sheepowners Assoc. meeting held 24/7/35~~

H.C. has unofficial notes on the  
minutes and copies which have been

Sent to Mr. G. C. Harding and W.  
Allen of the C.O. ~~with~~ <sup>sent</sup> ~~officially~~.

I am sorry to hear that  
the I have misled the D.O. in saying  
that the F.I.C. are not members of  
the Association. I follow Sir James  
O'Grady in this. I learn that  
they are members and the D.O.  
shd. be so informed

~~TTTTT~~ 30/x

H.

The despatch of the 28<sup>th</sup>  
Sep<sup>r</sup> should be received in England  
shortly. As the statement may  
have some bearing on the consideration  
of the matter it would perhaps  
be preferable to convey the statement  
by telegram.

McH  
Ct.  
30. X. 35

Please tel. as in draft

~~TTTTT~~ 1/11

Telegram to S. of S. No. 67. of 4/11/35.

(24)

P. A.  
McH  
2. XI. 35

(25) Letter from Ex. Co. Sheep Owner's Assoc. 9/11/35.

M. Submitted.

MCH  
et  
12. 12. 35

~~11/11/35~~ 13/11/35

Hon. Treas.

You will like to see this file?

MCH  
et  
13. 11.

Paper recalled. 11/2/36.

26-27 Soft Despatch no 17/ of 20/1/36

EXCERPT FROM MINUTE RECEIVED FROM HIS EXCELLENCY THE GOVERNOR, 10/2/36. ORIGINAL FILED IN M.P.

232/35. (Red 20)

.....  
The reply to the Sheepowners Memorandum should also be seen by Members of Ex.Co.

(Itld) H.H.H.  
10/2/36.

Hon. Treas. P. 2/2/36  
Hon. S. M. O. W.B. 15/2/36

Hon. G. Roberts J.P. JWC 14/2/36. note overleaf

Hon. A.R. Hoare MBE. a.m.  
17. 2. 36

To see.

MCH  
et  
11. 2. 36

Hon. Col. Sec.

His Excellency is to be congratulated  
on negotiating this very good stroke  
of business for the Colony.

It does not  
appear so.  
It will be to  
the Fund the  
amount is  
I claim in  
the R. G. MCH

It is not clear whether the Colony will  
get the interest on the £150,000. I take  
it that it will accrue to the Dependents.

A. Roberts.

D.P.W.  
12/2/36.

Yr. Submitted. In form the  
Association in the sense of  
para's 2, 3 and 4 (a) and (b)?

MCH

cs.

20. 2. 36.

Yes please. I would like to see  
the draft

MCH 20/2/36

Yr. Draft Submitted.

MCH

cs.  
21. 2. 36

Thanks. As amended please

MCH 22/2/36

Letter to Halliday to Sheepowners Assoc. of 21/2/36. 28-30.



Hon. Secs.

To see.

met  
ed  
24.2.36

Hon. C.S.

Sec. Ed.  
25/2/36

P.A.  
22/2/36

(31)

Letter from H. Is. Sheepowners' Assoc of 7/4/36

Y.E.

To see mt (31) which is submitted for information

Secs.  
12/5/36

*ttttt* 12/5/36

(32)

Despatch to S of S. no. 48 of 10/10/36

Y.E. Despatch submitted for signature.

Secs.  
16/11/36

P.A.  
25/10/36

Please ask Treasury to bring (19)  
up-to-date  
*[Signature]* 23/11/41

Hon. S.S.

To see H.C.'s minute of 23/10/41 for necessary action.

C. J. S.  
24/10/41

Hon. Col. Sec:

Submitted herewith details of the movement 33.  
in Land Sales account for the years 1935/31/7/1941.  
as requested in H.C.'s minutes of 23/10/41. The 1941  
details include all data to hand from L.S., up to  
July:

Recd  
F.S. 27/10/41

Y/E.

Red 33 submitted.

C. J. S.  
29/10/41

May I have a copy of 33, pl.?  
& attach a  
further copy  
of app. p. 28/11/41  
M.P. 22/34

Done. J.S.  
30/10/41

The copy herewith and appropriate action taken.

C. J. S.  
30/10/41

✓  
[Signature]

## A L L O W A N C E S

YEAR, 1935.

Office	Salary	Personal	Duty	Unfurnished Quarters	Furnished Quarters	Peat	Pas-sages	Sundry
Governor	£1,500		350					
Gardener	200				40	15		
Colonial Secretary	800	100			80	25		
Treasurer & Collector	600			50		25		
Customs Officer	200			40		15		
Chief Clerk	344						?	£50 as Registrar
Postmaster	270	30						
Wireless Operator	300			40		20		
Chief Electrician	350			40		20		£24 for broadcasting.
Harbour Engineer	190			40		15		
Chief Constable	248			40		15		Uniform.
Constables (4) each	150			36		15	?	Uniforms.
Senior Medical Officer	800	200			80	25		
Medical Officer	791			50		20		
" "	626			50		20	?	
Dental Surgeon	779			50		20		
Nurse Matron	217							Board and Lodging.
Nursing Sister	173						?	" " "
Head Schoolmaster	600			50		20		£100 as Auditor.
Drill Instructor	350			40		15		
Director of Public Works	700			50		20		
Second Clerk	200			40				

NOTES:- Senior Medical Officer receives £200 in lieu of private practice.

Quarters and Peat. The figures given are approximate.

Passages.

No date on which to base an estimate of the value of passages to England and back when on leave.

## S T A F F

	1907	1925	1930	1935		1907	1925	1930	1935
Colonial Secretary	1	1	1	1	Medical, Senior Officer	1	1	1	1
Assistant ditto			1		Medical Officer, North Camp		1	1	1
Chief Clerk	1	1	1	1	" West Falkland	1			1
Clerks	1	2	3	3	Dental Surgeon		1	1	1
Printer	1	1	1	1	Nurse Matron		1	1	1
Printer's Apprentice	1	1	1		Nursing Sister	1	1	1	1
Assistant Printer		1	1	2	Junior Nurses			2	2
Treasurer and Collector of Customs	1	1	1	1	Nurse Probationer		2		2
Clerks	1	2	2	2	Dental Mechanic		1	1	1
Customs Officer	1	2	2	1	" Apprentice				1
Local Auditor				1	Servants, Hospital		2	2	
Postmaster	1	1	1	1	Clerk "			1	1
Clerks	1	2	2	2	Education, Headmaster	1	1	1	1
Clerk at Fox Bay	1		1	1	Assistant Master		1	1	1
Wireless Operator			1	1	" Mistresses	2	2	2	2
Second Operators			1	2	" Teacher	1	4	4	1
Junior "			2	1	Travelling Teachers	5	2	3	4
Operator at Fox Bay			1	1	Naturalist		1	1	1
Electrician, Chief				1	Military, Drill Instructor		1	1	1
Assistant			1	1	Stock Inspector	1	1	1	1
Clerk				1	Public Works, Director		1	1	1
Telegraph Operators			2	2	Clerks			2	2
Linesman			2	1	Storekeeper		1	1	1
Lighting, Engineman			1	1	Foreman of Works	1	1	1	1
Assistant			1	1	Foreman Carpenter	1	1	1	1
Harbour, Master		1	1		Carpenters	2	2	4	1
Tug Master			1	1	Driver Mechanic				1
Deck hand		2	1	1	Caretaker, Town Hall		1	1	1
Engineer		1	1	1	Water Bailiff				1
Police, Chief Constable	1	1	1	1	Carters	2	3	3	1
Gaol Matron	1	1	1	1	Lamplighter	1	1	1	
Constables	4	5	4	4	Blacksmith	1	1	1	
Legal, Magistrate		1							
Registrar				1					
Clerk				1					
					TOTALS	38	62	83	75

NOTE: The above Return is not guaranteed as being absolutely accurate, as apparently in some cases more than one function is performed by the same officer.

The Return is valuable for purposes of comparison at different periods.

## FALKLAND ISLANDS

Year	Total sheep depastured	Weight of Wool in lbs.	Value of Wool £.	Total value of sheep-farming Products £.	Total of Land Sales Fund £.	Population
1905	700,894	4,251,052	141,701	167,450	40,270	2,009
6	702,696	4,324,215	162,158	185,227	50,181	2,065
7	695,747	4,449,599	166,859	246,435	53,704	2,266
8	688,705	4,401,089	110,186	130,815	58,997	2,289
9	715,651	4,869,275	135,818	165,433	68,493	2,323
1910	724,736	4,828,109	161,666	174,243	75,323	2,356
1	706,170	4,643,781	150,134	177,571	85,315	2,272
2	711,367	4,650,771	134,680	157,529	97,530	
3	698,072	4,820,552	158,442	192,542	100,753	2,213
4	701,268	4,612,805	153,812	188,617	109,125	
5	690,754	4,670,255	188,541	219,206	117,582	
6	689,904	4,472,675	228,491	266,253	126,155	
7	696,975	4,711,271	239,727	295,983	134,753	2,241
8	699,368	4,809,539	294,310	335,341	142,450	2,252
9	669,996	4,867,200	283,884	394,983	152,002	2,255
1920	640,803	4,510,607	269,170	360,117	159,394	2,271
1	667,677	4,234,665	124,155	127,073	167,278	2,080
2	666,175	4,783,200	94,368	141,080	174,379	2,142
3	647,086	4,596,600	142,755	167,440	182,453	2,173
4	634,858	4,106,990	253,567	267,312	188,276	2,197
5	631,360	3,361,003	307,740	330,454	192,067	2,252
6	605,675	4,377,385	214,290	239,958	191,781	2,271
7	606,521	3,972,509	236,028	247,566	194,123	2,286
8	631,405	3,929,487	280,770	295,718	215,602	2,313
9	606,882	4,068,057	236,992	251,550	222,445	2,375
1930	608,914	3,690,572	190,943	206,842	229,172	2,396
1	615,767	3,931,593	125,818	136,619	235,730	2,392
2	614,976	3,934,852	109,475	115,989	266,227	2,428
3	607,921	4,021,444	100,749	111,424	271,916	2,427
4					241,129	2,437

PERSONAL EMOLUMENTS

Department	Year 1907	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933
Pensions	356	1,032	1,331	1,261	1,307	1,195	1,242	1,391	1,388	1,702	1,597	2,469	1,906	1,887	1,895
The Governor	1,396	1,828	2,100	2,244	2,226	2,374	2,115	2,047	2,268	2,292	1,904	2,045	2,028	2,050	2,137
Colonial Secretary	830	1,782	1,755	1,814	1,800	2,114	2,138	2,182	2,345	2,304	2,374	2,662	2,226	2,225	2,231
Treasury and Customs	789	1,424	1,374	1,537	1,593	1,408	1,489	1,473	1,841	1,585	1,642	1,568	1,617	1,522	1,477
Audit	-	-	-	-	-	-	-	-	-	-	-	50	92	105	109
Post Office	419	644	773	1,205	1,651	1,727	560	506	427	529	546	477	401	310	341
Wireless	-	-	-	-	-	-	1,205	1,083	1,542	1,750	952	963	980	796	960
Electrical	-	-	-	-	-	-					1,031	1,024	1,217	1,211	1,085
Harbour	91	621	799	747	747	722	648	834	835	838	758	590	586	540	540
" Patrol Boat	-	-	-	2,012	2,064	2,102	1,783	1,549	-	-	-	-	-	-	-
Legal	-	374	372	442	280	249	230	180	416	132	140	136	345	596	504
Police and Prisons	508	923	853	711	832	836	812	857	859	857	943	820	863	875	853
Medical	601	1,503	2,159	2,274	2,378	2,205	2,455	2,356	2,086	3,331	3,295	2,828	2,755	3,122	3,266
Education	374	1,086	1,071	1,463	1,447	1,451	1,423	1,826	1,725	1,829	2,151	2,122	2,245	2,297	2,206
Ecclesiastical	204	14	14	14	14	14	14	14	14	14	14	14	14	14	14
Scientific or Naturalist	-	137	942	876	570	474	465	207	-	50	50	28	50	50	38
Military	-	319	-	-	84	136	136	136	136	127	386	379	350	350	350
Stock	378	484	468	545	504	707	745	762	810	890	925	716	740	765	439
Public Works	972	2,392	2,220	2,832	2,779	2,948	3,078	3,135	3,023	3,519	3,645	3,708	3,301	2,895	2,917
Total	6,918	14,563	16,231	19,977	20,276	20,662	20,538	20,547	20,715	21,749	22,352	22,599	21,716	21,610	21,362

DEPENDENCIES. REVENUE AND EXPENDITUREEXPORTS

	Revenue		Expenditure		Exports £.
	Estimated	Actual	Estimated	Actual	
1921	85,566	99,832	74,694	3,249	-
1922	85,475	142,102	6,405	10,950	-
1923	99,470	160,221	10,219	9,012	2,919,379
1924	143,320	130,179	8,480	27,711	2,318,535
1925	143,915	180,098	58,774	98,679	3,585,110
1926	141,900	221,596	57,435	130,527	4,160,743
1927	150,220	206,059	72,360	135,196	3,877,565
1928	160,955	194,153	81,285	122,103	3,763,149
1929	92,045	122,814	24,614	39,386	5,164,709
1930	102,975	84,586	24,197	21,598	2,726,173
1931	89,075	48,133	24,739	31,129	1,748,467
1932	36,695	17,446	19,898	20,144	369,542
1933	20,245	12,081	19,433	18,384	337,353
1934	21,570	-	17,980	-	-

## EXPENDITURE

Department	Year	1907	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934
Pensions		356	1,331	1,261	1,307	1,195	1,242	1,391	1,388	1,702	1,597	2,469	1,906	1,887	1,895	2,266
The Governor		1,527	2,460	2,464	2,447	2,570	2,326	2,229	2,490	2,571	2,234	2,314	2,282	2,335	2,456	2,283
Colonial Secretary		874	3,186	1,977	2,018	2,325	2,338	2,396	2,557	2,677	2,721	2,813	2,385	2,369	2,342	2,247
Treasury and Customs		807	1,648	1,730	1,786	1,651	2,021	1,845	1,888	1,925	2,028	1,669	1,655	1,579	1,567	1,572
Audit		28	-	-	-	-	-	-	-	-	-	295	125	126	123	126
Post Office		3,456	1,462	2,526	2,943	2,780	2,844	2,426	2,775	9,173	3,280	1,454	1,718	2,800	2,109	2,108
Wireless		-	-	-	-	-	-	-	-	-	1,662	1,362	2,093	1,170	1,348	1,553
Electrical		-	-	-	-	-	-	-	-	-	1,831	1,523	1,903	2,030	1,950	1,779
Harbour		93	2,274	6,387	5,191	7,959	5,395	5,498	5,161	6,581	1,276	852	786	713	712	719
Legal		-	379	515	280	258	231	269	510	144	157	147	372	599	515	99
Police and Prisons		667	1,013	827	981	961	978	981	1,022	982	1,089	898	895	923	895	972
Medical		864	2,916	3,605	3,558	3,051	3,596	3,304	3,649	5,183	4,527	3,872	3,930	4,255	4,694	4,618
Education		823	1,395	1,842	1,748	2,253	2,147	2,437	2,475	2,959	3,106	2,608	2,798	2,922	2,823	2,767
Ecclesiastical		347	224	289	289	289	289	157	422	324	324	324	289	289	289	289
Scientific and Naturalist		-	1,659	1,314	996	916	940	374	152	54	50	28	51	52	39	55
Military		-	103	347	332	441	436	444	628	1,082	1,526	892	1,283	1,056	1,263	1,169
Stock		-	937	1,435	901	1,513	1,198	1,366	1,362	1,134	1,052	893	775	792	472	329
Miscellaneous		3,038	5,512	3,760	1,767	2,754	4,572	5,427	5,037	7,777	6,275	4,721	4,875	4,621	3,402	3,700
Public Works		1,051	2,401	2,967	2,918	3,122	3,228	3,294	3,207	3,928	4,465	4,552	3,882	3,525	3,506	3,569
do. Recurrent		1,317	3,485	3,914	3,092	3,517	3,285	3,133	4,335	7,133	6,800	5,554	4,975	4,669	4,756	5,119
Total Ordinary Expenditure		15,248	32,385	37,160	32,554	37,555	37,066	36,971	39,058	55,329	46,000	39,240	38,978	38,712	37,156	37,519
Public Works Extraordinary		806	7,420	14,573	10,314	5,211	20,934	11,128	12,756	13,574	13,041	30,739	33,700	16,086	15,179	16,944
Total Expenditure		16,054	39,805	51,733	42,868	42,766	58,000	48,099	51,814	68,903	59,041	69,979	72,678	54,798	52,335	54,463



## REVENUE

Department	Year 1907	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934
Customs	5,124	4,998	3,635	4,319	14,277	14,288	16,020	15,736	15,503	18,259	13,624	15,025	13,968	13,112	15,271
Tonnage and Port Dues	226	480	465	504	544	559	542	576	388	636	415	313	149	124	122
Licences and Internal Revenue	910	9,152	8,921	8,911	632	714	669	686	1,014	984	1,072	1,132	1,163	1,223	1,233
Fines, Fees and Reimbursements	1,436	3,769	2,015	1,429	1,363	1,207	1,330	1,280	907	2,869	2,065	1,403	1,511	1,849	1,954
Interest	4,221	12,883	11,150	10,512	10,769	11,916	15,465	13,791	13,808	13,545	13,803	13,519	14,488	13,956	14,321
Post Office	1,145	2,035	1,556	2,018	1,990	1,538	1,444	1,604	2,233	9,480	2,374	1,151	1,230	9,100	1,410
Telegraphs and Telephones	-	-	-	-	-	1,953	1,408	1,896	2,118	1,468	5,987	2,468	2,609	2,468	2,257
Rents	4,175	821	752	1,098	980	631	1,285	811	1,016	956	882	1,112	1,132	1,135	1,114
Miscellaneous	193	446	1,042	1,324	7,363	7,977	4,649	4,938	5,024	9,473	12,866	6,681	5,316	5,333	10,581
Contribution from Dependencies	-	-	8,000	5,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	8,722	7,012
Total, Ordinary Revenue	17,430	34,584	37,536	35,115	46,918	49,733	51,812	50,318	51,011	66,650	62,088	51,804	50,566	57,022	55,275

NOTES: The above Return excludes any extraordinary receipts, such as refunds or appreciation of securities, which are not strictly revenue.

1924. An export tax was substituted for land tax; hence diminution under Licences and Internal Revenue, and increase in Customs receipts.

1929. Miscellaneous includes £3,000 recovered for Fire Insurance, and £1,000 for Sale of "Afterglow".

1930. do. do. £6,451 received from Savings Bank.

1932. The Official publications of "Revenue" include the sum of £13,633 as "Appreciation of Investments". As this can scarcely be regarded as real revenue, the item has not been included in this statement.

M E M O R A N D U M

In commenting upon the finance and administration of the Falkland Islands and their Dependencies, it is necessary to begin with the whaling industry, which started in earnest in 1907; that year has therefore been taken as a basic year in the accompanying statistical tables. After that date the value of whaling products increased rapidly, the peak being reached in 1929 with a total value of over 5 million pounds.

2. Appendix III, a statement of Dependencies revenue and expenditure 1921/33 shows that the total revenue collected from whaling in those 13 years totalled £1,619,300, and expenditure totalled £668,068, leaving a surplus of £951,232. We do not find any published accounts showing what has been done with this huge sum. During those years the total contributed towards the cost of central administration was £109,734, or 16% of the total expenditure and only 7.3% of the revenue.

3. This contribution was maintained at £9,000 per annum from 1924 to 1932, but although the Colonial Office letter of January 10th, 1934 stated "the Secretary of State has approved of the contribution of the "Falkland Islands Dependencies towards the cost of central administration being continued at £9,000 for the years 1933 and 1934", the published accounts show that sums of only £8,722 and £7,012 respectively were actually paid. We understand that the contribution for 1935 has been placed at £8,000, but after the experiences of 1933 and 1934 the probability is that the actual contribution will fall far short of that figure.

4. Actual revenue from whaling in 1932 and 1933 was £17,446 and £12,081; the figure for 1934 is not available, but in the light of the above, the estimate for 1935 at £15,300 seems very optimistic. This estimate provides for 7 officials at South Georgia, 6 of whom are pensionable.

5. For the past 6 years, commencing with our letter of October 10th, 1928, we have drawn attention to the possibility of a collapse of the whaling industry and its effect upon the Falkland Islands proper. We have not ceased to urge that this possibility should be borne in mind,

but have not received any assurance that the interest and position of the Falkland Islands would be safeguarded. Since 1929 pelagic whaling has made great strides, and our forebodings as to the collapse of the industry in the Dependencies seem to have been only too well-founded, for the value of exports from there has dropped from 5 million pounds in that year to £370,000 and £338,000 in 1932 and 1933.

Probably the export in 1934 was a similar figure.

6. About four years ago we held a special meeting to review the position, and on September 28th, 1931, wrote the Colonial Secretary; that letter was received in November and 4½ months afterwards we received a reply which was a virtual refusal to render any assistance or to deal with the difficulties. Replying to that in June 1932 we pointed out that whaling seemed to be collapsing and urged some action. We then obtained some temporary relief by the suspension of land purchase instalments, interest at 3% being charged. This expires after the present year.

7. On December 6th, 1933, we made a protest against the heavy expenditure in Stanley, and pointed out in the following words that the Colony has to depend upon sheepfarming alone :-

"Sheepfarming is unquestionably the one really stable industry of the Colony, and the Government has recognised the risk of depending solely upon that one industry; it has instituted investigations in recent years as to the possibility of introducing subsidiary industries, and has obtained at considerable expense expert reports on, for instance, peat compression, forestry, fisheries and mineral work. It has been established beyond question that no other industry is feasible. Sheepfarming consequently has to pay directly or indirectly the whole cost of maintaining itself, the Government, and the town of Stanley".

That has never been contested, and if we view the Colony as a business concern, it may be said that its capital is the land, and the only use to which that land can be put is the depasturing of sheep. The first sale of land was in 1890 to the Falkland Islands Company

followed shortly by sale to Bertrand & Felton, after which it was stopped until 1903 when all lessees were allowed to purchase their holdings by instalments. These payments were credited to a Land Sales Fund, now amounting to £241,129, and the interest on this, estimated at £11,000 per annum, replaces the old rentals. This, together with about £2,000 for interest on Reserve Funds and about £1,000 for sales of stamps to dealers and collectors, a total of £15,000, is the only revenue that the Colony, as a business concern, can look for outside the product of the land, and whatever additional revenue is required for Government purposes, whether in the shape of customs duties, dues, fees, etc., must come from the value of wool, etc., exported.

8. We have, therefore, arrived at the point that here is a community of less than 2,500 people dependent upon an industry whose exports in 1933 had dwindled in value to £112,000, with an elaborate administration which spent in that year £54,000. It seems self-evident that that expenditure must be drastically cut without delay.

9. We may now take as a guide the Report of the Special Commissioner on British Honduras, and will start by quoting from Page 53 -

"The first essential step towards economy is the recognition that a small community of 50,000 people cannot support the present elaborate administration and that it is essential to evolve a simpler and more economical organisation".

NOTE:- British Honduras annual expenditure for  
50,000 people is £185,000  
or per head of the population £3. 7. 0  
Falkland Islands - 2,500 people, £54,000  
or per head of the population £21. 6. 0

"This will involve in the first place, on the occurrence of a vacancy, an alteration in the emoluments of the Governor", etc.  
etc.

"In a small Colony of this type the Governor cannot stand outside the system of administration, as he necessarily must in the great Colonies, but should be its real working head. In no

"other way can he have adequate work.

"He should therefore, in general, be his own Colonial Secretary, and that separate post should be abolished.

"On the other hand it is necessary to provide not only for his absences from headquarters on visits to other parts of the Colony where there are inadequate means of communication with Belize".

This last contingency does not apply to the Falklands, but it is realised that the question of an Acting Governor during absences from the Colony presents a problem. This problem is not, however, a new one - the difficulty has been met on several occasions in the past by an officer being sent out specially to administer the Government whilst the Governor was on leave.

The British Honduras Commissioner proceeds to discuss the possibility of amalgamating certain posts, and remarks on page 60 that "their whole emoluments are not represented by their salaries and it is necessary to consider the question of concealed emoluments, including special allowances of all kinds". Such allowances in the Falkland Islands are shown in Appendix VI, but the value of passages for leave in the U.K. cannot be stated as no information is available.

The Commissioner then deals with the pay of subordinate officials, remarking on page 62 "the present scales do not appear to be unreasonable for competent men, more especially as all salaries are subject to the temporary general levy of 10%, but the proportion of clerks in the higher grades seems excessive. . . . It is the number rather than the scale of pay which seems open to criticism". This may be applied to the Falkland Islands - Appendix V shows how the staffs have increased; no such levy as 10% on salaries has ever been exacted in the Falkland Islands.

10. We may now follow the procedure of the British Honduras report and comment upon the expenditure of the Departments seriatim: the first figure quoted will be the actual expenditure in 1907 and the second the estimated expenditure for 1935.

Pensions: 1907 - £356. Estimate 1935 - £1,713.

This expenditure is likely to increase annually.

Colonial Secretary: £874 - £2,502.

An establishment of 4 clerks and 3 printers, with provision of £40 for extra clerical assistance, appears to be out of all proportion for a Colony of this size.

Treasury and Customs: £807 - £1,572.

Does not show such a disproportionate increase.

Audit: £28 - £260.

We fail to see any justification for such an increase, and suggest that the old system of audit by the Exchequer & Audit Office in London at a moderate cost might be reverted to. A clerk to the Auditor seems quite unnecessary, and should be dispensed with.

Post Office: £3,426 - £2,197.

The high figure in 1907 was on account of ocean mail subsidy.

Wireless and Electrical: New services £1,384 and £1,944.

These services are estimated to cost together in 1935 £3,328, against which receipts £1,935 are expected. A decided effort should be made to make these services more self-supporting, and we suggest that broadcasting should be abolished. Radio sets are easily procurable.

Harbour: Scales of pay appear high, especially £170 for deck hand of the launch. That office is also pensionable!!

Police and Prisons: £667 - £985.

This does not show a disproportionate increase.

Medical: £864 - £5,335, subject to estimated receipts of £1,300, leaving expenditure nett £4,035.

The Association is not in a position to criticise the details of this expenditure, which shows a very heavy increase. The great benefit derived by the people of the Colony from the medical service is fully recognised.

Education: £823 - £2,767.

This Department shows a similarly heavy increase, and whilst we recognise the necessity for giving as good an education as possible

to the children of Stanley and the camps, we are strongly of opinion that equally good results could be secured at much less expense.

According to the reports, the average attendance at the Stanley School was 120 in 1918 and 187 in 1934. The teaching staff is Headmaster, £600; Assistant Master, £350; two Assistant Mistresses, £240 each; Assistant Teacher, £76, with a provision of a further £134 for extra teaching assistance. The staff appears to be unduly high, and this may be explained by the fact that the Headmaster is also Auditor, and for about two years past has also acted as Registrar and Magistrate. We consider that the post of Headmaster of a school of nearly 200 is a "whole-time job", and that his time should not be encroached upon for work quite outside his sphere. The teaching staff would not then need to exceed normal requirements.

We question whether instruction in shorthand is of any value to even 5% of the school children - in any case, proficiency in this cannot be obtained until a pupil has left school and is usually acquired afterwards. We think this item should be discontinued.

Naturalist: £50 Falkland Islands and £125 Dependencies.

Can it be contended that the Colony derives £175 worth of benefit annually from this expenditure?

Military: Nil - £1,135.

We agree with the British Honduras Commissioner as to this expenditure, and we repeat our remarks of November 30th, 1932:-

"No reasonable person would contend that the Volunteer force could ever be of any military value whatever. It may be a paradox, but we may say that the very defencelessness of the Colony is really its strongest defence, for any show of opposition would result in reprisals, and what possible chance could 80 to 100 volunteers have?"

We think that any disciplinary advantages that may be afforded to the younger men in Stanley could be secured in other ways, by supporting Boy Scout Movement, for instance.

Miscellaneous: £3,038 - £3,835.

The item which we strongly criticise is that for passages, £1,800, as to which we wrote fully on November 30th, 1932.

We observe that the newspaper "Penguin" is estimated to cost £450 and that the estimated receipts are £300. We think that either this should be self-supporting, or that it should be abandoned.

Public Works: £3,174 - £19,023.

Should be subjected to a most drastic revision.

Expenditure under this head could be more competently criticised on the spot. We will, however, remark that in our letter to the Secretary of State dated 6th December, 1933, we estimated that taking the Government expenditure as a whole, the proportions spent on general administration expenses, Stanley, and the camp were roughly in the ratios 47%, 40% and 13%. The bulk of the 40% spent on Stanley is represented by Public Works from which sheep-farming derives no benefit.

Appendix VII shows that in 1905 the Colony was depasturing 700,000 sheep; experience has shown that the land was being overstocked and that 600,000 is about the maximum. In 1905 the population was 2,007, and at that time, vide paragraph 3 of our letter of December 5th, 1933, Stanley had other resources such as ship repairing. In the present year, with less sheep, ship repairing quite dead, and whaling moribund, we have a population increased to 2,437. Sheep-farming cannot support this increase, and yet we see from the Estimates for 1935 that it is proposed to spend this year £1,750 for "extension of Stanley for building plots". Why? We urge that most of the proposed expenditure on Public Works Extraordinary should be cancelled.

Revenue, Appreciation of Investments.

In the years 1933 and 1934 sums of £2,312 and £28,659 are included as revenue under the above heading. There is also an item "Profit on sale or transfer of investments £7,626".

This last item would indicate that investments had really been sold and that the sale had resulted in a profit of £7,626. Revenue



may therefore be claimed, as the money was actually received. But the first two items seem to us to be in quite a different category - apparently no transaction has taken place, but the market value has appreciated. How can that appreciation be claimed as tangible revenue if the money has not been received?

- - - - -

11. All the foregoing brings us to a definite conclusion that the whole financial and economic position of the Falkland Islands should be investigated by a Special Commissioner as in the case of British Honduras. Such a Commissioner would have access to all data and information, and would be in a position to elucidate and report upon many subjects, especially the following:-

(i) Whaling Finance

From 1923/1933 whaling exports were worth	£30,970,726
" sheep-farming " " "	2,370,872
" F.I. Government expenditure was	621,191
" whaling contribution to above was	94,722

so that during these 11 years, whaling, with a product of 31 million pounds, contributed £94,722 to F.I. Government, whereas sheep-farming, with a product of about 2½ million pounds, contributed £526,409.

(ii) Land Sales Fund

At the end of 1933 totalled £271,916, but <sup>by</sup> at the end of ~~that year~~ <sup>1934</sup> had been reduced to £241,129. We enter the strongest protest against this encroachment on this Fund which is the Colony's principal source of revenue. expenditure in 1933 of over £30,000 of Capital results future decrease of annual revenue, and no further encroachment on that Fund should be permitted.

*only appreciation of investments there was an actual expenditure*

(iii) Research Funds

No accounts are published showing the actual receipts and expenditure; the estimated position on January 1st, 1935 a balance of £370,000, or £37,000 less than on January 1st, 1934. What prospect is there in any more revenue accruing

to this fund, and what sum should be allocated to the Government of the Falkland Islands for the cost of liquidating all commitments due to the establishment of the whaling industry in the Dependencies?

(iv) Present Position of Whaling

Is the industry in the Dependencies really dead, or what probability is there of its reviving sufficiently to warrant the continuance of the South Georgia establishment? If whaling from shore factories is really at an end, how is the South Georgia establishment to be dealt with?

(v) Industries of Falkland Islands proper

The position of the sheep-farming industry, its relation to Stanley, and whether there are any prospects of subsidiary industries being established.

(vi) Population

If our contention is correct that sheep-farming is the sole industry of the Colony, how many people can it be expected to support, and what steps should be taken with regard to the redundant inhabitants?

(vii) Standard of Government

In view of the low value of sheep-farming exports and the population, what standard of Government is compatible and what expenditure is warranted? We have criticised present expenditure according to the information at our disposal, but in regard to such departments as Medical, Education and especially Public Works, it is evident that their functions and work can only be investigated on the spot.

12. By asking at once for such an investigation and special enquiry into the financial position and administration we are not open to suspicion or suggestion that our remarks and criticisms are directed against the present Governor and staff. We think, in fact, that such an independent enquiry would strengthen his hands.

6th AUGUST, 1935.

(18)

Falkland Islands Sheeppowners' Association,  
c/o Packe Bros & Company Limited,  
5 Copthall Buildings, London, EC 2  
6th August 1935.

Sir,

I am desired by the above Association to thank you for your letter No. 81/35 of May 18th enclosing a copy of the Minutes of a Conference of Farmers, and to express its great appreciation of the interest taken by His Excellency the Governor in the welfare of the sheepfarming industry and his desire to assist in every possible way by the methods and proposals indicated in his Address to the Conference.

2. The Association feels that in view of the practical cessation of whaling in the Dependencies, it is imperative that every effort should be made to restore, as far as possible the standard of Government to the proportions obtaining prior to the commencement of the whaling industry. It is recognised that this can be effected by gradual means only, but no time should be lost in making a beginning by reducing expenditure and limiting the Government staffs where practicable.

3. The Association has therefore drawn up the enclosed Memorandum on the financial position and administration generally, taking as a guide the Report of the Special Commissioner on British Honduras, whose Report was published in March 1934. It is obvious that the circumstances, industries, and interests of British Honduras differ widely from those of

The Honourable  
The Colonial Secretary  
Port Stanley

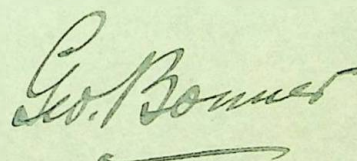
FALKLAND ISLANDS

the Falkland Islands, but the similarity of the plight of both colonies in being saddled with an administration much too elaborate for a small population is so striking that many of the conclusions arrived at by the Special Commissioner for the former are particularly applicable to the Falkland Islands.

4. The Association requests that His Excellency the Governor will forward the Memorandum to the Secretary of State for the Colonies and trusts that he will feel able to support their recommendation for an enquiry.

5. Finally I am to say that all the Members present at the meeting held to consider this question specially desired me to stress that they much appreciate the interest which His Excellency has shown by conferring with Owners and Managers in the Colony, and that the Association is not animated by any spirit of opposition, but by a real desire to promote the welfare of the Colony as a whole.

I am, Sir,  
Your obedient servant,



Chairman.

LAND SALES FUND

DATE	Transactions during year.		Balance of Fund at end of year.	Remarks explanatory of decrease.
31/12/29.	Receipts from Land Sales Disbursements	£.6842. 19. 9. NIL	£222,445. 1. 4.	-
31/12/30.	Receipts from Land Sales Disbursements	£.6726. 19. 9. NIL	£229,172. 1. 1.	-
31/12/31.	Receipts from Land Sales <u>Disbursement Refund in respect of purchase of Town Land</u>	£.6582. 19. 9. <u>25. -- --.</u> 6557. 19. 9.	£235,730. -- 10.	-
31/12/32.	Receipts from Land Sales Appreciation of Investments and Profit on Sale of Stock	£.6551. 19. 9. <u>24074. 15. 1.</u> 30626. 14. 10.		
	<u>Disbursements</u> Cost of improvement to Land Fund increased by	<u>130. -- --.</u> 30496. 14. 10.	£266,226. 15. 8.	-
31/12/33.	Receipts from Land Sales Appreciation and Profit on Sale of Stock	798. 6. 10. 5547. 18. 9.		
	<u>Disbursements</u> Refund to Douglas Station Co. of 1933 instalment £422. 6. 10. Land Improvement £234. 9. 2.	6346. 5. 7. <u>656. 16. --.</u>		
	Fund increased by	£.5689. 9. 7.	£271,916. 5. 3.	-
31/12/34.	<u>Disbursements</u> Appreciation of Investments and Profit on Sale of Stock credited to Fund in 1932 and 1933, now paid out of the Fund and credited to Revenue £29622. 13. 10. Profit on sale of Stock 1934 <u>2280. 4. 6.</u>	£31902. 18. 4.		
	Receipts for Land Sales	1115. 15. 9.		
	Fund decreased by	30787. 2. 7.	£241,129. 2. 8.	

The Appreciation on ~~Sale of~~ <sup>and</sup> Investments and Profit on Sale of Stock, credited to the Fund in 1932 and 1933, were taken out of the Fund in 1934, and credited to Falkland Islands Revenue, it having been decided that para. 2 and not para. 3 of Colonial Office Regulation 291 should apply.

*meH*  
23. 9. 35

GOVERNMENT HOUSE,

STANLEY.

28th September, 1935.

FALKLAND ISLANDS.

No. 150.

Sir,

I have the honour to transmit herewith a Memorandum from the Falkland Islands Sheepowners' Association, in accordance with the request of the Chairman of that body. I enclose also a copy of the Chairman's covering letter together with the reply sent.

2. I regard with considerable misgiving the attempt of a number of absentee farmowners to intervene in the administration of this Government. I have received a copy of the minutes of the full meeting at which the Memorandum was discussed and approved. Of 17 members present two only were resident in the Colony. Both are Members of the Legislative Council. One (Mr. Young) is not a sheep owner.

3. I have endeavoured to promote the resuscitation of the resident sheep breeders association as I consider that it would be healthy for the Government to have an informed body of local opinion in a position to criticize the administration. The exception I take is to an attempt by non-residents, who deplete the country of its wealth, to control the management of its affairs.

I/

THE RIGHT HONOURABLE  
MALCOLM MACDONALD, M.P.,  
SECRETARY OF STATE FOR THE COLONIES.

I would suggest that it is undesirable to enter into a discussion on the contents of the Memorandum with these farm owners. It may then be hoped that they will then confine their efforts in future to the management of their backward farms and the improvement of the sheep industry generally.

4. The Memorandum itself is replete with misleading figures and arguments based on ignorance. I would ask you to turn for the substance to paragraph 11 in which particular grounds are given as requiring an investigation by a Special Commissioner into the financial and economic position of the Falkland Islands. Seven subjects are given. Of these (i), (iii) and (iv) can only be examined in London. With regard to (ii) there has been no encroachment on the monies in the Land Sales Fund. The appreciation of investments amounting approximately to £30,000 in value was credited in error in 1932 and 1933 to the Fund. The Director of Colonial Audit pointed out that the appreciation should be treated under the second paragraph of Colonial Regulation 275 and carried to revenue. This was done last year and a simple enquiry would have elucidated the position. With respect to (v) the position of the sheep-farming industry was fully investigated by an expert in 1924, and there have been no changes since then. Subsidiary industries from sand for glassmaking to peat and kelp utilization have been examined to exhaustion. Regarding (vi) there is no doubt that 600,000 sheep and 2½ million acres can support 2,500 people. The question of the standard of government  
required/

required as raised in (vii) is and will continue to be best determined by myself and my official and unofficial advisers.

5. The comparison with British Honduras is ridiculous. The ordinary revenue of this country has increased by 216% since 1907 and the ordinary expenditure by 145%. The corresponding figures given in the British Honduras report for the years 1913-1932 are 34% and 97% respectively.

6. I do not propose to take up your time by going into the increases in departmental expenditure. The principle increases apart from public works extraordinary have been in the medical and educational services and these have been amply justified. The public works department has had, since the completion of the Stanley Improvement Scheme, the burden of employing men discharged by the farms and the Falkland Islands Company in a period of economic distress.

7. I will add only that the Falkland Islands Sheepowners' Association represents at most less than half the property in the country. The Falkland Islands Company is not represented on it; nor are many farms with resident owners.

8. I trust that you will be pleased to accept my view of the Memorandum and its authors and that the

reply/



reply to the latter will discourage further similar efforts.

I have the honour to be,

Sir,

Your most obedient  
humble servant,

(Sgd.) M. MENNIKER HEATON

257/35.

28th September, 35.

Sir,

I am directed to acknowledge the receipt of your letter of the 6th of August, 1935, forward<sup>ing</sup> a Memorandum from the Falkland Islands Sheepowners' Association on the financial position and administration generally of the Colony.

2. In accordance with the request of the Association the Memorandum is being forwarded to the Secretary of State for the Colonies.

3. I have to state that His Excellency is unable to support the request of the Association that a Special Commissioner be appointed to proceed to the Colony and investigate the financial situation and other matters indicated in the Memorandum.

4. I am to add an expression of His Excellency's appreciation of the recognition by the Sheep Owners' Association of the efforts of the local administration to promote the advancement of the sheepfarming industry.

I am,

Sir,

Your obedient servant,

*WCH*

Colonial Secretary.

The Chairman,  
Falkland Islands  
Sheepowners' Association,  
c/o Packe Bros: & Company, Ltd.,  
5, Copthall Buildings,  
LONDON, E.C. 2.

DECODE.

TELEGRAM.

From H.E. THE GOVERNOR, .....

To SECRETARY OF STATE FOR THE COLONIES.

---

Despatched : 4th November, 19 35. Time : ...

Received : ... .. 19 ... Time : ...

No. 67. My despatch No. 150 of 28th September paragraph 7  
I am now informed that Falkland Islands Company belongs to  
Sheep Owners' Association. Error regretted but remainder  
of despatch is not affected.

Governor.

Red 22.

Falkland Islands Sheepowners' Association,  
c/o Packe Bros & Company Limited,  
32 Victoria Street, London, S.W. 1  
November 9th, 1935.



Sir,

I am requested by the Committee of the above Association to acknowledge with thanks the receipt of your letter No. 257/35 of the 28th September, and to express the regret of the Committee that His Excellency has not felt able to support the recommendations of the Association.

2. I take the opportunity of drawing your attention to the change of address of the Association as above indicated

I am,

Sir,

Your obedient servant,

Chairman.

The Honourable  
The Colonial Secretary  
Port Stanley,  
FALKLAND ISLANDS.

(7)

AIR MAIL

FALKLAND ISLANDS.

No. 17.

Downing Street,

29 January, 1936.



Sir,

I have the honour to acknowledge the receipt of your despatch No. 159 of the 28th September submitting a memorandum from the Falkland Islands Sheepowners' Association.

2. I note that you have caused the Association to be informed that you are unable to support their request that a Special Commissioner should be appointed to investigate the financial situation and other matters referred to in the memorandum. After full consideration I accept your conclusion that an independent enquiry is not called for.

3. In your address to the Legislative Council on the 18th November, 1935, you notified your intention that the Treasurer, who had recently arrived in the Colony, should be charged during the course of the present year with the duty of making a close investigation into the expenditure side of the accounts, including the possibilities of reduction in staff with a view to making such economies as will enable the accounts to balance without dependence on extraneous sources of revenue in the measure that has been possible for the past ten years. I entirely approve of that course of action and I shall await the result of the investigation with interest and with full confidence in your financial administration.

4.

GOVERNOR

H. HENRIKER-BEATON, ESQ., C.M.G.,  
&c., &c., &c.

*Recd  
19A 10/22*

(M.P.)  
23/1/35

4. As regards the financial relations of the Colony and the Dependencies, I would refer you to the decisions conveyed to you in my despatch No. 18 of the 29<sup>th</sup> January, viz:-

(a) that provision for the contribution of the Dependencies towards the cost of the Central Administration shall be as follows:-

<u>Year.</u>	
1936	- 28,000
1937 and 1938	- 27,000
1939 and 1940	- 26,000
1941 and 1942	- 25,000
1943	- 24,000.

The figure last mentioned is the minimum I contemplate in the absence of any material change in the position;

(b) that a sum of £150,000 should be regarded as reserved in the Research and Development Fund as from the 1st January, 1936, as a provision for future expenditure on general purposes (other than the "Discovery" Investigations) directly connected with the Dependencies; and

(c) that legislation should be introduced providing, inter alia, for the adjustment of past and future deficits in the Dependencies' accounts.

5. I request you to cause a reply to be returned to the Association in the sense of this despatch, including, of course, the second sentence in paragraph 3.

I have the honour to be,

Sir,

Your most obedient,  
humble servant,

(Signed) J. H. THOMAS

257/35,

24th February,

36.

Sir,

Recd 23

With reference to my letter No. 257/35 of the 28th of September, 1935, I am directed by the Governor to inform you that the Secretary of State has requested that the Association may be informed that after full consideration he accepts His Excellency's conclusion that an independent enquiry into the financial situation and other matters referred to in the memorandum from the Association is not called for.

2. I am to add that in his address to the Legislative Council on the 18th of November, 1935, His Excellency notified his intention that the Treasurer, who had recently arrived in the Colony, should be charged during the course of the present year with the duty of making a close investigation into the expenditure side of the accounts, including the possibilities of reduction in staff with a view to making such economies as will enable the accounts to balance without dependence on extraneous sources of revenue in the measure that has been possible for the past ten years. I am to add further that the

Secretary/

The Chairman,  
Falkland Islands  
Sheepowners' Association,  
c/o Paoke Bros: & Company, Ltd.,  
5, Copthall Buildings,  
LONDON, E.C. 2.

Secretary of State has been pleased to say that he entirely approves of the course of action and is awaiting the result of the investigation with interest and with full confidence in His Excellency's financial administration.

3. As regards the financial relations of the Colony and the Dependencies, I am to state that the Secretary of State has decided as follows, viz:-

(a) that provision for the contribution of the Dependencies towards the cost of the Central Administration shall be as follows:-

<u>Year.</u>	
1936	- £8,000
1937 and 1938	- £7,000
1939 and 1940	- £6,000
1941 and 1942	- £5,000
1943	- £4,000.

The figure last mentioned is the minimum contemplated in the absence of any material change in the position;

(b) that a sum of £150,000 should be regarded as reserved in the Research and Development Fund as from the 1st of January, 1936, as a provision for future expenditure on general purposes (other than the Discovery Investigations) directly connected with the Dependencies; and

(c) that legislation should be introduced providing, inter alia, for the adjustment of past and future deficits in the Dependencies accounts.



4. The legislation to be enacted will enable deficiencies in the contribution from the Dependencies to the Central government to be made good.

I am,

Sir,

Your obedient servant,

*W. C. H.*

Colonial Secretary.

Falkland Islands Sheepowners' Association,

c/o Packe Bros & Co. Limited,

32 Victoria Street, London, S.W. 1.

April 7th, 1936.



Sir,

Red 30

I beg to acknowledge with thanks the receipt of your letter No. 257/35 of February 24th last.

The Committee of the Association desires me to ask His Excellency the Governor to convey to the Secretary of State its appreciation of his decisions as regards:-

(i) the contribution of the Dependencies towards the cost of central administration, and

(ii) the reservation of the sum of £150,000 in the Research and Development Fund as a provision for future expenditure on general purposes (other than the Discovery investigations) directly connected with the Dependencies.

I am,

Sir,

Your obedient servant,

*Geo. Bowmer*

Chairman.

The Honourable

The Colonial Secretary

FALKLAND ISLANDS.

32

GOVERNMENT HOUSE,  
STANLEY.

15th May, 1936.

FALKLAND ISLANDS.

No. 48.

*Recd 24*

Sir,

With reference to your despatch, No. 17 of the 29th of January, 1936, I have the honour to inform you that the Committee of the Falkland Islands Sheeponners' Association has asked that I should convey to you its appreciation of your decisions as regards :

- (i) the contribution of the Dependencies towards the cost of central administration, and
- (ii) the reservation of the sum of £150,000 in the Research and Development Fund as a provision for future expenditure on general purposes (other than the Discovery investigations) directly connected with the Dependencies.

I have the honour to be,

Sir,

Your most obedient  
humble servant,

(Sgd.) H. HENNIKER-HEATON

THE RIGHT HONOURABLE  
J. H. THOMAS, P.C., M.P.,  
SECRETARY OF STATE FOR THE COLONIES.

LAND SALES FUND

1935  
 Jan 1st To Balance 241129. 2. 8.  
 Jan/Dec " Sundry Receipts 180. 8. -.  
£241309.10. 8.

1936  
 Jan 1st To Balance £241199.15. 4.  
 Jan/Dec Sundry Receipts 6561. 7. 3.  
£247761. 2. 7.

1937  
 Jan 1st To Balance 246398. 3.11.  
 Jan/Dec Sundry Receipts 15943.14. 4.  
£262341.18. 3.

1938  
 Jan 1st To Balance £258282. 9. 6.  
 Jan/Dec Sundry Receipts 8934. 2. 8.  
£267216.12. 2.-

1939  
 Jan 1st To Balance £265265.11. 8.  
 Jan/Dec Sundry Receipts 7316.16. 1.  
£272582. 7. 9.

1940  
 Jan 1st Balance £268918. 3.10.  
 Jan/Dec Sundry Receipts 1292.12. 7.  
£270210.16. 5.-

1941  
 Jan 1st Balance £270210.16. 5.  
 Jan/July Sundry Receipts 648.10. 1.  
£270859. 6. 6.-

1935  
 Jan/Dec By Land Improvements  
 (fencing) 109.15. 4.  
 By Balance 241199.15. 4.  
£241309.10. 8.

1936  
 Jan/Dec By Stock  
 Investigation,  
 Passages @c 1362.18. 8.  
 By Balance 246398. 3.11.  
£247761. 2. 7.

1937  
 Jan/Dec By Sundry  
 Payments for  
 Stock Investigation  
 etc. 4059. 8. 9.  
 By Balance 258282. 9. 6.  
£262341.18. 3.

1938  
 Jan/Dec Sundry  
 Payments for  
 Stk. Investigation  
 including the purchase  
 of Belmont House £650,  
 and contribution to  
 Revenue £800. 1951. -. 6.  
 By Balance 265265.11. 8.  
£267216.12. 2.-

1939  
 Jan/Dec Sundry  
 Payments Improvement  
 of Grasslands etc.  
 3664. 3.11.  
 Balance £268918. 3.10.  
£272582. 7. 9.-

1940  
 By Balance £270210.16. 5.  
£270210.16. 5.-

Jan/July Sundry  
 Payments 25. -. -.  
 Balance 31/7/41 270834. 6. 6.  
£270859. 6. 6.-