

C.S.

MISCELLANEOUS.  
(General)

1938.

No. 214/38.

Chairman  
F.Is. Sheep Owners Association.

SUBJECT.

1938.

9th September.

MINUTES OF PROCEEDINGS OF MEETINGS.

Previous Paper.

MINUTES.

1-3

Letter from George Bonner, Esq., of 9th September., 1938.

*Yh.*  
Submitted.  
*W.H. ed.*  
14. X. 58

*Very interesting. I hope that we will always be able to get these*  
2. *Before acknowledging I wish for a Treasury comment on the X on p. 1. To what extent is it correct now or will it be in the future to call our Reserve or surplus balances a "paper" balance*  
3. *I propose to send enclosed to Mr. Jellin if Mr. Cameron's name can be obliterated and Mr. Jellin substituted*  
*ttttt 15/9*

Subsequent Paper.

Hon. Treas.

In your comments accordingly  
please.

MCH

15. X. 38

Hon. C.S.

For some years the position  
was as stated at "X" of led 1, but the  
severe "slump" in the Market price of  
Investments experienced during the past  
few years has reduced the balance to  
what is practically a "cash" basis.

At the 30<sup>th</sup> June 1938 the General  
Revenue Balance (until 1937 known as "Other  
Surplus") stood at £37,000 of which £35,000  
was liquid in the Joint Colonial Fund.

Subject, as the Balance is, to increase or  
decrease by factors outside local control, it is  
almost impossible to estimate the margin  
of inflation or deflation consequent upon  
fluctuations of the market values of Investments.

W. J. P. Jones  
18/10/38

H.

Submitted.

MCH

15. 10. 38

I was under the impression that the  
system laid down in Cr. 275 by which the  
balance of the Investments Adjustment Account  
was carried to revenue or charged to expenditure  
annually had been changed recently. Is  
there not some correspondence about it?

W. J. P. Jones 19/X/38

Hon. Treas.

So far as I am aware there has been a change in the method of dealing with the Investment Adjustment a/c. Will you please say.

M.H.S.

19.10.38

Hon. C.S.

There has been a change in the method of dealing with the balances of the Investment Adjustment a/c. It is dealt with at length in paras 13 + 14 of S.O. S. Circulars Despatch of 25<sup>th</sup> Sept 1937. (No. 16/38).

Briefly, these paras provide for the exclusion of unrealised appreciation or depreciation of investments from the Revenue & Expenditure a/c, & for their inclusion in the General Revenue Balance a/c. The last paragraph of my minute dated 18/10/38 is based on the instructions referred to above, please.

W.D.P.O.S.  
19/10/38.

R. With reference to Y's Minute, that is so. According to the instructions in paras 13 and 14 of red (3) in 16/38 the depreciation will no longer be charged to

Expenditure or appropriation credited  
to revenue, as formerly.

The appreciation or depreciation as  
the case may be will only be  
shown in the General Revenue  
Balance Statement. This statement  
will show "a clear picture of  
what amount represents a  
"paper" proportion of the balance  
at the end of the year, vide  
from in para: 13. This first  
comes into operation regarding  
the a/c's for this year.

Inc'd  
Cl  
19. X. 58

Thankyou.

I am not clear yet as to our  
actual surplus. The Treasury states  
that the "general revenue balance" on  
the 30: June stood at £37,000. The  
surplus of Assets over Liabilities is  
made up of "Land Sales Fund" plus  
"General Revenue Balance". But  
we have in addition to this the  
Reserve Fund of £5,000 which is  
treated as a "Deposit Outstanding".  
~~Securities Fund~~  
~~Original activities~~  
~~Reserve Fund~~  
In actual  
practice our surplus funds  
do presumably include the  
Reserve bringing the total  
to nearly £36,000 although  
the same is shown in the financial statements.

20/X/75

Yr.

The Reserve Fund is not treated as a "deposit outstanding." It is shown in the Assets and Liabilities both as an asset and liability unlike the Land Sales which is shown only as an Asset and in consequence appears in the Surplus of assets. We know however that in addition to Land Sales and the general Revenue etc there is a sum of £50,000 to draw upon should this at any time be necessary.

2. If Yr. desires, the O.I.C. Treasury can explain the matter to Yr. with the statements prepared under the revised form of accounting.

M.H.  
 [Signature]

21. 10. 38

Will you please send a letter to Mr. Bamber as in enclosed draft

[Signature] 26/11/38

Letter to George Bonner, Esq., O. B. E. of 28.10.38. 5-~~三~~

Agricultural Adviser.

To see.

M.H.  
C.S.  
31. X. 38

Non-ol. Sec.

seen

to saw

AA. 13/12/38

VA.  
13/12/38

Letter from G. Bonner, Esq., of 27.12.38.

6.

Letter from G. Bonner, Esq., of 10.1.39.

7-8.

H.

Reds 6-8 Submitted.

M.H.  
C.S.  
6.2.39.

~~HHH~~ 6/2

Letter to G. Bonner, Esq., of 6.2.39.

9.

P.A.  
6/2/39

Letter from G. Bonner, Esq., of 21.3.39.

10-13.

Yh.

Submitted.

met  
cl.  
20.4.39.

This is the strongest possible  
expression of the policy of the  
Govt.

Please ack and say that  
the 5: para. will receive attention  
in connection with the 1940 Estimates  
and that I have already approved this  
year of £200 <sup>being expended</sup> in the West Highlands  
as an experimental measure <sup>in improving</sup>  
track on hard comb.

Yh 20/4/39

14. Letter to G. Bonner Esq., O.B.E., of 22.4.39.

PA  
15. Letter from G. Bonner, Esq., of 11.6.39.

Yh.

The information regarding  
the value of "extra" earnings  
in the Camp is shown in  
red ②.

met  
cl.  
21.7.39.

PA  
21/7/39

letter from G. Bonner, Esq., Chairman, F. T. S.  
Sheepowners' Assoc. 20. 7. 39.

(16)

H.

Submitted for information.

WCH

14. 9. 39.

~~11111~~ 14/9

letter to George Bonner, Esq., of 16. 9. 39.

WCH

(117) P.A.



2

THE FALKLAND ISLANDS SHEEP OWNERS ASSOCIATION

GENERAL MEETING, SEPTEMBER 6TH, 1938.

Held at 2.30 p.m. at 61, Gracechurch St., London.

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PRESENT

G. Bonner, in the Chair	G. J. Felton
Noel Anson	W. H. Luxton
Captain E. W. H. Blake, R.N.	S. W. Proger
A. Keith Cameron	- Waldron
G. T. Dean	L. W. H. Young
J. W. Dean	W. A. Harding, Secretary.
R. C. Pole Evans	

WORKMENS  
COMPENSATION

The Chairman stated that it was important that the value of the extra "earnings" of shepherds and navvies and other employees on the farms should be agreed for the purposes of the Workmens Compensation Ordinance. He said that Mr. Young had made valuations of these amounting to £81 for married men and £60 for labourers. Mr. Young said that it was very important that a fair medium total value should be arrived at which would be acceptable to the Insurance Company and to the Government. On the one hand, if the valuation was too high, farmers would be paying more premium, and if too low, the Government might conclude that the total camp wages was very low as compared to Stanley.

A general discussion took place and it was unanimously agreed to fix the values at £60 per annum in the case of married men and £48 for single men living in the cookhouse.

The Chairman stated that the rates finally quoted by the Royal Insurance Company were 23/- per cent for purely agricultural workers and 30/- per cent for labourers whose duties include boating work. Most members said that they would insure all their labourers at the higher rate.

COMMITTEE

The Chairman invited the meeting to consider the question of enlarging the Committee from 3 to 5 members, and upon the meeting declaring its approval, proposed Mr. L. W. H. Young a

a member. Carried unanimously. Mr. G.T. Dean proposed Mr. W.H. Luxton as a member. Carried unanimously.

R O A D S

The Chairman invited members to bring forward any points for discussion. Mr. G.J. Felton expressed the opinion that the Government should be approached as to extending roads throughout the Colony, pointing out that there was a large Surplus Funds balance which might well be devoted to that purpose. A general discussion followed: The Chairman stated the so-called Surplus balance was largely made up by the Government taking in as Revenue the appreciation of invested funds, and the "balance" was therefore partly a paper balance only. When securities depreciated as they have done in the current year, the so-called surplus would be depleted accordingly. After further discussion the matter dropped and no definite step was recommended.

S. O. ASSOCIATION  
CORRESPONDENCE.

The Chairman said that the Committee was of opinion that it was desirable to print in pamphlet form the whole of the Sheepowners' Association correspondence since its inception, pointing out that it would be very useful for reference both for the present members themselves, and for presenting the case of the Association to future Government Officials or others whose help might be enlisted as to the objects of the Association. The cost would be about £40, but at the moment the Association's cash balance was £20 only. The Chairman offered to advance the extra amount required, until the Association was able to meet the entire cost.

After discussion, it was proposed by Mr. Proger, seconded by Mr. Luxton, that a special contribution towards the cost should be invited from the Members. This was carried unanimously, and the Secretary instructed to circularise members accordingly.

THE FALKLAND ISLANDS SHEEP OWNERS ASSOCIATION,  
C/o. PACKE BROS. & CO., LTD.,  
3, LAURENCE POUNTNEY HILL, LONDON, E.C.4.

September 9th, 1938.

Sir,

I beg to enclose for the information of His  
Excellency The Governor a copy of the Minutes of Pro-  
ceedings at a meeting of the above Association held  
on the 6th instant.

I am,

Sir,

Your obedient servant,

*Geo. Bonnet*

Chairman.

The Honourable,

The Colonial Secretary,

Falkland Islands.

214/38.

28th October,

38.

Sir,

*Red 3*

I am directed to thank you for your letter of the 9th of September, forwarding for the information of the Governor a copy of the Minutes of Proceedings of a Meeting of the Falkland Islands Sheep Owners Association held on the 6th of September.

2. His Excellency has read the Minutes with much interest and I am to suggest that copies of the Minutes of future Meetings of the Association would, if they could be forwarded, serve a valuable purpose in bringing the views of the Association on matters affecting the Colony before the Government. There is every reason to suppose that misunderstandings may be cleared up and co-operation induced by such a practice.

3. The Governor trusts that you will have no objection to modifying at a future Meeting of the Association your statement as recorded in the Minutes received, to the effect that the "so-called Surplus balance (of the Colony) is largely made up by the Government taking in as Revenue the appreciation of invested funds" and that the "balance" is largely a paper balance/

George Bonner, Esq., O.B.E.,  
Chairman,

The Falkland Islands Sheep Owners Association,  
C/o. Packe Bros. & Co., Ltd.,  
3, Laurence Pountney Hill,  
London, E.C. 4.

balance only. So far from that being the case, a sum of no less than £19,383 representing the depreciation in the value of the investments of the Colony (not chargeable to the funds) was charged as Expenditure in 1937 and the Surplus balances consequently suffered to that extent. On the 30th of June last the General Revenue balance stood at £37,000 of which £35,000 was liquid capital held in what is known as the Joint Colonial Fund. This in addition to the Colony's Reserve which His Excellency has caused to be built up to the sum of £50,000. It is not going too far to say that the Colony has at no time in its history been in so strong a financial position. The actual surplus including Reserve is now therefore £87,000 without including the Land Sales Fund of £260,000.

4. The system under which appreciation in the market value of Investments used to be credited to Revenue in the Published Accounts and depreciation charged against Expenditure has now been abolished.

5. The meaning of this is, I am to add that we can afford a measure of development without additional taxation unless the Government embarks on a non-remunerative Road Scheme.

I am,

Sir,

Your obedient servant,

MCH

Colonial Secretary.

The Falkland Islands Sheep Owners Association.  
C/o Packe Bros. & Co. Ltd.  
3 Laurence Pountney Hill,  
London, E.C.4.  
27th. December. 1938.

Yr. Ref. No. 214/38.



Sir,

*Red 5*

I have to thank you for your letter of the 28th. Oct. which will be brought before the Committee of the Association at their next Meeting, early in the New Year.

Please convey to His Excellency our desire to work for the benefit of the Colony in conjunction with the Government.

I am, Sir,

Your obedient servant,

*Geo. Rowner*

Hon. M.C. Craigie Halkett.

Colonial Secretary,  
Stanley, Falkland Islands.

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THE FALKLAND ISLANDS SHEEPOWNERS  
ASSOCIATION.

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c/o Packe Brothers and Company, Limited,  
3 Laurence Pountney Hill, London, E.C.4.

10th. January, 1939

To the Honourable,  
The Colonial Secretary,  
Port Stanley.



Sir,

*Recd 51*

I beg to acknowledge, with thanks, the receipt, on the 10th. December, of your letter No. 214/58 of October the 28th, on the subject of the Minutes of a Meeting of the above Association held on September the 6th. last.

(2) I shall be happy to communicate to you for the information of His Excellency The Governor extracts from Minutes of the Meetings of the Association dealing with all matters affecting the Colony, which would be of interest to His Excellency.

(3) At a Meeting of the Committee held on the 5th. inst your letter of October 28th. was communicated to the Members. The Committee agreed that when the Meeting of September 6th. was held, the information at my disposal indicated that a large sum had been credited to Revenue from appreciation of investments, although so far as was known, no investments had actually been realised. It is evident that when securities fall in value, such depreciation would have to be deducted from Revenue,, and under these circumstances the Committee agreed that my remarks were not unjustifiable. The Members are glad to learn from Para 4 of your letter that this system has now been abolished, for it would go far towards nullifying the estimate of Revenue and Expenditure of the Colony, if Revenue were partly dependent on market fluctuations.

(4) As regards Road Construction the Committee

(2)

(4) is drawing up a memorandum, which will be sent by a later mail.

I am, Sir,

Your obedient servant -

Geo. Rimmer



214/38.

6th February, 39.

Sir,

I am directed by the Governor to acknowledge and to thank you for your letter of the 10th of January, 1939.

Red 8.

I am,

Sir,

Your obedient servant,

*MCH*

Colonial Secretary.

George Bonner, Esq., O.B.E.,  
Chairman,  
The Falkland Islands Sheep Owners Association,  
C/o. Packe Bros. & Co., Ltd.,  
3, Laurence Pountney Hill,  
London, E.C. 4.



Falkland Islands Sheepowners' Association,  
c/o Packe Bros & Company Limited,

3 Laurence Pountney Lane, London, EC 4.

March 21st, 1939.

214/38

Sir,

Red 8

In continuation of my letter of the 10th January last  
I enclose herewith a Memorandum from the Committee of the  
above Association setting forth its views on the question  
of Road Construction in the Colony.

I am,

Sir,

Your obedient servant.

*Geo. Kowner*

Chairman.

The Honourable

The Colonial Secretary,

Falkland Islands.

ROAD CONSTRUCTION.

In forming an opinion on the question of road construction the Committee has had the great advantage of perusing His Excellency's letter to Mr Bonner dated July 23th 1938, and also a Memorandum from the Hon. L.W.H.Young.

2. With reference to questions (a) and (b) in His Excellency's letter it appears to the Committee that (a) there are no advantages whatever which could be in any way commensurate in return for an expenditure of £1,640 per mile on roads. That figure, or anything approaching it, absolutely precludes the possibility of constructing roads such as the Director of Public Works regards as being of any use. A system of roads of that nature might be desirable in a Colony of the same size as the Falkland Islands with two million inhabitants, but for one of only two thousand is out of the question.

The answer to question (b) is provided by the statement by the Director of Public Works of expenditure incurred on tracks and bridges on private property carried out during the last 13 years - really 9 years when the gaps 1926, 1927, 1930 and 1931 are omitted from the calculation. The work detailed at the end of that Minute was all valuable, and was completed at a cost within the means that the Colony can afford. It shows that the cost, averages all-round, was met as to four-fifths from public funds and one-fifth from the owners of the properties.

3. With regard to the four points at the end of His Excellency's letter it may be said that:-

(a) Dairy and Garden produce required by Stanley consists in the main of Milk, Butter and Vegetables. MILK must be produced in the town itself, and even if there were roads leading into Stanley, the quantity required would not be sufficient to make the industry a paying proposition, when the cost of transport is considered.

BUTTER. It seems to the Committee that Stanley must be dependent upon imports, whether fresh or tinned. With direct communication with the River Plate there is no difficulty in getting fresh butter. In this connection the question of a moderate sized cold store suggests itself, but that is outside the scope of this Memorandum.

VEGETABLES. Similarly Stanley should be able to grow most of its requirements, especially green vegetables. Potatoes would be largely imported.

(b) MEDICAL SERVICES. Stanley, which contains half the population of the Colony, has all its medical requirements on the spot. There is no suggestion that camp requirements are not adequately provided by the medical officers stationed there, and in view of the fact that camp houses are mostly isolated and scattered, roads would not be of much assistance in enabling Doctors to get to such houses any more quickly. Many subsidiary roads would be required, and it would be far cheaper to have an additional medical officer; but at present there is nothing to show that any more are required.

(c) EDUCATION. Sir John Middleton made a trial for some time of a hostel in Stanley for education of camp children, but it was not made much use of, and it may be concluded that camp parents are more in favour of the system of travelling teachers. This can hardly be bettered, and it has worked very well in the past.

4. In making the foregoing observations the Committee is far from suggesting that improved communications would not assist, but such amenities should surely be attainable at a fraction of the cost of roads. His Excellency's letter gives £396,000 as the cost of such on the East Falkland alone. Interest on this @ 5% would be some £20,000 a year, which is fantastic.

5. The Committee is very interested to learn from His Excellency's letter that whaling, farming, and seasonal work absorb all able-bodied labour during the months October to April, and that public expenditure on wages for surplus

labour in the winter months does not exceed £1,600. Presumably this is the extent of the so-called "dole".

5. Finally, the Committee is of opinion that the only practical policy is the continuance of works as detailed in the Minute of the Director of Public Works attached to His Excellency's letter. Such works as these are within the means that the Colony can afford, and really all that are required. In the years mentioned, the total outlay amounted to roughly £5,000, of which £4,000 was met from Public funds, and £1,000 paid by the owners of the land on which the work was situated.

A schedule of similar desirable track improvements and bridging on both East and West Falklands might be prepared that can be carried out at a moderate cost, and anything from £500 to £1,000 per annum allotted in the Estimates for such works. The order in which the items should be undertaken might well be decided in conjunction with Members of the Legislative Council.

March, 1939.

214/38.

22nd April,

39.

Sir,

*Red 13.*

I am directed to acknowledge and thank you for your letter of the 21st March, 1939, transmitting a Memorandum from the Committee of the Falkland Islands Sheepowners' Association setting forth its views on the question of Road construction in the Colony.

2. I am to say that the fifth paragraph of the Memorandum will receive attention in connection with the 1940 Estimates and that His Excellency has already approved this year of £200 being expended in the West Falklands as an experimental measure in improving a track over hard camp.

I am,

Sir,

Your obedient servant,

*MCH*

Colonial Secretary.

George Bonner, Esq., C.B.E.,  
Chairman,  
Falkland Islands Sheepowners' Association,  
c/o Packe Bros & Company Limited,  
3 Laurence Pountney Lane,  
LONDON, E.C. 4.

15



Falkland Islands Sheeponners Association,  
c/o Packe Bros & Company limited  
3 Lawrence Pountney Hill,  
LONDON. E.C 4  
11th June, 1939.

Sir,

*Red 14*

I am obliged for your letter No. 214/38 of April 22nd on the subject of the Memorandum of the above Association on Road construction in the Colony

2. The Members of the Committee desire me to ask you to convey to His Excellency the Governor their thanks for the information in the second paragraph of your letter.

I am,

Sir,

Your obedient servant

*Geo. Bowmer*

Chairman.

The Honourable  
The Colonial Secretary  
FALKLAND ISLANDS.

The Falkland Islands Sheepowners' Association, (16)

LONDON.

20th July, 1939.



214/38.

Dear Sir,

I regret to inform you that Mr. W.A. Harding, who has been Secretary of our Association for many years, has resigned consequent on increasing calls on his time from his other interests and his residence in the Channel Islands. I am sure that all Members will join me in thanking Mr. Harding for the valuable services he has rendered our Association. He will, however, continue to serve on the Committee.

Mr. R. Blake has been invited to join the Committee and has accepted.

I have pleasure in advising you that Mr. P. Braddon, a Member of the Firm of Messrs. Taylor & Humbert, 4, Field Court, Gray's Inn, W.C.1, has been appointed Secretary of our Association as from 1st August, 1939 and all communications concerning the Association should be sent to him at the above address.

Mr. L.W.H. Young has been appointed Treasurer.

Yours faithfully,

Geo. Bonner

Chairman.



214/38.

16th September, 39.

Sir,

*2ed/116*

I am directed by the Governor to acknowledge and thank you for your letter of the 20th July, 1939, stating that Mr. P. Braddon of the firm of Messrs Taylor & Humbert, 4, Field Court, Gray's Inn, has been appointed Secretary of your association in succession to Mr. W. A. Harding, resigned.

I am,

Sir,

Your obedient servant,

*M.H.*

Colonial Secretary.

George Bonner, Esq.,  
Falkland Islands Sheepowners Association,  
c/o Packe Bros & Company Limited,  
3, Lawrence Pountney Hill,  
LONDON, E.C. 4.