

CONFIDENTIAL
No. C/18/38

C.S.

19 38

H.E. the Governor.

SUBJECT.

19 38.
14th December.

QUESTIONS OF GENERAL POLICY IN RELATION TO
THE SHEEP-FARMING INDUSTRY.

Previous Paper.

179/38

1-4
5-8.
9.
10.

MINUTES.
Copy of Notes of meeting in Governor's Office on
13th December, 1938.
Submitted
MCH
14. 11. 38
Please register the copy of the notes as amended by Mr. Blake the copy of the table laid before the meeting and Mr. Young's letter I have sent Mr. Young the two spare copies of notes amended and initialled.
On the A.A.s return this file should be sent to him to note confidentiality.

Subsequent Paper.
179/38

18/12/38

Agree: Adviser.

To note in conformity with
HK's minute.

WCH
CS

22. XII. 38

Hon. Col. Sec.

noted thank you.

WCH

6-1-39

I have abstracts (4) to (1)
a copy of (P) to (5) to send to
Mr. Bevis at the C.O. as there
was not time to get another copy
made.

I have also asked Mr. Bevis
w. r. i. Mr. Davies' Report that
50 copies sh^d. be sent direct to
the F. I. (Economic Association
and 1 copy to Sir J. Kiddleton.

WCH 9/1/39

Letter to Hon. Mr. Cameron of 21/4/39.	11-16.
" from " " " " 14/5/39.	17-22.
Minutes " H.C. the Governor of 1/6/39.	23-27.

YH

Submitted.

WCH
CS

2.6.39.

H.C.

The whole question was discussed here on the 7th with Mr. Cameron, Mr. Greenfield and the Agricultural Adviser.

2. Mr. Cameron argued ^{very} strongly that it would be impossible to make any scheme of subdivision a success unless a freezing factory had been first established to provide a market for lambs and carcasses. He also held the view that the establishment of such a factory would revolutionize farming on all the farms - e.g. cutting out all ditches and intensive cultivation and breeding in

~~the whole of the~~

Subject to that this considered Mr. Cameron considered that such a project would prove a success with proper control but he insisted that a factory must come first.

3. Mr. Weir said that he had never contemplated the development by subdivisions without the establishment of a freezing factory though he believed that the factory might follow ^{after} a subdivision. He mentioned such a ^{sequence} course of work in New Zealand.

4. I stated that at the time I wrote my letter (red 16) to Mr. Cameron I was not aware that a freezing factory would have to be a condition precedent or would be essential to any subdivision scheme though I appreciated the immense advantages of a market for the carcass. I referred also to the market that exists in Europe for such crops as a small farmer might produce.

5. I am not aware of anything more than can be usefully done pending a reply from the Sec. of State to my despatch on the land question. That will come by the next mail.

~~W. M. G.~~ 9/6/39

W. M. G.
9. 6. 39.

Secy for the Governor
10.
A.M.
1170

Off. Ag. Dept.

H.E. wishes the table at "X" of Red 15 herein brought up-to-date.
Will you please arrange

H.E.
10/12/46

On a separate sheet, pl
H.A.

29A - 29A

H.E.S. (29)

Table is attached as requested.

H.E.
O/c. Home Dept.
17-12-46

30

H.E.

wishes to have (29A)

2. (29B) bring it up to date by annual return.

A.B.E.
3.1.46

31

Off. Ag. Dept.

(29B)

Can you now add 1946?

A.B.E.
24.3

32

Home Sec.

1946 figures now added.

J.B.B. O/c Ag Dept
25/3/47

(32A)

33

Off. Ag. Dept.

Pl. check. This (if correct)

shows a record wool clip and a sur-
prisingly high clip per sheep - it
jumps on 1 lb. from previous best.

2. If figures are correct, please
explain.

A.Bh
26.3.47

Hon Col Sec.

34

These figures can never be taken as correct
except for "sheep carried". In the case of wool exported, some
of 1945 clip was probably held over until 1946, hence the
average clip is higher.

Red 29^A. These figures appear to be an average
over a period of 4 years, but 1943. works out at 7.6 lb clip

J. B. B. Oile Ag. Dept
27/3/47

35

Y.E.

Will wish to see

(29A)

(29B)

A.Bh
30.3

A welcome increase - and a surprising one!

~~question of the increase~~

happen in any year?

Some time.

MC

I shd. like to see this file again

23/4

17/5
A.Bh
24/4
20/4
21/4

8

NOTES OF MEETING IN THE GOVERNOR'S OFFICE ON
WEDNESDAY, 13TH DECEMBER, 1938.

Present. The Governor, the Honourable L. W. H. Young,
Mr. Robert Blake.

The Governor said that he had asked Mr. Young and Mr. Blake to meet him with reference to wide questions of general policy in relation to the sheep-farming industry. He laid before them a table shewing in quinquennial periods from 1909 to 1938 inclusive a steady decline in the number of sheep carried and the quantity of wool produced (with the exception that in 1937 an unusually heavy clip had brought the last period over that for 1929-1933 by a slight increase.) It had customarily been said that although the numbers of sheep carried¹ had steadily fallen the total weight of the clip had been constant as the sheep were carrying more wool. The figures shewed that this was not the case. In 1934-1938 the weight per sheep put out in the previous year was 6.6 lbs, in 1909-1913 it was 6.69 lbs.

His Excellency regarded the position as extremely serious and said that it was clear that serious measures would have to be taken to deal with it.

The Governor thought that remedial measures such as pasture improvement, the basis of Mr. William Davies' recent mission, could not be well effected owing to the great areas of the farms and suggested that sub-division might be the solution. The size of the areas which he had considered as suitable for trial was the old section of 6,000 acres or at all events sufficient land to carry 1,500 sheep. He added that he had learned quite independently of his estimate that land with a carrying capacity of 1,500 sheep was the unit decided upon by a Commission in Chile engaged in sub-dividing Government owned leaseholds.

N.B. 1 and hence the carrying capacity of the land.

7

A discussion then took place in which expression was given to the following opinions :-

Mr. Young stated that he did not consider that the solution proposed was sound or in the interests of the Colony or the industry. He was unable to express any opinion on the value of Mr. Davies' work in the absence of his recommendations. He thought that small settlers running only 1,500 sheep could not succeed and said that in his opinion the smallest economic unit would be not less than 10,000 sheep with 30,000 to 40,000 acres. He also considered it very doubtful whether any local Falkland Islanders of proved farming capacity such as head shepherds would think of giving up employment in which they were very loyal and contented, to take up small farms.

Mr. Blake agreed.

The Governor said that he did not propose that persons other than those of proved merit with the requisite farming experience should be given the opportunity of acquiring farms at the expense of Government. The Government might be suggested purchase the land required at a fair price and advance sufficient capital to establish a small farmer. The land would be leased for 35 years and the total charges to repay the advance would amount to about £100 a year. The loan could be advanced by utilizing part of the £300,000 now invested in British possessions in numerous parts of the world. The amount contemplated as requisite for one section would be £2,400. If larger areas and fewer new farmers were to be considered the amount of the individual loan would be increased. Selected farmers would have to have some money of their own to invest in the undertaking.

Mr. Blake declined to accept the proposition that the situation was serious. He held that the turning point in

deterioration had arrived and cited his experiences of three properties in which he was interested and had recently visited. He considered that there were marked signs of progress. He said that considerably more rams were being imported as well as new machinery, mentioning three tractors ^{would in the Falklands} ordered since the visit of Mr. Davies. He quoted Port Howard as an example.

The Governor said that he wished particularly to except Port Howard. It was the one farm in the Colony which he visited with pleasure (in connection with this problem) as an example of progressive farming. He said at the same time that he thought that if it was divided into three parts with the same calibre of manager over each it would be even more prosperous and promising.

Mr. Blake also said that he had heard the cry of the Colony being a wasting asset ~~when he first came out as a young man many years ago, despite subsequent prosperity.~~ ^{from 1920 onwards, but} ~~but now there seemed to be a more energetic spirit in health and they were thinking out ways of doing better.~~ He was much impressed for instance by the level standard and improved quality of the Company's sheep at Darwin at shearing time, ^{and in a number of places Cambridge, New} ~~improving.~~

Mr. Blake considered also that a farming unit on the Coast was not comparable with that in these islands. The Coast small farmer was a man of very different calibre and accustomed to a lower standard of living than the Falkland Islander.

Mr. Young said that one of the drawbacks to Falkland Islands wool now was the wide range and miscellaneous nature of the wool sent to the London market and mentioned as an exception the consistent appearance of the Company's wool which was readily sought by brokers. Wool produced by a number of small farmers would only emphasize the evil.

The Governor then referred to the over population of Stanley for whom there was no outlet at present and said that he could not accept the proposition that there was no

(5)

room for them on the land or that emigration was the only solution. Mr. Young and Mr. Blake agreed that they would not willingly emigrate saying that they were too well off as they are.

They considered that in any case the surplus workers would not be of use on the land. Mr. Young considered that the two questions of sub-division of farms and of the surplus population were not inter-related at all and should not be held to be two parts of one problem.

The Governor asked Mr. Young if he had any solution in mind for the two questions - of regenerating the farming industry and dealing with the surplus population. Speaking generally he replied that if funds were available for sub-division some part might be utilized towards a well thought out scheme of emigration. On the wide problem of future policy he would like some time in which to consider the course development might follow.

As regards sub-division Mr. Young thought that the Company would rather retire from farming altogether than take part in any scheme in which they had no confidence, and which might in his opinion bring the country to bankruptcy.

To sum up both Mr. Young and Mr. Blake with every wish to co-operate in any measure for the advancement of the Colony had no faith whatever in any sub-division of farms.

Average number of sheep carried, wool exported and weight of wool per head for six five yearly periods from 1909 to 1936 inclusive.

Period	Sheep	Wool(lbs)	Clip(lbs)
1909-1913	712,000	4,762,500	6.69
1914-1918	683,000	4,655,300	6.81
1919-1923	659,000	4,598,500	6.98
1924-1928	621,000	4,144,500	6.67
1929-1933	611,000	3,933,600	6.44
1934-1938	607,000	4,018,400	6.61

Notes

1. Reduction in number of sheep 105,000

2. Reduction in weight of wool 744,100 lbs.

3. ^{Production} ~~Export~~ for 1937 was highest since for fifteen years. The average for the 1934-1938 period otherwise was 3,872,000 lbs with an average clip of 6.38 lbs

(10)

PORT STANLEY,
FALKLAND ISLANDS.

15 December 1938

Dear Governor

I return the draft
summary of our
discussion which we
approve subject to the
minor alterations &
additions we have
made thereto.
Would you kindly let
me have two copies,
in due course.

James M. ...
dun ...

GOVERNMENT HOUSE,

STANLEY,

21st April, 1939.

Dear Norman,

I gather from what Veale tells me of a conversation he has had with you, that you are considerably exercised in mind over the course Government policy is likely to take in respect of the two outstanding problems of the country. I refer to the surplus population and the future of the farming industry.

I appreciate your apprehensions and think it desirable that the air should be cleared by a review of the present situation.

On my arrival in the Colony in the beginning of 1938 I found that

- (1) relations between capital and labour which had for many years been maintained at an even balance between demand and supply (to the relative contentment of all) had completely altered and there was such unrest,
- (2) a steady deterioration in the productivity of the land was in evidence.

The causes which brought about (1) are

It suffices to say here that though there has been criticism of the measures taken by the Government to deal with the problem of the unemployed, no alternative solution has been promulgated. At the same time the measures have been at no time regarded by me as anything more than a temporary alleviation of the situation pending the development of a constructive permanent solution.

It has been claimed that this matter of unemployment bears no relation whatever to the question of the future of the farming industry and that the two

The Honourable
Norman Cameron, M.L.C., J.P.,
Port San Carlos,
EAST FAIRLAND.

be entirely dis-associated. It is however to be observed that :-

- (a) at present room can be found for some 500 workers only on an area of little less than three million acres,
- (b) the land can be improved and productivity increased by putting more labour into it than present conditions allow,
- (c) any Government must accept the responsibility for the development of a purely agricultural country by endeavouring to settle the inhabitants on the land to the limit of its economic capacity
- (d) to this obligation must be added the strong moral responsibility for raising the standard of living and providing openings which do not now exist for the rising generation.

The facts regarding (2) above, that is to say the declining state of the productivity of the land, are not so generally known or appreciated.

The actual position is illustrated by the following figures in averages covering the last thirty years :

<u>Period.</u>	<u>Sheep carried.</u>	<u>Wool exported.</u> lbs.	<u>Wool</u> lbs.
1909-1913	710,260	4,762,498	6.70
1914-1918	697,417	4,555,309	6.54
1919-1923	658,904	4,598,455	6.99
1924-1928	624,964	4,144,451	6.63
1929-1933	611,218	3,933,555	6.44
1934-1938	607,780	4,018,431	6.61

The number of sheep depastured in 1938 was 607,780 and the quantity of wool exported was 4,018,431 lbs.

The only conclusion that can be drawn from above figures is that the country has been consistently living on its capital and that the land is a steadily wasting asset. The capital value of the land and its productivity has decreased by almost one seventh in thirty years. Surely the only inference that can be drawn is that the system of farming will have to be altered and that radical measures are necessary to save the situation.

Serious competition in the wool market by the steadily growing growth in the sales of staple fibre has made the situation even more dangerous.

In the Government to stand by with folded hands and do nothing?

Recognition that all is not well, having regard to the reduced carrying capacity of the land has not been altogether lacking, but it is surely not unfair to say that the general attitude of the farmers has been one of complacency. Farming is being carried on by the present managers as well if not better than it ever has been - but on traditional lines.

So little interest or importance did the sheepowners attach in 1955 to the rejuvenation of pastures, which appeared to me essential, that they resolved unanimously in association that measures to this end should not be taken at the expense of the Colony although no objection was raised to the Imperial Government meeting the expenditure entailed. It is proper to add that some of the leading owners had little or no faith in the value for the Colony of the work at Aberystwyth.

No remedy for the established evil of decreased productivity has been suggested from any farming quarter, as far as I am aware. The establishment of a freezing factory has been talked about for many years and several leading farmers consider apparently that this would solve their only problem. I may say that the Government has intimated its readiness to consider the investment of public funds in a factory. It is to be observed however that local freezing would not help to solve the main problem of the decreasing productivity of the land.

Absentee ownership has received some share of obloquy for existing unsatisfactory conditions. The position in respect of this is that it is computed that 56% to 90% of the land is held outside the Colony and that in the past twenty years a sum of over one and a quarter million pounds has been derived by absentees from the products of the land and spent outside the Colony.

The argument that the land owned by absentees has been farmed as well or better than that under resident ownership is wholly immaterial. The only question is whether the land can afford to raise the wool and at the same time produce sufficient wealth for large external expenditure. Whether the surplus over costs of production is spent in England or in drink locally or is put into the Savings Bank does not affect the issue. No arguments brought to my notice meet the issue squarely that more wealth has been taken from the soil than the land can bear under the present system of farming.

The report of the grassland expert based on the visit made in the 1937/38 season is expected at an early date. There is no reason to anticipate that it will concern itself with the system of farming generally, beyond advocating extensive planting and considerable subdivision of paddocks. Most farmers have long recognised the desirability of the latter but means have been lacking and will still be lacking to carry it out on a scale that will check deterioration.

Would any one suggest that we should wait for a few years to see whether the recommendations Mr. Davies will make will be generally adopted and will achieve the object in view? The valuable recommendations made by Mr. Munro fifteen years ago have been ignored in their entirety on the great majority of the farms.

I do sincerely hope however that you will agree with me that the figures given herein should bring home to all sheepowners recognition that a determined effort must be made by farmers or the Government or both to establish the industry on a stronger basis than wasting capital. One difficulty one has to contend with is that for so many people figures and statistics have such little meaning: the salaries of managers do not fluctuate and the decline in production is so gradual

that/

that owners concentrate only on annual changes in prices without feeling the ground slipping from under them. The effect of reduced production is however reflected here also as the following figures show :-

Value of wool exported for each of five yearly period from 1919 (Blue Book figures) :

1919/1923	914,332
1924/1928	1,225,712
1929/1933	755,048
1934/1938	661,724

To come now to the question of remedy, have you any views? I suggest that it may lie in closer settlement.

Is it not a fact that both Australia and New Zealand date the solidity of their financial position from the time when closer settlement was effected against the unanimous conviction of the great land holders that nothing but ruin could result and further that the landowners themselves benefitted from the change over. I have no sufficient data at hand to support this view though I do know something of the widespread financial crashes in the Australia of the nineties.

We are concerned here with the possible effect of some subdivision of the large estates by purchase at a fair price from the owners. Would you not agree that there are vast areas of the country now ungrazed, i.e. whose good grass goes to seed and dies. I suggest that it has been proved in the neighbourhood of Stanley and of every settlement, Lamb marking pen, etc., that any class of camp can be improved out of recognition by being grazed and trampled down. Would not closer settlement extend such areas?

The experience the Colony has had in such small holdings as Woody Valley and Mallet Creek might be regarded as discouraging but even on these farms fully managed though they are said to be, the

capacity of the land is after many years of occupation as high as it ever has been, to judge by the numbers depastured.

Naturally any system of smaller farms would have to be supported by loans of capital for extensive fencing and farm buildings. This would enable close control to be exercised over expenditure and to a necessary extent over management. The fertilising medium would be the expenditure of £100,000 or more. Nothing serious can be done with less and there is no prospect whatever of the present owners raising or spending any considerable capital.

The inter-relation of the problem of surplus population with the system of fixing only prices if it is determined that room should or must be found for greatly increased numbers on the land. My standpoint is that neither problem can be allowed to drift any further.

In conclusion I will only say that you know me well enough to be very sure that I have nothing at heart but a profound desire for the welfare of the farmers and people of the Colony.

You may make any use you like of this letter.

Believe me,

Yours very truly

Port San Carlos,
Falkland Islands, S.A.

TELEGRAPHIC ADDRESS:
"CARLOS, PORTSTANLEY"

May 14 1939

Dear Sir Herbert,

I want to thank you for your letter of April 21 which touches on vital matters. I know so well the sympathy and the interest which both as Colonial Secretary and Governor you have always shown in the welfare of this colony and of the one industry that supports it, today faced with problems that must give concern to every thoughtful person.

X

Perfectly true.

With regard to the labour question we are suffering from two evils which elsewhere one does not expect to find associated; a shortage of labour on the farms is accompanied by unemployment in Stanley. In other words there is growing up in the Colony a class of people reluctant to work within the only industry that can give them full time employment. Unemployment as understood in other countries does not yet exist, and I believe the sheepfarms could easily and fruitfully absorb all the labour in the colony, were it available, and that today no man, at least no unmarried man, genuinely willing and able to work in the camp lacks the opportunity. This refusal of a proportion of the people in an exclusively pastoral country to live and work on the land seems to me to be the most serious problem with which we are confronted. To what is it due?

In the first place we are not immune from those factors which in other parts of the world are causing a drift from the country into towns. The reasons are well known, the social life of even so small a town as Stanley seeming attractive compared with the isolation and lack of amenities commonly associated with farm work. Nevertheless there is no discontent among married men in the camp. They are well housed, have ample and cheap food, security, and the opportunity to save money which town life would hardly afford them.

But for single men camp life has little attraction. Unlike the married man he has no home interests to fill his leisure and few interests of any sort to fill his mind.

It could be made more attractive and present management will ensure that it is - comfortable bed rooms, a cheerful common room equipped with wireless - books, periodicals, games, etc.

Much of the work is arduous in summer and dull in the winter, and at the end of the day the monastic austerity of the cookhouse lacks the appeal of saloon or cinema. Add to this that the life offers few openings to the ambitious, that the pay compares badly with that of whaling, and the reluctance of the single man to work in the camp is understood.

In regard to the second point with which your letter deals - the deterioration in the productivity of the land. Noone can dispute that the figures you quote are disturbing or that the conclusion you reach is unreasonable i.e. that the land is a steadily wasting asset, but I suggest that it is not the only nor even the most likely conclusion that can be drawn.

*Maybe - but it is inescapable
and we have got to deal with it.*

It has to be remembered that sheep raising in this country is a relatively recent development and that almost within memory the islands were an expanse of ungrazed pastures. Following their settlement by men ignorant but optimistic about their potentialities, handicapped by lack of labour, capital and experience, stockraising took the course which under the circumstances was inevitable and which doubtless must have been paralleled in other parts of the world where similar conditions obtained.

In the thirty years previous to 1900 the stock increased rapidly from 60,000 to 800,000 sheep. At this figure we now know that the country was overstocked and that great damage had been done to the best of the camp onto which for want of fencing the sheep could not be prevented from crowding. The inevitable reaction set in and in subsequent years there has been a steady decline to 600,000 sheep, around which figure in existing conditions appears to lie the fair carrying capacity of the country and which in our superior wisdom we can now criticize our predecessors for having exceeded.

(1)

It is impossible to deny that the decline may still continue, though at an increasingly slower rate, but impartial opinion seems to agree that camps are not now in general overstocked, that in fact certain types are understocked, and with the experience that has been gained and the knowledge - thanks entirely to you - that is being made available as to the proper control and improvement of the grazing an actual increase of production may be looked for. On this point we can expect an authoritative opinion from Mr. Davies.

*He gave it, and
it has been ignored.*

However in all this whether the most or the least alarming view is accepted there are few grounds for satisfaction or complacency, and your further criticism that an insufficient proportion of the money taken from the land has been returned to it may be largely true, but in fairness to the farmers it should be added that allowing for the handicaps under which they have worked in this colony, the isolation, lack of communication and the severity of the climate, the standard of sheep and sheepfarming here bears comparison with that in any other part of the world. I have had experience of farmers in New Zealand, the Argentine and Patagonia and I have not observed them to be more efficient, long sighted or public spirited than the farmers in these islands.

*But most of the money
is abstracted?*

Nor do I yet understand why absentee owners as distinct from resident owners should in particular be held responsible for our present misfortunes since it is admitted that so far as the land is concerned it is immaterial whether the money produced from the soil is spent in Stanley or in England. The only difference one can discern is that generally speaking the farms in resident ownership - that is those farms entirely owned within the colony - appear to be less efficiently managed, to employ less labour, and to return, in fact, even less money to the land than those in absentee ownership. This is not without significance in relation to the question of closer settlement which you suggest may be the remedy for the colony's troubles.

2

*The point is that the
money should be ploughed
back into the land & it
is not under present con-
ditions. The absentee
owner's is concerned primar-
ily in his "pocket".*

In considering the future of the islands it has appeared to me that they are likely to develop in one of two ways. They might come gradually under the complete control of one large company which would ultimately, so to speak, dispense with the Government, blow up Stanley, and run the place as a sheepfarm from London, importing and exporting labour according to its requirements. This is the present tendency and no doubt a strong case could be put for it. The remoteness, the climate, the poverty of the soil and the lack of occupation other than wool-growing, it might be argued, must for ever prohibit the development of a thriving community. It remains today, after a century of colonisation, a sheep run on one end of which have collected a number of people unable or unwilling to join in the running, but claiming to be supported by the sheep.

*Mr. Cameron is still
thinking along these
lines.*

4.

*Some truth in
this.*

Alternatively I imagined that the existing farms would ultimately be broken up by closer settlement. But I only pictured closer settlement as following, not preceding, roads and communications, education, a freezer, and the development of other industries, without which is my contention it can have no chance of success.

5.

6.

Of all forms of farming woolgrowing is one least suited to small scale production, if the wool alone is the only source of revenue. The respect enjoyed by the Falkland Island clip in London is due largely to the fact that it comes in big lines from a few breeders. By adding to the breeders the lines are multiplied and the value of the whole clip diminished. Experience shows too, and examples are not lacking in the Falklands, that the small scale woolgrower is generally unwilling or unable to improve his sheep to the extent that the manager of a large flock considers desirable, and commonly small holdings, and this applies to every country with which I am familiar, do not make for increased efficiency but rather do they tend to produce inferior and uneven sheep, disease, and deliberate overstocking.

7.

8.

It will be argued that since the settlers will be financed and equipped by the Government these evils will be avoided by a strict control over the management of the farms, which would appear to involve a disturbing spread of bureaucracy in a colony which already has a government more than adequate for it's needs, and which really reduces the proposition to this, that the Government, critical - not without reason - of the manner in which private enterprise is farming sheep, propose to invest £100,000 in the business and demonstrate how it should be done on a number of small farms controlled - as effectively as the lack of communication allows - by officials in Stanley.

?

Even were it possible for you to remain at the head of the Administration during the years that must elapse before results can be expected from such an experiment, some misgiving might be excusable. But when one recalls the feebleness, the extravagance, and the nepotism from which in the past the conduct of public business has not proved immune, and to which, there is reason to fear, it may again be exposed, the prospect must be viewed with positive alarm.

9.

And to what extent will it put "greatly increased numbers on the land" ? I am not sure what sized farms you contemplate but your settlers would have to be carefully selected, experienced men. Most of whom, in consequence, are already to be found on the farms and whose places it would be difficult to fill from among

the men now in Stanley. Certainly the actual construction of the settlements and the subdivision of the ground would employ a considerable amount of labour but subsequently your settler, unless he proves very different from his counterpart elsewhere, will be extremely reluctant to pay for assistance and you will find instead women and children doing the work at present performed by men.

Admittedly I am stressing here only the difficulties and dangers of the suggestion and not the possible advantages. Some may see in it visions of a golden age where prosperous and hard working settlers grow their wool and improve their land under the guidance of a benevolent Government, but the other extreme to which it may lead should not be overlooked—a land of isolated and ill-educated crofters extracting a precarious living from their neglected flocks and relying on drink and the Government for support.

10 No parallel can be drawn between conditions here and those in Australia and New Zealand. There you will find roads and communications and the real education which these bring and without which, I believe, small holdings will not flourish in this country. Roads may come, but we will never enjoy the advantages they have in their climate and in the variety of other products besides wool which they can grow and market.

11 What then, you ask, do I suggest as the way out of our present difficulties. Well, far more effectively than closer settlement a freezer would directly and indirectly absorb labour and stimulate production. This is an old story and there is no need to dwell on it though it is not yet sufficiently realised to what an extent a freezer would encourage productive and constructive work of every sort on the farms and put new life and vigour into the industry.

Whether it consists of fifty or five hundred farms the position of the colony will always be precarious so long as wool is the only export and no other question approaches in urgency and importance this matter of finding a profitable market for the meat we annually waste.

Provided you can produce sufficient carcasses to feed it. Mr Dean puts the available total at 16,000. Mr Blake at 30,000; neither figure was. want a freezer.

I have not attempted in this letter any just estimate of the advantages of your proposal, I am concerned only to indicate the dangers which it involves and to urge that if such a policy is to be adopted it should be pursued at first with caution and on a scale as in the event of failure may not damage beyond repair the finances of the colony. If on such a scale it fails to produce the result expected i.e. the economic improvement of the land, it can hardly be claimed that on a greater scale it would have succeeded.

To return to the labour question. Since the life proves satisfactory for married men farmers should be urged to increase the married accomodation in the camp. There must be several farms-this is one- where more might have been provided in the past and where it could be done with benefit now. And how can the life be made less unattractive to the single man? This demands study, the answer lies far deeper than in a mere increase of wages.

But though something can doubtless be done and must be done to provide employment in the camp for all willing and able to work there, we have to recognise that never again is the colony likely to be free of a so called unemployment problem and a discontented, parasitic element in Stanley. The reason is crystal clear; there is only one occupation, for which in the nature of things a portion of the people will always be unfitted. In closer settlement lies no solution for that trouble, rather will it be aggravated by every increase in population. The cure is in the development of alternative occupations, or in the surgical knife of assisted emigration.

I do apologise for the intolerable length of this letter, but your own raised such important issues that I felt it called for as full an answer as I could give.

Yours very sincerely,

Norman Keith Cameron

12.
V. sensible,

Better cook. houses in
our answer.

B.A.K.C. may pw.
use a solution.

Comments on (22) by Mr. Lewis.
Language (1) appears in brackets
on Mr. Lewis's page in (22).

At the present time certain types of camp are overstocked, while other types proportionally greater in area are very much understocked.

(1) It is obvious that this state of affairs has existed since the beginning of sheep grazing in the Colony. The proper use of the land is the only solution to the problem of the inevitable decline in sheep numbers. It has been proved that the proper control and utilisation of the indigenous herbage (with which the Colony is particularly well endowed) is not feasible, while a few people monopolize the land, which is held by them in areas quite unmanageable in size.

(2) I do not believe it is intended that any section of the farming community (whether absentee or resident) should be held responsible for the present state of affairs. It is the system of farming that is wrong and this will have to be altered before any real progress can be envisaged :-

(3) This is quite unthinkable. Given an opportunity, there is ample room for the development of a thriving community in the Colony, which after all enjoys a climate healthy to man and beast alike, and the soil is capable of being farmed to a much greater advantage.

(4) When Colonisation takes place in the true sense of the word, sheep farming for the production of wool alone, will not be the only industry, and nowhere will there be found a superfluous collection of able bodied men and women.

(5) As surely as night follows day, roads and communications, better educational facilities, freezing works etc. will follow in the wake of closer settlement, just as they have done in

other/

other countries.

(5)

Roads are not
an economic
proposition.

It will be possible in this Colony to keep the expenditure on roads down to an absolute minimum, as for many years to come much of the land is capable of being opened up for settlement, with frontages to the many excellent, and at present unused bays and harbours, which exist at such convenient intervals along the coast line.

Smaller holdings will mean more intensive farming and a greater production of wool, meat, milk, butter, cheese, eggs, bacon, vegetables small fruits etc.

Unanswerable - Mr Dean
told me that the proper
average of sheep to
shepherd is 5000 -
quite fantastic!

Closer supervision which invariably takes place on a smaller holding will eliminate very largely if not entirely the present heavy death rate in sheep. Some of the more enterprising small farmers would undoubtedly take up seriously the breeding of pure-bred sheep, beef and dairy cattle, pigs and poultry, all of which would for a considerable time at anyrate, find a ready sale within the Colony and eventually a lucrative export trade would be developed.

Market?

(6)

might

If the managers of large flocks have been more willing than the so called small scale wool growers to improve their flocks, this has not borne fruit to any marked extent, if at all.

How many of the large farms maintain a pure bred stud flock ?

You have only to
look at the flocks!!
F.I.C. have recently impaled
some good Romney's.

It is the duty of the Government to adopt suitable measures to prevent further deterioration of the farm lands of the Colony, and the policy of the Agricultural Department would be planned on modern scientific lines with a view to the prevention of animal diseases, deliberate overstocking etc., and not the least important of its functions would be the giving of sound instruction in the arts of Animal Husbandry and Pasture Management etc.

(7)

In other countries a suitably constituted Land Board is set/

(8) set up to deal with the question of land settlement, in conjunction with the Government, and presumably the same thing will be done here.

Stanley may not be the only town and the necessary officials will be stationed where required.

The admission that experienced men are to be found on the farms is noted with satisfaction.

(9) Their selection will of course be a matter for the Land Board. Eventually there will be room for many more settlers than will be available within the Colony and these will be obtained from overseas, along with the additional farm labour which may be required. Probably it will be admitted that the importation of a certain amount of new blood will react in a beneficial way. My experience is that the successful small farmer employs necessary labour quite as readily as the Rancher and frequently pays better wages.

(10) There is no doubt at all in my mind that the Falkland Islands can be developed along the same successful lines as the provinces of Otago and Southland situated in the Southern part of the South Island of New Zealand. These provinces in spite of comparatively adverse climatic conditions, are well to the fore in the production of wool, fat lamb and dairy produce, since the former system of Ranching has given way to closer settlement with its more intensive farming methods.

*But they have
markets at their
door.*

(11)
of course not.

While the establishment of a freezer would play a prominent part in the successful development of any comprehensive closer settlement plan, it is submitted that a freezer alone would not solve the problems with which we are faced today.

Every care will be taken to safeguard and improve the finances of the Colony and the present land-owners, who after

all/

(12) all, will still have large holdings will be given an opportunity to assist in this direction.

Reference to the third last paragraph, it is submitted; with the advent of closer settlement the Camp will offer more employment and will become a more attractive place in every conceivable way, and it will cease to be a huge waste of country with a few isolated and lonely settlements.

From H. E.

179/38

(21)

H.C.

Mr. Cameron handed
his reply to me and I
asked the A.A. to make
the notes as attached to
Mr. C's letter

Please submit in
the file ~~with~~ 1/6/39

A

AVERAGES OF SHEEP CARRIED AND WOOL EXPORTED OVER THE QUIN-
QUENNIAL PERIODS ENDING 1943.

<u>Period.</u>	<u>Sheep Carried.</u>	<u>Wool exported. - lbs.</u>	<u>Clip.</u>
1909-1913.	710,260	4,762,498	6.70
1914-1918.	697,117	4,655,309	6.68
1919-1923.	658,904	4,598,455	6.98
1924-1928.	621,964	4,144,451	6.66
1929-1933.	611,918	3,933,555	6.43
1934-1938.	607,780	4,018,431	6.60
1939-1943.	619,397	4,146,980	6.69

The number of sheep depastured in 1943 was 632,452 and the quantity of wool exported was 4,714,600 lbs. = 7.4 clip

29 B

SHEEP CARRIED AND WOOL EXPORTED.

<u>Period.</u>	<u>Sheep Carried.</u>	<u>Wool Exported - lbs.</u>	<u>Clip-l'</u>
1944.	627,779	4,344,800	6.90
1945.	619,449	4,071,400	6.57
1946.	No returns	-	-
1946 (32 A)	611,723	4,940,775	8.07

No.

(It is requested that, in any reference to this minute, the above Number and the date may be quoted).

MINUTE.

19th. December, 19 46.

From The Officer-in-Charge,
Dept. of Agriculture,
Stanley, Falkland Islands.

To The Honourable,
The Colonial Secretary,
Stanley.

With reference to our telephone conversation of this morning,
I have attached the additional sheep and wool figures as requested.

H. R. Owen
Officer-in-Charge.

32 A

SHEEP CARRIED AND WOOL EXPORTED 1946.

<u>Period.</u>	<u>Sheep carried.</u>	<u>Wool exported - lbs.</u>	<u>Clip - lbs.</u>
1946.	611,723.	4,940,775.	8.07