

C.S.

SECRET.

19 39.

No.

5/29/39

97

Secretary of State.

SUBJECT.

June 1940

19 39.

30th August.

DEFENCE (FINANCE) REGULATIONS.

Previous Paper.

Exchange Control.

PART - II.

MINUTES.

1. Telegram from S. of S. no. 78 Circ. of 1/6/40.
2. S. of S. Telegram Circ. Unnumbered (1) of 13/6/40.
3. 6 " " " 2 " 14/6/40
4. 8 " " " 4 " 14.6.40.
5. " " " 3 " "

K. & V.

Treas.
 b. y. c. & n. a. When you have digested all this,
 please see me.
 19/6/40

10. S. of S. Telegram Circ. of 24/6/40.
11. " " " (2) of 25/6/40
12. " " " (3) of 25/6/40.
13. " " " no. 119 of 26/6/40.

Subsequent Paper.

Howard
 I have seen you with
 this paper.
 19/7/40

S. of. Telegram Circulars of 9 July. 1940.

14.

Treas. Ph. note (14)
A. 9/11/40

Hans
Noted.

~~ewap~~
11/7/40

S. of. S. Circ (2) despatch of 3/4/40.

15-16.

Treas. 6. 7. 2.
A. 18/11/40

Hans C.

Seen. Thank you.

~~ewap~~
18/viii/40

S. of. Circ. Telegram no. 142 of 17/7/40. 17.

" " " numbered 17/7/40. 18

Treas. 6. 7. 2.
A. 20/11/40

Hans.
Noted.

~~ewap~~
20/viii/40

S. of. Telegram numbered Conf. of 23/7/40. 19.

Treas. 6. 7. 2.
A. 25/11/40

Hans C.

Seen. Thank you

~~ewap~~
25/viii/40

21. S of S. Arc. Telegram No. 149 of 27/7/40.
22. " " " Unnumbered " 27/7/40.
23-25. " " despatch of 21/5/40
26. S of S. Arc. Telegram No. 149 of 27/7/40.

Please see para 6 & 7 of (24). So far as I am aware our A. purchases are made in Uruguayan currency or sterling - & ∴ the question does not arise. X

19/11/40

Star. CS

Dear. Thank you.

~~ever~~ 7/20/1940

26. 5th telegram, no. 164 of 19/8/40
27. " " " 166 of 20/8/40.
U F

Y.E.

In reference to our conversation this morning I attach copies of the Gazette, Aug 26 & Oct 2, 1939.

The Emergency Powers (Defence) Act authorizes you by Order in Council Sec 4 thereof in First Schedule para (a) to to sub 1. that "His Majesty in Council" - page 116 Aug 26. 1914

It is quite clear in its meaning a "for
not "forum-in-Council" is specifically the

Under Sec 1 (1) of the Act above-
you may make regulations - p. 118 same Gze

Resolution thereunder was made by
you concerning finance - p. 178 Oct 2 '39 G.

Sec 3 of those regulations of which the attached draft "A" is an amendment begins with the words "Subject to exemption by order of the C in execution of this power of exemp. draft order "B" is attached, see exemption order on p. 179 Oct 2.1

The letter
also Public Notice in Regt is "C"

[Signature] 21/8/40

Thank you.

I have altered the Regulation in order
to conform with the wording of the principal
Regulations i.e. 3(1) therein — and the Order
to cite the amendment

~~ttttt~~ 21/8

- | | |
|--|------|
| Letter from Manager, C.L.N. of 21. 8. 40. | (29) |
| Government Notice No 88 of 23. 8. 40. | (30) |
| Defence (Finance) Amendment Regulations, 1940. | 31. |
| Order by H.E. the Governor of 21. 8. 40. | 32. |
| S. of S. telegram, No. 163 of 21/8/40. | 33. |
| Telegram No. 87 of 23. 8. 40 - to S. of S. | 34. |
| S. of S. telegram, No. 86 of 26/8/40. | 35. |
| Order by H.E. the Governor in Council 27/8/40. | 36. |
| Govt. Notice No. 89 of 27/8/40. | 37. |
| Telegram No 89 to S. of S. of 28. 8. 40. | 38. |
| S. of S. telegram Circ. No. 174 of 27/8/40. | 39. |

[Signature] 30 for your signature, please
[Signature] 30/8/40

[Signature] 30/8/40
[Signature] 25/9/40

[Signature] 26/11/40

C.S.O. No. 5/29/39

Inside Minute Paper.

Sheet No. 2

- 40-42. Correspondence from British Legation, Montevideo ~3/8/40
43. S. of S. Telegram Circ. No. 176 of 3/9/40.
44. Telegram No. 89 from S. of S. of 5/9/40.
45. " " 93 " " 9/9/40.
46-47. S. of S. Circ. Note of 6 June 1940.
Hon. S. S.

to see
C. S. S.
for U.
9/9/40.

Stanes
Seen Shankar
every day
9/9/40

48. S. of S. Telegram, No. 185 of 12/9/40.
49. Telegram No 96 to S. of S. of 16/9/40.
50-53. Telegram from Admiralty, 13/9/40
54-55. " " " 13/9/40. 2h
56-59. Minute to Registrar General of 23. 9. 40.
60. Unnumbered Circ. Telegram from S. of S. of 18/9/40.
61. Circ. Telegram No. 188 from S. of S. of 19. 9. 40.
62. " Unnumbered " " " 20. 9. 40.
63. Despatch No. 111 to S. of S. of 23. 9. 40.
Y.E. For your signature please 26/9/40

26/9/40

- 64-67. Copy of letter received by Mr. G. G. Rowe from Wingman

Secretaries (Restrictions + Returns) (Amendment) Regulations, 1940, of 4/10/40. 68.
S. of S. Circular Telegram No. 195 of 5/10/40. 69.
Unnumbered of 4/10/40. 70.

S.M.C. (70) 6.4.40 - it probably affects your policy's premium.
+ perhaps you would wish to see me. Any time you
like. *AS* 8/11/40

4.65 Yes, please,

As I read this instruction it does not
forbid foreign insurance companies to receive
premiums at their U.K. branch, it merely
prevents the branch remitting to head office -
which is understandable

S. of S. Circular unnumbered Telegram of 8/10/40. 71

Press Cuttings from "The Times" of 22.8.40. 72.

Circular Telegram No. 210 from S. of S. of 28/10/40. (73.)

S. of S. Telegram Circ. No. 220 of 12/11/40. 74

AS 15/11/40

Hares

noted

AS 15/11/40

Circular Saving Telegram of 19/8/40 from S. of S. (75.)

Telegram, Circular No. 223 from S. of S. of 16/11/40. (76.)

AS 21/11/40

Hares

noted

AS 21/11/40

Circular Telegram No. 224 from S. of S. of 20/11/40. 77-78.

Tues. To note *AS* 22/11/40

Hares

noted
AS 24/11/40

pk.

- 79-82 Letter from Estate L. Williams of 5/12/40.
 83 Tel. S. G. S. to H. E. 29/XI/40
 84 " " " " 4/XII/40
 85 " " " " 8/XII/40
 86 " " " " do.
 87-91 Copy of letter from Est. Wm. G. Hambro 6/XII/40
 Treas.

To note (83) - (91) *AD* 10/XII/40

Notes
 notes.

92. Telegram No. 253 from S. of S. of 29. 12. 40.
 I. Tax Comm.

You will have the information on which to base a reply to (92). Please give pertinent figures.

AD 31/XII/40

- 93-96. Circular telegram saving from S. of S. of 23. 10. 40.
 97. " " " " 1/11/40.
 98. " " " " 7/11/40.
 99. " " " " 14/11/40.
 100. " from S. of S. No. 3 of 31. 1. 41.

Don C.

From the information and data at my disposal it seems that there are no companies registered here which fall within the category described in para 9 of Red 83.

(3) It would appear, therefore, that the answer to Red 92 is negative.

AD 7/1/41

101. Telegram No. 4 to S. of S. of 8/1/41.

5. Telegram No. 5 of 6/1/41.

102.

Free:

You & I can do this (102) together to-morrow
a.m. - but we cannot send by air mail - we
can telegraph, however.

[Signature] 8/1/41

Sup. Circular Despatch of 7/9/40 103-104.

Hon. Sec.

Statement of Terms approved
over the period 1/1/40-31/12/40 put up
herewith. please.

103.

[Signature] 27/1/41

Despatch No. 10 to S. of S. of 27.1.41.

104-105.

Telegram No. 14 from S. of S. of 24.1.41.

106.

Y.E.

For your signature please.

[Signature] 28/1/41

Am. Sec.

to note.

Stores

Notes

[Signature] 28/1/41

[Signature] 28/1/41

Telegram from S. of S. of 29/1/41.

107.

Am. Sec.

to note Red (107)

[Signature] 31/1/41

Stores. Notes

[Signature] 31/1/41

5. of S. Telegram No. 25 of 7/2/41.

108.

" " " 9 Circ. Mem. 7/2/41

109.

" " " 22 " 8/2/41

110.

Hon. S.S.
to note Res 108 - 110.

C. M.
H. J.
10/2/41

Hanes
noted
C. M.
H. J.
10/2/41

Hanes
Analysis of Form E.
approved for during Jan 1941
forwarded herewith, please.
C. M.
H. J.
10/2/41

- (111.)
(112.) Telegram from Magistrate, South Georgia of 13/2/41.
113.-114. Despatch No. 16. to S. of S. of 14/2/41.

Y/E.

Despatch submitted for signature.



C. M.
H. J.
14/2/41

115. Securities (Restrictions and Returns) (Amendment)
Regulations, 1941.
116. Circular Telegram No. 42 from S. of S. of 27/2/41.

Hon. S.S.

to note Res 116

Hanes
noted
C. M.
H. J.
28/2/41

Telegram No. 52. from S. of S. of 6/3/41. 117.

to note.

C. J. P. S.
7/3/41.

Notes noted:

C. J. P. S.
9/3/41

Circular telegram No. 64 from S. of S. 14. 3. 41. 118.

Mon. S. S.

to note.

C. J. P. S.
15/3/41.

Notes

noted
C. J. P. S.
17/3/41

Y/E. Draft Regulations and Govt. Notice submitted for approval.

2. There is an error in the Defence (Finance) Amendment Regulations, 1940, (Red 58) so opportunity has been taken to correct it in the draft and resubmit the original Regs.

C. J. P. S.
29/3/41.

Defence (Finance) (Amendment) Regulations, 1941.
Government Notice No. 44 of 31. 3. 41.

119.

120.

Y/E. Regs. forwarded and submitted for signature.

C. J. P. S.
31/3/41.

121. Circular Telegram No. 76 from S. of S. of 1/4/41.

Hon. S.S.

to note 119-121.

C. J. P. S.
5/4/41.

Hanes

noted
C. J. P. S.
5/4/41

122-123. Minute to Registrar-General of 25/4/41.

124. Despatch No. 28 to S. of S. of 25/4/41.

T/E.

Despatch and order submitted for
signature.

C. J. P. S.
26/4/41.

125. Circular Telegram No. 101 from S. of S. of 20/4/41.

Hon. S.S.

to note.

C. J. P. S.
28/4/41

Hanes

noted
C. J. P. S.
28/4/41

126-131. Despatch No. 22 from S. of S. of 25/2/41.

O/C S.

Please show O/C T. (126) + ask him
to laugh!

2/4/41

Hon. S.S.

to see Red. 126 and laugh please?
C. J. P. S.
2/4/41

Hon. C.S. Recd 176 & relative correspondence
noted thank you. Most satisfactory in
every aspect. It is certainly most
whikarating.

C.S. J. S.
5/5/41

Circular Telegram No. 116 from S. of S. of 5/5/41. 132.

Hon. J.S.

Hon. C.S.

to note.

Noted.

C.S. J. S.
8/5/41

C.S. J. S.
8/5/41

Circular Telegram No. 129 from S. of S. of 17/5/41. 133.

Hon. J.S.

to note' & necessary action also for analysis
of S. forms for February - April.

C.S. J. S.
22/5/41

Hon. C.S.

Action will be taken accordingly.

Returns of Form F will be rendered as
soon as a comparative table, which is
now being negotiated with the S. & Co is
completed. This should be within the next few
days

C.S. J. S.
28/5/41

S. of S. telegram Circ. No. 1226 of 3/6/41.

134.

to Hon. J.S.

C.S. J. S.
6/6/41

Hon CS
Submitted with reference
to Res 134.

This Colony has no direct
drawings in Topleas exchange - the
Returns asked for would normally
be "1812"

copy
6/6/41

Y/E Draft telegram submitted
A: *noted*
6/6/41

135. Telegram No. 71 to Secretary of State of 7/6/41.
136. Telegram No. 72 from S. of S. of 9/6/41.

- 137-138. S. of S. Circular Note of 26. 2. 41.
139. " " Telegram Saving of 20/3/41.

Hon. S. S.

to note.

noted
C. S. *noted*
11/6/41

Hon. S. S.

to note

noted
copy
11/6/41

140. Circular telegram No. 157 from S. of S. of 14/6/41.

Hon. S. S.

to note.

noted
C. S. *noted*
19/6/41

Hon. S. S.

to note

noted
copy
18/6/41

Defence (Finance) (Amendment No. 2) Regs, 1941 of 18/6/41. 141.

Defence (Finance) Regulation submitted.

C. J. H.
18/6/41

"Exceeding 10% in value"
18/6/41

? G. J. H. 140
18/6/41

Circular Telegram No. 162 from S. of S. of 20/6/41. 142-143.

Hon. S. S.

No note.

Ston. C.

Noted

copy of 23/6/41

C. J. H.
23/6/41

Circular No. 177 from S. of S. of 16. 7. 41.

Competent Authority

No note.

C. J. H.
20/7/41

Hon. Sec. Sec.

Noted, thank you.

M. C. J.
21-7-41.

Minute to Registrar-General of 22. 7. 41.

Despatch No. 51 to S. of S. of 22. 7. 41.

145-146.

147.

Circular Telegram No. 190. from S. of S. of 29/7/41. 148.

Circular Telegram No. 191 from S. of S. of 29/7/41. 149.

Government Notice No. 81 of 31/7/41.

150.-151.

Defence (Finance) (Amendment No. 3) Regulations, 1941.

152

Telegram No. 192 Circ. from S. of S. of 31/7/41.

153.

V.F. order submitted for signature.

C. J. H.
31/7/41

Copy notice for 153

31/7/41

Hon. J.S.

to note Red (153.)

C.S.O. 5/8/41

Hon. Sec.

Noted. Thank you.

C.S.O. 5-8-41

154. Circular Telegram Daving of 28. 11. 40.
 155-159. Despatch No. 60 from S. of S. of 9/12/40.
 160-163. Circular Note from S. of S. of 16/4/41.
 164. Circular Telegram Daving of 22/4/41.

Hon. J.S.

to note in particular Red (154.)

C.S.O. 27/8/41

Hon. Sec.

Red (154) Noted. Thank you.

C.S.O.

- 165-170. Despatch from Hon. Financial Secretary of 17/9/41.
 171. Despatch No. 70 to S. of S. of 18. 9. 41.
 172-173. Despatch to Registrar - General of 27. 9. 41.
 174. Despatch No. 74 to S. of S. of 27. 9. 41.

175.

- Unnumbered Circular Telegram from S. of S. of 4/10/41.

Hon. J.S.

For use monthly Return of E.
forms please.

C.S.O. 6/10/41.

Honolulu:

Analysis of E. Forms approved
during September 1941, submitted herewith
in duplicate.

[Signature]

for F.S. 7/10/41.

minute from Hon. Fin. Secretary of 7/10/41. 176-177.

Despatch No. 77 to S. of S. of 7/10/41. 178.

minute from Hon. Financial Secretary of 31/10/41. 179-180.
Office
usual despatch.

[Signature]
C. J. F. L.
for 11/11/41.

Despatch No. 86 to S. of S. of 4/11/41.

181.

S. of S. Circ. despatch of 16/5/41.

182-5.

Y/E.

Returned as directed.

[Signature]
C. J. F. L.
for 11/11/41

Travelling with advice to the
27/11/41

[Signature]

Hon. S.S.

Referred to you.

[Signature]
C. J. F. L.
27/11/41

Circular Telegram No. 287 from S. of S. of 28.11.41.

186.

minute from Hon. Financial Secretary of 1/12/41.

186A-187.

Despatch No. 94 to S. of S. of 3/12/41.

188.

Honolulu:

Res (182/41) noted, no action was taken
to be necessary, for the moment. Res (186) noted.

Recd for F.S. 4/12/41

CLOSED. SEE PART III.

DECODE.

28

TELEGRAM.

From His Excellency the Governor.

To Secretary of State for the Colonies.

Despatched: 21st August, 19 40. Time : ...

Received: 19 ... Time : ...

No. 85. Your telegrams Circular Secret 164 and 166

the necessary order had been made and for the time being
I have thought it advisable to exempt importations from
Uruguay and Chile and H.M. Ships.

GOVERNOR OF THE FALKLAND ISLANDS.

Red 26-27

ESTATE LOUIS WILLIAMS

SUCCESSORS TO CHAS WILLIAMS

Estb'd 1863.

GENERAL MERCHANTSRADIO ADDRESS
"WILLIAMS"CODES USED
BENTLEYS
A.B.C 5TH ED.
A.I.**PORT STANLEY**
FALKLAND ISLANDS.

21st August 1940.

Sir,

In view of the measures being taken by the British Government in regard to British Treasury notes held abroad, we are, from tomorrow, refusing to accept these Treasury notes in payments from customers, and will only accept Falkland Island notes and silver.

However, we venture to foresee that there might be a considerable influx of British Treasury notes from the River Plate, and we would appreciate some official notification being made locally as to such notes - which have previously been circulating in the Colony as the equivalent of local notes.

We are, dear Sir,

Yours faithfully,

p.p. Estate Louis Williams.

The Hon.
The Colonial Secretary
Stanley.

No. 88.

GOVERNMENT NOTICE.

Colonial Secretary's Office,
Stanley, Falkland Islands,
23rd August, 1940.

The importation of English Bank Notes has been prohibited into the United Kingdom from other parts of the sterling area (except Eire); but notes bought within a Colonial Dependency may be imported when forwarded by the Colonial Control, which in the Falkland Islands is the Financial Secretary.

As a result of the foregoing restriction it is hereby notified that it will be an offence against the Defence Regulations of the Falkland Islands to import into the Falkland Islands Bank of England, Scottish and Northern Ireland Bank notes excepting under licence of the Competent Authority (Financial Secretary).

There are however exempted from this order the import into the Falkland Islands of such notes from Uruguay and Chile and by H.M. Ships.

By Command,



Colonial Secretary.

DEFENCE (FINANCE) AMENDMENT REGULATIONS, 1940.

Governor.

Under the authority of the Emergency Powers (Defence) Act, United Kingdom, 1939, the Governor is pleased to make the following regulations :-

1. These Regulations may be cited as the Defence (Finance) Amendment Regulations, 1940.

2. Regulation 3 sub-section (1) of the Defence (Finance) Regulations, 1939, is hereby amended by the addition thereto of the following paragraph :-

- (c) Import into the Colony of Bank of England, Scottish and Northern Ireland Bank Notes, excepting under the licence of the Competent Authority (Financial Secretary).

Dated this 21st day of August, 1940.

By Command



Colonial Secretary.

DEFENCE (FINANCE) REGULATIONS, 1939.

ORDER BY HIS EXCELLENCY THE GOVERNOR.

Governor.

Under the authority of the Defence (Finance) Regulations, 1939, as amended by the Defence (Finance) Amendment Regulations, 1940, His Excellency the Governor is pleased to order the exemption from the provisions of Regulation 3 (1) (c) (importation of Bank of England, Scottish and Northern Ireland Bank Notes) of importations from Uruguay and Chile and by His Majesty's Ships.

Dated this 21st day of August, 1940.

By Command,



Colonial Secretary.

DECODE.

No 433

TELEGRAM.

337

From..... SECRETARY OF STATE.....

To..... H. E. THE GOVERNOR.....

Despatched : 19 Time :
Received : 26th August 19 40 Time : 17.36

IMMEDIATE

No 86.

Red (28) With reference to your telegram No 85 Bank of England Notes. I agree as to importation from His Majesty's Ships. Unless you see any objection (in which case please notify me urgently) you should prohibit the importation of notes from Uruguay and Chile unless they were posted on or before August 27th or are brought into the Colony by a person who has not been in any Territory outside the Sterling Area since August 27th.

G. T. C.

DEFENCE (FINANCE) REGULATIONS, 1939.ORDER BY HIS EXCELLENCY THE GOVERNOR.

H. Heinrich Kalm.

Governor.

1. Under the authority of the Defence (Finance) Regulations, 1939, as amended by the Defence (Finance) Amendment Regulations, 1940, His Excellency the Governor is pleased to order the exemption from the provisions of Regulation 3 (i) (c) (importation of Bank of England, Scottish and Northern Ireland Bank Notes) of importations by His Majesty's Ships and of importations from Uruguay and Chile provided the Bank Notes from Uruguay and Chile were posted on or before the 27th of August, 1940, or are importations brought into the Colony by a person who has not been in any territory outside the sterling area since the 27th of August, 1940.

2. The Order made by the Governor on the 21st of August, 1940, is hereby revoked.

Dated this 27th day of August, 1940.

By Command,

W. A. S. L.

Colonial Secretary.

No. 89.

GOVERNMENT NOTICE.

Colonial Secretary's Office,
Stanley, Falkland Islands,
27th August, 1940.

With reference to Government Notice, No. 88 of the 23rd of August, 1940, it is hereby notified, for general information, that the importation into the Falkland Islands of Bank of England, Scottish and Northern Ireland Bank Notes, from Uruguay and Chile, is prohibited unless they were posted on or before the 27th of August or are brought into the Colony by a person who has not been in any territory outside the sterling area since the 27th of August, 1940.

By Command,

Colonial Secretary.

DECODE.

No 450.

TELEGRAM.

From SECRETARY OF STATE

To H. E. THE GOVERNOR.

Despatched :

19

Time :

Received :

27th August 1940

Time : 20.30

CIRCULAR No 174

- Red (27)
1. My Telegram Circular No 166 which need no longer be regarded as secret. Bank of England Notes.
 2. In this country an exemption order has been made allowing a traveller from any part of the world to bring into the United Kingdom up to £10 a head in notes. There is no necessity for your government to introduce a similar measure but please do so if you think it advisable in view of local circumstances. For your guidance U.K. authorities still permit a traveller to take out of the U.K. £10 in notes without formalities.
 3. You should continue to take notes freely from H.M. Ships.

G.T.C.

DECODE.

72

TELEGRAM.

From..... SECRETARY OF STATE.....

To..... H.E. THE GOVERNOR.....

Despatched :

19

Time :

Received :

5th September 19 40

Time : 16.38

No 89.

With references to your telegram No 60 Circular Import Licences.

I shall be grateful if procedure referred to in my telegram No 53 Circular may now be adopted if not already done.

G. T. C.

DECODE.

45

TELEGRAM.

From ~~Her~~ His Excellency the Governor,

To Secretary of State for the Colonies.

Despatched: 9th September, 19 40. Time: ...

Received: 19 ... Time: ...

No. 93. With reference to your telegram No. 89 this
procedure has been adopted in accordance with my telegram
No. 60 of 25th May.

GOVERNOR.

Red 44 a
Red 194 in
Part I.

STATUTORY RULES AND ORDERS

1940 No. 356

EMERGENCY POWERS (DEFENCE)

Finance

THE SECURITIES (EXEMPTION) ORDER, 1940, DATED MARCH 15, 1940, MADE BY THE TREASURY UNDER REGULATION 5A OF THE DEFENCE (FINANCE) REGULATIONS, 1939.

The Treasury, in pursuance of their power under paragraph 1 of Regulation 5A of the Defence (Finance) Regulations, 1939^(a) (which confers on the Treasury a general power to exempt securities), and of all powers enabling them in that behalf, hereby make the following Order:—

1. There are hereby exempted from the provisions of Regulation 1 of the Defence (Finance) Regulations, 1939, the securities described in the Schedule to this Order.

2. This Order may be cited as the Securities (Exemption) Order, 1940, and shall come into force on the eighteenth day of March, 1940.

Dated this fifteenth day of March, 1940.

Patrick Munro,

W. W. Boulton,

Two of the Lords Commissioners
of His Majesty's Treasury.

SCHEDULE.

Buenos Ayres (Province of), Argentina, 5 per Cent. Sterling Loan of 1908 (Drainage Loan).

Buenos Ayres (Province of), Argentina, 5 per Cent. Consolidation Gold Loan, 1915.

Buenos Ayres (Province of), Argentina, 5 per Cent. External Gold Loan, 1910.

Chile, Republic of, 5 per Cent. Loan of 1896.

Chile, Republic of, 5 per Cent. Loan (1905).

Chile, Republic of, 5 per Cent. Loan of 1909.

Chile, Republic of, 5 per Cent. Loan, 1910.

Chile, Republic of, 5 per Cent. Loan, 1911.

Chile, Republic of, 5 per Cent. Loan, 1911 (Second Series).

Chile, Republic of, 5 per Cent. Annuities—Series A, B and C.

(a) See S.R. & O. 1939 (No. 1620) I, p. 862.

Chile, Republic of, $7\frac{1}{2}$ per Cent. Loan of 1922.
 Chile, Republic of, 6 per Cent. Sterling Loan, 1928.
 Chile, Republic of, 6 per Cent. Sterling Loan, 1929.
 China, Republic of, $4\frac{1}{2}$ per Cent. Gold Loan of 1908.
 China, Republic of, 5 per Cent. Hukuang Railways Sinking Fund Gold Loan, 1911.
 China, Republic of, 5 per Cent. Gold Loan of 1912.
 China, Republic of, 5 per Cent. Reorganisation Gold Loan of 1913 (All Issues).
 China, Republic of, 5 per Cent. Lung-Tsing-U-Hai Railway Loan, 1913.
 Egypt, Kingdom of, Unified Debt (4 per Cent.).
 Egyptian Guaranteed 3 per Cent. Loan.
 Turkish Government 4 per Cent. Loan, 1891 (Egyptian Tribute).
 Turkish Government $3\frac{1}{2}$ per Cent. Conversion Loan, 1894 (Egyptian Tribute).
 Credit Foncier Egyptien 3 per Cent. Land Mortgage Obligations.
 Credit Foncier Egyptien 3 per Cent. Obligations.
 Credit Foncier Egyptien $3\frac{1}{2}$ per Cent. Obligations.
 Greece, Kingdom of, 5 per Cent. Loan of 1881.
 Greece, Kingdom of, 4 per Cent. Monopoly Loan, 1887.
 Greece, Kingdom of, 5 per Cent. Loan of 1884.
 Greece, Kingdom of, 4 per Cent. Rentes, 1889.
 Greece, Kingdom of, 5 per Cent. Loan of 1890 (Piraeus-Larissa Railway).
 Greece, Kingdom of, 5 per Cent. Funding Loan of 1893.
 Greece, Kingdom of, 4 per Cent. Loan of 1902 (Greek Railways Loan).
 Greece, Kingdom of, 5 per Cent. National Loan of 1907.
 Greece, Kingdom of, 4 per Cent. Loan of 1910.
 Greece, Kingdom of, 5 per Cent. Loan of 1914.
 Mexico, United States of, Internal 5 per Cent. Consolidated Silver Loan of 1894.
 Mexico, United States of, 5 per Cent. External Consolidated Gold Loan of 1899.
 Mexico, United States of, 4 per Cent. Gold Bonds of 1904.
 Mexico, United States of, 4 per Cent. External Gold Loan of 1910.
 Mexico, United States of, 6 per Cent. 10-year Treasury Bonds of 1913, Series "A."
 Roumania, Kingdom of, 4 per Cent. Consolidation Loan of 1922.
 Roumania, Kingdom of, 4 per Cent. External Loan of 1922.
 Roumania, Kingdom of, Monopolies Institute 7 per Cent. Guaranteed Sterling Bonds.
 Roumania, Kingdom of, $4\frac{1}{2}$ per Cent. Loan of 1913.
 Kieff (City of) Russia 5 per Cent. Gold Loan of 1914.
 Kieff (City of) Russia Municipal Electric Tramway 5 per Cent. Loan of 1914.
 Perm (City of) Russia 5 per Cent. Loan of 1914.
 Moscow (City of) Russia $4\frac{1}{2}$ per Cent. of 1912.

Nikolaef (City of) Russia 5 per Cent. Gold Bonds of 1912.
 St. Petersburg (City of) Russia $4\frac{1}{2}$ per Cent. Loan of 1913.
 Russia 5 per Cent. Loan (1822).
 3 per Cent. Loan of 1859.
 4 per Cent. Rentes, 1894.
 $3\frac{1}{2}$ per Cent. Gold Loan of 1894.
 5 per Cent. Loan, 1906.
 $4\frac{1}{2}$ per Cent. Loan, 1909.
 Consolidated 4 per Cent. Railroad Bonds (Series I).
 Consolidated 4 per Cent. Railroad Bonds (Series II).
 Consolidated 4 per Cent. Railroad Bonds (Series III).
 Dvinsk-Vitebsk Railway 4 per Cent. Bonds.
 Grand Russian Railway 4 per Cent. Bonds (Nicolas Railway), 1888.
 Kursk-Kharkof-Azof Railway 4 per Cent. Bonds, Series "A."
 Nicolas Railway 4 per Cent. Bonds (1st and 2nd Emissions), 1867 and 1869.
 Trans-Caucasian Railway 3 per Cent. Loan.

STATUTORY RULES AND ORDERS

1940 No. 356

EMERGENCY POWERS (DEFENCE)

Finance

THE SECURITIES (EXEMPTION) ORDER, 1940, DATED MARCH 15,
1940, MADE BY THE TREASURY UNDER REGULATION 5A OF
THE DEFENCE (FINANCE) REGULATIONS, 1939.

LONDON

PRINTED AND PUBLISHED BY HIS MAJESTY'S STATIONERY OFFICE

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1940

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Originators Instructions:
(Indication of Priority,
AIDAC, NOTWT
For Exercise).

INTERCEPT GROUP.

TO:

FROM: Admiralty.

A.I.G. 398A.

Reference my 1919/13. The prohibition import Bank Of England notes i

into Great Britain has made these notes worthless outside Sterling Area.

(2) In future Banks outside this area will be unable to

meet ships requirements of Sterling Notes. As these notes will be no

longer taken ashore, ships requirements will presumably be reduced, but

if amounts already available are insufficient for internal ships purposes,

C.in.C.'s are requested to report immediately to Director of Navy Accounts

after consultation where necessary with cashiers or Treasury Chest Officers

the number and denomination of notes required.

/Page 2. / (3).....

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INTERCEPT GROUP.

TO:

ALL CONCERNED AT HOME AND ABROAD.

FROM:

ADMIRALTY.

A.I.G. 37

597A

The enemies occupation of various European countries has enabled him to gain control of considerable quantities of Bank of England Notes of all denominations which it is essential prevent him from using to his advantage. He will certainly try to do this by selling these notes cheaply in Foreign and Empire countries to persons returning to Great Britain where their value would be much higher. The following regulations are made to prevent this:-

(1) Bank of England notes are not to be taken ashore except at Malta and Gibraltar. In foreign countries they will in fact be almost worthless.

(2) Local currency for expending on shore in both foreign and Empire countries is only to be obtained from Paymasters. This applies to cash expended for all purposes ashore, including those by canteen managers, messmen etc.

...../ Page 2 (Para.3).....

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(52)

Originators Instructions:
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INTERCEPT GROUP.

TO:

FROM:

-2-

..... (3) Accountant Officers should obtain requisite supplies of
local currency by Navy Bill.

(4) Bank of England Notes are on NO account to be purchased ashore
or in any way to be accepted ashore. Such purchases or acceptances
would be of real assistance to the enemy.

(5) Local currency may be changed back into Sterling by the
Paymaster.

(6) Superfluous currency accumulated by Paymasters in this way
may be transferred to other ships requiring it or deposited in the
course with suitable cashiers or Base Accountant Officers. Care should
be taken to avoid accumulating large amounts.

(7) On return of a ship to Great Britain, Gibraltar or Malta,
Officers and men will be only permitted to land such Bank Notes as
have been received in Pay or otherwise properly acquired on board.

At first payment on arrival home from abroad each Officer and

/man.....

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(51)

Originators Instructions:
(Indication of Priority,
AIDAC, NOTWT
For Exercise).

INTERCEPT GROUP.

TO:

FROM:

-3-

..... man is to be given by Paymaster a certificate stating the amount of Bank of England Notes in his possession and that this does not exceed the sum he has received in Pay or from other untainted sources. Any notes not so certified will be liable to be treated by Customs as Contraband and confiscated.

(8). Canteen Managers, Officers Messes etc. will also require a similar certificate. Any considerable amount held by canteen managers should already have been remitted home to H.A.A.F.I..

(9). Careful scrutiny will have to be made throughout commission abroad of all remittances and P.O.S.B. deposits to safeguard against disposal of tainted notes through these channels.

(10) Naval and Civil personnel returning from Stations abroad either in H.M. Ships or by freight are to be provided before embarkation by Accountant Officer or by Cashier with a certificate of holding of Notes. This certificate will be endorsed by Paymaster or Purser to authorise/import.....

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(50)

Originators Instructions:
(Indication of Priority,
AIDAC, NOTWT
For Exercise).

INTERCEPT GROUP.

TO:

FROM:

- 4 -

.... impart of notes on arrival home. Commanding Officers are requested to bring these arrangements to notice of all Officers and Men, and where necessary take a verbal explanation that minor inconveniences imposed by these measures must be accepted to help to win the war. These measures are not confined to Naval Forces but are being enforced in all Services, including civilian passengers, on National basis. A further message follows on the supply of Bank of England Notes.

1919/15.



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after consultation where necessary with cashiers or Treasury Chest Officers

the number and denomination of notes required.

/Page 2. / (3).....

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(Indication of Priority,
AIDAC, NOTWT
For Exercise).

INTERCEPT GROUP.

TO:

FROM:

-3-

.. (3) Reports should indicate consignees of Notes, ~~required~~ who should not be a banker. Notes will then be shipped as necessary and no attempt should be made to meet requirements of sterling Notes from local Banks.

(4) In Empire countries however, requirements of Sterling Notes obtained should until further notice be ~~established~~ from Banks, although it is expected in certain places stocks will be insufficient.

1920/13.

RECEIVED NAVAL BASE
16 SEP 1940
FALKLANDS

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or Coder.

Time of Receipt in
Cypher or Coding
Office.

Date.

DECODE.

320

TELEGRAM.

From..... SECRETARY OF STATE.....

To..... H.E. THE GOVERNOR.....

Despatched :

19

Time :

Received :

September 18th

19 40

Time : 16.50

UNNUMBERED CIRCULAR.

Special Accounts and Sterling Area Accounts procedure
came into force with Uruguay as from September 16th.

G.T.C.

DECODE.

No 348

TELEGRAM.

From SECRETARY OF STATE

To H. E. THE GOVERNOR

Despatched :

19

Time :

Received :

19th September

19 40

Time : 19.55

CIRCULAR No 188

Lists of specified currencies for the purpose of Defence Finance Regulations has now been revised and include the following:-

Argentine pesos.
~~Belgium Congo francs.~~ See Red (110)
Canadian dollars.
Portuguese escudos.
Netherlands East Indies guilders.
Netherlands West Indies guilders.
Newfoundland dollars.
Panamaian dollars.
Philippine pesos.
Swedish kroner.
Swiss francs.
U.S.A. dollars.

It will be noted that the currencies of Belgium France Holland and Norway are no longer included.

The country whose securities are affected by regulations, dealings in which are subject to commission and which are subject to requisition have also been revised; these countries are now those in which principal, or dividends in, or which carries an option for payments in, the currency of any of the following countries:-

✓ Argentine.
~~Belgium Congo.~~ See Red (110)
✓ Belgium.
✓ Canada.
Netherlands East Indies.
Netherlands West Indies.
✓ France.
✓ Holland.
Newfoundland.
✓ Norway.
Panama.
Philippine Islands.
Portugal.
✓ Sweden.
✓ Switzerland.
U.S.A.

Please amend local regulations accordingly.

G. T. C.

DECODE.

355

TELEGRAM.

From..... SECRETARY OF STATE.....

To..... H. E. THE GOVERNOR.....

Despatched :

19

Time :

Received :

20th September

19 40

Time : 07.15

CIRCULAR UNNUMBERED CONFIDENTIAL.

With reference to my Telegram No 185

Confidential for "Registered" read "Special".

G.T.C.

Red (48)

(34)

GOVERNMENT HOUSE,

STANLEY,

23rd September, 1940.

NZLAND ISLANDS.

No. 111.

My Lord,

With reference to my telegram, No. 89 of the 28th of August, 1940, I have the honour to transmit six copies of regulations made by me under the authority of the Emergency Powers (Defence) Act, 1939, together with six copies of Orders made under the Defence (Finance) Regulations relative to the importation of Bank of England Notes.

I have the honour to be,

My Lord,

Your Lordship's most
obedient humble servant,

(Sd) R. HENRI J. REATON

RIGHT HONOURABLE
LORD LLOYD, G.C.S.I., ETC.,
SECRETARY OF STATE FOR THE COLONIES.

120/38

21. 8. 40.

21. 8. 40.

27. 8. 40.

With

E. G. Rowes

Manager of
Estate Louis Williams.
General Merchants,
Port Stanley, Falkland Is.

Compliments

57.
ADDRESS ALL CORRESPONDENCE
TO THE MANAGER

GENERAL MERCHANTS

RADIO ADDRESS
"WILLIAMS"

CODES USED:
BENTLEYS
A.B.C. 5TH ED.
A. I.

PORT STANLEY
FALKLAND ISLANDS.

28th Sept. 1940.

TRANSLATION, of Circular issued by Bank of the
Republic of Uruguay concerning new Clearing and
Exchange agreement between
British Empire and Uruguay.

Montevideo 13th Sept. 1940.
Circular No. 292

Exchange agreement between Banco de la Rep. O. del Uruguay
and Bank of England, London.

This agreement will come into effect on 16th Sept.
by which all payments for commerce and finance between
Uruguay and the "Sterling Area" will be controlled as
follows:-

What comprises "Sterling Area"

The United Kingdom, any part of the King's Dominions
(except Canada, Newfoundland and Hong Kong), any mandated
territory, any Protectorate or protected state, Egypt,
A-E Sudan and Irak.

Money in which the inter-change will be effected.

All payments between Uruguay and "Sterling Area" must
be exclusively effected in Pounds Sterling, and
through "Special Accounts" opened in Banks in the U.K.

"Special Accounts."

So as to intervene in transactions within this Agreement
the Banks in Uruguay who have authority to operate in
exchange, must first obtain the consent of the Bank of
England to open "Special Accounts" with their correspondents
in London.

Banks in Uruguay must themselves seek authority
from the Bank of England to open "Special Accounts".

Such special accounts will be credited all
payments from "Sterling Area" to Uruguay for current
commercial and financial transactions, and will be debited
all payments made by Uruguay to "Sterling Area" for
imports from "Sterling Area", for other commercial or
financial obligations and any other payment that may count
with prior authority from the Banco de la Rep. O. del Uruguay.

No payments are to be made to "Sterling Area"
excepting through "Special Accounts", and those
"Special Accounts" must not be used to make payments
outside of "Sterling Area".

Transfers between those "Special Accounts"
and/or the account of the Banco del Uruguay will be
freely allowed.

Personal

Uruguayan accounts of the "Sterling Area"

The accounts of this nature which the Bank of England may authorize that residents in Uruguay may keep with Banks in England, may be credited with dividends, wages, rents, insurance premia etc. arising in the "Sterling Area". These accounts may also be credited with transfers of pounds sterling from "Special Accounts". This disposal of such funds may only be used for investments with the "Sterling Area", outside of commercial or financial transactions of inter-change. Funds may also be transferred from personal accounts to "Special Accounts".

No transfers will be allowed between Personal accounts within the "Sterling Area", neither can payments be made from Personal accounts for payments outside the "Sterling Area".

Accounts which are not "Special Accounts"

These accounts may only be used for payments or transfers outside the "Sterling Area". Any pounds sterling credited to them must not proceed from the "Sterling Area".

Purchase of Pounds Sterling of "Agreement".

The Bank of the Rep. of Uruguay will fix daily the rate of exchange for purchase of such pounds sterling.

Such pounds sterling may be purchased either as "cable", "cheque" or "futures". The Banks wishing to make such purchases must, as hitherto, request from the Bank of the Rep. of Uruguay the number for authority of any such purchase.

Cover for all such purchases must be handed as "cable" to the Bank of the Rep. of Uruguay within 24 hours of being liquidated.

Advances of pounds sterling against "futures" contracts of purchase.

Should the Bank of the Rep. of Uruguay consider it necessary, it can exact from Banks authorized to deal in exchange and with "Special Accounts" in London, advances on account of "futures" contracts.

Form for declaring purchases.

All purchases of pounds sterling must be detailed in the forms supplied, signed, sealed and handed in daily to the Office of Exchange Control.

Sales of Pounds Sterling of "Agreement".

These may be sold for the transactions stated in the paragraph headed "Special Accounts".

Transactions of sale of pounds sterling to pay importations must be registered with the Bank of the Rep. of Uruguay.

In regard to any other payments prior authority must be sought from the Bank of Uruguay.

Gold guarantee on purchases of pound sterling "futures"
As the Bank of England will establish a gold guarantee for these operations, it is very necessary that the Banks should draw up correctly the daily schedules of exchange bought, as the gold guarantee will be adjusted to such declarations.

OTHER INSTRUCTIONS.

Liquidation of contracts effected before the signing of this Agreement. -----
On requiring cover from the Bank of the Rep. of Uruguay for the liquidation of purchase or sale of pounds sterling contracted previously to the 16th Sept. 1940, the Banks must declare in writing whether such operations correspond to countries within or without the "Sterling Area".

Family Remittances.

The authorized Banks may make family remittances to "Sterling Area", with a charge to "Special Accounts" up to the equivalent of £20.- per person and per day, and these transactions are to be declared daily in writing in a grand total and separately from other lists. These transfers can only be made by mail.

REMARKS.

Authorized Banks are specially recommended to give particular attention to verify all operations that may be requested under this Agreement, so that they come within its scope and can get prompt despatch.

Banks are also reminded that any remittances to their correspondents for the credit of "Special Accounts" as also all the drawings made against those remittances, they must carefully state that they are to be credited or debited to "Special Accounts".

Some comments published in the press on 12th Sept.

Surpluses will be converted into gold.

After covering payments listed with exchange, should there be a surplus or surpluses these will be converted into gold for any balances exceeding £250,000, for which the middle official price for gold in London will rule (at present 168/6d per ounce or say £ = \$4.02 U.S.), and the official exchange ruling in Uruguay for the Dollar, or say U.S. 1.- = \$1.519 Uruguayan.

Gold stored from this source may only be used for re-sale to the Bank of England and its proceeds will be credited to payments that Uruguay may have to make within the "Sterling Area". On rescinding the "Agreement" any gold surplus will be purchased by the Bank of England at the same prices.

Rates of Exchange.

All payments between "Sterling Area" and Uruguay will be effected at the official rate of exchange and in pounds, in accordance with the equivalent of U.S. 4.02 per pound that is equal in pesos to the official exchange ruling at the present time.

Complementary Note.

It was also agreed that, at the request of the Bank of the Rep. of Uruguay, the British Legation would continue the negotiations already in progress so that it may be possible to operate in free exchange with the British Dominions and other mandated Territories.

Advantages of the Agreement.

These are the principal clauses of the new commercial regime and for payments with England, and that represent considerable betterment over the previous arrangements. Uruguay may now pay with its exports not only the merchandise of genuine British origin but also for raw materials, consumables goods and other lines that, coming from the Dominions -hessian bagging among them- had to be paid for by funds out of the uncontrolled market and at the free rate of exchange which that is more onerous than the official exchange.

~~DRAFT.~~

copy.

SECURITIES (RESTRICTIONS AND RETURNS) (AMENDMENT)
REGULATIONS, 1940.

Governor.

Under the Authority of the Emergency Powers (Defence) Act, United Kingdom, 1939, the Governor is pleased to make the following regulations :-

1. These Regulations may be cited as the Securities (Restrictions and Returns) (Amendment) Regulations, 1940.

2. Regulation No.4 of the Securities (Restrictions and Returns) Regulations, 1940, is hereby amended by the addition thereto of the following countries :-

Belgian Congo
Netherlands East Indies
Netherlands West Indies
Newfoundland
Panama
Philippine Islands
Portugal.

Dated this fourth day of October, 1940.

By Command,

Colonial Secretary.

21
DECODE.

124

TELEGRAM.

From.....SECRETARY OF STATE.....

To.....H.E. THE GOVERNOR.....

Despatched :

19

Time :

Received :

8th October

1940

Time : 14.50

CIRCULAR UNNUMBERED.

Special Accounts and Sterling Area Accounts procedure
comes into force with Bolivia as from October 7th.

G.T.C.

DECODE.

74

TELEGRAM.

From Secretary of State for the Colonies.

To His Excellency the Governor.

Despatched: 12th November, 19 40. *Time:* 1703.

Received: 13th November, 19 40. *Time:* 1000.

Circular telegram No. 220. Special account and Sterling area accounting system will be applied to Chile as from November 11th.

SECRETARY OF STATE.

G.T.C.

ESTATE DOUG WILLIAMS

SUCCESSORS TO CHAS WILLIAMS
ESTD 1863

GENERAL MERCHANTS

RADIO ADDRESS
"WILLIAMS"
CODES USED:
BENTLEYS
A.B.C. 5TH ED.
A.I.

PORT STANLEY
FALKLAND ISLANDS.

5th December 1940.

Sir,

re Argentine ezchange.

\$7774.56 pesos approved 6th June 1940.
Estimated at \$17.05..... £ 456.---
\$4584.22 pesos approved 13th August 1940
Estimated at \$17.-- £ 270.---

With reference to our conversation of yesterday we confirm that our suppliers of Argentine produce have not been paid by our agent in Buenos Aires because the above transfers of Argentine pesos have not been effected from London.

We are threatened consequently ~~with~~ a complete stoppage of supplies of such commodities as:-

Butter.	Cheese.	Maize.
Pollard	Potatoes	&c.

We gather that the £726 which we destined in cover of the \$12.378.78 pesos required is now immobilised in London in "special Account" to our order with the Bank of London & South America Ltd.

The "Special Account" regulations came into force in London on the 14th June 1940 as applicable to Argentine Exchange (vide Bank of England Circular of 13th June 1940 F.E. 63)

No intimation has been received by us, either locally, or from London, or from Buenos Aires, of the Bank of England's regulations applying "Special Account" terms to transactions in Argentine currency until today.

From what we can understand of the "Special Account" regulations they have been devised in order to prevent sterling being taken out of Great Britain (and from the Empire generally) by goods sent from foreign countries. And that in consequence any transactions subject to "Special Account" regulations must be compensated by exports to foreign countries or by funds due to Great Britain for services (dividends etc. due from investments in foreign countries.)

One hundred percent of the exports of the Falkland Islands go direct to England. There is therefore no

From 6 to return

2.

means of compensating imports from Argentina by exports from Falkland Islands to Argentina.

Equally there are no dividends collected in the Falkland Islands from investments held in the Argentine.

In consequence the application of "Special Account" regulations to goods brought from Argentina to the Falkland Islands appears to us to be anomalous.

Furthermore we submit that such regulations should not affect transactions entered into by us long before the "special Account" regulations came into effect in London, and long before we received news here (only yesterday) of the existence of "Special Account" regulations as applicable to Argentine currency.

Now it so happens that some such form of control was foreseen by the writer very soon after the declaration of war, and conversations were held ~~with~~ the previous Colonial Secretary with a view to finding out how purchases of essential commodities from the Argentine could be continued.

The conclusion arrived at was that it would be necessary for the Imperial Government to allocate a proportion of the value of the wool, skins etc. exported from here direct to London to provide exchange in Argentine currency and we venture to commend this point to your careful consideration.

We have no objection to being told that we must not import certain commodities, or that the value of certain commodities must be restricted to certain sums. Up to the present none of our importations have merited the slightest adverse comment from official quarters, and all of our applications for the "approval" of remittances have been granted.

Now we are faced with the extra complication of "Special Account" regulations, undoubtedly a very sound and very necessary form of Exchange Control, but in our opinion inapplicable to this Colony's importations from Argentina because this Colony does not and, moreover, cannot in its turn export products to Argentina.

Presumably we could negotiate our sterling cheques in Buenos Aires, but in that case a low and arbitrary rate of exchange would be applicable - this would mean that the cost of our importations would be increased by anything from 10 to 20%, retail prices would have to be correspondingly increased and then we might expect a re-crudescence of the not entirely dormant local agitation for an increase in wage rates.

We have all along cooperated most loyally in the application of every regulation as and when brought to our notice, and in our dealings with our customers we have taken as our constant guide:-

"ORDER UNDER PART VI of the F.I. DEFENCE REGULATIONS
1939"

3. No increase in current prices will be permitted unless satisfactory evidence is produced shewing that such increase is unavoidable . "

(Issued, Stanley 25th September 1939 C/S 177/939)
not

So much so that/even once have we had to apply to the Competent Authority for permission to increase prices. Such minor increases as have had to be brought in operation by us have only been applied after (sometimes long after) other importers had already petitioned and obtained sanction for increased prices.

The following comparative table will give you an excellent idea on the subject:-

<u>Commodities.</u>	<u>Declared price on 26th Sept. 1939.</u>	<u>Present Price.</u> -----
Flour (English)	26/6d.	27/6d.
Flour (River Plate)	22/6d (7/10/39)	23/6d.
Wholemeal flour	2½d. lb.	2½d. lb.
Sugar	3d. lb.	3½d. lb. (no stock now).
Tea. "Track Tips"	2/9d. lb.	2/11d. lb.
Coffee (Ground) (locally)	1/6d. lb.	1/6d. lb.
do. (Imported ground)	2/- lb.	2/-- lb.
Evaporated Milk "Gloria"	7/6d. dz.	7/6d.dz in whole cases. Otherwise 8/4d.
Fresh Butter	1/6d. lb.	1/10d.
Rice	4d. lb.	4d. lb.
Margarine "Silver Birch"	11d. lb.	1/- lb.
do. in pats	10d. lb.	1/2d. lb. (but controlled price is 1/4d. lb.)

	4.		
		26 Sept.1939	Present Price
Lard (Swift's Hog)		1/1d.	9d.
Cheese Argentine		1/4d. packet	1/8d. pkt.
Maize		13/6d. bag	15/- bag
Pollard (Brown)		7/6d. bag	6/11 bag.
Bacon		1/4d. lb.	1/6d. lb.
Imported 4th Dec.1939			
Petrol		2/4d. gal.	2/4d. gal.

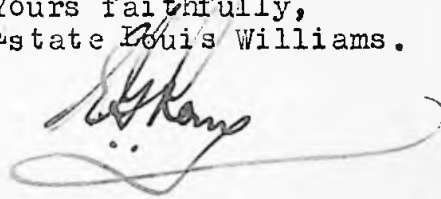
Finally we would refer you to our letter of 27th October 1939, in which we declared, as requested, our estimated requirements of foreign exchange for 12 months. We estimated roughly £8.200

We have certainly not spent £8.200 during the past twelve months in foreign countries, and we shall be pleased to prepare a complete statement if so required.

We also venture to draw your attention to our letter of 27th November 1939, to which we received a favourable reply on 29th November 1939 (S/29/39).

From about that time until today (with the exception of minor hitches) we have had no difficulties in arranging our importations and their payment -- but now we are again faced with a major problem and we count on your kind cooperation to solve it.

Yours faithfully,
p.p. Estate Louis Williams.



The Hon.
The Colonial Secretary
Competent Authority
Stanley.

with Browne's Compliments, to
be returned after perusal
with or without comment.

6 - XII - 1939

To Exchange Control Office
via
Messrs Hambros Bank Ltd.,
41 Bishopsgate,
LONDON, E.C. 2.

6th December, 1940.

Dear Sirs,

Further to our letter of 28th November last we have now to inform you that we received your cable of 3rd inst. reading as follows :-

"Yours twentyeight. Control not allowed Argentine pesos.
"Paid instead fifteenth November Bank London South America
"270 pounds Special Account.(Stop).
"Your duplicate cheque 456 pounds presented and paid
"same Bank eight August".

Your telegram being the very first intimation we have received of the "Special Account" regulations as applicable to Argentine exchange we immediately sought an interview with our Competent Authority.

We spent two hours with him on the 4th inst., and again two hours yesterday. The mass of Circulars dealing with Defence (Finance) Regulations and Bank of England Circulars were scrutinised and thus only on 4th inst., have we been made aware of the contents of those Circulars that seem to govern the Argentine "Special Account" scheme.

The basic Circular seems to be :-

"Notice to Importers No. 2 8th June 1940".

This only deals specifically with Swedish Kroner, but states that notice will be given as and when other currencies are brought into the "Special Account" scheme.

It also states :-

"In the case of certain countries, payment in the currency of the country concerned (purchased from an authorised dealer), will also be permitted".

The inclusion of Argentine "pesos" in the "Special Account" Scheme seems to have been promulgated in :-

"Bank of England (Circular) F.E. 63 dated 13th June, 1940".
The scheme coming into operation on the 14th June, 1940.

We have no idea as to the date upon which this Circular reached the Competent Authority here, but we do know that we have only been made aware of same on 4th inst.

From another Circular (we think it was one addressed to "Exporters") we gather that the whole scheme of "Special Accounts" is primarily devised to make the best British Official rates of Exchange available to Exporters, presumably the same applies to Importers.

Furthermore, although we have not seen this expounded in print, we gather that the whole scheme has been devised to conserve sterling (quite rightly) and to provide that any imports into Great Britain from foreign countries, be compensated for by exports from Great Britain to foreign countries or by monies accruing to British investors for services, such as dividends, insurance premia, etc. In fact money to pay for importations must go into "Special Account", and monies from Exports and services must also go into "Special Account". This is all very well when dealing with countries with which there is reciprocal trade, as between Great Britain proper and Argentina.

But/

*This is to
localize the
scheme - in
reality one
substantive
"sterling area"
- "G.B. Britain"*

But where can the scheme apply to an isolated Colony like the Falkland Islands, which exports 100% of its produce, wool, skins, and hides direct and only to Great Britain?

There are no exports from the Falkland Islands which can be compensated through "Special Accounts" with Argentina.

But we must import direct from Argentina if we are to keep up supplies of essential commodities.

Not absolutely necessary can for a few minor necessities: fresh fruit, potatoes. Etc. These can be substituted locally to a very large extent.

First and foremost it must be understood that suppliers in Argentina are not interested in sending goods to us here. After all the whole volume of trade only amounts to a few thousand pounds per annum. It is we who are interested in obtaining supplies from Argentina as being our nearest and most economical source for many essential lines.

It must be further understood that this Colony produces nothing marketable beyond about £200,000. worth of wool, sheepskins and some cattle hides every lb of same being sent direct to the London market.

The only consumable products produced locally are :-

	Fresh mutton	as to 100%
	Fresh Beef	as to 100%
	Poultry	only roosters and hens as to 100%
<i>Can probably be raised</i>	Eggs	Hen's, about 75% of requirements.
	Wild eggs	Penguins', geese' etc., 100%
<i>not imported anyway</i>	Fresh fish	Very irregular supplies.
	Milk	About 75% of requirements, but could be increased.
	Fuel	Peat could supply 100% of household requirements, but during bad seasons must be supplemented by imported coal
	Fresh Fruit	Less than 5% of requirements.
	Potatoes	About 70% of requirements, but could be increased.
<i>I myself have had these at through the winter</i>	Fresh green Vegetables.	Only available about 6 months of the year.
	Turnips	100%
	Mutton dripping	100%.

Everything else must be imported, from England where possible, otherwise from the River Plate.

To fully round off the exposition we shall take the United Kingdom Authorities' own list of commodities on the export list and offer our comments on each item :-

Category A - exportable from U.K. as to 100%.

Tea	We import direct from Ceylon (via Montevideo)
Coffee	" " " " Brazil " "
Cocoa	" " " " U.K.
Cocoa Preparations	ditto.
Meat, Fresh.	Not required. (i.e. local supplies 100%.)
" frozen	ditto.
" chilled	ditto.
" canned	Best direct from River Plate.
Fruit, fresh.	Only obtainable from River Plate.
" canned.	Best direct from River Plate.
" bottled,	Too expensive.
Vegetables, Fresh.	Local supply lasts 6 months and not convenient to import from anywhere.
" canned.	Best imported from River Plate.
" bottled.	Too expensive.
Fish, salted.	Can do without.
Jams & Marmalades.	Mostly imported direct from U.K. - a small proportion from River Plate
Honey	Very little trade.
Spices	From U.K. always.
Yeast	" "
Meat extracts	Best from River Plate direct.
Cheese	ditto.

No particulars can be made out for Plate imports, - "best" should read "most convenient"

Is this wanted

t, fs

Eggs	Only from River Plate (say 25%)
Egg products	No comment.
Linseed Oil	Have never bought any except from U.K. suppliers, but possibly best obtainable now from River Plate.
Malt	No comment.
Beer	From U.K.
Spirits	ditto
Meal	Cattle foods such as pollards must come from River Plate.
Flour	Best from River Plate.
Cakes & Biscuits	From U.K.
Confectionary	ditto.
Glucose	No trade.
Starch	From U.K.
Cider	No trade.
Wines	Best from River Plate or Chile.

Category B - 75% allowed from U.K.

Margarine and Lard substitutes	So far always obtained from U.K.
--------------------------------	----------------------------------

Category C. 50% allowed from U.K.

Condensed Milk	In our opinion only limited quantities required as local fresh milk production can be expanded.
Meat, salted	Not required.
" pickled	ditto.
Rice	Best obtained from Montevideo.
" flour	From U.K. very little required.
Bacon and Ham	Best obtained from River Plate.
Butter	Can only be imported successfully from River Plate (Argentina only)
Sago	From U.K. very little required.
Tapioca	ditto.

It yes - certainly not from U.K. - But this can be refined

Category D. 40% allowed from U.K.

Fish, canned	Not really essential.
--------------	-----------------------

Category E. 25% allowed from U.K.

Condensed milk (unsweetened)	i.e. "Evaporated"
	Best from U.S.A.

Edible vegetable oils. Not much demand. Have ample stocks, but if necessary best obtainable from River Plate.

Foodstuffs which cannot be supplied at all from U.K.

Lard	Ample supplies of pure hog lard obtainable from Montevideo: very cheap in price, but demand small.
Beef	Ample local supplies (i.e. fresh beef)
Chicory	Not required.
Dates	Not essential.
Fruits, dried	Best obtainable from U.S.A. (California via Montevideo)
Farina	Demand is small.
Pulses	Dried peas and beans can be obtained from Chile (via Montevideo)

Various.

Sugar	Apparently best obtainable from U.K. or other Empire sources.
-------	---

Goods for which both Export and Import Licences are required.

Potatoes	Supplies to supplement local production must be purchased in the River Plate district.
Grain	Must come from River Plate, i.e. Maise, Wheat, Oats, Pollards in fact all such feeding stuffs for cattle and horses, (and domestic fowls).

Edible vegetable oils. See under Category E above.

We have underlined in red ink all the items which must in whole or in part be imported from the River Plate, and which clearly show why we must have Argentine pesos allotted to us, and, to a certain extent, Uruguayan pesos too.

And as we are rigidly complying with the local regulations as to keeping retail prices as stable and as low as possible, we look to the Authorities to do their share of the business in supplying us with the "pesos" at the most favourable rates.

Furthermore as we have had to study and endeavour to understand a mass of Circulars and still remain completely baffled as to how we can arrange our "pesos" requirements through the "Special Account" regulations, we trust that the relative Officials in the Bank of England will in their turn study this exposition and find means of clarifying the position and facilitate the provision of exchange which we need, because so far we have failed to be convinced by our own Competent Authority that the "pesos" will get through to Buenos Aires all right at the \$17. rate.

If a less favourable rate is applicable there can only be one result. Retail prices will go up.

We are, dear Sirs,
Yours faithfully,
p.p. Estate Louis Williams.

(Sgd.) E. G. Rowe.

DECODE.

5/29/39
TELEGRAM.

100

From Secretary of State for the Colonies,

To His Excellency the Governor.

Despatched: 3rd January, 19 41. *Time:* 0038.

Received: 3rd January, 19 41. *Time:*

No. 3.

1. Payment agreement now concluded with Paraguay under which Special Accounts and Sterling Area Accounts procedure came into force as from December 30th.

2. As you know we should normally allow Sterling proceeds of Paraguay's exports to be paid only to a Paraguayan Special Account. Arising from Paraguay's geographical position an exception to this rule has been made until further notice in favour of those firms in Argentina who have hitherto handled as middlemen Uruguayan exports to Sterling Areas; payment for such exports may be made for these Firms by credit to an Argentine Special Account.

SECRETARY OF STATE.

G.T.C.

DECODE.

TELEGRAM.

101

From..... His Excellency the Governor,.....

To..... Secretary of State for the Colonies.

Despatched : 8th Januarym 19 41. Time :

Received : 19..... Time :

No. 4. Your Circular telegram No. 253 of 30th December
no companies described in paragraph 9 of your Circular
telegram No. 233 are functioning in this Colony.

GOVERNOR.

Reds 92 & 83.

Takland Is

Analysis of Forms E Approved
during the period 1/1/40 - 31/12/40

Class I Food &c

Argentina.

1998 .

Chile.

75 .

Uruguay.

834 .

Total Class I \$ 2907 .

Class III Articles wholly or mainly manufactured
Uruguay.

1184 .

Total Class III \$ 1184 .

Class V Unspecified imports &c.
U.S.A.

44 .

Uruguay.

20 .

Total Class V \$ 64 .

Class VI ~~Repairs &c~~ Agency Expenses &c
Chile.

267 .

Total Class VI \$ 267 .

Class VIII Repairs &c
Argentina

476 .

Total Class VI \$ 476 .

Class XI - Personal Travel (Including
medical treatment & maintenance)

Argentina

500 .

Uruguay.

200 .

Total Class XI \$ 700 .

Class XII Misc.

Argentina.

70 .

U.S.A.

13 .

Chile

40 .

Uruguay

93 .

Total Class XII \$ 216

(For Summary under each Country
See summary)

(104)

FALKLAND ISLANDS.

ANALYSIS OF FORMS E APPROVED DURING THE PERIOD
1ST JANUARY TO 31ST DECEMBER, 1940.

Class I. Food, etc.

Argentine

£.	s.	d.
1998.	0.	0.

TOTAL CLASS I	£1998.	0.	0.
---------------	--------	----	----

Class V. Unspecified imports, etc.

U.S.A.

44.	0.	0.
-----	----	----

TOTAL CLASS V.	£ 44.	0.	0.
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Class VIII. Royalties, etc.

Argentine

476.	0.	0.
------	----	----

TOTAL CLASS VIII	476.	0.	0.
------------------	------	----	----

Class XI. Personal Travel (Including
Medical treatment and Maintenance.

Argentine

500.	0.	0.
------	----	----

TOTAL CLASS XI.	£500.	0.	0.
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Class XII. Miscellaneous.

Argentine

70.	0.	0.
-----	----	----

U.S.A.

13.	0.	0.
-----	----	----

TOTAL CLASS XII.	£ 83.	0.	0.
------------------	-------	----	----

Classes II, III, IV, VI, VII, IX and X NIL.

S U M M A R Y.

Argentine

£.	s.	d.
3044.	0.	0.

U.S.A.

57.	0.	0.
-----	----	----

TOTAL	£3101.	0.	0.
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FALKLAND ISLANDS.

No. 10.

GOVERNMENT HOUSE,

STANLEY,

27th January, 1941.

My Lord,

With reference to your telegram, No. 5 of the 6th of January, 1941, I have the honour to transmit an analysis of E forms representing exchange in specified currencies in the territory under my administration for the period 1st January to 31st December, 1940.

2. Arrangements have now been made for statements to be transmitted monthly as directed in paragraph 3 of Mr. Secretary McDonald's Circular (2) despatch of the 3rd of April, 1940, but these cannot from here be sent by air mail as there are no facilities.

I have the honour to be,

My Lord,

Your Lordship's most
obedient, humble servant,

THE RIGHT HONOURABLE

LORD LLOYD, G.C.S.I., ETC.,

SECRETARY OF STATE FOR THE COLONIES.

Faerland Islands

III
(III)

Analysis of Forms 'E' approved
during January 1941

Class I Seage

Argentina	—	Nil	—
Uruguay		67	—
Total Class I		<u>67</u>	—

Class III Articles wholly or mainly manufactured

Argentina	—	—	—
Uruguay		45	—
Total Class III		<u>45</u>	—

Class VIII Royalties &c

Argentina		38	—
Total Class VIII		<u>38</u>	—

Class XI Personal & Medical Expenditure

Uruguay		250	—
Chile		25	—
Total Class XI		<u>275</u>	—

Grand Total

		<u>£ 425</u>	—
--	--	--------------	---

Summary all classes

Argentina	=	£ 38 - 0 - 0
Uruguay	=	£ 362 - 0 - 0
Chile	=	25 - - -

Total

		<u>£ 425</u>	—
--	--	--------------	---

corrected
for 2/5
17/1/41

DECODE.

112

TELEGRAM.

From Magistrate, South Georgia.

To Colonial Secretary.

Despatched : 13th February, 1941. *Time* : 1400.

Received : 13th February, 1941. *Time* : 1430.

No. 12. Could you please inform me what is the rates of exchange in respect of Norwegian Currency.

MAGISTRATE.

G.T.C.

FALKLAND ISLANDS.

ANALYSIS OF FORMS E APPROVED DURING THE PERIOD
1ST TO 31ST OF JANUARY, 1941.

Class VIII. Royalties, etc.

Argentine

£. s. d.

38. 0. 0.

TOTAL CLASS VIII.

£ 38. 0. 0.

Classes I, II, III, IV, V, VI, VII, IX and X NIL.

FALKLAND ISLANDS.

No. 16.

GOVERNMENT HOUSE,

STANLEY.

14th February, 1941.

My Lord,

With reference to paragraph 2 of Sir Herbert Henniker-Heaton's despatch No. 10 of the 27th of January, 1941, I have the honour to transmit an analysis of E forms representing exchange in specified currencies in the territory under my administration for the month of January, 1941.

I have the honour to be,

My Lord,

Your Lordship's most
obedient, humble servant,

(Sgd) A. W. CARDINALL

THE RIGHT HONOURABLE
LORD MOYNE, P.C., D.S.O.,
SECRETARY OF STATE FOR THE COLONIES.

(115)

SECURITIES (RESTRICTIONS AND RETURNS) (AMENDMENT)
REGULATIONS, 1941.

Governor.

Under the authority of the Emergency Powers (Defence) Act, United Kingdom, 1939, the Governor is pleased to make the following regulations :-

1. These Regulations may be cited as the Securities (Restrictions and Returns) (Amendment) Regulations, 1941.
2. Regulation, No. 4 of the Securities (Restrictions and Returns) Regulations, 1940, is hereby amended by the addition thereto of the following countries :-

Netherlands East Indies
Netherlands West Indies
Newfoundland
Panama
Philippine Islands
Portugal.

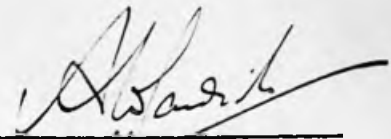
3. The Securities (Restrictions and Returns) (Amendment) Regulations, 1940, are hereby rescinded.

Dated this 18th day of February, 1941.

By Command,

for Colonial Secretary.

DEFENCE (FINANCE) (AMENDMENT) REGULATIONS, 1941.


Governor.

Under the authority of the Emergency Powers (Defence) Act, United Kingdom, 1939, the Governor is pleased to make the following regulations :-

1. These Regulations may be cited as the Defence (Finance) Amendment Regulations, 1941.

2. Regulation 3 sub-section (1) of the Defence (Finance) Regulations, 1939, is hereby amended by the addition thereto of the following paragraphs :-

(c) Import into the Colony any Bank of England, Scottish and Northern Ireland Bank Notes.

(d) Import into the Colony any One Pound (£1) Falkland Islands Currency Note bearing the numbers C.44,001 to C.54,000 inclusive.

3. The Defence (Finance) Amendment Regulations, 1940, are hereby rescinded.

Dated this 29th day of March, 1941.

By Command,



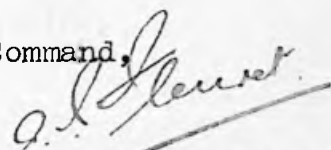
for Colonial Secretary.

Colonial Secretary's Office,
Stanley, Falkland Islands,
31st March, 1941.

The attention of the public is drawn to the Defence (Finance) Amendment Regulations, 1941, issued on the 29th of March, 1941, prohibiting the importation into the Colony of the Falkland Islands of any One pound (£1) Falkland Islands Currency Note bearing the numbers C.44,001 to C.54,000 inclusive.

In September, 1940, an order was placed with the Crown Agents for the Colonies by this Government for 10,000 £1 Currency Notes. While these notes were still in the hands of the Printers awaiting transhipment they were destroyed by fire. It is possible, therefore, that while the fire was being fought some of the finished notes may have been taken by unauthorised persons and may eventually get into circulation and be presented for redemption.

It has been considered advisable to prohibit the importation into the Colony of the notes in the series in question and members of the public are hereby warned that such notes are valueless.

By Command, 
for Colonial Secretary.

122

Defence (Finance) (Amendment) Regulations, 1941.

(Sgd.) A. W. CARDINALL

Governor.

Under the authority of the Emergency Powers (Defence) Act, United Kingdom, 1939, the Governor is pleased to make the following regulations :—

1. These Regulations may be cited as the Defence (Finance) (Amendment) Regulations, 1941.
2. Regulation 3 sub-section (1) of the Defence (Finance) Regulations, 1939, is hereby amended by the addition thereto of the following paragraphs :—
 - (c) Import into the Colony any Bank of England, Scottish and Northern Ireland Bank Notes.
 - (d) Import into the Colony any One Pound (£1) Falkland Islands Currency Note bearing the numbers C.44,001 to C.54,000 inclusive.
3. The Defence (Finance) Amendment Regulations, 1940, are hereby rescinded.

Dated this 29th day of March, 1941.

By Command,

(Sgd.) A. I. Fleuret.

for Colonial Secretary.

No. S/29/39.

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

MINUTE.

25th April, 19 41.

From The Colonial Secretary,

To The Registrar-General,

STANLEY.

Stanley, Falkland Islands.

I am directed to forward herewith, for insertion in the files of the Registrar-General, an authenticated copy of the Defence (Finance) (Amendment) Regulations, 1941.

alt
for Colonial Secretary.

(124)

GOVERNMENT HOUSE,

STANLEY,

25th April, 1941.

FALKLAND ISLANDS.

No. 28.

My Lord,

With reference to your telegram No. 31 of the 16th of March, 1941, I have the honour to forward herewith six copies of the Defence (Finance) (Amendment) Regulations, 1941, made by me on the 29th of March, 1941, under the Emergency Powers (Defence) Act, United Kingdom, 1939.

I have the honour to be,

My Lord,

Your Lordship's most
obedient, humble servant,

THE RIGHT HONOURABLE
LORD MOYNE, P.C., D.S.O.,
SECRETARY OF STATE FOR THE COLONIES.

Red 27 in
T/6/38.

Ref: once:
SR 45

124

The Manager,
Hambros Bank Limited
41, Bishopsgate, E.C.2.

14th February, 41.

Dear Sir,

Estate Louis Williams, Port Stanley

I write with reference to your letter (G/I/M) of the 22nd ultimo, and to say that the Control will be glad if you will explain to your customers that no question arises of the compensation of trade between any one country of the sterling area and the Argentine or Uruguay. The Special Account procedure covers all payments made between any country with which such arrangements are in force and the sterling area as a whole.

Since the introduction of the Special Account procedure the currencies of the Argentine and Uruguay have not been sold to importers in the sterling area, even though goods are invoiced in those currencies; importers resident in the sterling area are required to pay in sterling to a Special Account of the appropriate country and the amount is calculated at the official buying rate of the Argentine (or Uruguay) authorities for such sterling. Merchants in the countries in question who export to the sterling area receive in payment their own currency at the relative official Argentine or Uruguayan buying rate through a bank in their own country.

When it is desired to make a trade payment the sterling area importer must apply to his local Exchange Control authorities (or to the United Kingdom authorities through his bank in the United Kingdom) for permission to transfer sterling to a Special Account of the Argentine or of Uruguay as the case may be.

Sterling area exporters to the two countries named must receive payment in sterling from a Special Account of the country concerned; the importer purchases the sterling through his banker against his own currency at the official selling rate for such sterling. The effects will be collected by a bank in the usual way and sterling will be paid to the sterling area exporter by the debit of a Special Account.

With regard to the penultimate paragraph of the letter from Estate Louis Williams which you enclosed, the Argentine Exchange authorities buy sterling arising from Argentine "regular" exports to the sterling area at 13.50 pesos to the £, and from "non-regular" exports at 17.00 pesos to the £. Certain of the products mentioned in your customers' letter would appear to be "non-regular" for which payment would be made in sterling at the latter rate.

I would add, for your information, that under a recent arrangement financial remittances to the Argentine are at present

P.T.O.

made at an official rate of pesos 16.9575 to the £.

Your customers would appear to have entirely misunderstood the present procedure which should in no way prejudice their business.

Yours faithfully,

Bank of England,
Foreign Exchange Control.

131

Reference to previous correspondence :-

Secretary of State's despatch No.
Governor's

of _____

FALKLAND ISLANDS.

No. 22 ✓

DOWNING STREET,

25th February, 1941.

Sir,

I have the honour to transmit to you, for your information.
copies of the paper noted below on the subject of Estate Louis
Williams, Port Stanley.

I have the honour to be,

Sir,

Your most obedient
humble servant,

MOYNE.

The Officer Administering
the Government.

Name and Date.	Subject.
13th February, 1941.	Aide Memoire.
22nd January, 1941.	From Hambros Bank Limited. (and enclosures)

15545/35 (130)

AIDE MEMOIRE

Falkland Islands

1. Copies of correspondence exchanged between the Bank of England and Hambros Bank Limited regarding their customers Estate Louis Williams, Port Stanley, are attached.
2. It is hoped that if the Falkland Islands Control are not clear on any aspect of Special Account procedure they will refer home.

13th February, 1941.

COPY

HAMBROS BANK LIMITED,
41, Bishopsgate,
London, E.C.2.

G/L/MM

22nd January, 1941.

Bank of England,
Exchange Control,
E.C.

Dear Sirs,

We beg to enclose herewith copy of a letter dated 6th December, 1940, received by us from Estate Louis Williams, Port Stanley, and should be obliged if the Control would give the matter their kind consideration, favouring us in due course with any comments they may be willing to make in regard thereto.

Thanking you in anticipation,

We remain, Dear Sirs,
Yours faithfully,

For and on behalf of

HAMBROS BANK LIMITED

(Sd.)

Enc.

COPY

128

ESTATE LOUIS WILLIAMS,
Port Stanley,
Falkland Islands.

Copy for
Hambros Bank.

6th December, 1940.

To Exchange Control Office,
via
Messrs. Hambros Bank Ltd.,
41, Bishopsgate,
London, E.C.2.

Dear Sirs,

Further to our letter of 28th November last we have now to inform you that we received your cable of 3rd inst. reading as follows:-

"Yours twentyeighth. Control not allowed Argentine pesos. Paid instead fifteenth November Bank London South America 270 pounds Special Account. (stop).

Your duplicate cheque 456 pounds presented and paid same Bank eighth August."

Your telegram being the very first intimation we have received of the "Special Account" regulations as applicable to Argentine exchange we immediately sought an interview with our Competent Authority.

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"Bank of England (Circular) F.E.63 dated 13th June 1940"

The scheme coming into operation on the 14th June 1940.

We have no idea as to the date upon which this Circular reached the Competent Authority here, but we do know that we have only been made aware of same on 4th inst.

From another Circular (we think it was one addressed to "Exporters") we gather that the whole scheme of "Special Accounts" is primarily devised to make the best British Official rates of Exchange available to exporters, presumably the same applies to importers.

Furthermore, although we have not seen this expounded in print, we gather that the whole scheme has been devised to conserve

sterling (quite rightly) and to provide that any imports into Great Britain from foreign countries, be compensated for by exports from Great Britain to foreign countries or by monies accruing to British investors for services, such as dividends, insurance premia, etc. In fact money to pay for importations must go into "Special Account", and monies from Exports and services must also go into "Special Account". This is all very well when dealing with countries with which there is reciprocal trade, as between Great Britain proper and Argentina.

But where can the scheme apply to an isolated Colony like the Falkland Islands, which exports 100% of its produce, wool, skins, and hides direct and only to Great Britain?

There are no exports from the Falkland Islands which can be compensated through "Special Accounts" with Argentina.

But we must import direct from Argentina if we are to keep up supplies of essential commodities.

First and foremost it must be understood that suppliers in Argentina are not interested in sending goods to us here. After all the whole volume of trade only amounts to a few thousand pounds per annum. It is we who are interested in obtaining supplies from Argentina as being our nearest and most economical source for many essential lines.

It must be further understood that this Colony produces nothing marketable beyond about £200,000 worth of wool, sheepskins and some cattle hides every lb. of same being sent direct to the London market.

The only consumable products produced locally are:-

Fresh mutton	as to 100%
Fresh beef	as to 100%
Poultry	only roosters and hens as to 100%
Eggs	Hens, about 75% of requirements.
Wild eggs	Penguins', geese' etc. 100%
Fresh fish	Very irregular supplies.
Milk	About 75% of requirements, but could be increased.
Fuel	Peat could supply 100% of household requirements, but during bad seasons must be supplemented by imported coal.
Fresh Fruit	Less than 5% of requirements.
Potatoes	About 70% of requirements, but could be increased.
Fresh green vegetables	Only available about 6 months of the year.
Turnips	100%
Mutton dripping	100%

Everything else must be imported, from England where possible, otherwise from the River Plate.

To fully round off the exposition we shall take the United Kingdom Authorities' own list of commodities on the export list and offer our comments on each item:-

Category A - exportable from U.K. as to 100%

Tea	We import direct from Ceylon (via Montevideo)
Coffee	" " " " Brazil " "
Cocoa	" " " " U.K.
Cocoa Preparations	ditto.
Meat, Fresh	Not required. (i.e. local supplies 100%)
" Frozen	ditto.
" Chilled	ditto.
" Canned	<u>Best direct from River Plate</u>

Fruit, Fresh	Only obtainable from River Plate
" Canned	Best direct from River Plate.
" Bottled	Too expensive.
Vegetables, Fresh	Local supply lasts 6 months and not convenient to import from anywhere.
" Canned	Best imported from River Plate
" Bottled	Too expensive
Fish, salted	Can do without.
Jams & Marmalades	Mostly imported direct from U.K., a small proportion from River Plate.
Honey	Very little trade.
Spices	From U.K.always
Yeast	" "
Meat Extracts	Best from River Plate direct.
Cheese	ditto.
Eggs	Only from River Plate (say 25%)
Egg products	No comment
Linseed oil	Have never bought any except from U.K.suppliers, but possibly best obtainable now from River Plate
Malt.	No comment.
Beer	From U.K.
Spirits	ditto.
Meal	Cattle foods such as pollards must come from River Plate.
Flour	Best from the River Plate
Cakes & Biscuits	From U.K.
Confectionery	ditto.
Glucose	No trade
Starch	From U.K.
Cider	No trade
Wines	Best from River Plate or Chile.

Category B - 75% allowed from U.K.

Margarine and Lard substitutes. So far always obtained from U.K.

Category C. 50% allowed from U.K.

Condensed Milk	In our opinion only limited quantities required as local fresh milk production can be expanded
Meat, salted	Not required
" pickled	ditto.
Rice	Best obtained from Montevideo
" flour	From U.K. - very little required
Bacon and Ham	Best obtained from River Plate
Butter	Can only be imported successfully from River (Argentina only)
Sago	From U.K. - very little required.
Tapioca	do. do.

Category D. 40% allowed from U.K.

Fish, canned Not really essential

Category E. 25% allowed from U.K.

Condensed milk (unsweetened) i.e. "Evaporated"	Best from U.S.A.
Edible vegetable oils	Not much demand. Have ample stocks, but if necessary best obtainable from River Plate.

Foodstuffs which cannot be supplied at all from U.K.

Lard	Ample supplies of pure hog lard obtainable "unts" Montevideo, very cheap in price, but demand
Beef	Ample local supplies (i.e.fresh beef)
Chicory	Not required
Dates	Not essential
Fruits, dried	Best obtainable from U.S.A.(California and Montevideo)

DECODE.

134.

TELEGRAM.

From Secretary of State for the Colonies.

To His Excellency the Governor.

Despatched : 3rd June, 19 41. *Time :* 0950.

Received : 4th June, 19 41. *Time :* 1030.

Circular No. 146. In view of Lease Lend negotiations it is important to know regularly the total receipts of United States and Canada dollars by Sterling Areas.

Authorized dealers in Colonies etc. at present cover only their net positions in dollars with the Bank of England and gross receipts by whole Sterling Area dollars cannot be ascertained from records here.

Please cable therefore at the end of each month to the nearest round thousand (1) (a) Total receipts of United States dollars during the month by authorized dealers other than dollars bought from the United Kingdom Control; (b) Total amount under (a) sold to United Kingdom Control; and (2) Similar figure for Canadian dollars.

Forward transactions should be included in the month in which the control matures.

SECRETARY OF STATE.

G.T.C.

DECODE.

TELEGRAM.

From His Excellency the Governor.

To Secretary of State for the Colonies.

Despatched : 7th June, 19 41. *Time* :...

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

No. 71. ^{*Doc. 134.*} Your telegram Circular No. 146 Colony has no direct dealings in dollar exchange and returns would be nil.

GOVERNOR.

G.T.C.

DECODE.

TELEGRAM.

From His Excellency the Governor.

To Secretary of State for the Colonies.

Despatched : 9th June, 19 41. Time : ...

Received : 19 ... Time : ...

No. 72. Your telegram No. 164 Secret a general prohibition of United Kingdom notes was made but there appears to have been a small trickle from South America into this country originating from obviously Continental sources. With your consent I propose to withdraw from circulation all United Kingdom notes substituting local issue. In-coming warships will be given Falkland Island notes to meet requirements and re-exchanged on departure. However no such steps can be taken by me until sufficiency of local notes has been obtained and I would therefore ask you to order £100,000 Falkland Island notes all £1 denomination if you approve my proposal. Usual cover as issued would be taken. Notes collected here on withdrawal would be given to Admiralty vessels against London credit. Have prohibited export of coin as silver is being used in Montevideo to buy English notes at approximately six shillings for £1 note.

GOVERNOR.

Sent 9/6/41 IDCO
ADC.

DEFENCE (FINANCE) (AMENDMENT No. 2) REGULATIONS, 1944.

(Sgd) A. W. CARSWALL
Governor.

Under the authority of the Emergency Powers (Defence) Act, United Kingdom, 1939, the Governor is pleased to make the following regulations :-

1. These Regulations may be cited as the Defence (Finance) (Amendment No. 2) Regulations, 1944.

2. Paragraph (a) of sub-section (1) of Regulation 3 of the Defence (Finance) Regulations, 1939, is hereby amended by the insertion of the words "coin exceeding 10/- in value" after the words "bank notes".

Dated this 18th day of June, 1944.

By Command,

C. J. Stewart

for Colonial Secretary.

Defence (Finance) (Amendment No. 2) Regulations, 1941.

(Sgd.) A. W. CARDWELL

Governor.

Under the authority of the Emergency Powers (Defence) Act, United Kingdom, 1939, the Governor is pleased to make the following regulations :-

1. These Regulations may be cited as the Defence (Finance) (Amendment No. 2) Regulations, 1941.

2. Paragraph (a) of sub-section (1) of Regulation 3 of the Defence (Finance) Regulations, 1939, is hereby amended by the insertion of the words "coin exceeding ten shillings in value", after the words "bank notes".

Dated this 18th day of June, 1941.

By Command,

(Sgd.) A. L. Fleuret.

for Colonial Secretary.

M.P. S/29/39.

No. 46/41, 55/41, 211/39,
8/29/39.

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

MINUTE.

22nd July, 19 41.

From

The Colonial Secretary,

Stanley, Falkland Islands.

To The Registrar-General,

STANLEY.

I am directed to forward herewith authenticated copies of
an Order of His Excellency the Governor in Council under the Licensing
Ordinance, 1882, an Order by His Excellency the Governor restricting
passenger traffic to ports outside the Colony, an Order by His Excellency
the Governor under Regulation, No. 41 of the Falkland Islands Defence
Regulations, 1939, requiring owners to register their vessels, and
Defence (Finance) (Amendment No. 2) Regulations, 1941.

[Signature]
for Colonial Secretary.

10. 51.

STANLEY

22nd July, 1941.

My Lord,

I have the honour to forward herewith six copies each of an Order of His Excellency the Governor in Council under the Licensing Ordinance, 1882, dated the 14th of June, an Order by His Excellency the Governor restricting passenger traffic to ports outside the Colony, dated the 16th of June, an Order by His Excellency the Governor under Regulation, No. 44 of the Falkland Islands Defence Regulations, 1939, requiring owners to register their vehicles, dated the 18th of June, and Defence (Finance) (Amendment No. 2) Regulations, 1944, made under the Emergency Powers (Defence) Act, United Kingdom, 1939, dated the 18th of June.

I have the honour to be,

My Lord,

Your Lordship's most
obedient, humble servant.

THORNTON
JANE, F.C., D.S.O.,
SECRETARY OF STATE FOR THE COLONIES.

Colonial Secretary's Office,
Stanley, Falkland Islands.
26th July, 1941.

1. His Excellency the Governor by virtue of the powers conferred in Regulation 3A of the Defence (Finance) Regulations, 1939, hereby prohibits, except with permission granted by or on behalf of the Governor, the carrying out of any order given by or on behalf of (a) any of the States named in paragraph 2 hereof or any person resident therein, or (b) any body corporate which is under the control of any of them or of any person resident therein, in so far as the Order (1) requires the person to whom the order is given to make any payment or to part with any gold or securities, or (2) requires any change to be made in the person to whose credit any sum is to stand or to whose order any gold or securities are to be held.

2. The States referred to in paragraph 1 are :- The Empire of Japan (Japan proper, Korea, Formosa, Karafuto, Kwantung, leased territory, islands in the Pacific Ocean under Japanese mandate) and the Republic of China.

3. The Governor hereby grants permission to Bankers: (a) to honour their obligations under confirmed credits opened prior to the 26th July, 1941, on account of any State, person or body corporate, referred to in paragraph 1 (a) or 1 (b) hereof: (b) to accept Bills or Drafts and to pay Cheques, Bills or Drafts drawn by or for any State, person or body corporate referred to in paragraph 1 (a) or 1 (b) hereof and presented by or on behalf of any person who being in possession thereof became a holder before the 26th of July, 1941, (c) to carry out orders received before the 26th of July, 1941, for the making of any payment or transfer of gold or securities/

securities in or within the Colony.

Nothing in the foregoing authorizes any transaction prohibited by or under the Trading with the Enemy Ordinance, 1939, or any order made thereunder or by or under any other regulation.

By Command,

(Sgd.) A. I. Fiolet,

for Colonial Secretary.

M.P. No. S/43/40.

NOTE: All unconfirmed credits opened on account of any of the States above-mentioned or for account of any person resident therein or any body corporate referred to in paragraph 1 (b) therein (including branches or subsidiaries wherever carrying on business) should be cancelled forthwith. But provided no other regulation of the Defence (Finance) Regulations is infringed there is no objection to sums which may be received for credit of accounts blocked under these directions being credited to such accounts.

DEFENCE (FINANCE) (AMENDMENT No. 3) REGULATIONS, 1941.



Governor.

Under the authority of the Emergency Powers (Defence) Act, United Kingdom, 1939, the Governor is pleased to make the following regulations :-

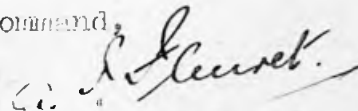
1. These Regulations may be cited as the Defence (Finance) (Amendment No. 3) Regulations, 1941.

2. After Regulation 3 of the Defence (Finance) Regulations, 1939, there shall be inserted :-

"3A. Where the Governor is satisfied, owing to a
"change in the external or internal position of any
"State, that action is being, or is likely to be taken
"to the detriment of the economic position of the
"United Kingdom or to prejudice the efficient
"prosecution of the War, he may give general or special
"directions prohibiting either absolutely or to such
"extent as may be specified in the directions, the
"carrying out, except with permission granted by or
"on behalf of the Governor, of any order given by or
"on behalf of (a) the State or the Sovereign thereof
"or any person resident therein, or (b) any body
"corporate which is incorporated under the law of that
"State or the Sovereign thereof or any person resident
"therein in so far as the order (1) requires the
"person to whom the order is given to make any payment
"or to part with any gold or securities, or (2)
"requires any change to be made in the person to whose
"credit any sum is to stand or to whose order any gold
"or securities are to be held."

Dated this twenty-sixth day of July, 1941.

By Command,



for Colonial Secretary.

Stanley,
26th July, 1941,
M.P. S/29/39.

(159)

Reference to previous correspondence :-

Secretary of State's despatch No.
Governor's

of

FALKLAND ISLANDS.

No. 60

DOWNING STREET,

9th December, 1940.

Sir,

I have the honour to transmit to you, for your information.
copies of the paper noted below ~~on the subject of~~

I have the honour to be,

Sir,

Your most obedient

humble servant,

MOYNE.

The Officer Administering
the Government.

Name and Date.	Subject.
The Falkland Islands Co., Ltd., and enclosures 22. 11. 40.	Defence Finance Regs.
To The Falkland Islands Co., Ltd., 5. 12. 40.	

CC.Y.

THE FALKLAND ISLANDS COMPANY, LIMITED.

158

"Southernhay",
Cavendish Road,
Weybridge,
Surrey.

22nd November, 1940.

Sir,

Our Bankers advise us that the Bank of England requires that all applications for the marking of Bills of Exchange drawn on us by our several Agents in South America for stores, etc. purchased there and shipped to the Falkland Islands, and for other services, must be approved by the Falkland Islands Control before they are submitted to the Bank for authorisation.

We have not received any advice regarding the functions of the Falkland Islands Control and request that you will kindly let us know what the position is.

If it is as stated by the Bank of England, we beg to submit that owing to the transit period required and infrequency of mails between the Colony and this country, it is impossible for the Falkland Islands Control's approval to arrive in this country until long after the relative Bill had been presented to us for payment.

The arrangement is that our Agents draw on us at sight or 3 days' sight, and if these conditions cannot be adhered to then we fear that the financing of these purchases, etc. may become exceedingly difficult.

Enc.

We enclose two accounts received from our Agents Messrs Maclean & Stapleton S.A., Montevideo, dated 15th and 23rd August last, from which you will obtain some idea of the many services which these accounts embrace. You will also note that purchases made on behalf of the Colonial Government and of vessels under requisition are financed by this means.

/We

The Under Secretary of State,
Colonial Office,
London, S.W.1.

57
Enc.

We enclose copy of our letter, dated 11th inst.
to our Bankers and their reply dated 20th idem.

We are, Sir,
Your obedient servants,
For THE FALKLAND ISLANDS COMPANY LTD.

(Sgd)

Managing Director.

C O P Y .

(157)

72/E.1. Dept.

LLOYDS BANK LIMITED,
City Office,
72, Lombard Street,
London, E. C. 3.

The Falkland Islands Co., Ltd., 20th November, 1940.
Southernhay,
Cavendish Road,
Weybridge, Surrey.

Dear Sirs,

We have your letter of the 1th instant, and return herewith, appropriately certified, your acceptance for £224.11s.10d in favour of the Bank of London & South America Limited. The Bank of England have informed us that arrangements should be made for all future similar applications to receive the approval of the Falkland Islands Control, before being submitted to themselves for authorisation. Will you kindly give the matter your attention.

Messrs. Maclean & Stapledon's account is returned herewith.

Yours faithfully,

(Signed) W.C. Cauldrell

pro Manager.

SOUTHERN HAY
CAVENDISH ROAD
EYBRIDGE,
SURREY.

156

The Manager,
Lloyds Bank Limited,
City Office,
72, Lombard Street,
London, E.C.3.

11th November, 1940.

Dear Sir,

With reference to your letter, 72/E.1 dated 7th instant, the draft in question is similar to others which the Bank of England have passed since the Control started. We have no definite information of the approval of the Falkland Islands Control to any particular transaction.

The Falklands Islands is dependent on South America for certain supplies - and the bulk of these are purchased through our Agents at Montevideo. Moreover, practically all passengers, mails and cargo for or from the Falkland Islands tranship at Montevideo and its importance to the Colony is therefore considerable.

Payments and expenses in connection with the above payments made on behalf of Government Departments, also expense incurred on behalf of our vessels calling at Montevideo are included in these accounts.

It will be practically impossible for us to obtain the confirmation the Bank of England now call for before shipment is made and our Agents at Montevideo and other South American ports expect to be reimbursed without delay. We therefore suggest that the Bank of England might request the Colonial Office to generally confirm the position as outlined above or alternatively allow us time to arrange for a confirmation covering say 12 months from the Falkland Islands Government. Owing to infrequency of mails this may take 4/5 months to secure.

Yours faithfully,
FOR THE FALKLAND ISLANDS COMPANY LTD.

(Sgd)

Managing Director.

Colonial Office,
Downing Street, S.W.1.

5th December, 1940. (155)

15545/35/40.

Gentlemen,

I am directed by Lord Lloyd to acknowledge the receipt of your letter of the 22nd of November on the subject of arrangements under Defence Finance Regulations for payment for goods imported into the Falkland Islands from South America.

2. In view of the difficulty which you have experienced in obtaining local confirmation to the effect that the finance regulations in the Falkland Islands were not contravened by such payments, the Bank of England Foreign Exchange Control are prepared to approve your applications in future despite the absence of such confirmation, provided that you will undertake to obtain local approval of the payment as soon as possible after it is made. It is suggested that, in the case of imports, a duplicate account for approval in due course by the Falkland Islands Control be sent to the Islands at the same time as the original is sent to the United Kingdom for payment.

5. The two accounts enclosed in your letter under reply are returned herewith as requested,

I am,

Gentlemen,

Your obedient servant,

(Sgd) A.E. Forrest.

FALKLAND ISLANDS.

Analysis of F.I. Forms approved during the period 1st February/30th April, 1941.

Class I.	Food etc.		4194.	9.	7.
	Uruguay.	2923.	11.	10.	
	Chile.	1270.	17.	9.	
Class II.	Raw Materials. Coal, Oil etc.		2434.	15.	7.
	Uruguay.	2434.	15.	7.	
Class III.	Articles wholly or mainly Manufactured.		1246.	9.	5.
	Uruguay.	763.	9.	5.	
	Argentine.	240.	-.	-.	
	U. S. A.	243.	-.	-.	
Class IV.	Animals. Not for food.		32.	15.	10.
	Uruguay.	32.	15.	10.	
Class VIII.	Royalties etc.		115.	-.	-.
	Argentine.	115.	-.	-.	
Class X.	Payments in respect of Persons resident abroad, Medical & Educational.		200.	-.	-.
	Canada.	200.	-.	-.	
Class XI.	Personal travel etc.		965.	7.	1.
	Uruguay.	965.	7.	1.	
Class XII.	Miscellaneous Ships' Disbursements.		10641.	8.	3.
	Uruguay.	9441.	16.	1.	
	Chile.	1199.	12.	2.	
GRAND TOTAL.....			19833.	5.	9.

Summary of All Classes.

Argentine.	358.	-.	-.	
Uruguay.	16161.	15.	10.	
Chile.	2470.	9.	11.	
Canada.	200.	-.	-.	
U. S. A.	243.	-.	-.	519833. 5. 9.

Stanley,
Falkland Islands.
30th April, 1941.



FAULKLAND ISLANDS.

Analysis of E.I. Forms approved during May, 1941.

Class I.	Food etc.			
	Uruguay.	<u>624.</u>	<u>9.</u>	<u>7.</u>
Class III.	Articles wholly or mainly			
	Manufactured.		6.	17. -.
	U. S. A.	<u>6.</u>	<u>17.</u>	<u>-.</u>
GRAND TOTAL.....		<u>6631.</u>	<u>6.</u>	<u>7.</u>

Summary of All Classes.

Uruguay.	624.	9.	7.	
U. S. A.	6.	17.	-.	<u>6631. 6. 7.</u>

Stanley.
Falkland Islands.
31st May, 1941.



FALKLAND ISLANDS.Analysis of S.I. Forms approved during June, 1941.

Class I	<u>Food etc.</u>				
	Argentine.	635.	15.	-.	
	Uruguay.	1295.	7.	7.	
	U. S. A.	27.	18.	9.	1959. 1. 4.
Class II	<u>Raw Materials etc.</u>				
	Uruguay.	309.	10.	3.	
	Chile.	70.	4.	2.	379. 14. 5.
Class IV.	<u>Animals. Not for food.</u>				
	Uruguay.	10.	-.	-.	10. -. -..
Class VIII	<u>Royalties etc.</u>				
	Argentine.	39.	-.	-.	39. -. -..
Class X	<u>Payments in respect of Persons abroad etc.</u>				
	Uruguay.	60.	-.	-.	60. -. -..
Class XII	<u>Miscellaneous. Ships' disbursements and Advances etc.</u>				
	Uruguay.	624.	13.	1.	624. 13. 1.
GRAND TOTAL.....					33072. 8. 10.

Summary of All Classes.

Argentine.	674.	15.	-.	
Uruguay.	2295.	10.	11.	
Chile.	70.	4.	2.	
U. S. A.	27.	18.	9.	33072. 8. 10.

Stanley,
Falkland Islands.
30th June, 1941.



FALKLAND ISLANDS.

Analysis of S. 1. Forms approved during the
month of July, 1941.

Class I	<u>Food etc.</u>				
	Argentine.	120.	-.	-.	
	Brasil.	41.	-.	-.	
	Uruguay.	1193.	2.	3.	
	U. S. A.	223.	17.	6.	1577. 19. 9.
Class III.	<u>Articles wholly or mainly</u>				
	<u>Manufactured</u>				
	Uruguay.	646.	8.	-.	646. 8. -.
Class VIII.	<u>Royalties etc.</u>				
	Argentine.	39.	-.	-.	39. -.
Class X.	<u>Payments in respect</u>				
	<u>of persons abroad etc.</u>				
	Argentine.	250.	-.	-.	
	Uruguay.	182.	-.	-.	432. -.
Class XII.	<u>Miscellaneous Ships'</u>				
	<u>disbursements and</u>				
	<u>advances etc.</u>				
	Uruguay.	711.	15.	-.	711. 15. -.
	GRAND TOTAL.....				23407. 2. 9.

Summary of All Classes.

Argentine.	409.	-.	-.	
Brasil.	41.	-.	-.	
Uruguay.	2733.	5.	3.	
U. S. A.	223.	17.	6.	23407. 2. 9.

Stanley,
Falkland Islands.
31st July, 1941.



FALKLAND ISLANDS.

Analysis of H.I. Forms approved during the month of August, 1944.

Class I	<u>Food etc.</u>				
	Uruguay.	1.	10.	-.	
	Chile.	180.	-.	-.	181. 10. -.
Class II	<u>Raw Materials etc.</u>				
	Uruguay.	60.	-.	-.	
	Chile.	250.	-.	-.	310. -. -.
Class III	<u>Articles wholly or mainly manufactured.</u>				
	Uruguay.	47.	-.	-.	
	U. S. A.	1.	5.	-.	48. 5. -.
Class I	<u>Payments in respect of persons abroad etc.</u>				
	URUGUAY.	20.	-.	-.	20. -. -.
GRAND TOTAL.....					559. 15. -.

Summary of All Classes.

Chile.	430.	-.	-.	
Uruguay	128.	10.	-.	
U. S. A.	1.	5.	-.	559. 15. -.

Stanley,
Falkland Islands.
31st August, 1944.



No.

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

MINUTE.

170

17th September, 1941.

From The Financial Secretary.

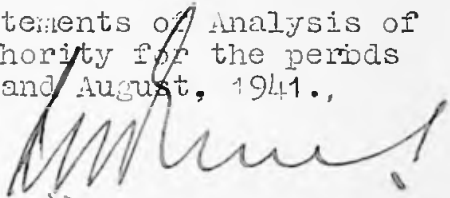
To The Honourable,

The Colonial Secretary.

Stanley, Falkland Islands.

STANLEY.

I have the honour to submit statements of Analysis of E.1. Forms approved by the Competent Authority for the periods 1st February/~~30th~~ April, May, June, July, and August, 1941.,


for Financial Secretary.



(174)

GOVERNMENT HOUSE,

ST. JAMES.

18th September, 1941.

FIDELITY INSURANCE.

No. 70.

My Lord,

With reference to your telegram, No. 5 of the 6th of January, 1941, I have the honour to transmit an analysis of E forms representing exchange in specified currencies in the territory under my administration for the period 1st February to 31st August, 1941.

I have the honour to be,

My Lord,

Your Lordship's most
obedient, humble servant

Red 102.
In Duplicate.

THE RIGHT HONOURABLE
LORD MOYNE, P.C., D.S.O.,
SECRETARY OF STATE FOR THE COLONIES.

Defence (Finance) (Amendment No. 3) Regulations, 1941.

(Sgd.) A. W. C. [illegible]

Governor.

Under the authority of the Emergency Powers (Defence) Act, United Kingdom, 1939, the Governor is pleased to make the following regulations :-

1. These Regulations may be cited as the Defence (Finance) (Amendment No. 3) Regulations, 1941.

2. After Regulation 3 of the Defence (Finance) Regulations, 1939, there shall be inserted:-

“3A. Where the Governor is satisfied, owing to a change in the external or internal position of any State, that action is being, or is likely to be taken to the detriment of the economic position of the United Kingdom or to prejudice the efficient prosecution of the War, he may give general or special directions prohibiting either absolutely or to such extent as may be specified in the directions, the carrying out, except with permission granted by or on behalf of the Governor, of any order given by or on behalf of (a) the State or the Sovereign thereof or any person resident therein, or (b) any body corporate which is incorporated under the law of that State or is under the control of that State or the Sovereign thereof or any person resident therein in so far as the Order (1) requires the person to whom the order is given to make any payment or to part with any gold or securities, or (2) requires any change to be made in the person to whose credit any sum is to stand or to whose order any gold or securities are to be held.”

Dated this 26th day of July, 1941.

By Command,

(Sgd.) A. I. Fleuret.

for Colonial Secretary.

No. 3/10/39, 3/29/39,
208/36, 3/13/37. MINUTE.

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

From

The Colonial Secretary,

Stanley, Falkland Islands.

(173)
27th September, 1941.

To The Registrar-General,

STANLEY.

I am directed to attach herewith, for insertion in the files of the Registrar-General, authenticated copies of the Trading with the Enemy (Specified Persons) (No. 2) Order, 1941, the Defence (Finance) (Amendment No. 3) Regulations, 1941, an Order made on the 1st August, 1941, amending the Schedule to the Order made on the 10th September, 1940, declaring certain areas in the colony to be Protected Areas, and the Whaling (Amendment) Regulations, 1941.

G. J. R.
For Colonial Secretary.

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GOVERNMENT HOUSE,

STANLEY,

27th September, 1941.

FALKLAND ISLANDS.

No. 74.

My Lord,

I have the honour to forward herewith six copies each of "The Trading with the Enemy (Specified Persons) (No. 2) Order, 1941", dated the 23rd of June, 1941, "The Defence (Finance) (Amendment No. 3) Regulations, 1941", dated the 26th of July, 1941, an Order made by me on the 1st of August, 1941, amending the Schedule to the Order made on the 10th September, 1940, declaring certain areas in the Colony to be Protected Areas, and the "Whaling (Amendment) Regulations, 1941.

I have the honour to, be,
My Lord,
Your Lordship's most
obedient, humble servant,

THE RIGHT HONOURABLE
LORD MOYNE, P.C., D.S.O.,
SECRETARY OF STATE FOR THE COLONIES.

175.

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No. 17. *From* Secretary of State for the Colonies.

His Excellency the Governor.

Despatched : 4th October, 19 41. Time :

Received : 19..... Time :

Unnumbered circular Defence (Enemy Currency) Regulations^S R and
O 1401 of 1941. Similar legislation should not be enacted locally
without reference to me.

G. T. C.

Secretary of State.

FALKLAND ISLANDS.

Analysis of E 1. Forms approved during the month of
September, 1941.

Class I	<u>Food, drink, tobacco etc.</u>		2159.11. 6.
	Argentine.	460. 10. -.	
	Brasil.	104. -. -.	
	Uruguay.	<u>1595. 1. 6.</u>	
Class II	<u>Raw Materials etc.</u>		1228.12. 7.
	Brasil.	900. -. -.	
	Uruguay.	<u>328. 12. 7.</u>	
Class III	<u>Articles wholly or mainly manufactured.</u>		211.13.11.
	Uruguay.	171. 13.11.	
	U. S. A.	<u>40. -. -.</u>	
Class IV	<u>Animals not for food.</u>		15. 2.11.
	Uruguay.	<u>13. 2.11.</u>	
Class V	<u>Transport and Handling Charges etc.</u>		2692.14. 7.
	Uruguay.	1692. 14. 7.	
	U. S. A.	<u>1000. -. -.</u>	
Class VII	<u>Royalties, Films.</u>		59. -. -.
	Argentine.	<u>59. -. -.</u>	
Class X	<u>Payments in respect of persons resident abroad, etc.,</u>		1335.13.10.
	Uruguay.	<u>1333. 13.10.</u>	
			<u>5769.14. 6.</u>

Stanley.
Falkland Islands,
30th September, 1941.



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

MINUTE.

177

7th October, 19 41.

From The Financial Secretary.

The Honourable,

The Colonial Secretary,
~~Mr. [unclear]~~

STANLEY.

Stanley, Falkland Islands.

I have the honour to submit a statement in triplicate of the Analysis of E. 1. Forms approved by the Competent Authority during the month of September, 1941.


for Financial Secretary.

GOVERNMENT HOUSE

STANLEY,

7th October, 1941.

FALKLAND ISLANDS.

No. 77.

My Lord,

Red 102.

With reference to your telegram, No. 5 of the 6th of January, 1941, I have the honour to transmit an analysis of E forms representing exchange in specified currencies in the territory under my administration for the month of September, 1941.

I have the honour to be,

My Lord,

Your Lordship's most
obedient, humble servant

Reginald A. W. CARDINALI

THE RIGHT HONOURABLE
LORD MOYNE, P.C., D.S.O.,
SECRETARY OF STATE FOR THE COLONIES.

PALM LAND ISLANDS

Analysis of S 1. Forms, approved during the month of
October 1941.

Class I.	<u>Food, drink, tobacco, etc.</u>		2870.	15.	11.
	Argentine.	597. 10. -.			
	Chile.	109. 4. 9.			
	Uruguay.	<u>164. 1. 2.</u>			
Class III	<u>Articles wholly or partly Manufactured.</u>		51.	-.	-.
	Uruguay.	<u>51. -.</u>			
Class IV	<u>Animals not for food.</u>		50.	-.	-.
	Uruguay.	<u>50. -.</u>			
Class V	<u>Transport & Handling Charges.</u>		69.	10.	-.
	Uruguay.	<u>69. 10. -.</u>			
Class VI	<u>Agency & Advertising Expenses.</u>		200.	-.	-.
	Argentine.	<u>200. -.</u>			
Class VII	<u>Royalties, Films, etc.</u>		39.	-.	-.
	Argentine.	<u>39. -.</u>			
Class X	<u>Payments in respect to Persons resident abroad, etc.,</u>		340.	-.	-.
	Uruguay.	<u>340. -.</u>			
Class XII	<u>Miscellaneous.</u>		30.	1.	-.
	U. S. A.	<u>30. 1. -.</u>			
			21630.	6.	11.

Stanley,
Palm Land Islands.
31st October, 1941.



No.

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

MINUTE.

180.



31st October, 1941.

From

The Financial Secretary.

Stanley, Falkland Islands.

To The Honourable,

The Colonial Secretary.

STANLEY.

I have the honour to submit Original and two copies of an Analysis of C.I. Forms approved during the month of October, 1941.

for Financial Secretary.

PACIFIC ISLANDS.

No. 86.

GOVERNMENT HOUSE,

STANLEY.

4th November, 1941.

My Lord,

With reference to your telegram, No. 5 of the 6th of January, 1941, I have the honour to transmit an analysis of R forms representing exchange in specified currencies in the territory under my administration for the month of October, 1941.

Red. 102.

I have the honour to be,

My Lord,

Your Lordship's most
obedient, humble servant,

RIGHT HONOURABLE
LORD MOYNE, P.C., D.S.O.,
SECRETARY OF STATE FOR THE COLONIES.

(Sgd.) A. W. CARDINALL

186A

FALKLAND ISLANDS.

Analysis of E.1. Forms approved during the month of
November, 1941.

<u>CLASS VI</u>	<u>Agency and Advertising Expenses.</u>				£100. -.	-.
	Argentine.	70.	-.	-.		
	Chile.	30.	-.	-.		
<u>CLASS X</u>	<u>Payments in respect to Persons</u>					
	<u>resident abroad, etc.,</u>				20.	-.
	Chile.	20.	-.	-.		
					<u>£120.</u>	<u>-.</u>

Stanley,
Falkland Islands.
30th November, 1941.



No.

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

MINUTE.

1st December, 1941.

From The Financial Secretary.

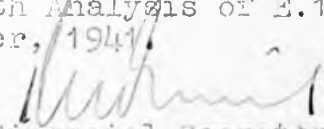
To The Honourable,

The Colonial Secretary,
Government of the Falkland Islands.

Stanley, Falkland Islands.

STANLEY.

I have the honour to forward herewith Analysis of E.1. Forms approved during the month of November, 1941.


for Financial Secretary.

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GOVERNMENT HOUSE,

STANLEY.

3rd December, 1941.

PALM LANE ISLANDS.

No. 94.

My Lord,

Red 102.

With reference to your telegram, No. 5 of the 6th of January, 1941, I have the honour to transmit an analysis of E forms representing exchange in specified currencies in the territory under my administration for the month of November, 1941.

I have the honour to be,

My Lord,

Your Lordship's most
obedient, humble servant,

(Sgd.) A. W. CARDINALL

THE RIGHT HONOURABLE
LORD MOYNE, P.C., D.S.O.,
SECRETARY OF STATE FOR THE COLONIES.