1904-1

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 11th January, 1904.

Per Inca.

No 974.

Sir,

Since writing to you per Victoria we have received your despatches 238 and 239, as well as letters of the 30th November and 8th December, (2) all of which arrived on the 5th inst. I take the opportunity of answering as far as I can by this steamer, which will anticipate the next mail by a few days.

2. 238-2. I thought that a supply of fresh water, perhaps limited, was always obtained from the topgallant forecastle of the Great Britain. At any rate, with a new boiler, you are alive to the necessity of keeping it free from salt, and you would be justified in going to some expense to ensure always having a supply of fresh.

3. Par. 3. No doubt the Sabino would be useful at Darwin, but you had better count the cost of caulking her first. It is a thousand pities that she was not properly repaired so as to serve as a hulk when she was bought.

4. Par. 6. Your intimation that certain orders for the sailing ship might be curtailed or cut out came too late, as we had already arranged to ship all but the powder by the Inca.

5. The Board will be glad to find their purchase of the Plym justified by your report on the final breakdown of the Sissie. It is also most satisfactory to read your remarks on Atherton and machinery generally, as it shows that you are fully alive to the need for nursing that the new launch will have, and that Atherton may be trusted to see to it.

6. Your report on the Weddell account is good, as it shows that two years' economy together with the rise in wool have reduced it about £1100. I have told Mrs. Williams that she can certainly draw £300 this year, and probably £350.

W. A. Harding, Esq.,

Manager,

Stanley.

7. Par. 9. The sailings of the P. S. N. boats are regularly cabled from Sandy Point, and we ought to be able to get messages as well as they can. Apart from the question of expense, the saving of four days may sometimes mean that we can get a reply to you earlier by a fortnight, and the question should not be dropped.

8. Par. 11. On reporting to M. Bergl & Co., at whose instance the enquiry was made, the result of your ~~xxxxx~~ correspondence with the farmers, they informed us that Mr. Bergl himself had gone out by the Victoria, and would try to make arrangements at Stanley. Should the negotiations come to anything, the Directors would require cash down on delivery of the sheep, or a credit on a London Bank, the acceptance of the sheep passed as approved by Mr. Bergl's expert to be absolute, and the sheep to become his property there and then, avoiding any possibility of a quibble as to their quality or condition later on.

9. Par. 12. With regard to the Fortuna, naturally we grumble at the large sum spent in Montevideo, but after all we are only feeling just as shipowners do when they have had a vessel in Stanley, and it enables us better to enter into their feelings.

10. Par. 13. The transfer of the Port Pleasant freehold shall have attention; I was under the impression that it had been executed years ago, and wonder whether Captain Packe had it, and omitted to register it.

11. Par. 14. The valuation of the Buildings is most satisfactory, as it shows that with the writing down here our last Balance sheet gave the value £4000 in excess of what you make it, and we shall be able to slack down the depreciation for a year or two.

12. Par. 16. It is unfortunate that the stock of steam coal is likely to turn out less than was estimated; this may be due to Captain Thomas or his deputy not being well up to delivering to men of war. I think that I am right in saying that Mc. Lauchlen invariably had a surplus. Your termination of the Admiralty contract makes it unnecessary to go into the question here. Par. 17. I at once wired the P. S. N. Co. to ship 50 tons in bags by this steam-

er, but it was too late; the delay, however, will not be serious, as they have agreed to send them by the Orissa at a freight equivalent to that per Inca. As the coal will be for our own use, I have asked them for North Wales steam, so that we may have an opportunity of trying it. It will cost much less in Liverpool than Cardiff.

18. Par. 18. Your request on the subject of Turner will be submitted to the Board.

19. Par. 20. J. B. Walmsley & Co. will accept the Captain's draft for the Lurlei's disbursements.

20. Par. 22. What you say about the absence of desire on the part of the Colony generally for a fortnightly mail is only what I expected; it is unfortunate that both the Governor and the Colonial Secretary have their wives at home, and are both keen, naturally, to get letters as often as they can. If it were not a Crown Colony this would not be allowed to weigh against the interests of the community, who pay already a huge sum per head for their mail service.

21. 259 Par. 3. We will let Mr. Patullo know that one of Bonner's rams was a rig.

22. Par. 4. When G. Thompson was dismissed did he leave the service for a time? If his offence was condoned it is doubtful if we can make any difference in his pension, although I know very well that of all men who have served us the full time he deserves it the least.

23. Par. 5. It looks as if the credit for the Willscott will have to be increased. If so, I hope that you will have got the Captain to confirm it to his owners.

24. W. Lowden & Co. have accepted the draft for the Thirlmere's repairs.

2 5. No advice of a remittance on account of Petaluga for Mrs. C. M. Dean has reached us, and Messrs. Carpenter have enquired about it. Unless you see any reason to the contrary you had better send us a standing order.

26. With reference to your memorandum about Benney's Cow hair, it seems from enquiries we have made that both this and the other three bags were so wet and dirty that all marks were obliterated, and the whole went into one lot. The Brokers seem to have

given him the wrong bag, and you had better adjust the matter as fairly as you can. If specifications of these little shipments were sent it would save trouble, there do not appear to have been any shipping weights forwarded. You will find out no doubt if Benney's weight was gross or net.

27. The Plym is to be shipped the last thing before sailing. We have authorized Messrs. Lowden to give gratuities to the Captain and Engineer of the Inca to ensure attention on the voyage, and the amount to each will be stated from Liverpool. The signal mast and funnel will be unshipped before she is lifted on board. We paid a small salvage claim made on her in Plymouth, but have already recovered the amount from the Underwriters.

I am, Sir,

your obedient servant,

Edw. E. Lowden

Managing Director.

Enclosures per " I N C A " via Liverpool

Wool Reports (Annual)

Suppliers' invoices goods per "Inca"

List of Dutiable Goods per "Inca"

General Invoice

List of General Cargo per "Inca

Specification of Boiler returned

Certificate of RegistryS.L."Plym"

Plan of "Plym"s" propeller

Letter for Robert Blake,Esq.

Letter for W.A.Harding,Esq.

Letter for A.L.Allan,Esq.

Remarks on Stores.

London 11th January,1904

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

Per Orissa.

No 975. London, E.C. 20th January, 1904.

Sir,

My last despatch went per Inca, which sailed from Liverpool on the 13th inst. with the Plym on board.

2. I am now able to reply on certain subjects which I had not when last writing put before the Board. Despatch 238-8. It is considered that, in view of the improved state of the Weddell account, the expenditure in the Islands may be raised to £1200 per annum, and that Mrs. Williams may be allowed to draw £300 or £350 here. We shall be glad to know if you think that the additional £100 for local expenditure can be made to cover everything.

3. Par. 11. In the event of any business being arranged with Bergl & Co. great caution will have to be observed.

4. Par. 14. In my last despatch I made a slip about the valuation of the buildings, which reversed what I had intended to say. I meant, of course, that your valuation was some £4000 higher than the amount at which they stood in the last Balance Sheet.

5. Par. 15. The instructions already sent that the cost of the Rangatira's rams were to be charged to 1903 and that of the Waiwera's carried forward is approved by the Board.

6. Par. 18. The Directors think that they will be doing enough for Turner in authorizing you either to pay the passages home of himself and family, or, if you think this insufficient, to give him as a gratuity a lump sum of £100.

7. 239-4. Before deciding on the amount of G. Thomson's pension, the Board would like to know the details of his dismissal. If it was condoned, whatever the offence was, it hardly seems that we should be justified in making any distinction, though I know that

W. A. Harding, Esq.,
Manager,
Stanley.

he was generally a turbulent character, and the way he got through his 30 odd years' service speaks a good deal for the leniency of the service.

8. I enclose copy of a letter from Lloyd's and my reply on the subject of some anchors which the Board of Trade seem to have reported as having been raised on salvage and bought by us. I have examined the copy of your cash book without success in finding any record of this transaction, and am inclined to regard it as a mare's nest.

9. The Royal Insurance Co. have asked us to remind you of the plan of our insured property which you promised to send when you were here. For the purpose of insuring the Engineer's shop and machinery we must have full details, and a plan showing how the oil engine is connected with the lathe, also a statement of what precautions are taken against fire. It will be desirable to say that only sufficient oil is kept in the building for immediate consumption.

10. I have spent nearly a whole day in looking up the matter of the exchange of Port Pleasant for section 29, with, I am sorry to say, little result. I find, however, that I wrote as follows in my despatch from Stanley no. 481-15 of 12th June, 1889, referring to the block on Stanley Harbour no. 32, which we have since exchanged with Mr. Packe:- "Capt. Packe might sell us, or give in exchange for Lot 32 "a freehold on no. 29, which he still owes us". I am now inclined to think that we made over to him the house and freehold at Port Pleasant without getting a house in return, and if I gave him a conveyance of the freehold it has evidently never been registered; moreover I have found among our title deeds the original Crown Grant no. 142 mentioned by the Governor. I have still a strong impression that Captain Packe could not give us the house on 29 in exchange because he wanted it as being on his side of the stream or boundary, but I must be excused for being hazy about the details of a transaction that took place 30 or more years ago. I have written to Mr. Mansel to ask if he can throw any light on the matter. But if my investigations have been so far fruitless, they reveal a singular error on the part of the Government, about which there can be no doubt. You know probably that we bought the whole freehold of section 29, and paid the Government for 6000 acres.

This section was formerly held by Captain Musters, who bought on it the compulsory freehold of 160 acres at 8/. an acre, and afterwards transferred the lease and the freehold to Captain Packe, who in his turn exchangdd the lease with us for that of section 17. But as Musters had paid for 160 acres, the Government really only had 5840 acres to sell, and therefore in selling us the whole block of 6000 acres they took our money for 160 which belonged to Capt. Packe, and in fact sold that number of acres twice over! There can be no doubt about this, because in buying the freeholds of sections previously held on lease, the Government have in all cases voluntarily deducted the acreage of the compulsory freeholds owned on each of them. You will see therefore, if you have followed me so far, that the Government ought to return to Mr. Packe the purchase money of his land which they have sold as their own, with which cash he will be able to pay us for the freehold on Islands Harbour. As far as we are concerned it cannot matter; we have the Crown Grant for the whole 6000 acres on sec. 29, and look to the Government to hold our title good, and for this reason it is a matter of indifference to us whether we convey to Mr. Packe or not the 160 acres on Island Harbour on which his house stands. In this curious position of affairs we must defer sending out the conveyance pending your reply.

11. Instructions about the management of the Hornsby-Ackroyd engine are enclosed; I wonder that the makers did not send it before.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via L i v e r p o o l

Duplicates

Despatch No. 973

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Cargo per "Victoria"

General Invoice goods per "Victoria"

List of Dutiable Goods per "Victoria"

List of Parcels

List of Enclosures

Clients' A/sales:-

	Z	25	Salted Hides	ex "Oravia"
	RBC	15	casks Tallow	,,
	CCW	4	,, ,,	,,
	CCW	17	bales Wool	,,
	AP	34	,, ,,	,,
& Report & contract	Z	33	,, Sheep Skins	,,
	FB	2	,, ,,	,,
	CCW	1	,, ,,	,,
	RBC	4	,, ,,	,,
	AP	1	,, ,,	,,
& contract	Z	4	,, ,,	ex "Panama"
	AP	1	,, ,,	,,
	H	32	Sheep Skins	ex "Orellana"

Copy of Dalgety's invoice for Rams per "Waiwera"

Clients' Invoices for Rams per "Waiwera"

Vere Packe	112 . 4 . 7
J. J. Felton	39 . 2 . 6
Packe Brothers & Co.	335 . 18 . 4
H. Waldron	71 . 12 . -
Bertrand & Felton	71 . 6 . 6

B/L General Cargo per "Victoria"

Duplicates Originals per "Inca" 12th Jany, 04

Despatch No. 974 dated 11th January.

Remarks on Stores

List of General Cargo per Inca"

General Invoice of goods per "Inca"

List of Dutiable Goods per "Inca"

List of Enclosures

Four Bills of Lading.

London 20th January, 1904.

Enclosures via Liverpool

Originals

Wool Reports

Copies of Fire Policies (5) with the Royal Insurance Co.

Copy of Cablegram received on the 3rd. instant

Copy of Cablegram sent on the 15th instant

Printed instructions for working the Oil Engine

Copy of letter received from Lloyd's of the 18th & our reply of the 19th instant

Army & Navy Co-operative Society's notice for B. Stickney

London 20th January, 1904.

List of Enclosures via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice of goods per "Orissa"

List of Dutiable goods per "Orissa"

List of General Cargo per "Orissa"

Clients' reports & contracts:-

S	23 bales	Sheepskins	ex "Victoria"		
J F F	4	"	"	"	(part)
F P B	2	"	"	"	
J F	4	"	"	"	
♡	4	"	"	"	(Duplicate only)

Press Copies Brokers' reports & contracts Company's Skins ex "Victoria"

Eills' invoice goods per "Orissa"

Peytons' illustrations of Bedsteads invoiced per this mail

Letters for the following:-

W. A. Harding, Esq.

A. L. Allan, Esq.

J. J. Felton, Esq.

Pacific Steam Navigation Co's invoice for coals per "Orissa"

B/L coals per "Orissa"

Credit note for C. C. Wesell for sea-damaged Wool per "Oravia"

British-American Tobbaco Co's invoice for Cigarettes per Orissa

London 23rd January, 1904

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

Per Oropesa.

No 976. London, E.C. 17th February, 1904.

Sir,

I have to acknowledge receipt of your despatches nos. 239 and 240, which arrived on the 1st and 15th inst. respectively, and of your letter of the 6th of January accompanying the first of the despatches.

2. 239-5. Every care will be taken to make all future agreements perfectly clear; but it is one thing to explain to you how certain arrangements came about in the first instance, and another to go into such details with newly engaged men, and we shall certainly not do it. Your remark that if there were no passages a higher salary would be wanted certainly does not apply to the case of Moir, who had not and apparently did not expect a return one, and yet did not ask for more pay on that ground. I believe that in providing return passages in certain cases we stand almost alone, and that no such thing would be thought of in sending men to Australia or New Zealand. Regarding what you call our "argument", which was a statement of fact, you do not yet seem quite to understand it, and I will try to make it clearer. Take the cases of three of our old servants, Fell, Robson, and T. Sharp. They all had the usual return passages in their agreements, all served their full time, all had large families; but all of them after their terms expired took other service, and did not come on us for passages. If this new idea, which has arisen since I left the Colony, had prevailed during their service with the Company, they might have claimed passages for their wives and families while they were still with us, that is to say for not less than 20 people, and yet remained themselves permanently in the Colony. I cannot too forcibly point out to you that our agreements are with the men and not

You do not see his letter of 4th October

W. A. Harding, Esq.,

Manager,

Stanley.

with their families, and that passages for the latter are only due when the men themselves elect to clear out bag and baggage for home on leaving the service. You will see from this that your remark that, one the passage for wife and family has been paid for, our liability, cases altogether, is beside the mark, and that in Atherton's case, which you cite, should he elect when he leaves us to go to Sandy Point or elsewhere in South America, we ~~should~~ shall have been put to the expense of a holiday trip for his wife for which we were not liable. The subject having been explained, we do not wish to hear any more ~~xxxxx~~ about it.

3. Par. 4. The Sissie would as you say be too heavy for a long-boat, but she ought to make a useful little lighter for a few tons of cargo and save the use of a larger one. With regard to fitting her up as a water boat you had better not go to any expense; experience proves that we have from time to time thrown a good deal of money away in this way that has never been repaid, since the watering business is a very uncertain one. We had special tanks made for the forehold of the Wasp, and supplied a steam delivery pump for her engine room together with a good deal of expensive hose, which was very little used. The best plan would be to have tanks which can be put in and out without much trouble, and if those belonging to the Wasp still exist they might be utlized, and if the pump is still good it might be put into the engine room, and be of service. When we remember that in addition to the fittings already mentioned we had a costly water boat which was lost in Port William, it cannot be denied that the supply of water to ships has resulted from first to last in considerable loss.

4. Par. 6. Is it really necessary in harbour work to have a crew of six men in the Samson?

5. Par. 7. The P. S. N. Co. have not mentioned the subject of the stay of their steamers in Stanley.

6. Par. 8. It seems that the Ordinance of 1888 applies solely to local Companies, and so a mistake was made in registering the Articles of Association of Holmested & Blake. The Government have no jurisdiction over Companies registered in London, and the sole reason for registering the deeds was that they related to land. I

think that the Solicitor made a mistake in sending out the Articles at all, and now, the question whether you will have to pay for the enforced registration, which the Government had no right to demand, is one that you will have to settle.

7. Par. 10. What you say ~~Re~~ about the Fortuna calls for a few brief remarks. A more experienced foreman carpenter could have told you beforehand, in all probability, that the seams would require a thorough clean out, and then sufficient oakum might have been sent from here with the metal, and there would have been no need to deplete your stock. No doubt Rowlands was quite right in having the metal 9 inches higher, but why did he not say so in time, so that an extra quantity could have been sent? We have had to pay dearly in Montevideo for both oakum and metal. We must not complain about the knees, since they have made her so much stiffer, but it was a pity that it was impossible to shape them in Stanley. Regarding the channels, could they not have been renewed from time to time before she went to Montevideo? I cannot think that there is ever enough roll in Stanley Harbour to endanger masts, even when the rigging is slacked up. We have had a lesson; but the schooner is now in working order and should remain so for some years, and there is no use in crying over spilt milk or saying any more about it.

8. Par. 11. The Board have heard with much regret of the death of Sedgwick, whose services at the Samoa are well remembered. It is a pity that people in his position are so improvident, but it is the way with our countrymen.

9. Par. 12. One of our Directors has enquired of an officer in the London Scottish about the management of their Canteen, and has been told that before the new Act came in force it was treated as a Club, in which members of the Corps only were allowed to make purchases and to entertain their friends. Volunteers in other Corps were debarred from any privilege, and the general public were not allowed to make purchases. Under the new Act it has been registered as a Club, and certain expenses have had to be incurred in doing this. If the Stanley Canteen were carried on on this system little objection could be taken to it, as the Stanley Volunteers would hardly treat all and sundry of their friends at their

own expense. As regards the Ship Hotel, we must leave it to you to act as you think best.

10. Par. 13. The Board have discussed the matter of Mr. Packe's account, and, on principle, do not like the idea of any mortgage being given that takes precedence of our debt. No doubt the Trustees are right in protecting themselves by asking for it, but we, who have seen a debit balance of something like £8000 standing against the account, with no security but Mr. Packe's word that there is no prior claim, have earned a right to be considered, and you might ask him to suggest to them that, as the amount was unsecured in his father's lifetime and he can prove that his position is infinitely better than it has been for some years, they might waive their demand, since the interests of the widow would be prejudiced by having to invest at a lower rate. Of course they may say that this is not business, and as a matter of fact it is not; but their remedy in the event of the mortgage not being forthcoming is to call in the debt, and in that case the Company will be pleased to pay it on his account. Mr. Packe acknowledges that the Board have always dealt considerately with him, and they wish to continue to do so, and to avoid taking any step that he might not like. So you had better discuss the subject with him in a friendly way, and see if it is possible to make some arrangement that would please him, and at the same time not prejudice our interests.

11. Par. 14 and 240-4. The accident to the Rosa Baker is very serious, and the Board wish to know how it was that she was moored so insecurely as to drag ashore even in a gale of wind. In the Navy, as you know, a Captain is tried for any accident that happens to his ship, and in this case our Marine Superintendent, who is responsible for the safety of our hulks and lighters, is bound to prove to you that the mishap arose through no fault of his. I think that it may be laid down as a rule that lighters, which have no masts or top hamper, ought not to drag in the harbour, whatever may be the strength of the wind, and that there must have been some negligence to account for it. I cannot remember any accident of the kind in my time, but I was fortunate in having a thoroughly trustworthy man in Mc. Lauchlen who looked after things properly. This raises the question of the safety of our moorings generally,

and we hope that they receive regular and proper attention. It would be a shocking disaster, for instance, if the Samson or the Plym dragged ashore and got holed, and every precaution, at whatever expense, should be taken to prevent such an occurrence. We do not know what the Rosa Baker draws, but it seems strange that it is impossible even at low tide to find out what is the matter. You do not say what water she makes, but it occurs to me to ask if this is not a case in which you might avail yourself of the Samson's steam pumps, assuming that there is water enough to allow her to come alongside or near in moderate weather. Is it impossible to stop the leak temporarily from inside? If you get her off, and the leak is near the keel, can you put her on blocks sufficiently high to get it repaired? If not, could you by temporarily putting masts into her get her hove down? It is difficult to give advice without a full knowledge of the circumstances, but with a lighter ashore on a flat beach the idea arises that there must be a dearth of nautical or inventive talent in the place if nothing can be done to repair the mischief. With regard to Captain Thomas, the Board have reason to fear that his engagement has not been the success that was anticipated, and as they know nothing of the terms of his contract, which was made by you with him, they would like to know what provision was made for dispensing with his services, should it be necesaary to do so.

12. Par. 15. The extra supplies to the Thirlmere ought to have been drawn for, instead of sending the account to be collected here. Your remarks on the other vessels are noted.

13. Par. 16. I am sorry that there is a difficulty in understanding the oil engine, but perhaps the further instructions sent out will explain it. The notion of a "cooling" tank that requires heating seems to a novice a contradiction in terms, and the letter enclosed from the makers may explain it. If not, Atherton will get all he wants from a book on oil engines supplied by one of Mr. Barringer's engineers; there was not time to get a copy from the publishers - at this moment I have just heard that Wilson the bookseller had a copy, and it is sent by parcel post. All oil engines are worked I am told on the same principle, and could not Atherton have solved his difficulties by going out to North Arm?

Mr. Barringer says that these engines when once set up are usually set going by labourers, and require little or no attention while running. I suppose tht Atherton will not ask you for a driver?

Why not send Dwarf (am)

14. Par. 19. Your remark about the Dwarf reminds me to say that Morton did not send the usual cable about her leaving; had he done so I could have cabled.

15. Par. 21. I observe that I was in error in saying that you had not reported the quantity of water the Rosa Baker was making, but your further remark that her own pumps and an extra one made very little impression does not put the suggestion about the Samson's pumps out of court.

16. Mr. Morton expresses himself as satisfied with the commission allowed him on the Fortuna's account.

17. By the Oropesa there were three casks of sealskins shipped without particulars of the contents being given. Independently of the question of insurance, which must be left open, these cannot be entered without opening them, and the Brokers prefer to leave them until shortly before the sales, which take place at long intervals.

18. Mr. Rowell says that he has at Stanley in charge of Mrs. Natt, who is leaving, a two-day Chronometer, which he would like to exchange for the eight-day one that came out of the Great Britain. I told him that this was a detail that must be left in your hands, but that if the instruments were of equal value there did not seem to be any objection as far as we were concerned. How many chronometers have we in Stanley?

19. From the copy of Morton's letter enclosed it seems that gunpowder in Montevideo would cost quite 4/. or more per lb., and that we cannot ship from here to be trans-shipped in bond. Could we ship on better terms to Sandy Point, if not, what are we to do, and does any one else import powder?

20. Mrs. Hansen has written to ask whether it would be worth while shipping hair sealskins and oil. The prices here vary according to size; the average might be 5/., but lions would be more. Oil if well tried out is worth £12 per ton of 2240 lbs, but if dirty might not fetch more than £8. This is all the information I can get.

21. The P.S.N.Co. say that the Sandy Point telegraph route is quite trustworthy and that they use it constantly. I have therefore askked Stubenrauch & Co. to register the address "Fleetwing" for messages to be delivered to them, and transmitted by mail to you, and should you have occasion to cable by the outward steamers you must use this route in future. The tariff is 4/2d. a word against 5/9d. from Coronel, it will save 4 days, and enable you to get a reply by return steamer in a fortnight.

22. I send a copy of Mr. Barringer's report on the Plym, which you will find interesting.

23. A shepherd named George Findlay had arranged to go by this boat, and we had got his ticket; but he has not returned the agreement sent him for signature, nor has he answered two letters and a wire forwarded last week. I am therefore asking the P.S.N.C. to cancel the ticket.

Cancel the booking

I am, Sir,

your obedient servant,

Managing Director.

Enclosures per Supplementary Mail

Originals

Supplementary Ledger & Journal Entries & Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Corrected General Invoice of Goods per "Oropesa"

Corrected List of Dutiable Goods per "Oropesa"

List of Cargo per "Oropesa"

Sight Draft for £ 52 . 17 . 0 on J. Kirwan (B/L attached) for collection.

First of Exchange for acceptance & collection for £18.10.2 on J. C. Aldridge for the Royal Bk. of Scotld.

Smith & Sharp's A/sale, report & contract for 30 Hides "Orissa"

Letters for the following.

W. A. Harding, Esq.

A. L. Allan, Esq.

C. G. A. Anson, Esq.

E. J. Mathews, Esq.

George Bonner, Esq.

B/L for 1/crate of Earthenware also copy of letter received from W. Halsall and account for £ 2.15.1 see remarks.

London 20th February, 1904.

Enclosures via Liverpool

Duplicates

Despatch No. 975

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Parcels

List of General Cargo per "Orissa"

List of Dutiable Goods per "Orissa"

General Invoice Goods per "Orissa"

Clients' Reports & Contracts

♡	4 bales	Sheep Skins	ex "Victoria"	
J F	4	,,	,,	,,
J J F	4	,,	,,	,,
S	23	,,	,,	,,
△ F P B	2	,,	,,	,,

List of Enclosures

B/L cargo per "Orissa"

Enclosures via Liverpool

Originals

Wool Reports

Copy of Cablegram sent on 25th January.

Copy of Cablegram received on 28th January.

Copy of letter from Richard Hornsby & Sons dated 2nd February.

Peter William's account for Capt. Thomas

Kirkland Cope's accounts for:-

B. Stickney	£ 6 . 9 . -
G. A. Cobb	13/-
Company	1 . 16/-

Clients' A/sales as follows:-

♡	4	bales	Sheepskins	ex "Victoria"	
F P B	4	,,	,,	,,	
J J F	4	,,	,,	,,	(part)
J F	4	,,	,,	,,	
S	23	,,	,,	,,	

Brokers' copies A/sales Company's Skins ex "Victoria"

Copy of letter to R. Stubenrauch & Co. dated 8th February.

Copies of letters to Read Brothers of the 3rd & 8th and their reply of the 5th February.

Copy of letter from the P. S. N. Co. dated 29th January.

Copy of Jacob & Barringer's report on the S. L. "Plym"

Rev. Diamond & Pearce's letters to Fills & Co. returned.

Copy of letter received from T. C. Williams Co dated 29th January.

Copy of letter from W. E. Morton dated 13th January.

Copy of letter from M. B. Foster & Sons dated 3rd February.

Book posted separately (Robinson's Gas & Petroleum Engine)

Ledger & Journal Entries

Remarks on Accounts

Letter for Rev. Dean Brandon.

London 17th February, 1904

The Falkland Islands Company. Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 16th March, 1904.

Per Orita.

No 977.

Sir,

Your despatch 241 per Magellan arrived from Montevideo on the 22nd ult, and 242 per Orita on the 29th id., as well as your letter of 3rd February. The Speedwell wool was delivered in time for the sales.. Private letters by the Magellan were delivered in the country two days earlier; it would be desirable to post a copy of the despatch or at least of the Statement on accounts in the mailbag.

2. 241-5. A further credit to the amount of £100 has been arranged for the Emilie.

3. Par. 6. The Willscott's draft has been accepted; unfortunately the 50 tons of coals were shipped promptly per Orissa.

4. 242-7. Mr. Felton writes expressing unbounded confidence in Mr. Bergl, which I am afraid is not shared by those who know him. However, if it comes to a sale of so many thousand sheep at a fair price, and the money is guaranteed, the Board will not refuse the offer, provided Mr. Allan is of opinion that the sheep can be spared.

5. Par. 12. The poaching on the Jasons seems to have been the work of Chilians, not of the Canadians, and it is to be hoped that the scoundrels will be caught. You were prudent not to advance the money Mrs. Hansen wanted.

6. Par. 14. It is good news that Atherton has mastered the oil engine before receiving the further instructions and book lately sent out. Mr. Blake wrote that he thought that the lathe might have been run direct without the intervention of a countershaft; however, we have shipped what you ask for.

W. A. Harding, Esq.,

Manager,

Stanley.

7. Par. 16. The expenses of the Fortuna in Montevideo and now the necessity of sighting the Samson's bottom, if she is to keep her class, forcibly suggest the usefulness of a slip at Stanley, if it were only possible to put one up for a reasonable sum, and the Board wish me to make enquiries on the subject. I have the name of a dry dock owner, who, I am told, will be able to give me all the information required; but I have not been able to come across him yet. If the worst comes to the worst, we must let the Samson lose her character, and make the best arrangements we can for insuring her.

8. Par. 18. If the suggestions about pressing skins more lightly, which I hope you have circulated, have no effect, we must try to arrange for a measurement freight on them. Comparing the prices we get with those of others, our clients must see that they are punishing themselves by pressing so tightly.

9. The wool per Magellan and Orita, as well as the small lot kept back from a previous shipment, sold last week at excellent prices: I make ours to be within a small decimal of 7¼d. all round, locks and pieces included.

10. It was noticed at the last Board that the word "Limited" had not been stamped on the despatch paper, and you should see that even in communications to the office it should not be omitted.

11. Your despatches of 8th December and 5th January were both numbered 239; the latter has been marked 239½.

12. By using the Sandy Point cable route I can let you know if the coming outward steamer has left Lisbon late. If you have your men ready for the mail day and the boat does not turn up, do you not lose an appreciable sum in labour to make this worth while advising? I think that a late start from Lisbon is never picked up. If you think it worth while I will cable the date in future; if you do not hear you may be sure that so far the boat is up to time. When I know of a cargo boat having left Valparaiso I can if needful give you even later news.

13. Your cable about alum has arrived in time to execute by this boat, although I have not an idea what it is for. I wired to Lowdens to get it as soon as I got the message. Common alum, which is much cheaper, I could have understood.

14. I have been looking into the question of fire insurance, and am surprised on putting figures together to see what a large amount of property we have uninsured. We should have in a mail or two the plan which you undertook when here to send to the Royal, as I see you were reminded of it by the January mail. Copies of all existing policies were, I believe, sent you at the same time, as well as on the 18th March last year, and if you have noticed anything in them that requires amendment, in addition to the corrections that were made the previous year, I hope that you will have mentioned it. Going through your list of buildings in Stanley and the Camp I make out that, in addition to the property already insured, their insurable value is over £26,000, and to this sum has to be added the value of various items of machinery that will run into some thousands more. I shall go into this question at the next Board, and find out if the Directors wish to continue on these lines, or whether they think it prudent to do some more with the Royal. Considering the isolation for the most part of the individual risks, we do not stand to lose much by any one fire, and seeing that we are covered in Stanley on the Store buildings and contents and the larger buildings, and in the Camp on the Woolsheds and wool, this may be thought sufficient. But one thing is certain, if we continue to run the risks ourselves, we must insure them in our Underwriting fund, and so provide against any fire that may occur, in fact this ought to have been done long since, but the insurable property has accumulated so gradually in the course of years that the question of insurance has escaped attention. I want you to go through and check the values; I have taken the Camp houses all round at £200 each, as we could not replace them for less, and all these are completely isolated. There is comparatively little risk in the Blacksmith's shop, as the building is an iron one, but still the value is considerable, and the machinery ought to be covered. The same applies to the tools, if any, in the Carpenters' shop, and about the value of the plant in the Engineer's shop you have already been asked. At Goose Green there is a large quantity of valuable machinery, which I have not attempted to value, and there may be other plant of which I have not taken account. I wish you to go through the list I send carefully, and

if you think any of the property is under or over valued, or if I have left anything out, please point it out. At Darwin there are certain buildings in the settlement that would inevitably be swept away if one of them caught fire; a note should be made of these, as well as of other risks the value of which might be too much for us to take on wholly. In considering the values, the cost of replacing should be taken into account, not the present value, and in sending your report you should state what premiums would be charged by the Royal according to the present tariff of the agency. I hope that you will go thoroughly into this important question, and that having got rid of the annual returns you will find that you have time to attend to it properly.

15. Although the subject belongs more properly to Remarks on Stores, I may mention, to show how fairly the P.S.N.Co. treat us, that upon representing to them the difficulty we were in over Read's bottled ale and stout through other importers selling a lower priced though inferior class of bottling, they have agreed to give us a special rate of freight on this firm's shipments of 20/. in full from Liverpool, which with the concessions in prices made by Reads themselves ought to enable us to continue to buy from them. They have asked us to confine the shipments as much as possible to the cargo boats, which you must bear in mind, and indent for such quantities as you think will last, without having recourse to the mail steamers. The shipment is made however this mail.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No. 976 dated 17th February.

Remarks on Stores

Replies to Remarks on Stores

Ledger & Journal Entries

Remarks on Accounts

List of Parcels in Pearson's case

List of Cargo per "Oropesa"

General Invoice goods per "Oropesa"

Clients' A/sales, reports & contracts:-

S	23 bales Sheepskins ex "Victoria"		
♡	4 ,,	,,	,,
F P B	2 ,,	,,	,,
J J F	318 Sheepskins		,, (part 4 bales)
J F	4 bales Sheepskins		,,

List of Dutiable Goods per "Oropesa"

Second of Exchange on J. Kirwan with B/L attached (£52 . 17 . -

,, ,, on J. C. Aldridge for £ 18 . 10 . 2

Smith & Sharp's A/sale for 30 Hides ex "Orissa"

B/L general Cargo per "Oropesa"

List of Enclosures.

Enclosures per "Orita" via Liverpool

Originals

Wool reports.

Copy of Cablegram sent on 22nd February.

Copy of Cablegram received on 12th instant

Corrected General Invoice goods per "Oropesa"

Copy of letters from T. & S. Plum of 5th instant & our reply of 7th.

Clients' Reports & Contracts:-

S	7	bales	Sheepskins	ex "Orissa"
S & S	3	,,	,,	,,
F	1	,,	,,	"Magellan"
T R	3	,,	,,	"Orissa"
J B	6	,,	,,	"Magellan"
J B	39	,,	,,	"Orissa"

Copy of letter from W. Lowden & Co. of 1st instant

Notes on Buildings.

Anglo-Swiss Milk Co's notice re prices of condensed Milk.

Clients' Reports & Contracts:-

T R	3	bales	Wool	ex "Orissa"
S Port Louis	60	bales	,,	"Magellan"
S & S	2	,,	,,	"Orissa"
F	79	,,	,,	"Magellan"
L	11	,,	,,	,,
H B	4	,,	,,	,,
S 1	36	,,	,,	"Orita"
S & S	1	bundle	Tails	ex "Orissa" (report only)

Brokers' copies Reports & contracts Company's Wool & Skins ex "Magellan" & "Orissa"

List of Buildings &c. uninsured.

Particulars of freight per "Magellan"

Letter for A. L. Allan, Esq.

London 16th March, 1904.

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries.

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Orita"

General Invoice of goods per "Orita"

List of Dutiable Goods per "Orita"

Eills & Co's invoice for goods shipped

MacSymon's Stores' invoice ,,

Sight Draft on J. Kirwan for £ 60 . 2 . 1 for collection B/L attached.

Clients' A/sales :-

T R	3	bales	Wool	ex "Orissa"
S & S	2	,,	,,	,,
L	11	,,	,,	"Magellan"
F	79	,,	,,	,,
HB	4	,,	,,	,,
S	60	,,	,,	,,
S I	36	,,	,,	"Orita"
J B	39	,,	Skins	"Orissa" (2 copies)
S	7	,,	,,	"Orissa"
T R	3	,,	,,	,,
S & S	3	,,	,,	,,
J F F	321	Sheepskins		"Victoria"
J F	1	bale	Skins	ex Magellan"
J B	6	,,	,,	,, (2 copies)

Copies Broker's A/sales Company's Wool & Skins per "Orissa" & "Magellan"

Clients' Reports & Contracts:-

HB	72	Salted Hides	ex "Magellan"	
L	26	,,	,,	
A N	1	cask Seal Skins	ex "California"	} - contracts only
Harvey	3	,, ,,	ex "Oropesa"	}

Letters of the following:- W. A. Harding, Esq., A. H. Allan, Esq., & J. J. Felton, Esq.

Wool Reports.

List of Buildings &c. to be insured under Co's underwriting Account.

Stanley

Engineer's Shop	250 (400 Royal)
Carpenter's Shop, W.	100
Boat House	200
Butchery	100
Slaughter House	300
Tega Cottage	400
Marine Superintendent's House	400
Foreman Labourer	400
Blacksmith's Wooden House	600
,, Stone ,,	300
Engineer's Stone House	300
Asst. ,, Wooden ,,	300
Cooper's House	300
Butcher's ,,	250
Carter's ,,	300
Gardener's ,,	300
Garden Labourer's House	300
Dairy	200

Darwin

16 Houses, outside @ £ 200 each	3200
Hydraulic Press	250

Goose Green

Boiling down Shed	2500
Engineer's Shop	300
Cook House	250
4 Houses @ £ 200 each	800
Machinery, Plant & working tools (to be valued for insurance)	

North Arm

Cook House	600
Store	200
Calpon	120
Carpenter's Shop	150
Dog House	60
Gear House	50
Overseer's House	400
Rawson & Hynam	220
20 Houses @ £ 200 each	4000
Hydraulic Presses (2) / 1 Steam Engine & Pumps	600

Walker Creek

Cook House	300
Store	100
Overseer's House	300
Say's House	300
10 Houses @ £ 200 each	2000
Hydraulic Press	250

Disp. 977

NOTES on BUILDINGS.

Comparing the return lately sent with that of 1897, there are some buildings about which explanation is required, the occupancy having apparently altered: for instance:-

1897		1903.	
Cottage (late Cressard's)	£250	Garden Labourere's House	£225
Carpenter's House (let)	350	Foreman Labourer	300
Blacksmith's House (let)	200	Assistant Engineer(wood)	250
Smithy (West)	150	Bakery	300

Are these the same buildings, and do the occupiers have them rent free?

Darwin Harbour.

Overseer's House(C. Smith)	£150	Burnside	£30
Herd's House (J. Smith)	50	Paragon	30
Stud's stable	40	Coal Depot	30
Fitzroy	120		
Hillfoot	130		
Mount Misery	120		
Norton Inlet	60		
Tranquilidad (old house)	50		

What has become of the Smiths' houses and the stable? Has the Fitzroy House been sold? Mount Misery and Norton Inlet are understood to have been pulled down, but what about the other two?

Goose Green.

In the 1897 return the sheds were lumped together at £2500, but are supposed to be the same as now returned. The Engineer's shop was omitted in 1897, but is probably the original one now entered as £120. The Engineer's and Assistant's houses are probably those now occupied by Harris and Sarney, but what are those in the names of Clark and Goss and Wilson, which do not figure in the 1897 return at all? The Cookhouse is entered as of the same value as in 1897, although £185 in 1898 and £113 in 1899 were spent on it, which looks as if it had been cut down almost too much.

Walker Creek.

The Galpon pricdd at £20 in 1897 is supposed to be the Store &c. of 1903 at £30, and perhaps some addition has been made to this. The Upper Walker Creek house, £90, cannot be found in the 1897 return, as the shepherd's house at £100 that year is supposed to be the one now valued at £80. But in 1902 £247 was charged for "Cooper's house to be erected at Walker Creek", and if this represents the other shepherd's house the depreciation of £157 in one year is too much. The Woolshed here was valued in 1897 at £500, and two years later £698 was spent upon it. Even allowing 10% per annum on the old part, the value now given shows depreciation of over 46% up to last year, which is writing down with a vengeance.

North Arm.

1897		1903	
Suboverseer's house (Fell)	£150	Carpenter's shop	£60
The Drone	80	Dog house	50
		Gear ,,	40
		Unoccupied	60

These cannot be reconciled, and it looks as if some buildings had been omitted in both returns. Here again the woolshed had £891 spent on it in 1899, and the depreciation sems excessive. Lion Creek cost for renewal £247 in 1902, but the value as compared with 1897 is only raised £20.

A portion of the above remarks was written before the additions since 1897 were looked up, and a few more comments are necessary. It is not clear whether in estimating in 1897 ~~the~~ Mr. Baillon took account of £900 spent on the Marmont Row buildings that year or not. The Dairy buildings had £221 added to them that year, but the value, £25, is the same in both returns. The West Store and warehouses, £1000 in 1897, had £459 spent on them in ~~1897~~ 1900, and are now valued at £1400, which hardly shows sufficient depreciation, unless the latter return includes some other building or buildings. The Bakery on the other hand, which is taken to be the Blacksmith's shop, £150, converted in 1901 at a cost of £214, is not over

valued at £300. The last item is the Darwin woolshed, which, valued in 1897 at £500 in 1897, had £444 spent in additions in 1898, and now at £450 is a long way inside its value.

Generally speaking, the return, notwithstanding a few discrepancies, is a satisfactory one, as it shows that the writing down done in London, which we have reduced lately to 5%, has kept the Building account well within its fair value, and it will enable us this year to dispense with any reduction at all. These periodical valuations from the Islands are most useful as a check on the accounts here, and are in fact indispensable, as we want our Balance Sheet to represent as nearly as possible, but always on the safe side, the actual value of the Company's property.

Ted E Lowe

Managing Director.

London, 9th March, 1904.

List of Buildings &c. UNINSURED

Stanley

Carpenter's Shop	800
Engineer's Shop	250
Carpenter's Shop W.	100
Boat House	200
Butchery	100
Slaughter House	300
Tega Cottage	400
Marine Superintendent's House	400
Foreman Labourer	400
Blacksmith's Wooden House	600
,, Stone ,,	300
Engineer's Stone House	300
Asst. ,, Wooden ,,	300
Cooper's House	300.
Butcher's ,,	250
Carter's ,,	300.
Gardener's ,,	300
Garden Labourer's House	300
Dairy	200

Darwin

Manager's House	800
Doctor's House	500
Store	400
Coal Shed	50
Galpon	300
Cook House	500
7 Houses @ £200 each	1400
16 ,, outside @ £200 each	3200.
Hydraulic Press	250

North Arm

Cook House	600
Store	200
Galpon	120
Carpenter's Shop	150
Dog House	60
Gear House	50
Overseeb's House	400
Rawson & Hynam	220.
20 Houses @ £200 each	4000
Hydraulic Presses (2) / 1 Steam Engine & Pumps	600

Goose Green

Skin Shed	800
Boiling down Shed	2500
Engineer's Shop	300
Cook House	250
4 Houses @ £200 each	800
Machinery, Plant & working tools (to be valued for insurance)	

Walker Creek

Cook House	300
Store	100
Overseer's House	300
Say's House	300
10 Houses @ £200 each	2000
Hydraulic Press	250

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 13th April, 1904.

Per Panama.

No 978.

Sir,

I have to acknowledge receipt of your despatches nos. 243 and 244 and letter of the 2nd ult., which arrived on the 29th ult.

2. 243-1. The telegram "Tratase" was sent from here on the 25th January and ought to have caught the Orita sailing from Coronel on the 27th, as all others have done when despatched two days before the date of departure. I see that the word "Trasojado" was mutilated in transmission, and am beginning to doubt the accuracy of the South American Cable Co.'s service. Important cables will be sent as formerly, but the return of 5/. per message is a consideration. The last cable went to Sandy Point, to which place I hear a very large number of messages go now.

3. Par. 2. We have as yet seen nothing of Mr. Bergl.

4. Par. 4. Materials used on pens or fencing ought to be charged to the latter account if new work. It is a good thing that you have gone into this question with Mr. Allan, as the use to which building materials were put after despatch from Stanley was always doubtful, and it is desirable that they should be better looked after.

5. Par. 5. If the coals are properly looked after by the man in charge there should be no loss in supplying schooners, but if the men of the latter are allowed to help themselves they will take more than their weight naturally. I was not aware that steam coal was burnt in the galley fires. As to bags, unless you can sell them at cost price they add considerably to the cost per ton.

6. Par. 8. You do not mention when Turner was leaving, nor do you name Mrs. Turner's successor.

W. A. Harding, Esq.,

Manager,

Stanley.

7. Par. 9. You do not give any idea as to the original owners of the anchors, and probably no one knows; but I remember that years ago one of Dean's hulks, now our own, dragged in front of the Snowsquall, and the anchors to the best of my recollection were never recovered, as I believe they were foul of something else.

8. Par. 10. Notwithstanding that Atherton has got the engine to work, he will be glad of the book I sent, which explains the principle on which the oil engine is run. This book is, of course, the Company's property.

9. Par. 12. We insure the Fox Bay produce, and the wool is on our "sheep's back" policy.

10. Par. 13. As Moir has withdrawn his objections I need not go into them; but I should say that he has earned his passage already.

11. Par. 15. If the special survey on the Samson cannot be held, we must let her go off the letter.

12. The news about the Rosa Baker is good. As we took her with other lighters on our Underwriting fund last year the cost of repairs will be a charge on it, and I hope it will not be too heavy.

13. Par . 17. I have written again to C. M. Lampson & Co. about the Canadian protest, and hope that it may cause an abandonment of the Ordinance. I see that on this one visit the schooners spent over £500 in the Store, £70 in fresh meat, and were charged nearly £60 commission, and as all their bills were at sight and paid the day the mail came in, it is a great pity to lose such customers.

14. Par. 18. The Plym's side light screens were put on by order of the Board of Trade for the voyage round to Liverpool; had this not been necessary I think that a lamp with red white and green lenses would have done for harbour work, and this was part of her original inventory.

15. Par. 23. We have not yet received the cash from the Antarctic people, although they promised it more than a week ago. Seeing that you charged no interest or commission they might have hurried up the payment a little.

16. Par. 25. The Lurlei's bill has been accepted, and I hope we shall hear no more about the ship.

17. Par. 26. Although owing to Easter there has been no Board since the mail arrived I can tell you that the Directors would be only too glad to buy the reserves you mention on any terms. Of course I know all the circumstances as well as anyone, having treated with the Government for the purchase of all our freeholds outside Lafonia, and I did my best to get these reserves over and over again; but I was invariably met with a blank refusal, and the reason was scarcely veiled, that is the Governor thought it well to hold them as security for the good behaviour of the Company. My impression is that through a mistake made years ago a portion of the Burnside dip is on the Darwin Reserve. The Government have always had it in their power to give us 12 months' notice to clear out, and to establish a little farmer or declare a township in our midst; this has even been threatened more than once, and having failed to get these blocks turned into freeholds I have always hoped that a time would come when a Governor would be found willing to sell. If this has now arrived you should do your best to clinch it on the first favourable opportunity, but I need hardly say that too much eagerness should not be shown, or the Governor may shy off. As regards the reserve in Lafonia, that is a different matter; I doubt if it has ever been located, and my impression is that when the freehold was bought in the early days of the Company there was a reserve made, the position of which was to be declared later, and that this was purely formal for the purpose of establishing a right of way through the freehold. The only thing that I can remember about it is that when I was cruising with Governor Robinson in a man of war in January, 1869, we put in to Bull Roads, and there was some joke between the Governor and myself about the right of shooting, which the Governor settled by saying, "Very well, I shall declare that reserve here", but that any reserve was actually declared in my time I doubt, and I am rather curious to know what record there is of the existence of any reserve. With regard to geese, as we pay so much for killing, and are supposed to pay for the destruction of our neighbours' geese, it is clear that extermination carried out by the Government, the cost of which would be provided by a tax on the farmers, would be to our advantage.

18. Despatch 244 - Accounts. The Farm result is much what was expected; the reduction in expenses you point out is satisfactory. The increase in wool was counterbalanced by the falling off in sheepskins and tallow. You are right about the use of materials, and it is a good thing that you are alive to the fact that goods sent out for one purpose are sometimes used for another. Consumption materials should be literally consumed; if used for new work on fencing they should be ~~xxxx~~ charged as such. Pens and paling fences are just as much "Fencing" as stretches of wire fencing. It is well to have written off the whole cost of the rams per Rangatira, although it lowers the year's profit by about £2000; if affairs had looked less bright the Directors might have ordered the expense to be spread over several years. In the Store the sales for the year were nearly £1800 less than in 1902, perhaps to be accounted for to some extent by the smaller quantity of coal sold to the Admiralty. Of the losses you mention that on beer is understood; but in the case of salt I should infer that a rise in cost here would be followed by a corresponding increase in the selling price. A quantity was shipped by your special request in barrels, which we understood were to be for the sealers, and although the cost in Liverpool was much less than we usually pay here, the barrels caused it to go as measurement, and this extra freight ought to have been at the cost of the people who ordered it in barrels. As regards the Samson and the schooners, it is satisfactory to see that there is no loss on the former; in ordinary years we hardly expect her to do much more than meet expenses, hoping that every now and then there may be a plum in the way of salvage, with an eye to which she ought to be kept in the highest state of efficiency. The schooner profits show that good work has been done, and considering the expenses of the Fortuna in Montevideo they leave nothing to cavil at. Mail Agency, considering the trouble it gives, ought to yield more, and we may later on get better terms from the P.S.N.Co. This season we hope to see an increased quantity of wool carried. With regard to General Charges, such an item as the office cabinet should certainly be charged to Furniture; there is no account open for office furniture, and it must have been written off long since, but an expensive cabinet is property, and is not

consumed. The improvement in balances is certainly very satisfactory, though the reduction in Stanley Debtors is not as large as in the previous year, which is singular, considering the higher prices obtained for wool. This year we expect to see a still more substantial reduction, if things go well. Bad debts. Is not Max Doherr a man to whom we have at various times passed out fairly large remittances? It would be well in future to give an explanation of sums written off. Buildings. There is an item of £233.11.8 for the cookhouse at Goose Green, but it is not stated whether this represents substantial repairs to the old building, or a new one altogether. There is also an item of £101.19.4 for the coalshed at Darwin, which is doubtless the cost, but why this cookhouse and the coalshed were valued by you only a few months ago at £150 and £30 respectively is a matter that calls for explanation. As new buildings the full value should, as far as I can see, have been given. Plant. The cost of the Great Britain's engine, or boiler rather, has been much increased by local charges, i.e. from £122.9.8 c.i.f. to £221.11/. The charge for materials and labour on the boiler house would have been better charged to Company's shipping. There are no notes as yet on the Store balances; when they arrive they will probably allude to the accounts of Berntsen, Betts, Cartmell, G.J. Felton, E. Gleadall, Harries, S. Kirwam, Luchtemborg, Mc. Phee, Paulini, W. Peck, and Poppy, all of which seem large. In the Butchery balances the largest seem to be owing by Mrs. Betts, who is understood to be dead, and Mrs. Parrin; why is the latter so high, and is her husband alive? I do not think that there is any more to add on the subject of the accounts, which I am sure the Board will consider satisfactory.

19. With regard to the question of insurance, I send some notes from which you will learn that I have carried out the wishes of the Board in insuring the Darwin settlement against fire, as well as the Carpenters' shop in Stanley and the skin shed at Goose Green, and that the rest of our buildings in Stanley and the Camp are placed on our Underwriting fund. Your remarks on this subject will be awaited with interest, and you will observe that there are other insurable items of which we want to know the value. In Stanley all coal hulks and the Egeria are insured against fire, and there is also a sum of £1100 on lighters arranged for when you

were here; this is a harbour risk only, and we cannot put our hands on the items, which please furnish. To complete the insurances we have to do we must have a list of floating property still uninsured, and we want to know if there are goods stored still in the Charles Cooper, as if so she ought to be insured like the Egeria. You are aware that the Wasp and the Sissie were never insured; now that we have the Plym we must cover her, but the risk in harbour is very small, and if we went to Lloyd's they would be certain to ask a premium quite out of proportion to it. Perhaps the Board may be inclined to get a quotation, and if not too high do half at Lloyd's and run the rest ourselves. From this time forward there must be no property uninsured with the Companies or Lloyd's allowed to remain uncovered by our own fund, as if we run the risk we must have something to fall back on in case of loss.

20. You have not made any report lately on the cargo of coal we undertook to land for the Admiralty. Is it all stacked ashore now, or have you a part in any of the hulks? Has the rate you charged been a paying one? Has any proposal been made on the subject of putting it alongside ships as they require it, or will the work be done by the crews? It seems to me that we ought not to make this coaling too easy or cheap for the Admiralty: had we not come forward how would they have managed to get their 2000 tons ashore at all? It has taken from us a substantial business of which we had the monopoly, and I must say that I should like to hear that when this shipment has been all consumed the Senior Officer has come to the conclusion that the plan of getting out their own coal and shipping it from the shore has proved too tedious and expensive, and that it would be better to revert to purchasing from us. They had to try it after going to the expense of putting up their sheds, but it by no means follows that they will continue it. You might do a good deal towards bringing about this view; if we are keeping the coal handy for them in hulks we ought to be well paid for it, and if we are not, the sooner it is ashore the better.

21. George Findlay, the shepherd Mr. Allan has written for, has had his third ticket taken up for this steamer, after failing to catch the last two mailboats, and I hope will manage to get on board the Panama; the difficulty seems to be in getting from Aber-

deen to Liverpool, and on the last occasion I heard from the Aberdeen Superintendent of the Caledonian Railway that he was unable to make himself intelligible through drink. However I have heard from him that he has secured the railway ticket in advance, and having an order on the P.S.N.Co. for the other he ought to get through this time.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Originals

Wool Reports.

Notes about insurance & list of Buildings &c. to be insured under Co's underwriting account.

Fire insurance policy No. 7975358

Copy of Cablegram received on 5/4/04

Henderson's prices bottled Ales & Stouts.

Particulars of freight home per "Orita"

Copy of Cablegram sent 25/3/04

Clients' A/sales:-

A N	1	cask	Sealskins ex	"California"
Harvey	3	,,	,,	"Oropesa"
HB	72	Salted Hides ex		"Magellan"
L	26	,,	,,	,,

Copy of letter received from W. W. Bertrand dated 8th April.

Letter for A. L. Allan, Esq.

London 13th April, 1904.

Enclosure per Supplementary Mail via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

List of Cargo per "Panama"

List of Dutiable Goods per "Panama"

General Invoice of Goods per "Panama"

Remarks on Stores

Replies to Remarks on Stores

Sight Draft on J.Kirwan for £ 20 . 12 . 2 (B/L attached) for collection

Eills's invoices goods per "Panama"

Letters for the following:-

W.A.Harding,Esq.,

J.J.Felton,Esq.

W.Hart Bennett,Esq.

London 16th April,1904.

Enclosures via Liverpool

Duplicates

Despatch No. 977

Ledger & Journal Entries.

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Notes on Buildings

List of General Cargo per "Orita"

General Invoice of Goods per "Orita"

List of Enclosures

List of Dutiable Goods per "Orita"

Clients' A/sales, reports & contracts:-

S	7	bales	Sheepskins	ex "Orissa"
J B	39	,,	,,	,,
T R	3	,,	,,	,,
J F	1	,,	,,	"Magellan"
J B	6	,,	,,	,,
S & S	3	,,	,,	"Orissa"
J F F	4	,,	(remd) ,,	"Victoria"
S I	36	,,	Wool	"Orita"
HB	4	,,	,,	"Magellan"
L	11	,,	,,	,,
T R	3	,,	,,	"Orissa"
S & S	2	,,	,,	,,
S	60	,,	,,	"Magellan"
F	79	,,	,,	,,,

Corrected General invoice goods per "Oropesa"

List of Buildings, uninsured.

List of Parcels

Bill of Lading General Cargo per "Orita"

Sight Draft (second) for £60. 2. 1 on J. Kirwan with B/L attached

Clients' Reports & contracts:-

HB	72	Salted Hides	ex "Magellan"
L	26	,,	,,

S & S 1 bundle Tails ex "Orissa"(report only)

Harvey 3 casks Sealskins ex "Oropesa"

A N 1 ,, ,, "California"

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 11th May, 1904.

Per Oruba.

No 979.

Sir,

I have to acknowledge receipt of your despatch no. 245, which arrived on the 25th ult. with your letter of March 29th, also of Mr. Girling's letter of 14th March per California, to hand on the 14th ult.

2. 245-2. I cannot say anything about the steam required to drive the Wasp's steam pump, but should much doubt its requiring 80 lbs., of course you will get Atherton to see to it. In any case you would have that pressure of steam up for driving the launch, and the pump certainly delivered water quickly, saving a lot of labour. Against the profits of watering ships you must put the cost of pumps, hoses, and tanks, and not forget the total loss of the water boat in Port William; still, as you say, we must be prepared to do this work.

3. Par. 6. I can only repeat that the Directors object on principle to anyone having a prior claim to ours, whether large or small, on any property, the owner of which is in debt to us. The wishes of the Board were fully expressed in my despatch 976-10, and there is nothing to add to them.

4. Par. 7. It is true that the remarks on the Rosa Baker were written without a full knowledge of the case; but you must blame yourself for having neglected to put us in possession of the facts. If you will read your own reports again, you will see why the remarks were made. You reported on the 5th of January that the lighter had come in on the beach close to the office; to the best of my recollection the beach there is flat. On the 9th your tone was despairing; you had not entirely given up hope of being able to

W. A. Harding, Esq.,

Manager,

Stanley.

get her off, but the cost would be very high; what could that suggest to the Board but that you had all but thrown up the sponge? In my despatch I instanced the enquiry that always takes place in the Navy in cases of accident, and said that Capt. Thomas would have to prove to you that he was not in fault; for the rest, the paragraph consisted mainly of a series of questions put for the purpose of getting the information you had failed to supply, and now we learn for the first time the real cause of the casualty, which of course ~~xxxxxx~~ exonerates Capt. Thomas, and if explained at the time would have saved a good deal of trouble. Sedgwick committed an error in judgment, to which all people are liable, and there was no reason for concealing it. You should bear in mind that the Board requires full information on all subjects of importance, particularly in a case like this involving considerable loss, and if you imagine that they will sit down and accept what you think fit to tell them, when there is a palpable suppression of material facts, you had better disabuse your mind of the idea. Regarding Thomas, the impression formed of him here has been based mainly on your own reports from time to time. It has never been suggested that he is unskilful, and the idea of carelessness in this matter is dispelled by your tardy explanation. I have to point out that the question about the terms of his agreement has not been answered.

5. Par. 8. It is a new thing to me to learn that any of the hulks are lying at single anchor; they should all be moored with two anchors and a swivel, and cannot be considered safe without. Had not the Glengowan a second anchor? It seems impossible that she can only have had one. Has the J. P. Smith at any time lost hers? If more swivels are required for the purpose of mooring the hulks properly they shall be sent out, if you will give the sizes required.

24-18
25-11
in 1805

6. Par. 13. The Birch chronometer was bought new for the Black Hawk when she was built in 1872, the 8 day one belonged to the Great Britain, and came to us among her effects, it is a pity that it was lost. With regard to the Frodsham, it was somewhat risky letting it go to the Antarctic, and as the ship has been abandoned you must let us have what evidence there may be in your possession

to enable us to make a claim on Dr.Nordenskjold,if he can be found.

7. Par.16. The cost of cables from here to Sandy Point is 4/2d.per word,as to the Plate,against 5/9d.by the longer route via Coronel. Some loss in exchange in sending home from Sandy Point is to be expected,but how the message you mention works out at 4/11d.is difficult to understand. If necessary I must write to the Eastern Co.about this; you will of course use the route henceforth.

8. Par.17. The mistake made about the quantity of wool the California could carry is most annoying,and I have had some correspondence with the P.S.N.Co.as well as an interview with Mr.Alcock,who called here about it,and was full of apologies. The correspondence includes some remarks by the West Coast Manager,to which it is not necessary to allude further,as the position is quite understood,and there is no blame attached to yourself. I have looked carefully into last year's measurements,and find that quite 28 ft.per bale should be allowed; this is evidently where the Manager went wrong. The P.S.N.Co.have not replied,but I hope that they have noted what I told them.

9. With North Wales coal the consumption is so much per cent more than with ~~Welsh~~ Cardiff,but it is not unusable,as you seem to find it,and I suppose that there is something in the stoking that has to be found out. Regarding the schooners,I think I have lately observed that we used to burn house coal in the galley fires,and I am under the impression that the stoves are not meant for South Wales coal,and are liable to burn out.

10. Par.20. I wrote to the S.A.M.S.about Dean Brandon's deputy,but have had no reply,and must ask them again.

11. Par.21. It is a good thing that you have secured a respectable man for the Ship Hotel.

12. Par.22. The Board have decided to put Port Stephens on the same footing as Port Howard as regards the supply of cash. You had better make the change from the 1st of July,after making up the half year's account. The account you have sent to Port Howard is only reasonable,as people who make use of us when it suits them ought not to have the terms we give our regular clients. Of course we no more take the risk of fire for anyone,without instructions,

than the Docks here do on goods that are warehoused with them. If this is not understood, the sooner it is made plain the better it will be. Regarding the risk, it is not for us to make a quotation, as we would not take it on any terms, and you had better get a rate from the Royal.

11/2 %

13. Par. 23. The Board agree to your extending Mr. Girling's agreement on the terms you suggest.

14. Par. 24. The reduction in the Colonial expenditure is, of course, very gratifying, and if the Governor has brought it about in deference to the Company's representations mentioned by him at the Council meeting, it shows a regard for us which we duly appreciate. But as the wicked export tax on wool was imposed for the purpose of wiping off the deficit caused by the extravagance of past years, the state of affairs cannot be considered quite satisfactory until it has been rescinded.

15. Par. 25. I have now some faint recollection of George Thomson's dismissal, and my impression is that on examining the grounds I did not consider them just, and was unable to confirm it. At the last Board the Directors decided that his pension should be at the rate of £32 per annum.

16. Par. 27. The box of Digester fittings should have been addressed to us, not to Harker & Co., but Mr. Blake takes the blame for this on his own shoulders.

17. Par. 30. You have probably heard before now that the Governor has been appointed to the Bahamas; nothing has been heard yet about the new man.

18. Letter of March 29th. The Antisana will be in time for the July sales, and will be better than the Inca. The little lot of wool per Oruba was too late for the sales last week, when our wool fetched prices on a par with the previous series, but the Brokers will include it in one of their catalogues before the close.

19. I notice that cheques given to passengers home per Panama got into the hands of J. Jackson & Sons of Liverpool, who seem to lay themselves out for this business. I wish you could find out from some passenger who may return to the Islands what commission, if any, they charge. You have not made any further allusion to the proposal to get cheques cashed by the London City & Midland

Bank in Liverpool.

20. Both wool and skins from Great Island came on the same specification. I thought that it had been explained more than once that these specifications go to the Brokers, and that a separate one for each kind of produce must be sent. In future please look over these papers before they are sent, and where you see this error repeated have correct ones made out in the office.

21. It sometimes happens that persons presenting cheques on this office want to leave a portion of the amount here, which is inconvenient to us. You should ask whether money is likely to be required in several sums, and give cheques for those sums, intimating that we cannot receive deposits here. Or, as in the case of J. Cameron per Oruba, you can authorize us to pay on demand up to a certain amount, and then cheques can be drawn as required.

22. Mr. Felton has written in a humorous vein on the subject of what he calls a road scraper that was lately shipped by his order, and intimates that he proposes to return it. The order given by him was for a pair of Bettendorf wheels "with patent", and the original is returned herewith. We had a man here from the Fairbanks Co., and after much talk came to the conclusion that what was wanted was an apparatus for draining and ditching, and this we were told would do the work of ten men, and was much in use in the States. It seemed likely that Mr. Felton was about to do some draining at Teal Inlet, and that the order could have no other meaning. Now it seems that what he intended to write and thought he had written was a "pair of wheels with sand-proof hubs", and this would of course have been clear enough. I mention this here instead of leaving it to "Remarks on Stores", because it is desirable to point out that while we are willing to oblige our clients by getting them articles that are not to be had any other way, we cannot be responsible for errors that are due to insufficient description or explanation in the orders, and that we cannot have things so ordered returned on our hands, or accept any pecuniary responsibility. I wish also to suggest that as the use to which the machine should be put is misunderstood it is quite possible that Mr. Felton, or someone else, now that it has been explained may see the advantage of it, and be willing to keep it.

23. Your cable about the Fair Rosamond arrived on the 2nd inst.,and the loss is greatly regretted not only on account of the vessel herself but of the difficulty you will be placed in over the collection of the balance of the [illegible] wool this season. You have a list of the insurances we take ourselves,and know that the loss falls on our fund. This is of course to be regretted,but we cannot escape all losses,and we have the satisfaction of knowing that the premiums collected from the schooner since we took her on have covered the loss with 50% to spare. We are rather alarmed about the value of the outward cargo,and should be relieved to hear that there was no great value on board,as this also will fall on us. You will of course have taken care to get as much out of the wreck as possible in the way of salvage,though from the cable we do not expect much. I have asked the P.S.N.Co.if they can say anything about the steamer,but they reply that they see no present prospect of securing a suitable one,and that we shall no doubt consider it advisable to arrange to meet our requirements for the coming season. This is pure nonsense,of course,now is the time to make the change, and if we have to send out a schooner to replace the Rosamond it will not be for one season only. Fortunately there is plenty of time to consider what is best to be done; we cannot get a vessel out for your present work,and if a new one is in the Islands in November it will be in time for next year's.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Originals

Wool reports

Copy of Cablegram sent on the 23rd April

Copy of Cablegram received on the 1st May.

Copy of letter from the Commander of the "California" also extract from General Letter from the West Coast Manager of the 22nd March.

Kirkland Cope's account for B. Stickney.

Copy of letter to Eills & Co. of the 27th and their replies of the 28th & 30th April re Essences.

Copy of letter to T. Bennett & Co. of the 25th & their reply of the 26th April re Tallow Shooks.

Copy of Estimate for Dean & Anson's Wool press ordered by Mr. Blake from Hayward Tyler & Co. dated 22nd April.

Copy of letter to W. Carpenter & Sons dated 5th May.

Clients' A/sales, reports & Contracts:-

S 1	2	bales	Sheepskins	ex "Orita"
L	40	,,	,,	"Magellan"

Clients' Reports & Contracts:-

J B	284	bales	Wool	ex "California"
HGC	92	,,	,,	,,
W P	33	,,	,,	,,

Brokers' copies Company's Wool reports ex "California"

Copy of letter to the P. S. N. Co. dated 25th April.

Mr. Felton's original order for goods from the Fairbanks Co. returned

Remarks on Stores

Letter for E. J. Mathews, Esq.

Letter for A. L. Allan, Esq.

London 11th May, 1904

Enclosures per Supplementary Mail via Lisbon

Originals

Wool Reports

Ledger & Journal Entries

Remarks on Accounts

Replies to Remarks on Stores

Supplementary Remarks on Stores

List of General Cargo per "Oruba"

List of Dutiable Goods per "Oruba"

General Invoice goods per "Oruba"

Eills's invoices goods shipped per"Oruba"

Langdon's ditto ditto

Sight Draft for £ 52 . 13 . 8 on J.Kirwan for collection with B/L attached.

Copy of letter from W.Carpenter & Sons of the 11th & our reply of the 12th May.

Clients' reports & contracts:-

D S
G I 59 bales Wool ex "Oruba"

S & S 10 ,, ,, ,,

Amended Profit & Loss Statement for 1903

Press copies Brokers' A/sales Company's Wool per "California"

Letters for the following:-

W.A.Harding,Esq.

J.J.Felton,Esq.

A.L.Allan,Esq. (2)

George Bonner,Esq.

Vere Packe,Esq.

Corrected Invoice of Austin's Iron Bars per "Oruba"

London 14th May,1904.

Enclosures via Liverpool

Duplicates

Despatch No.978

Remarks on Accounts

Ledger & Journal Entires

Remarks on Stores

Replies to Remarks on Stores

List of Dutiable Goods per "Panama"

List of Cargo per "Panama"

General Invoice Goods per "Panama"

Second of Exchange for £ 20 . 12 . 2 on J.Kirwan B/L attached

List of Buildings to be insured under Co's underwriting account

List of Parcels

List of Enclosures

Clients' A/sales :-

L	26	Salted Hides	ex	"Magellan"
HB	72	,,	,,	,,
Harvey	3	casks Seal skins	ex	"Oropesa"
A N	1	,,	,,	"California"

B/L General Cargo per "Panama"

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street,

London, E.C. 8th June, 1904.

Per Oravia.

No. 980.

Sir,

I have to acknowledge receipt of your despatch no. 246, which arrived on the 24th ult.

2. Par. 3. You have somewhat misunderstood the remarks made about a Patent Slip, as I intended to convey to you the intimation that the Board wished to make enquiries on the subject in London. But as you have stated certain reasons why, in your opinion, the Slip would not answer, it may be useful to point out that those reasons are based on information that is totally inaccurate. (1) At Gosport yachts are hauled on Camper & Nicholson's slip by means of a capstan and bars, a very inexpensive apparatus. (2) You cannot have the Hornet down at the East Jetty, simply because her keel will not come out of water. It was tried in 1886 without success; I refreshed my memory by referring to my despatch on the subject, and found, which I now remember, that owing to her build it was barely awash, and that was the reason why she had to be sent to Montevideo for repairs. Whether this is the case with the Fortuna I do not know, but it would be dangerous to try so large a vessel. (3) To say that it is not feasible to put a schooner on a slip is incorrect; every yacht, large or small, that is overhauled at Gosport goes on the slip, and the Fortuna was fitted out there. Why they were afraid of doing it in Montevideo has not been explained; possibly the slip was too small. The advantages of a slip, if it were practicable to erect it, are obvious. To get out of a vessel all the work of which she is capable, her bottom ought to be kept clean by docking or hauling up once or twice a year. Now we know that the Hornet's keel has not been seen for 18 years, and we know too well that for want of proper ap-

W. A. Harding, Esq.,
Manager,
Stanley.

pliances all our schooners get sluggish in sailing, and to be sluggish means long passages and waste of money. How many days and even weeks do we not lose during the year owing to the schooners being unable to do their work as rapidly as they should? The value of a slip to us, even at a somewhat high initial cost, would be so great as to leave no room for argument; but whether it is practicable is another matter, and I am afraid, from the information I have gained, that the small rise and fall coupled with the too gradual shelving of the beach will render the idea impracticable. Still, in order to get a final opinion on the subject, you should send us soundings taken straight out to a depth at which the Fortuna, with her ballast out, would float. Possibly this would be considerably beyond the spot at which the beach dries out at dead low water, and in this case I am afraid that nothing can be done; but there is no harm in enquiring, and Captain Thomas can get the soundings prepared. Now that we know that there will be no casting steamer it is necessary to devise some plan by which the schooners can always be kept at their best, and in all things, when there is a chance of introducing improvements in working, we must not be content to take things as they are, but strive for something better. I hear that there are several slips on the coast or at Sandy Point, and that the local vessels are constantly being hauled up; if all schemes for cleaning our vessels' bottoms in the Islands fail, it may be worth while to send them across at times for an overhaul.

3. Par. 5. I have recorded in the code book the words "Tuetano", "Tuferada", "Tufato", and "Tufazzolo" as indicating that the outward steamer has left Lisbon one, two, three, or four days late.

4. Par. 7. You have been informed already that we have dealt with the insurance of the Camp houses, and have probably answered the questions put about other risks. We have covered the Engineer's shop and machinery with the Royal for £400 at 15/., and you must note that no more paraffin is stored in the building than is sufficient for a day's use.

5. Par. 9. We shall endeavour to get the P.S.N.Co. to take 50 tons of coal by the next outward steamer. Do you make an extra charge to buyers when it is in bags?

6. Par. 10. Th. Bracht & Co. have written about sheep, and I enclose a copy of their letter. You will see that they make no practical proposal as yet, and the whole matter hinges on the low rate of freight which they profess to be able to secure. A Mr. Olde, a salesman at the Central Meat Market has been here on their behalf, and has promised to get information as soon as he can. He tells me that mutton from imported live sheep is very high just now, owing to importations from the Argentine being prohibited, in fact 7d to 7½d. both in London and Antwerp, but here shipments are not received if the ship has been in an Argentine port within 21 days of loading her cargo, or has Argentine hay on board; at Antwerp there is no such restriction. With a freight of 10/. per head including fittings and water, the profit looks very large even if a liberal allowance is made for wages on the voyage, and I daresay that we may have an offer made to buy at per head, if we or the other farmers should be disinclined to ship on our own account. Mr. Bergl has made no sign yet, but we have now two strings to our bow, and you must give us full information as to the numbers available from February to May next year and where. Can the wethers be estimated as 65 lbs. dressed? I have told Bracht & Co. that precise information must be given beforehand as to the time of arrival in the Islands of the steamers, and there is the question of shipping to be settled. They will expect the sheep to be put alongside, so we must know what facilities there are at the principal ports. How many of the old Meat Company's scows are still in existence, and where? I told Bracht that I thought that in most ports the ship would have to boat the sheep off themselves, and this I am afraid will be a difficulty.

7. Par. 15. Your report on the loss of the Fair Rosamond is clear and explicit, and therefore quite satisfactory. The only question that arises out of it is whether, as she went ashore early on the 15th of April, and on Tuesday the 19th, when you visited her overland, she was still holding together, and you say that had there been a boat on the spot something might have been saved, it would have been impossible for Osborne, during those four days, to go back in the boat in which he had reached the settlement and get out at least

some of the luggage. It is a great satisfaction to the Directors to learn that there was no loss of life,and as regards the rest, although it is unpleasant to see the Underwriting fund reduced,it does not affect our profits by a halfpenny,as the fund is a reserve created to meet contingencies of this kind,which are incidents that we must expect to occur sometimes. We are able to say that in the course of ten years or so we shall have debited the account with losses amounting to nearly £4000,and that we still have a substantial balance in hand,and,more than this,it has favourably affected the premiums we pay Underwriters,as I have frequently used in in getting premiums reduced that I have thought excessive,simply by saying that we should take a risk ourselves if they opened their mouths so wide. The Board of course regret to hear of the losses incurred by passengers,but do not suppose that they can have any idea of asking for compensation,as they ought to have been prudent enough to insure themselves. After this,probably people travelling round the Islands with valuables will take care to cover themselves against loss. Par.16. As you remark,the amount of risk in one bottom is a matter for the Directors,and I will only mention that the Fair Rosamond,being 58 years old,was practically uninsurable at Lloyd's. Regarding coasting insurance,which has hitherto been run with fair results,we have taken into consideration the fact that when a loss occurs it is usually additional to a line we have on the vessel as well,and it is unfortunate that in this case there was unusual value on board. There is no great catch in the premiums on these coasting risks,and we have taken out a policy at Lloyd's for £2000 at 10/.% all risks,being held covered for a further £2000, and you will report the amounts covered in the usual way for endorsement on the policy. This is on goods in our own schooners only,but we are held covered at an additional 10/.on goods in vessels owned by others,which you will in all cases have to report. Considering that small owners are not in the habit of keeping their vessels as well found as we do this is only fair. You ought to let everyone know that they can save themselves from loss by insuring any valuables they may have at risk. Live sheep on deck cannot be insured,but if below they can be taken at the same rate,excluding mortality from other causes than shipwreck. This reminds ~~km~~ me to

ask whether Felton's rams, if on deck, could not have been pitched over board to take their chance of swimming ashore; but possibly there was no time for that.

8. Par. 17. The question of replacing the schooner has been brought to a head by the definite refusal of the P.S.N.Co. to send out a steamer, and a new vessel will be purchased. I think that she should be somewhat larger than the F.R., and the best offered at present is the yacht Tritonia, 98.3, 20.4, 12.1, against 75.9, 17.2, and 10.6, but the price, £2400, even allowing £350 to £400 for lead ballast makes her out of the question. Then we have on offer the Livonia, Otario, Medora, Myrtle, and Zala, all pretty old, and this we shall find a difficulty, as since the seventies few schooners have been built. Outside yachts, unless we built, we cannot go; we must have smart sailers, and anything we have ever sent out from the English coast has been a dismal failure in this respect. You say that a Nova Scotia schooner, being of soft wood, would be out of the question; I do not think so. When we consider that of eight schooners sent out since 1869 six have been totally lost, and that now we have lost a seventh, bought in the Islands, we must face the fact that the life of anything we get is in all probability a limited one, and a soft wood vessel, if she is a good sailer, will most likely go the way of the others long before she is worn out. The Louisa, long before your time, was I think soft wood, and she did good work for Hansen for many years, anyhow she was American. But we must have the vessel in Stanley by November, and I fear that the time is too short to negotiate. You may rely on our doing our best to buy and despatch the new vessel so as to be in time for next season's work. With regard to your remark that you have to collect tallow at Port Howard, if this is from Waldron's, it must naturally wait until you have done all the work for our clients.

9. Par. 19. With regard to the proposal to give us a lease of the reserve at Bull Point, it seems playing it a little low down, seeing that to the best of my belief it was created when Lafonia was sold purely as a matter of form, for the purpose of creating a right of way through Lafonia, and was never while I was in Stanley definitely located, as Governor Robinson did not act on the chaff I told you about sometime ago. Supposing that we said we were much

obliged, but did not want the lease, what would happen? Would anyone be likely to take it? According to the Grant of Lafonia it is defined as follows:- "A tract of land not exceeding two square miles in extent in the neighbourhood of Bull Road....such land to be selected by the Governor of the Falkland Islands for the time being". Would anyone be fool enough to acquire the land, seeing that we should at once call upon him to fence it on joint account with ourselves, and put him to greater expense than he could recoup on such a small block in ten years? I suggest that we should bluff the Government on the subject, say that it was only a nominal reserve, created for the purpose I have mentioned, and never intended to be actually located or charged for in the form of rent, the proof being that the question has been left alone for over 50 years; if it comes to the point refuse to take it up, and send the question to the Secretary of State. Of course, if you see that this course may lead to our being put to any inconvenience or loss, you must act according to the best of your judgment, as the amount of rent is trivial; still, although so small, we do not like to be put upon in any way if it can be avoided. I do not believe in the lighthouse theory; how could it require two square miles of land?

10. Par. 20. It is to be hoped that the Government did not make you pay for the Court of Enquiry; there was no occasion for it, as no lives were lost, and no question of insurance was involved, and if there had been such a question, your report to Lloyd's and the protest would have been all the Underwriters would have required. If you have access to any reports of Official Enquiries into wrecks, I think that you will find that the phrase universally used at the end of the judgment is, "The Court made no order as to costs", which means that the Board of Trade, at whose instance it was held, always pay the expenses. We did not ask for the enquiry, and therefore it would be distinctly unfair to ask us to pay for it.

11. Par. 21. According to your cable there are only 1500 bales for us on board the Antisana, but there may be some for J.H. Dean or J. Hoare & Co., as you seemed confident that you would have 2000.

12. I send correspondence about Dickson's luggage, so that he may see that we have done all we could. I find that Jacksons are people of good repute in Liverpool, but they have certainly made a mess in this case, and Dickson would be wise to claim for any extra

expenses to which he may have been put. Many Stanley cheques now come through bearing Jacksons' stamp, and I have been expecting to hear from you about making them payable at our Bank. You ought to be able to find out from passengers returning what commission, if any, they chrage for this accommodation.

13. Messrs. Dalgety & Co. have recovered £3. 3/. for a black spotted ram on account of J.L. Waldron, Ltd.; copy of letter enclosed.

14. The wool per California sold at previous rates, and there seems to be no fear of any decline at present.

15. Acting on information supplied by yourself, the Profit & Loss Statement has been issued this year in such a way as to provide the minimum of information; but a key is enclosed. The dividend for the year to be passed at the General Meeting next Monday is 15%. You can let Mr. Allan see a copy of the Report.

16. In cabling by Sandy Point I sent you the name of Mr. Allardyce as the new Governor, whom we have not seen yet. It is understood that he is going out in August or September.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Lisbon.

Originals

Ledger & Journal Entries.

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Dutiable Goods per "Oravia"

List of General Cargo per "Oravia"

General Invoice goods per "Oravia"

Eills'S invoices

Copy of letter to Glanvill Enthoven & Co. of the 6th & their reply of the 8th June.

Duplicate copy of Royal Policy No. 7975377(Engineers'Shop)

Sight Draft on J. Kirwan for £27. 1. 4 for collection, B/L attach

Letters for the following:-

J. J. Felton, Esq.

A. L. Allan, Esq.

W. A. Harding, Esq.

Secretary, Stanley Assembly Rooms Co., ltd.

Copy of letter from the British-American Tobacco Co. dated 9th June.

London 11th June, 1904.

Enclosures via Liverpool

Duplicates

Despatch No. 979

Ledger & Journal Entries

Remarks on Accounts

General Invoice of Goods per "Oruba"

Remarks on Stores

Replies to Remarks on Stores

Supplementary Remarks on Stores

Amended Profit & Loss Statement for 1903

List of Parcels

List of General Cargo per "Oruba"

List of Dutiable Goods per "Oruba"

Clients' A/sales, reports & contracts.:-

S I	2	bales	Sheepskins	ex "Orita"
L	40	,,	,,	"Magellan"
W P	33	,,	Wool	ex "California"
S & S	10	,,	,,	"Oruba"
HB	309	,,	,,	"California"
H G C	92	,,	,,	,,
J B	284	,,	,,	,,

List of Enclosures

B/L General Cargo per "Oruba"

Second of Exchange for £ 52 . 13 . 8 on J.Kirwan, B/L attached

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Enclosures via Liverpool

Originals

Copy of Cablegram sent on the 20th May.

Copy of Cablegram received on the 3rd. June.

Wool Reports (enclosed in Consignees' letter).

Correspondence with Lowden &c.&c. re. Dickson's luggage.

Clients' A/sales:-

S & S	10 bales	Wool	ex	"Oruba"
D S G I	59	,,	,,	,,
HB	309	,,	,,	"California"
J B	284	,,	,,	,,
HGC	93	,,	,,	,,
W P	33	,,	,,	,,

Corrected General Invoice Goods per "Oruba"

Copy of letter from Dalgety & Co. of the 31st May with credit note for 1 Ram attached.

Copy of letter from J. Bracht & Co. dated the 1st June.

Copy of letter from the P. S. N. Co. dated 28th May

Clients' reports & contracts:-

HGC	10 bales	Sheepskins	ex	"California"
WP	1 ,,	,,		,,
HB	10 ,,	,,		,,
J B	1 ,,	,,		,,

Brokers' press copies reports & contract Company's Sheep-Skins ex "Oruba"

Particulars of homeward freights per "California" & "Oruba"

Detailed Profit & Loss Account for 1903

Printed Report & balance Sheet for 1903

Letters for the following:-

W. A. Harding, Esq. E. J. Mathews, Esq. A. L. Allan, Esq.
JJ. Felton, Esq.

London 8th June, 1904.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary mail.

No 981. London, E.C. 10th June, 1904.

Sir,

I add a few lines in continuation of my despatch via Liverpool.

2. You will be surprised to hear that we have received a remittance from Boston on account of the Enola C., the amount, after deducting £50 sent over before the proceedings commenced and our London Solicitors' charges, being £395.19.6. The sum recovered by the Boston Solicitor was $4240, and he has remitted the equivalent of $2500, without giving any details of his charges, the difference, which we are given to understand represents costs, being about £348, and adding the £50 sent in advance they come to close on £400, or nearly 47% on the amount recovered. Seeing that we won all along the line, this seems very high, and Messrs. Ince Colt & Ince have written for an explanation.

3. We have covered the "Plym" for harbour risk only at £5 per cent, the limit of the harbour being settled as within a line drawn from William Point to Cape Pembroke. The amount is £1500, of which we take half ourselves. If she goes outside the line the premium is to be 1% more.

I am, Sir,

your obedient servant,

Managing Director.

W. A. Harding, Esq.,

Manager,

Stanley.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851

61, Gracechurch Street,

London, E.C. 6th July, 1904.

Per Victoria.

No 982.

Sir,

I have now to acknowledge receipt of your despatches 247 per Victoria and 248 per Antisana, which arrived on the 20th and 25th ult. respectively. Your letter of 25th May also arrived on the former date.

2. 247-5. If Lloyd's Register apply about the Samson I will tell them the situation; in the meantime it will be better, I think, to hold on in case you should have a chance of getting a Naval Engineer to go round with her to see the tail shaft drawn.

3. Par. 6. The news about the Rosa Baker is not re-assuring.

4. Par. 7. I have seen Mr. Allardyce, and have discussed several subjects with him, including the sealskin tax. He suggested to me that, although well intentioned, it was a mistake, as it was unlikely to protect Colonial seals, while it would drive a good deal of business out of Stanley. I agreed with him, but you can never tell what these people really mean.

5. Par. 9. The Board think that we had better take the lease of 1120 acres at Hillside, and endeavour later on to convert it into freehold; but with regard to Bull Point, no action should be taken at present, as the new Governor may see that it is a trifling pin prick of the kind the late Governor was so fond of administering, and may be of opinion that to ask for rent on two square miles of land, which was reserved, as I fully believe it was, to retain the right of way through Lafonia, and that alone, never located, and not charged for for upwards of 50 years, is a proceeding unworthy of the Government. If you find that a refusal of the lease is likely, in any way, to damage our interests, you must act as you may think best.

W. A. Harding, Esq.,

Manager,

Stanley.

6. Par. 8. The Plym's side lights with the mast head one cost £6.10/., so it would seem that you have sold the former too cheaply.

7. Par. 12. It would certainly seem better for us to get a clear 10/. per ton for storing coal against 15/6 for landing and reshipping from the depot; but it would be better to put it on the footing of so much a month if it were possible, as if we kept the coal afloat in our hulks for an indefinite time they would not earn much, and we might be deprived of some profitable hulk hire. We will await your report on this subject. Would there be any chance of their buying the Glengowan, and roofing her over? The cost would not be much in addition to what the Admiralty have spent already.

8. Par. 11. Your remarks on insurance are noted, and the alterations suggested shall be made. I had forgotten about the stone galpon, having the old one, which had formerly been the Cookhouse, in my mind.

9. Par. 13. The Board are uneasy about the condition of the Samson's boiler, and have decided to send a new one as soon as full particulars can be furnished. I have seen Mr. Barringer about it, and have read your remarks to him. He says that if the shell is good the matter of stays and tubes would be of no consequence here; but agrees that in the circumstances it would be better to be on the safe side. You speak of getting Atherton to make a drawing, but have evidently forgotten that in desp. 938 of 30th October, 1901, I sent you two prints which should give all the necessary information as to the size and shape, and you can add to it the exact position of the holes and connections. There is no spare copy here, and we cannot very well ask Earle's for it, even if they have it still. Mr. Barringer thinks it will be well to have it built for 180 lbs., not for use at that pressure, but for extra strength. He says that the house &c. on such boats are constructed so as to lift off bodily as soon as the fastenings are cut adrift, and that the beams are left out purposely. He seemed surprised at your statement that the cylinder covers have not been off for a year, as it is usual to lift them at least three times a year to see if the springs &c. are in order. It is evident that the boat was very badly cared for in the yard at Hull, but we want to have her in such condition as to get all the work out of her of which she is capable, and this can no

doubt be attained in time, if you stick at it. Mr. Barringer says that you must specify what mountings you require new, if any, and thinks that at any rate you may want a new safety valve.

10. Par. 14. The Directors have considered your proposed circular on the subject of insurance, and take exception to a considerable part of it, so that it will be necessary to re-write it. Par. 2. If we take care to insure goods that go from our own store, we should leave it to the clients to make their own arrangements about goods shipped to them by agents elsewhere, taking no responsibility ourselves whatever, or concerning ourselves much about them. If they like to instruct you to cover them in the Royal, well and good, but it is not our business to make things of this kind easy. Probably it will be best to advise them either to get their goods insured through to their port, or to tell their suppliers to advise you of the value, so that you can cover them against fire and the coasting risk. Par. 4. It is news to us that we make no charge for storing goods sent out for transshipment; this seems to the Board to be cutting our own throats, and they consider that a charge should always be made. Par. 5. They cannot sanction the proposed charge of 1/. per ton per week to cover storage and insurance, the two things are absolutely distinct, and cannot be mixed up. Par. 7. It does not seem necessary to point out to anyone our liability for damage through negligence, although it is perfectly true. Par. 8. Live stock may be taken as cargo, if below deck, but without the risk of mortality. Par. 9. It is usual to charge rather less premium on specie than on goods in ocean going vessels, on the principle that it is more likely to be saved in case of wreck; but as we have no specie rooms in our vessels, if it includes the risk of robbery, perhaps an extra charge would not be unfair. I am afraid that I have numbered the paragraphs wrongly, but you will understand what I mean. We can get the circular printed if you wish, but have you not a duplicating apparatus that would do the work sufficiently well?

11. Par. 15 and 16 and 248-2. It is most desirable that you should take steps to prevent the accidents that are so constantly occurring now to bales in course of shipment. Formerly this seldom happened, but the number of late has been surprisingly large, and it may have the effect of raising our premium. Every case must be the

result of carelessness, for if a bale is properly slung it ought not to go overboard. We will do what we can about the losses now reported, but I must point out to you that the settlement of claims is greatly facilited by your certificate as Lloyd's Agent in each case, and in the matter of the rotted sheepskins I doubt if the Underwriters will willingly accept your statement in par. 16 in lieu of a certificate.

12. Par. 17. The Board fully approve of the purchase of sheep from Mrs. Bonner.

13. Pars. 18 & 19. We are going into the matter of insurance.

1 4. I enclose a copy of Resolutions passed at the General Meeting, and request that you will convey the thanks referred to in no. 6 to those concerned.

15. The S.A.M.S. have at last decided that the Rev. C.K. Blount is to sign their bills.

16. I enclose copy of correspondence with A. Dale of Birmingham about goose feathers. The Governor has raised a great stir in the press by some ridiculous remarks on the destruction of geese, and Dale wants to know if the feathers are to be got in any quantity. If you could get some one to collect a small bag it might be of service.

17. Bills of Lading should be made out separately for the wool from Baillon & Stickney; I am not sure if this has been mentioned before, if not, it ought to have been.

18. I have seen about ten schooners, and the Board wish me to get one as soon as possible. At present the most suitable one is the yacht Otaria at Gosport, but I am to see the Lucile at Cowes in a day or two, and another, which seems the most promising of the lot, the Elsie of London, Danish built in 1876, described as a "beautiful schooner and very fast", and if she is suitable she is much cheaper than an old yacht. I am afraid that the Lucile will prove too large, but the price is moderate. Unfortunately the Elsie is at Fleetwodd, or rather, bound there, and it is a long way to go. The Board have also considered the question of the Hornet, which after 22 years' service has earned repose in her old age. She may now be described as an anachronism; for she went out in 1882, at the time when the Malvinas was doing most of our work, and was not expected to do more

than run about to our own places on small errands. I always said that a voyage for her beyond Bull Point was a losing venture, as she carries so little, and as things are at present there can be no possible doubt that she is too small for us. A schooner with a hand or two more would carry twice the cargo, and such a vessel the Board think ought to be sent out to replace her. But if we have time we can probably do better by going to the States or Canada; it is true that a vessel from the other side would probably be of soft wood, but seeing that eight schooners we have sent from England have had an average life of under 7½ years, putting in the Hornet and Fortuna, the two longest lived ones of the lot, this would not matter much. We are therefore going to make enquiries, and if successful, and we get a good vessel, the Hornet can be cut down and made a lighter on her arrival. It might be worth while enquiring of some of the Canadian Captains if they know of anything that would suit, or can recommend any builder. The reason why yachts have usually been selected is that they are easily altered, and sail well; the English coasters that have been sent out, such as the Anne Brooks and the Genesta, and the Sparrow Hawk, which was built for us in London, having been dismal failures from a sailing point of view.

19. No spedifications arrived with the Bills of Lading per Antisana, and although the latter were entered as being under a separate cover we saw nothing of them until the day after her arrival. The latter, though annoying, may have been the fault of someone on board, as we must assume that you directed the envelope to be forwarded from Montevideo; but the want of specifications, which was more serious, must have been through carelessness in the office, and you should see that it does not occur again. There was less than a week to get the wool lotted for the first sale, which the Brokers thought we ought to catch, and with specifications the lotting could have been done; without them a sample has had to be drawn from each bale, but fortunately it has been found possible to do it. Documents by cargo boat had better be sent in duplicate in future, one copy through Montevideo.

I am, Sir,

your obedient servant,

Alex. Lowe

Managing Director.

Enclosures via Liverpool

Duplicates

Despatches Nos. 980 & 981

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oravia"

General Invoice Goods per "Oravia"

List of Dutiable Goods per "Oravia"

~~Detailed A[illegible]t, P[illegible] & Loss f[illegible] year 1905~~

List of Parcels

Lists of Enclosures

Clients' A/sales & reports & contracts:-

A/sales only	S & S	10	bales	Wool	ex "Oruba"
	D S G I	59	,,	,,	,,
	H G C	92	,,	,,	"California"
	HB	309	,,	,,	,,
	W P	33	,,	,,	,,
	J B	284	,,	,,	,,
reports & contracts only	W P	1	bale	Sheepskins	ex "California"
	H G C	10	,,	,,	,,
	J B	1	,,	,,	,,
	HB	10	,,	,,	,,

Second of Exchange for £ 27.1.4 on J.Kirwan,B/L attached.

B/L for General Cargo per"Oravia".

Enclosures via Liverpool

Originals

Copy of Cablegram sent on the 17th June.

Copy of Cablegram received on the 25th June.

Annual Colonial Reports on the Falkland Islands

Copy of letters received from A. Dale of the 10th & 15th June re feathers.

Clients' A/sales :-

W P	1	bale Sheepskins ex "California"
H G C	10	,, ,, ,,
H B	10	,, ,, ,,
S & S	1	bundle Hair ex "Orissa"

Brokers' Press copies Company's Skins per "Oruba"

Fussell & Co's letters of the 11th & 14th June.

Mr. Harding's original invoice of 3 rd Oct./01 with S.H. Day's attached returned.

Clients' Reports & Contracts:-

S I	32	bales	Wool	ex "Antisana"
L	201	,,	,,	,,
AP	243	,,	,,	,,
HGC	10	,,	,,	,,
B	89	,,	,,	,,
S	89	,,	,,	,,
F B	109	,,	,,	,,
J R	21	,,	,,	,,
S & S	98	,,	,,	,,
W. Fell	42	,,	,,	,,
H	26	,,	,,	,,
F	199	,,	,,	,,
E R	102	,,	,,	,,

Brokers' copies Company's wool per "Antisana"

Copy of Resolutions passed at Annual General Meeting.

Stanley Assembly Rooms notice to W.W. Bertrand (see remarks on Accounts.)

Clients Credit notes :-

Company's	£ 26 .	11 .	8
Mrs Bonner	3	2	2
David Smith	1	15	8

Letters for the following:-

W. A. Harding, Esq.

A. L. Allan, Esq.

London 6th July, 1904.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 3rd August, 1904.

Per Orissa.

No 983.

Sir,

I have to acknowledge receipt of your despatch no. 249 per Orissa, and of your letter of the 21st June.

2. Par. 3. The Board are concerned to hear what you say about the hulks' moorings, which cannot be said to be in a proper condition. At the time I left the Islands, all hulks were moored with swivels on the chains, and were consequently quite safe. There is not much that it is necessary to say on this subject, as it is perfectly clear that all moorings must be supplied with swivels as soon as possible, and the ones you ask for have already been ordered. But it may be useful to say that during my stay of over 23 years no hulk ever went adrift, none of the Company's I mean, for Dean's were all over the harbour at times, and in mentioning this I do not take any credit to myself, as the Overseers under me were men who knew that they were responsible, and took the necessary precautions themselves, of course reporting to me anything that was necessary. We will supply anything that may be wanted to put the moorings in proper order, and you would do well to let Capt. Thomas know thathe will be held responsible in case of any dragging. For it is clear that if the hulks stood the gales of 23 years without budging, any mishap cannot be called an accident, but is the result of carelessness. Within a short time we have heard of the mishap to the Rosa Baker and the hitherto unreported dragging of the Capricorn, I mean the Praecis, and can only say that the Board hope that no episode of the kind will occur again in your time.

3. Par. 4. I suppose that Dr. Nordenskjold will send us a draft for the cost of the chronometer.

W. A. Harding, Esq.,

Manager,

Stanley.

4. Par. 7. The Directors have considered the question of insuring clients' goods in transit against fire, and in view of what you say about the amount covered on goods in hulks being in excess of our own stores, have decided to let you try your proposal of 6d. or perhaps 1/. per week per cent for a year, and we will increase this insurance by £1000. But this will want careful watching, because if the amount we pay for is much in excess of the value of goods during the year we may be working at a loss. This charge however should not cover the storage.

5. Par. 9. The delay in sending the specifications has led to much trouble, as the sales came on immediately, and besides this we were unable until their arrival to fathom a discrepancy that presented itself over the bale dropped overboard. You sent a certificate of the loss of a Roy Cove bale, no. 125, but the whole parcel was delivered, while the heart mark was one short, no. 129 being missing. It was so clear that the wrong mark and number had been given to you that the Underwriters have agreed to pay for the latter. This looks like carelessness on the part of the man tallying.

6. Par. 13. I have had a prolonged hunt for a schooner, but I am glad to say that it has at last been successful. I am very sorry that it has taken so long, as I know how badly you want her; I think I told you, however, that schooners are getting scarce, and all that I saw at Cowes, Gosport, and Brightlingsea were built in the '70's, while the coaster I saw at Fleetwood was an impossibility at first sight. I chanced on my return from the latter place to go to Liverpool for the night, and there I found through Lowdens that the Liverpool pilot boat, George Holt, known as "no. 10" might be for sale, and on following her up I succeeded in getting her. She is a composite schooner 101 ft. long, classed in Lloyd's Yacht Register 20 years A1, built for strength and speed by yacht builders at Dartmouth, and has, of course, been knocking about outside the Mersey bar for 10 years, now being superseded by pilot boats under steam. I go down tonight to settle about alterations, and shall get her off as speedily as possible. When I tell you that Mc. Lauchlen, who was on board with me on Saturday, pronounced her the finest schooner the Company had ever bought, I need say no more.

Of course she must be renamed: I suffered so much from the 'Ornet and the two 'Awks that I have set my face for years against any name beginning with an aspirate, and as this vessel would be the "Jawjolt" from the first day something more euphonious must be selected. I shall suggest Dart or Mersey, and as we have already got a Plym from Plymouth, the Dart from Dartmouth would be appropriate.

7. Par. 16. I think that Mr. Allardyce may repeal the Sealing tax, if he means what he says.

8. You could not be expected to go to Darwin with snow on the ground, nothing but the most imperative necessity would call for such a journey.

9. Par. 18. I think that you are under some misapprehension about Mr. Packe's affairs, judging from some other remarks in a private letter. We are not pushing for a mortgage, nor have we done for some time, as the Directors are well satisfied with the progress he is making in reducing his indebtedness. In fact the idea has been given up. We do not want him to raise money to pay us off, as you seem to think, in fact we offered to pay off the mortgage he has already given. What the Directors thought was that having advanced him up to £8000 without security, no debt, even for a small amount, ought to have been placed before ours, simply as a matter of principle, and this might have occurred to anyone. But they do not wish to diminish in any way the feeling of gratitude which you say he possesses towards the Company, and as long as the account goes on diminishing by thousands a year, as it does at present, it is a matter that need not be pursued. At the same time we are perfectly willing to pay off the other debt.

10. Par. 19. Your remarks and enclosures on the subject of insurance have been noted, but I am sorry to say that, with the best intentions, my time has been so completely taken up over the schooner, that I have been unable to tackle the subject, so must reserve any remarks for another occasion.

11. Par. 20. The matter of Houlder Bros. and the proposed purchase of sheep is mysterious. Mr. Bertrand was here lately, and told me that he had seen the firm, who disclaimed any intention of speculating in sheep, as it was so risky, but would be willing to con-

vey them on freight. This seemed so strange, that by desire of the Board I wrote to Houlders, taking as my text the letter to Mr. Felton, of which you sent a copy. I enclose the correspondence, and leave it to you to interpret it, as I cannot understand the thing at all. Bonner certainly offered bills at 90 days on Houlders, and may possibly be unaware that in doing so he is taking on himself personally a heavy responsibility in case of non acceptance. The worst of it is that this scheme may block the way to others; for I telephoned to Bergl to ask what he proposed to do, and the reply was that the whole thing rested with us. Now for the Bergl business we only know at present how many sheep Mr. Allan can promise, for you have sent none from other farmers, and so it may drag on until it is too late to act. The Directors are not favourable to Mr. Bergl, unless we can secure ourselves absolutely as to payment; but if that can be done there is no reason why we should not deal with him as welll as with anyone else. In any sale, while leaving it to you and Mr. Allan full discretion as to the numbers to be sold, the Directors reserve to themselves all arrangements as to securing payment.

12. Par. 23. The Board are glad to hear that you and the late Governor parted on good terms, and are much pleased about the entertaimment you gave him.

13. Letter. Not having heard by cable, we assume that the schooners about which you were alarmed returned safely.

14. In the cable about the Sarmiento's cargo I am puzzled to see no report of casks, as there should be some tallow coming along.

15. A bill in favour of the Crown Agents bearing your signature has been accepted without advice; this should not have occurred.

16. The P. S. N. Co. have written to ask what the local charges were on oil per Antisana, to which I replied at a guess 7/6d. per ton, as you had made no note to guide me. Very likely it should have been 5/., and if so you will have to tell them so; they are writing about it.

17. I notice that all the late specifications have the word "wood" printed for "wool". If this was the fault of our station-

ers, and you have a large quantity, you had better send home what you can spare, and we will get them to replace them at their own expense.

18. Mr. Buckworth has been complaining about the price of coals, which he says cost him 75/. per ton delivered at Fox Bay, and he is going to try to get Spearing & Waldron to send out a cargo for distribution. As this might lead to other business which we should not like, it seems a case in which we might reasonably make a concession to satisfy our clients. He says that he has to pay 15/. a ton from Stanley to Fox Bay, which puts the price in Stanley at 60/., but I thought that as we now get coals cheaper in Liverpool that we used to do in London the price had been reduced. Anyhow, 75/. seems terribly high, and it may be a case in which it is politic to throw away a sprat to catch a mackerel.

250-4

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Originals

Wool reports

Copy of Cablegram sent on the 15th July.

Copy of Cablegram received on the 28th July.

Copy of letter to Houlder Brother of 26th & their reply of the 27th July

Copy of letter to Lloyd's Register of Shipping dated 27th July.

Clients' A/sales:-

L	202	bales	Wool	ex "Antisana"
♡	331	,,	,,	,,
S I	32	,,	,,	,,
H	26	,,	,,	,,
B	89	,,	,,	,,
W.Fell	42	,,	,,	,,
S	89	,,	,,	,,
J F	199	,,	,,	,,
AP	243	,,	,,	,,
△ F B	109	,,	,,	,,
J R	21	,,	,,	,,
T R	102	,,	,,	,,
S & S	98	,,	,,	,,
H G C	10	,,	,,	,,

Clients' A/sales, reports & contracts:-

♡	4	bales	Sheepskins	ex"Antisana"
L	2	,,	,,	,,
D S	1	,,	,,	,,
J R	1	,,	,,	,,
B	2	,,	,,	,,
F	2	,,	,,	,,
H	5	,,	,,	,,
S	7	casks	Salted Pelts	,,
AP	5	bales	Sheepskins	,,
S	10	,,	,,	,,
W.Fell	2	,,	,,	,,

S & S	2 bales Sheepskins ex "Antisana"	
△ F B	2 ,, ,, ,,	
S	95 salted Hides ,,	(report only)

Brokers' copies Conpany's W/sales Wool & Sheepskins ex "Antisana"

List of John Dewar & Sons Advertising Novelties
Letter for A. J. Allan, Esq.
" " Robert Cartmell, Darwin Harbour.
" " Nee Packe, Esq.
Copy of letter from Lloyd's Register of Shipping dated 2nd August & one reply dated 13th Aug.

Enclosures

Duplicates

Despatch No. 982 dated 6th July.

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to remarks on Stores

List of General Cargo per "Victoria"

General invoice goods per "Victoria"

Clients' A/sales:-

S & S	1 bundle	Hair	ex "Orissa"	
HB	10 bales	Sheepskins	ex "California"	
H G C	10	,,	,,	,,
W P	1	,,	,,	,,

List of Parcels

List of Dutiable Goods per "Victoria"

Clients' Reports & Contracts&-

F	199 bales	Wool	ex "Antisana"	
H	26	,,	,,	,,
S I	32	,,	,,	,,
W. Fell	42	,,	,,	,,
S & S	98	,,	,,	,,
J R	21	,,	,,	,,
H G C	10	,,	,,	,,
L	201	,,	,,	,,
T R	102	,,	,,	,,
F B	109	,,	,,	,,
AP	243	,,	,,	,,
B	89	,,	,,	,,
S	89	,,	,,	,,

B/L caals per "Victoria"

B/L general cargo per "Victoria"

Second of Exchange for £ 10.10.- on Mrs G.M. Dean B/L attached

,, ,, ,, £ 39.4.8 on J. Kirwan ,,

List of Enclosures.

Enclosures per Supplementary Mail via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores & Supplementary remarks.

Replies to Remarks on Stores

List of General Cargo per "Orissa"

General Invoice of goods per "Orissa"

Copy of W. Bennett's A/sale 12 cases Old Copper per "Antisana"

Eills, Bain, Catesby, Anglo-Peninsular & Hayward Tyler's invoices goods shipped per "Orissa"

Copy of Baillon & Stickney's Account Current

Credit note for 1 bale Wool ex"Antisana" for Baillon & Stickney

Letters for the following:-

W. A. Harding, Esq.

Capt. F. Rowlands.

London 6th August, 1904.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 31st August, 1904

Per Oropesa

No. 984

Sir,

I have to acknowledge receipt of your despatches No. 250 and 251 per "Oropesa" and your letter of the 27th July also your letter of the 23rd July per "Sarmiento" with enclosures. In Mr. Cobb's absence I can only answer briefly and pass on a few remarks he made before leaving for his holiday.

2. 250 Par. 5. If the farmers wait until winter is over before promising sheep no business can ever be done, as it leaves no time to make arrangements here. Moreover an annual supply extending over a period of years must be promised before anyone can be induced to erect plant.

3. Par. 7. We cannot consider the "Rapida" at the price, having bought the George Holt.

4. Par. 9. The view taken by you about Bull Point Reserves is quite correct.

5. Par. 12. If the Plym goes outside Port William it must be reported, and an extra premium will then be paid, but we hope this may not be necessary.

6. Par. 18. Do the Pacific Steam Navigation Co. still bring out hay &c. at 40/- per ton for the Government?

7. Par. 20. Your Indents will be useful to us for selecting goods to send out in the "Lafonia", which, by-the-bye, is the name chosen for the new Schooner. We have approached the Firm you mentioned about a levelling table but they say their price for size given is £43 nett. Where did you get your idea of £5 from? Of course we shall not send out a table at the price quoted.

8. 251 Par. 2. We are much surprised at the step taken by Dean & Anson, but do not see why we offered financial facilities, which are no catch in the absence of produce as security. We have written the Pacific Steam Navigation Co. on the subject of the

W. A. Harding, Esq.,

Manager, Stanley.

secession of several farmers in the Islands and send you a copy of our letter. In acknowledging same they say the matter will not be lost sight of and ask us if we can tell whether the wool sent via Sandy Point is taken under through Bill of Lading by Braun & Blanchard, and if so, at what rate, and how it gets to Sandy Point? We have told them we would pass these queries on to you on the chance of your being able to answer them.

9. Par. 3. Try to persuade Mr. Allardyce what an injury this school building will be to the whole settlement as well as those occupying houses in the vicinity. There will be no Board for some weeks so cannot answer about land.

10. We were unable to cable you via Punta Arenas this time owing to a break-down of the line, but as the Orissa only took 108 tons of cargo for Stanley the absence of message could not cause you much inconvenience.

I am, Sir,

your obedient Servant,

For THE FALKLAND ISLANDS CO. LTD.

Walter Ingles

Managing Director.

Enclosures via Liverpool

Duplicates.

Despatch No. 983

Ledger & Journal Entries.

Remarks on Accounts

Remarks on Stores & Supplementary Remarks

Replies to Remarks on Stores

Baillon & Stickney's Account Current

List of Enclosures

Clients' A/sales, reports & contracts:-

S	10 bales	Sheepskins	"Antisana"	
AP	5	,,	,,	,,
F B	2	,,	,,	,,
S & S	2	,,	,,	,,
W.Fell	2	,,	,,	,,
L	2	,,	,,	,,
♡	4	,,	,,	,,
F	2	,,	,,	,,
B	2	,,	,,	,,
D S	1	,,	,,	,,
H	5	,,	,,	,,
J R	1	,,	,,	,,
S	7 casks		,,	,,

Clients' A/sales :-

♡	231 bales	Wool	ex "Antisana"	
AP	243	,,	,,	,,
B	89	,,	,,	,,
H	26	,,	,,	,,
W.Fell	42	,,	,,	,,
S	89	,,	,,	,,
J F	199	,,	,,	,,
T R	102	,,	,,	,,
J T	21	,,	,,	,,
S & S	98	,,	,,	,,
L	202	,,	,,	,,

H G C 10 bales Wool ex "Antisana"

F B 109 ,, ,, ,,

List of Parcels.

List of Dutiable Goods per "Orissa"

List of General Cargo per "Orissa"

General Invoice goods per "Orissa"

B/L General Cargo per "Orissa"

Report on S 95 Salted Hides ex "Antisana"

Enclosures via Liverpool

Originals

Copy of Cablegram sent 12th August.

Copy of Cablegram received 20th August.

First of Exchange for £11.-.5 on J.C.Aldridge for collection a/c Royal Bank of Scotland.

David Smith's authority to withdraw £500 from his deposit account with the Government.

Signed Agreements, testimonials & medical certificates of the following men.

Alexander Cooper

Stewart Brymer

Alexander Bremner

George A.Clark

Simon Johnston

Edmund Dobbyn (agreement only)

Jackson's receipt for Dickson for £7 . 15 . 9

Clients' reports & contracts:-

H	2 casks	Tallow	ex " Antisana"	
W,Fell	1	,,	,,	,,
♡	2	,,	,,	,,

Copy of letter to the P.S.N.Co. dated 29th & their reply of the 30th August.

Letter for A.L.Allan, Esq.

London 31st August, 1904

Enclosures per Supplementary Mail

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Supplementary Remarks on Stores

List of Dutiable Goods per "Oropesa"

General invoice goods per "Oropesa"

List of General Cargo per "Oropesa"

Eills & Co.'s invoices

Weston & Westall's invoices

Clients' A/sales :-

♡ 2 casks Tallow "Antisana"

◇H 2 ,, ,, ,,

W.Fell 1 ,, ,, ,,

Sight Draft on J.Kirwan for £103.16.2 for collection B/L attached

Phopo of New Digester shipped per "Oropesa"

Clients' Reports & contracts;-

H W 18 Salted Hides ex "Sarmiento"

S 95 ,, ,, "Antisana" (contract only)

Brokers' press copies including Co's Hides ex "Antisana"

Letter for W.A.Harding,Esq.

London 3rd September,1904

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851 Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 28th September, 1904.

Per Orita.

No 985.

Sir,

I have to acknowledge receipt of your despatch no. 252 per Orita, which arrived on the 12th inst. Your previous despatches per Oropesa were not fully answered owing to my absence from the office.

2. 250-2. What you say about heaving down the Hornet is both curious and surprising, and certainly lessens the need for a slip. I have referred again to what I wrote in 1886, and in case you should be unable to turn up my despatch no. 422 and read pars. 2 and 3, I may as well mention that I reported that in heaving down that schooner she came down very hard, probably owing to her build, and that in the end it was found impossible to get her keel out of water. It was found, however, the keel being just awash, that the main and false keels had through fastenings, and that the false one had been almost entirely knocked off, so that there was nothing for it but to send her to Montevideo for thorough repair. I have the clearest recollection of the whole thing now, and it is to the credit of Johnson that he was able to carry out afterwards what Biggs had been unable to do. You might recall the circumstance to the latter, and ask him if he recollects why the heaving down was found to be impossible. If this has now been done, is there any reason why the Fortuna, now strengthened with straps, should not be treated in the same way when necessary? Larger vessels than she is are hove down in other places. The difficulty with the Samson would still remain, and her bottom requires a lot of attention to do her justice.

3. Par. 4. I think that I have already referred to the possibility of some of our clients clubbing to get a coal vessel out,

W. A. Harding, Esq.,
Manager,
Stanley.

to be followed most likely by a charter home for wool; it seems therefore specially desirable that we should do what we can to meet our clients by reducing the price of 75/.for coal,which seems appallingly dear.

4. Par.5. I enclose copy of a letter from Olde,which shows that the Bracht scheme will come to nothing,and if the farmers are tired of the subject it will not be surprising. It would be worth while pointing out to them that if they decline to commit themselves as to numbers until after the winter there must be a perpetual deadlock,because arrangements are not made here in a day,and if we do not know in September what numbers to offer firm for the forthcoming season there will be no chance of business. Bergl would have made an offer if the farmers had responded,and they should know that for any failure their present attitude,if it is as you describe,is responsible.

5. Par.7. Your remarks read as if the softness of the wood of which American vessels are built influenced their sailing,but I take it to mean that the lines of those vessels are not usually drafted for going to windward. A vessel can be built to any design,and I have no doubt that if we enquired we could find one of the type we want. The Fairy,the Tilton,the Louisa,and others, all used to get about well enough,and it was not until 1869 that the first old yacht made her appearance. The vessels you name, all of which I saw,are not in the same parish with the Lafonia.

6. Par.9 and 251-5. Your letters on the subject of Bull Point have the approval of the Board.

7. Par.12. The arrangement is that if through special circumstances it should become necessary to send the Plym outside the limits it can be done,but must at once be reported,and we shall have to pay an extra premium of £1 per cent for the year. It is most desirable to avoid this,for there is a certain amount of risk in it,and we would much rather keep her safe than get her insurance.

8. Par.16. The Directors do not like the Store figures at all,and fear that if any further shrinkage of sales takes place the profits will approach vanishing point,bearing in mind that the account is not charged with interest on the stock,or anything

for rent, or any proportion of the management expenses. They wish me to suggest that if profits were reduced on some of the more wholesale articles more business might result, and this has been led up to by the information we have lately had that Mr. Felton has ordered his supply of bagging for the year from Hindley's through his London agent. We cannot wonder at the farmers importing as much as they can direct and saving intermediate profits, nor can we blame them, and the only thing to do is to make prices so reasonable as not to make it worth their while to trouble themselves to order direct, in other words try to keep up the turnover with a moderate profit rather than lose business altogether. We cannot expect such profits on farm supplies as we get on retail counter sales. You have certainly done well to get rid of Aldridge.

9. Par. 20. An extra supply of danger signals was put on board the Lafonia, so that a portion may be transferred to the other schooners, and we have sent two spare sockets for firing the patent rockets from the rail, although there seems reason to think that the Fortuna is so fitted already. I cannot go at full length into all the red tape objections that were thrown in our way at Liverpool on the subject of explosives by the Customs, the Board of Trade, or the Harbour Board, and sometimes all three; it is sufficient to say that in the end, while we were able to send the gunpowder in a tank lined with wood and felt, the shipment of vestas, methylated spirits, and any kind of matches but safeties was absolutely prohibited in the same vessel, even on deck. The Lafonia's own boats, which were used for the pilot service, will do very well for rafting off wool, but they are clincher built, which is a pity, however, they are very strong. Mc. Lauchlen looked all round Liverpool for second hand boats, but could find none, and the kind you mention would cost some £35 or £40 to build. With regard to the winch, an excellent one has been supplied, specially ordered by Mc. Lauchlen, and as there was another one on the order for stores by the schooner that was built too, and has gone out in her. If I had looked more carefully into this matter, which came by mail just as I was leaving for my holiday, I should have held the order in suspense, for it seems just possible that this was

intended to be a part of her equipment,and if so,placing it on the stores list was both wrong and misleading. The winch has cost £11,and I suppose that you will place it on the Hornet or one of the lighters.

10. 251-2. Dean & Anson are the last firm I should have expected to leave us,Mrs.Dean,through the amalgamation of our businesses,being assumed to look on us favourably,and Mr.Anson still more so,because it was through assistance rendered him in 1896 in which we took a leading part that he is now going about with a coat on his back,as he very fully acknowledged in the most grateful and apparently sincere terms only eight years ago. To throw us over in this way,so curtly and on such frivolous grounds,if the refusal of absurd claims can be termed grounds,is the most monumental instance of ingratitude in the history of the Islands. With regard to your offer of financial assistance,the Board have minuted that they do not see the object of financing people who put their other business past us,and we understand that this offer has been rejected,which is all the better. We are well enough off in these times,but some years ago we should have been glad to curtail advances in every possible way,and we only advance money to those who are not clients because they have asked us to do so,but at higher rates which are intended to be prohibitive, and only in such cases as we know to be safe.

11. Par.3. Every effort should be made to prevent the erection of the school building in front of our land,and it is well that the Colonial Secretary is against it,as he may influence the Governor. I think that something might be made of the fact that in the original plan of the settlement the ground was not marked into sections,and was evidently intended to be the village green, which I remember some Government officer calling it. The children playing about there would be anuisance to the settlement for all time. It may yet have to be decided whether those who bought land shown on the plan to be on a road,the opposite side of which is not intended for building on,thereby securing the purchasers an open frontage and view of the harbour,would or would not have a legal remedy. If this is not the case,why were the Government so very particular to confine our purchases of water frontage to the

bank and shore exactly in front of our own lands on Ross Road, but not an inch on either side? The Board hope that the negotiations which we hear are in progress with Wilkins will result in the purchase of his land, which is the proper place for the school, but if not, they would not be averse to selling the Marmont Row paddock or the piece next the Church, as you suggest, the former preferred, though neither seems likely to be of much use. It would be better to keep the children off the front road, and the Ross Road plot cost more than the other. But it would be even better if you could get our water frontage extended by carrying it on in front of Teja Cottage and the Manager's house in exchange for an equal sized portion of the Marmont Row paddock, or the paddock itself, as to which we cannot give you precise directions as we do not know the exact available area of either. There would be a double advantage in this, to the Government in securing a suitable site for a school at no cost to them, and to us in securing for ever the piece of ground that might be such a nuisance to us.

12. 252-3. The cost of fitting side light screens was not included in the price of the lamps, which we learn from Nunn & Ridsdale was about right. You have not explained why it was necessary to let these lamps go, seeing that they might have been useful later on ~~the~~ to some of our other vessels.

13. Par. 5. If you had sent home the plan of the boiler asked for we should have been able to make preliminary arrangements for the new one, and still have been in time to act on the result of your conference with Atherton. Looking at the probable difficulty of lifting the deck house the Board are rather inclined to favour your suggestion that it might be done in dock at Montevideo, but before making any such arrangement they must have a definite estimate or tender for the work, which could probably be given if you sent sufficient details to Morton. Only such work as cannot be done at Stanley should be executed there, which would confine it to repairs below the water line, in addition of course to the boiler work. It would certainly be a ~~great~~ great advantage to let her pass through the hands of Lloyd's Surveyor.

14. Par. 6. It is not necessary to say much more about insurance, as the Board sanctioned your proposal in 983-4. Your par. 4 was misread, as it seemed to mean that hitherto we had made no charge for storing goods. The insurance and storage must be kept

separate,as alrdady decided by the Board,and the reason is obvious. We cannot hold ourselves responsible for the insurance of goods as to which no special instructions have been given,but we should virtually do so if we admitted that one charge covered both,and since in most cases the amount would not be known at the time we should be open to allsorts of claims in case of loss. It will be very simple if you tell people to advise you that they are expecting so and so which is to be insured for so much,or get them to advise the shippers to inform you,or again,tell them to insure to destination. Had Anson done this he would not have had to bemoan the loss of his goods per Fair Rosamond. Nothing has been written to lead you to think that the Directors are averse to giving facilities for insurance; the clause about goods in trust or on commission,however,is a very usual one in fire policies.

15. Par.9. The arrangement with the Lovart is excellent,and has saved you a lot of trouble. The charter seems fairly cheap, and we make a profit on it. It would be worth while looking up a number of the late voyages to the Chartres made by the Fair Rosamond,and find out by comparing the time occupied with the freight earned whether the double freight we have been in the habit of charging for that port was warranted or not. Taken over,say,five trips we could get a good idea whether we made a profit or loss at the special rates.

16. Par.10. If when the Lafonia gets out you find that she carries so well and makes such good passages that she and the Fortuna are able to cope with the bulk of the produce,there will be no need to send out a third schooner of greater capacity than the Hornet; but you must bear in mind that owing to the expense of working the latter she is only fit for short trips,and that if you send her beyond Bull Point or to the West there will be an almost certain loss. When we know that other schooners with one or at the most two extra hands carry twice or three times as much,it points to the desirability of laying her up as soon as all the short trips have been made.

17. Par.10. (should have been 11) You have now provided us with excellent information on the subject of fire insurance,and

as soon as the holiday season is over it will be taken in hand.

18. Par.12. The letter to the Secretary of State about the Canteen leaves nothing to be said on the subject,and is unanswerable.

19. Par.14. A copy of Hendry & Anderson's letter about runners was sent to Mr.Allan last mail; if the people,whose names you do not give,accept your offer we can do nothing with the former,but we shall gain,as you say,experience. There is a big trade done in these things,and I am under the impression that we have not yet got the true market value,and have sold too cheaply.

20. Before replying to your question about Mr.Girling,the Board wish to know whether there is any special circumstance that would warrant their departing from the usual custom of letting all time expired officers and employés come home according to the terms of their agreements,and re-engage if they wish to return. It has not been customary to grant pay during absence to any but the Managers,on the ground that the latter have necessarily to attend to a certain extent at the office,and the Board are averse to creating precedents.

21. The Lafonia sailed from Liverpool on the 23rd inst.,and got away with a fair wind,so has not been detained in the Channel. I was in hopes of being able to send her earlier,but a lot of work had to be done,and with ordinary good luck she will be in time yet for the season's work. I am glad to say that she has turned out even better than we expected,for when the copper was taken off after 12 years' wear there was not a wrinkle on it,and she took very little oakum. She has been sheathed again with pure copper; it cost about 20% more than metal,but will outlast it two or three times over. Much work had to be done,more than in the case of a yacht,for she was fitted with accommodation for 25 pilots,and the after cabin did not lend itself to alteration,and had to be cleared out with the rest. The designer,Mr.Richardson of Liverpool,made out the specification for alterations,and the work was superintended throughout by Mc.Lauchlen,who went into the thing with the greatest energy,and whose services have been simply invaluable. I will give you as nearly as I can the particulars of the alterations and work done. The bowsprit,~~which~~,as is

usual in yachts,was a running or reefing one,and in deference to the opinion of Mc.Lauchlen I allowed it to be fixed and fitted like the Hornet's. Mr.Richardson was opposed to this,and said that Mc.Lauchlen's ideas were out of date,and that anyone who became used to a running bowsprit would see the advantage. Very likely it is so; but people in the Islands are slow to take up new ideas,and I thought it safer to let Mc.Lauchlen have his way. An excellent steel hatch has been fitted,and a small skylight over the pilots' quarters has been allowed to remain,as Mc.L. thought it might be useful on occasions to have light in the hold,but it can be easily converted into a hatch for parcels and small packages. The tiller has been replaced by a wheel,which has been very well fitted,not a screw apparatus,which would have been too expensive. There are sails enough to last some time,and a gaff topsail and maintopmaststaysail have been supplied to help in light winds on the voyage. All the sails have been put into thorough repair. Several coils of spare rope have been supplied in case of need,too much I am afraid,but it will keep her going for a long time. This is a new kind to us,from the Isle of Man, and considered by Mr.Lowden to be very good. I have mentioned the two boats,one of which is fitted with tanks as a lifeboat,to the requirements of the Board of Trade,and there is also a fine little dinghy,which Mc.Lauchlen picked up cheap. For this I would have sent davits,but the repairers wanted too much for them,and Mc.Lauchlen told me that when he left there were some spare ones in Stanley just the right size. I wanted to have skids made for protecting the rail and side in working cargo,but they were forgotten until too late,and must be made in Stanley. It is scarcely necessary to say that the vessel's rail must not be weakened by cutting a gangway. The cabin has been fitted much on the same plan as the Fortuna's,and I have put an excellent Pascall Atkey fireplace and swinging lamp in,neither of which could be got in Liverpool. One of the original 'tween deck stanchions has been left in the cabin,and there would be no harm in taking it out if it is much in the way. It was thought better to leave it until Lloyd's had passed the alterations,and it gives,of course,some strength to the deck. Bedding has been supplied to the berths aft

and the Captain's cabin. The latter, by the bye, I understand is not recognized as such in the Islands now, and he has the one at the foot of the companion; but in my time he had the one that should have been his, and gave it up to ladies or any distinguished passengers. The ventilator of the W.C. comes up very awkwardly on deck, and is not fitted as Mr. Richardson intended, with a bend in the pipe below and leading up between the stanchions, but it was too late to alter it. In place of the ordinary merchant ship windlass there is one of the capstan kind with single and double purchase, which Mc. Lauchlen thinks very suitable. There were 75 tons of kentledge on board, of which we have retained 45, all stowed below the cargo deck or the cabin. You may find that this will be insufficient to get her to make a passage when light, and if so will have to add some. Mc. Lauchlen was anxious to get as deep a hold as possible with an eye to the stowage of wool. The ceiling of the hold is made in sections easily removable for the purpose of painting the frames, which should periodically be seen to. This completes the list of the principal alterations, and I have to add that the vessel was surveyed by Lloyd's Surveyor when they were finished, and that we have her Certificate of classification in Lloyd's Yacht Register confirmed, as 20 years A1, the highest class given to composite vessels.

Mr. Richardson told me that he had designed her to sail best on the draft of 11ft. aft and 7 ft. 9 in. forward, or 3 ft. 3 in by the stern. She went to 2 ft. 5 in. by the stern when loaded, and we had to stop putting in cargo, as it was putting her by the head. I told the Captain what the designer had said, and if necessary he was going to get a little cement aft, but the pilot who took her out said that she sailed as well as ever in the new trim.

For cargo we have made use of the special indent you sent, but omitting some of the cement, as I wished to give her every chance of making a passage. We were filling up with hay, but had to leave a space unfilled for the reason given. Lowdens work out the freight at £138. 1. 3, according to sailing ship rates; but I think it will be better to leave it to you to credit her with whatever you think the Store can fairly pay, letting her begin her working account from Liverpool, as we have done with other schoon-

ers. As to accounts, it seems hopeless to think of sending them this time, as they are slow in sending them in from Liverpool, but by next mail you shall have them all, including, for your information, those relating to the cost of fitting her out, though we shall only debit you with those belonging to the working account, as there is no object in opening one for her cost, which would be re-transferred to London a few months afterwards.

The crew are engaged in the usual way, that is to say for a term not exceeding two years with the provision that they are to be returned to the U.K. Naturally after a short time they will jib at the Liverpool wages, £3 per month, and you will have to make the usual compromise, cancelling or altering the articles to Colonial wages, in consideration of which the homeward passage will be abandoned. They were all British subjects I was told, and I can testify personally to their having been very drunk on leaving. The Captain takes her for the run out, and I enclose a copy of the letter he signed. He takes her for £30, or on the basis of £12 a month for a 75 days' passage, which I hope will turn out to his advantage. He seems a good sort of man, and has furnished us with excellent testimonials. I heard at the last moment that the Mate intended to stop, and make a place for himself in the Islands. He is a likely looking man, and although I am afraid that there will be no place for him on board the schooner, he might if he got to learn the coast, be an excellent stand-by in the event of any of our Captains failing us. Particulars of the crew and advances are enclosed.

Now with regard to the command in the Islands. You think that Osborne is a suitable man, and you are the only one in a position to judge, though we are favourably impressed with him on hear say, from remarks made by Mc. Lauchlen and others. If you give her to him you must make him appreciate the fact that he has got a real prize, absolutely the finest schooner ever sent or likely to be sent to the Islands. If we lost her we could not replace her for twice the money. He will be more careful about his reckoning at night no doubt; do you know anything of his powers of navigation, and whether he will understand the variation of the compass, which in a composite vessel of course exists? There are many ex-

cellent daylight sailors who are not to be trusted when night comes on, and the Lafonia must be out at night to make passages, as the Fortuna is. I am not suggesting for a moment that Osborne is not thoroughly up to his work at all hours, but am putting things before you to think about. No pains have been spared on this side to make the vessel as perfect for F.I. work as it was possible to do, and we want to know that she is in safe hands.

I have sent some photographs showing her entrance and run, which give a fair idea of her bottom; but the one taken as she was leaving is a disappointment, as it gives very little idea of what she is like, being taken from too far forward.

22. The wool per Sarmiento and Orita are the two lots for the present sales, at which prices are if anything still better than before. We are wondering when we shall hear of the shipment of the tallow, the market being just now good.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No. 984 dated 31st August.

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to remarks on Stores

Supplementary remarks on Stores

List of Dutiable Goods per "Oropesa"

List of General Cargo per "Oropesa"

General Invoice goods per "Oropesa"

List of Enclosures

List of Parcels

Clients' A/sales :-

W. Fell	1 cask	Tallow	ex "Amtisana"	
H	2 ,,	,,	,,	
♡	2 ,,	,,	,,	

Clients' reports & contracts:-

H W	18	salted Hides	ex "Sarmiento"		
S	95	,,	,,	,,	(contract only)

Second of Exchange for £103.16.2 with Bill of Lading attached

,, ,, 11. -.5 on J.C. Aldridge

Bill of Lading General Cargo per "Oropesa"

Enclosures via Liverpool

Originals

Copy of Cablegrams sent on 9th & 24th September.

Credit note for D. Smith for Stoves broken in transit per "Oruba"

Dewar's credit note for case Whisky short shipped per "Oropesa"

Copy of Captain Fortay's agreement

Copy of Lowden's letter dated 22nd Sept. to Capt. Fortay

Copy of letter from Lowden dated 26th instant

Copy of letter from Olde & Son dated 26th August

Clients' Reports, contracts & A/sales:-

△ D H	139	bales	Wool	ex "Sarmiento"
M V	12	,,	,,	,,
T R	27	,,	,,	,,
♧	146	,,	,,	,,
R B C	29	,,	,,	,,
H W	53	,,	,,	,,
S	44	,,	,,	,,
Z	90	,,	,,	,,
W E D	195	,,	,,	,,
S I	57	,,	,,	,,

Particulars of freight home per "Panama", "Oravia" & "Antisana"

Copy of letter from Anderson Anderson & Co. dated 6th Sept.

Wool reports

Credit note for Vere Packe claim recovered sea-damaged Wool per "Antisana"

Credit note for Bertrand & Felton ,, ,, ,, ,,

Clients' Reports & contracts & A/sales:-

W E D	5	casks	Tallow	ex "Sarmiento"
R B O	11	,,	,,	,,
M V	2	,,	,,	,,
H W	9	,,	,,	,,
H W	8	Salted	Hides	,, (& contract for 10 remd)
S	95	,,	,,	,,

Brokers' A/sale (press copy) Company's Hides ex "Sarmiento"

Debit note for freight &c. Cutter "ILMA" Speedwell Island Account

Particulars of freight home per "Sarmiento"

Despatch No. 985 will be post via Lisbon, per Supplementary Mail.

London 28th September, 1904.

Lis t of Enclosures per Supplementary Mail via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts & Supplementary remarks

Remarks on Stores

Replies to Remarks on Stores

Supplementary Remarks on Stores

List of General Cargo per "Orita"

List of Dutiable Goods per "Orita"

Wool Reports

General Invoices Goods per "Orita"

Clients' Reports & Contracts:-

Z	330 bales	Wool	"Orita"
J D M	26	,,	,,
B B	17	,,	,,
J R	4	,,	,,

Brokers'(press copy) Report on Company's Wool per "Orita"

Suppliers' invoices for goods shipped per "Orita" :-

Morton McIvor Defries Eills Lamb (2)

Letters for the following:-

W. A. Harding, Esq.

A. L. Allan, Esq.

J. J. Felton, Esq.

Stickney Brothers.

London 1st October, 1904

Lafonia' s Enclosures under separate cover , as per list attached.

Lafonia's Enclosures

B/L General Cargo per "Lafonia"

List of Cargo per "Lafonia"

General Invoice goods per "Lafonia"

Lloyd's Certificate "Lafonia"

Measurements & Weights of Cargo

Lafonia's Cargo book

Inventory of Stores belonging to "Lafonia"

Suppliers' invoices goods shipped per "Lafonia"

Eley's invoice for Cartridges per "Lafonia" for Holmested & Blake, Ltd.

List of Crew "Lafonia"

Specification of Lafonia's Alterations & Repairs

Suppliers' invoices Stores &c. supplied to "Lafonia"

Certificate of Inspection "Lafonia"

London 1st October, 1904

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 26th October, 1904.

Per Panama.

No 986.

Sir,

Since writing per Orita your despatch no. 253 per Panama has been received.

2. Par. 2. No doubt you know that cables get weaker between wind and water than at any other part, owing to oxidation, so that a piece has to be cut out occasionally. If the Great Britain's cables have not been lifted for many years you may not be aware that there is, or used to be, a messenger chain from the winch to the windlass, which saves all hand labour.

3. Your remarks on the subject of sealing are very interesting. The common sense view of the matter seems to be that even if the sealing in the open sea tends to destroy the seals, - though it would seem to be driving them back to the Islands - no action by the F.I. Government can be of any avail while the Government at Sandy Point allow the catches to be shipped there. On the other hand there is the undoubted fact that the sealers bring a lot of business and money into the place, and for our Government, unsupported by others, to try to stop them is both futile and injurious to the interests of the Colony.

4. Par. 9. The farmers ought not to have any difficulty in making allowance for an exceptional loss and still being able to guarantee a certain number of wethers annually. But the Colony is too small to support two schemes, and while Bonner's and the canning project are both on the cards it is certain that nothing can be done.

5. Par. 10. There has been an excellent market for tallow up to the last forthight; but the market has suddenly become dull, and it is practically unsaleable.

W. A. Harding, Esq.,

Manager,

Stanley.

6. Par.15. In converting the Sissie into a small lighter for mails and packages,you are making the best possible use of her.

7. Par.16. J.L.Waldron,Ltd.have paid us the amount of the last half year's account in cash,and the arrangement proposed is quite satisfactory.

8. Par.18. Assuming that the new boiler for the Samson is to be the same size as the old one,it is by no means clear why the drawing of it sent out some years ago,to which I have alluded more than once,would not have been the best thing to work on, if you had returned it at once with such notes as Athertom might have thought necessary to make. It could have been well in hand before now,and would have saved all the trouble of making a new drawing,which after all may not be as good as the old one.

9. Par.19. The view I take of the sale of the Bluff Cove lease at the preposterous price given is,not that the land is worth any more than it was,but that there is one more fool in the world than we knew of. An inspection of the buyer's accounts at the end of a couple of years,if they could be obtained,would to a certainty bear out the truth of this. How is it that Mc.Kay, who is understood to have lost money during his tenancy,was able to command sufficient cash to run the purchaser up as he did?

10. Your cable about the Sofala was posted from Sandy Point to Coronel. It is unfortunate that after working well for some time after the stoppage,the wire broke down again a day or two before we should have sent the last cable about the Orita's cargo. If this occurs again we shall have to revert to Coronel,but until lately all our messages have got through all right. G.M. Steeves & Co.,who are reported to be a substantial firm,will accept drafts up to £3,000,the estimated amount of the ship's disbursements,but you must not draw on the Ship Company.

11. For want of the usual letter of advice,Lampsons made some difficulty about accepting the draft on account of the Agnes D.Donahoe. Why was this omitted?

12. The Board have considered the unfortunate position of Mrs.Sedgwick,and to relieve her immediate wants have granted her a compassionate allowance of £25.

13. You will probably have heard that the P.S.N.Co.have made an arrangement,formed a ring in fact,with three other lines interested in the South American trade,the result of which has been a general raising of rates to all ports,with a deferred rebate of 10% to all shippers who have confined themselves during a year to those lines. In the new printed tariff the Falkland Islands have been included; but as Mr.Lamb happened to tell me that the Colony had been excluded from the deliberations of the conference,I made very strong representations to the Company through Mr.Connell of Lowdens,and am glad to say that they have acknowledged the impolicy of revising the F.I.rates,which are to remain as before. I am not quite sure that in defending the interests of the Colony generally I have served our own,as it is possible that increased rates might have diminished the flood of private importations; however,it would have been a serious thing if we had had to pay 10/.more a ton all round,and it is something to have got the P.S.N.to acknowledge that although they have the monopoly,they cannot put on the screw too hard with safety.

14. I send you a very interesting print of the Lafonia's framing,which will show you how enormously strong she is,and how well tied together. This is the original design for the vessel as a pilot boat,and some alterations have been made; for instance,the cabin flooring was carried at the same level right through,and supported by what were practically 'tween deck beams. These have been taken out in the hold,and lowered to take the platform over the ballast. There was some fear that Lloyd's would object,but I am glad to say that their Surveyor passed all the alterations,and gave us a new Certificate of classification when they were completed. I also enclose the sail plan,which will be of service in ordering new main and foresails,but will no longer do for the jibs,owing to the alteration in the steeve of the bowsprit,and this will have to be made on a new plan when you order. However,as she is well supplied with sails they should last a good time. The chronometer should be returned by the first safe opportunity,as there is no knowing when we may have to send another vessel out.

15. We have been through all the insurance papers, and will make entries accordingly. They have been most carefully worked out, and supply the fullest possible information.

16. The P. S. N. Co. have said no more about the homeward rates of freight, but we must hear soon, as an answer by letter from Valparaiso to their queries cannot be very far off.

I am, Sir,

your obedient servant,

Thos. Lee

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No. 985

Ledger & Journal Entries

Remarks on Accounts & Supplementary remarks

Remarks on Stores & Supplementary remarks

Replies to Remarks on Stores

List of Cargo per "Orita"

General Invoice of goods per "Orita"

List of Parcels

List of Dutiable Goods per "Orita"

List of Enclosures

Clients' A/sales, reports & contracts:-

H W	8	Salted Hides	ex	"Sarmiento"
S △	95	,,	,,	"Antisama"
D H	139	bales Wool	ex	"Sarmiento"
♣	146	,,		,,
H W	53	,,		,,
T R	27	,,		,,
S	44	,,		,,
S I	57	,,		,,
M V	12	,,		,,
R B C	29	,,		,,
Z	90	,,		,,
W E D	194	,,		,,
H W	9	casks Tallow		,,
R B C	11	,,	,,	,,
M V	2	,,	,,	,,

Clients' Reports & contracts:-

Z	330	bales Wool	ex	"Orita"
J R	4	,,	,,	,,
B B	17	,,	,,	,,
J D M	26	,,	,,	,,

Bills of Lading (2) Cargo per "Orita"

"Lafonia's" enclosures

List of Cargo

Inventory of Stores

List of Crew

General Invoice

List of Enclosures

Suppliers' invoices

B/L general Cargo.

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Panama"

List of Cargo for Outsiders ,,

List of Dutiable Goods per "Panama"

Sight Draft for £ 126 .17 .1 on J.Kirwan for collection
B/L and copy of letter attached
General Invoice goods shipped per "Panama"

Eills & Co's invoices

A/sale for Dean& Anson's Hides ex "Orita"

Pyne & Co's account for J.J.Felton £8 . 1 . 6

Copy of letter from the S.A.M.S.dated 27th October.

Board of Agriculture and Fisheries circularson Black Leg.

Particulars re Lafonia's Working Account.

Letters-for the following:-

W.A.Harding,Esq. (2)

A.L.Allan,Esq. (2)

Rev.C.K.Blount

J.J.Felton,Esq.

London 29th October,1904

Enclosures via Liverpool

Originals

Copy of Cablegrams received (two)

Copy of Cablegram sent

Copy of Correspondence with the P.S.N.Co. re Cargo boat

Wool Averages for 1904

Copy of letter from Lowden & Co. dated 18th instant re outward freights

Clients' reports, contracts & A/sales:-

a/sales only.

H W	10	Salted Hides	ex	"Sarmiento"
Z	330	bales Wool	ex	"Orita"
J R	4	,,	,,	,,
J D M	26	,,	,,	,,
B B	17	,,	,,	,,
W E D	19	bales Sheepskins	ex	"Sarmiento"
S I	1	,,	,,	,,
♣	8	,,	,,	,,
D H	4	,,	,,	,,
H W	4	,,	,,	,,
T R	1	,,	,,	,,
R B C	7	,,	,,	,,
M V	4	,,	,,	,,
Z	17	,,	,,	Orita
B B	2	,,	,,	,,
J R pt.	2	,,	,,	,,
J D M	1	,,	,,	,,

Brokers' Press copies reports & contracts of above marks

Brokers' Press copy A/sale Co's Wool per "Orita"

Mrs Rummel's receipt for £ 25

Debit note for error in Warehouse charges on 146 bales Wool per "Sarmiento" £ 16 .18 .4

Hughes's account for cleaning &c. Chronometer for "Lafonia"

Clients' reports & contracts:-

Z 1 bale Hair ex "Orita"

S 1 ,, "Sarmiento"

Z 64 Salted Hides ex "Orita"

Particulars of homeward freight per "Orita"

Corrected General Invoice goods per "Lafonia"

Letter for the following:-

A. L. Allan, Esq.

G. Bonner, Esq.

E. J. Mathews, Esq.

W. Stickney, Esq.

London 26th October, 1904

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 23rd November, 1904.

Per Oruba.

No 987.

Sir,

I have to acknowledge the receipt of your despatches 254/5 of 11th October, which arrived on the 5th inst.

2. 254-3. It is gratifying to learn that the Governor has reversed his predecessor's unjust claim for rent on the so-called Bull Point Reserve.

3. Par. 4. When I see one of the P.S.N.Co. officials I will mention the subject of freight on hay; you might let us know if the system of Government trading is likely to be continued under the new Governor.

4. Par. 5. Perhaps Dick will write and try to get the mystery about the price of a levelling table elucidated.

5. Pars. 7, 9 and 11. If the Governor continues as he has begun he will prove to be the most just man who has ever held the office.

6. Par. 8. The news about the Rosa Baker is most satisfactory, and much credit seems to be due to Captain Thomas for the skill shown in getting over the difficulty.

7. Par. 12. The Board have heard with great regret of the suicide of C. Aldridge and of his incendiary attempt on the Charles Cooper. The latter, but for Mr. Gorton's promptitude, must have had most serious consequences, and they wish you to return him their thanks for the way in which he carried out his duty, in which he showed great presence of mind, thereby saving the Insurance Company and possibly ourselves a considerable loss. This occurrence has caused me to look up once more the subject of fire insurances in Stanley. It is one of considerable difficulty, as although we are fully covered as regards the total value of the Stores, all our po-

W. A. Harding, Esq.,

Manager,

Stanley.

licies specifically allocate certain amounts to the various buildings and the hulks, while the quantities and values in each vary from time to time. In this case it is clear that if the contents of the Charles Cooper had exceeded £3500 in value, all the surplus would have been our loss, notwithstanding that we are insured in all for over £27,000. I am glad to say that I am in course of arranging with the Royal to reduce slightly the specific amounts on some of the policies, and to take out a floating policy for £5000 over the whole, excluding coals and timber, the effect of which will be that any surplus in case of a loss will be covered to that amount, wherever the fire may be.

8. Par. 14. The owners of the Sofala think that £3000 is a very high estimate of the cost of repairs, and it is to be hoped for the sake of avoiding unpleasantness that it will not be exceeded.

9. Par. 15. In the absence once more of a letter of advice Lampsons had to cable for instructions before they could pay the Edith R. Balcom's draft on them.

10. Despatch 255-2. The Manager of the P. S. N. Co. at Valparaiso has hardly treated us fairly about the tallow, and it is annoying as the market is just now a little more active after a dull time. I have written to Liverpool, and the Company, as you will see by the correspondence, promise amendment in future. It is worth while noting that if the total freight offered comes to £600 we can always arrange for the call of a New Zealand steamer, and with hay, flour, and other produce this can be safely reached any year if there is a fair quantity of tallow for shipment.

11. The report of the damage to the Emilie seems to show that it is slight, and I suggested to the owner that he should provide us with a credit on London for £500, no estimate having been cabled by you. He thinks, however, that it cannot amount to more than £300, and has arranged for a credit for that amount on C. J. Hambro & Sons, promising to increase it if the cost of repairs should prove to be more. This has been cabled via Montevideo; I notice that the Panama and the Orita are both due the same day, and preferred sending the message that way, notwithstanding that the Eastern Company continue to assure us that the Sandy Point line is in working order. Owing to the disarrangement of the mail service it has been impossible

to cable the tonnage of the Panama's cargo.

12. In the Survey Report on the Sofala I notice that the word iron has been used in place of steel,which would apparently have been more correct.

13. Advantage must be taken of the present good times to get all clients' accounts into a satisfactory state,and this is being done in all cases except that of Mr.Henry Waldron,whose balance is still much too high considering the size of his holding. He seems to have had a large quantity of stores,and has run up his indebtedness again to an extent that must be lessened as soon as practicable,for we know by this time that his promises to pay off out of his Patagonian profits never materialize,and if we do not get his account on the right side while wool is high,it will be hopeless to expect to do it in the event of a fall.

14. The opening days of the wool sales next year will be as follows:- 17th January,7th March,2nd May,4th July,19th September, and 28th November; these dates have been given to the P.S.N.Co., who have sent them to Valparaiso. A steamer arriving at Tilbury the last week in February would suit us.

15. The Board have decided to take up the Weddell Island mortgage,now amounting to £7000,and six months' notice of her intention to pay it off has been given to the Messrs.Dean by Mrs.Williams. Our Solicitors have the matter in hand,and have pointed out that according to the Ordinance providing for mortgages on stock and preferable liens on wool there is no time given for registering charges given by persons outside the Colony. When this Ordinance was passed it did not matter,for the person most immediately concerned,Mr.Williams,was resident in the Colony,and the documents signed by him could be registered within the prescribed ten or fourteen days,whatever it may be,- the Ordinance is with the Solicitors-now,however,as Mrs.Williams is here,we must go through the cumbrous form of getting her to appoint an Attorney in the Islands to sign for her,unless you can show the Governor the desirability of passing a short Ordinance extending the time for registering such documents to six or twelve months after signature out of the Colony. I am writing under the disadvantage of being without our copies of

the Colonial Ordinances, and it is possible that the case may have been provided for either in the Registration Ordinance or some other passed more recently; anyhow I have explained the difficulty, and shall be obliged if you will let me know how the law stands, and do what is needful to get it altered should it be necessary.

16. We should like to know how we stand with regard to some of the Island leases; about Lively and Speedwell all the facts are recorded here, but nothing seems to have been done about Bleaker since 1898, when the Board decided that they would not disturb Fell during his lifetime, and the lease expired in June, 1900, since which time the old rent seems to have been charged. Whether anything was written on the subject then I do not know, and if it was not again brought before the Board it ought to have been, for the rental of £25 a year is quite inadequate. There does not seem to be any record here about the leases of Great and Swan Islands, nor do we know when they expire. If it is not the intention of the Board to disturb tenants during their lifetime, it must be understood that the leases, if they have expired, will not be renewed in such a way that the interest in them can be disposed of by will, for it stands to reason that sooner or later the Company will resume possession of the Islands, and work them themselves, or at least reserve power to do so. It is going a long way back in the history of the Company, but the actual reason for temporarily alienating the Islands was that at the time we were scantily stocked, with scarcely any sheep in Lafonia, and the Directors thought that it would be well to let them off rather than allow them to lie idle. Unlike the Government the Company are farmers themselves, and it is not right that any of their land, capable of earning £1000 a year or more, should be let in perpetuity at a rental of £50 or £60 per annum.

I am, Sir,

your obedient servant,

Geo. E. Lowe.

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No. 986

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Panama"

List of Cargo shipped per "Panama" for Outsiders.

List of Dutiable Goods per "Panama"

General ~~Inv~~ Invoice of Goods shipped per "Panama"

List of Enclosures

List of Parcels

Corrected General Invoice of goods shipped per "Lafonia"

Clients' A/sales, reports & contracts:-

A/sales only	B B	17	bales	Wool	ex "Orita"
	J D M	26	,,	,,	,,
	J R	4	,,	,,	,,
	Z	330	,,	,,	,,
	T R	1	,,	Sheepskins	ex "Sarmiento"
	H W	4	,,	,,	,,
	M V	4	,,	,,	,,
	C lu b	8	,,	,,	,,
	R B C △ D H	7	,,	,,	,,
		4	,,	,,	,,
	S I	1	,,	,,	,,
	W E D	19	,,	,,	,,
	J D M	1	,,	,,	ex "Orita"
	J R	2	,,	,,	,,
	Z	17	,,	,,	,,
	B B	2	,,	,,	,,
A/sale only--	H W	10	Salted Hides		ex "Sarmiento"
	Z	64	,,	,,	,,

Second of Exchange on J.Kirwan for £126.17.1 B/L attached

Bills of Lading general Cargo per "Panama" (3)

Clients' reports & contracts:-

Z 1 bale Hair ex "Orita"

S 1 ,, ,, "Sarmiento"

Enclosures via LIVERPOOL

Originals

Copy of Cablegram received dated 30th October.

Copy of Cablegram sent dated 17th November.

Clients' A/sales:-

S 1 bale Hair ex "Antisana"

Z 1 ,, "Orita"

Kirkland Cope's account for W.A.Harding,Esq. 9/-

Kirkland Cope's account for F.I.King 10/10

Copy of letter to P.S.N.Co.dated 8th and their reply of the 10th November.

Holmested & Blake's invoice for Tallow Shooks returned with Mr.Blake's remarks on the subject.

Copy of letter from S.Abrahamsen dated 15th November re Emilie

Two invoices for Dean Brandon

Copy of letter to the Royal Insurance Co.dated 7th and their reply of the 8th November.

Credit note for Dean & Anson,Claim recovered on sea-damaged Wool per "Orita"

Credit note for J.D.Mackay ,, ,, ,,

Copy of letter to the Royal Insurance Co.dated 18th November

Clients' reports & contracts:-

AP △ 6 bales Wool ex "Oruba"

P B 129 ,, ,, ,,

K 40 ,, ,, ,,

J B 7 ,, ,, ,,

Wool reports.

Letter for W.A.Harding,Esq.

London 23rd November,1904.

Enclosures via Lisbon.

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice Goods per "Oruba"

List of Dutiable Goods per "Oruba"

List of Clients' Goods per "Oruba"

List of General Cargo per "Oruba"

P.S.N.Co.'s invoice for coal per "Oruba"

Langdon, Defries & Eills' invoices goods per "Oruba"

Sight Draft on J.Kirwan for £ 27. 17. 11 with B/L & invoices attached.

Bill of Lading for Coals per "Oruba"

Letter for W.A.Harding, Esq.

London 26th November, 1904

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 21st December, 1904.

Per Oravia.

No 988.

Sir,

I have to acknowledge receipt of your despatches nos. 256 and 257, which only arrived yesterday morning, in consequence of the Orita losing a day between St. Vincent and Lisbon. As the Board sat on Monday specially to see the despatches, which did not come, I can only answer partially.

2. 256-4. There is really not much difficulty in making estimates of sheep, if the owners have their statistics, and allow for rather more than average losses to be on the safe side. We do not have such fluctuating losses, even in bad seasons, as occur elsewhere. When you have secured a certain number, and the farmers have agreed as to whether they will can, freeze, or sell alive, we can deal with people on this side. You may, perhaps, say that it will be impossible to secure unanimity; if so, nothing will be done at all. The letter from the man in Italy might be interesting if I could read the press copy, but as a portion of it is blank paper, it is illegible. The same man wrote to us about the disposal of produce and a trade in Italian goods, to which I replied that there was no such trade, and that we sold all our produce in London.

3. Par. 5. The idea of a Farmers' Association seems excellent. I have read through the papers once, and see that there is a diversity of opinion. I can only give mine on a few points. With regard to the length of quarantine, I agree that when sheep leave the port of shipment with a clean Bill of Health the time on board ought to be taken into account, for there would be no sense in quarantining against diseases which take a short time to

W. A. Harding, Esq.,

Manager,

Stanley.

incubate if that time has passed. Much injury has been done by imposing an unintelligent quarantine on imported sheep, and the time should be restricted to what is absolutely necessary. That is to say, it would be to the interest of all alike to take the most stringent precautions against the introduction of disease, but those precautions should not be pushed to an absurd and unnecessary extreme. I agree with what is said about an Island, and those farmers who have one suitable for the purpose should be allowed to declare it to be a quarantine ground; but there must be a quarantine paddock at or near Stanley, where the sheep will in most cases arrive, and where in all cases the Inspector should have an opportunity of handling them before allowing them to go elsewhere. In our case, what Island would be more convenient than Seal Island in Mare Harbour or the Sea Lions opposite Walker Ck? Had our rams been removed there by water as soon as the Inspector passed them, it would have been infinitely better for them, and there would have been absolutely no danger of introducing disease. The objection I see to the Peninsula, or any place where a beach forms the fourth side of the enclosure, is that beach fencing cannot always be relied on to be sheep proof; in the case of a quarantine ground there should be absolutely no doubt about this, and I would suggest that as there is no need for a large paddock, as the sheep would, in any case, be looked after and fed daily until released, it should be an enclosure fenced on all sides. Of course I am speaking of any ground near Stanley, where there would not be sufficient grass for them; in the case of an Island it would be different. With wool rising into the neighbourhood of a record price, and higher already that it has been for the last 20 years, the remarks about the "declining industry" might have been spared. The farmers should not now bemoan their unhappy condition; if they do, when bad times really come they will not be believed. I have not the least doubt that the Board will be satisfied to leave their interests in this matter in the hands of yourself and Mr. Allan.

4. Par. 7. We will bear in mind what you say about shooks shipped for others.

5. Par. 8. Freight is charged to Mr. John Dean at the P.S.N. tariff rates, on which we make a profit, and he settles it here.

I may mention that in his case we deviate from our rule as to shipments,mainly on account of his being a large shareholder,but we also bear in mind the fact that we have lost touch entirely with the other Deans,and think it better to retain some connexion with the family. He would ship his stores in any case,and we make some profit out of the business without any serious amount of trouble. I will enclose if I can a list of our present freights. I do not think it quite satisfactory,and I am waiting for an opportunity of talking over the question with Mr.Lamb,and getting it amended. I have anticipated what you say about the raising of rates,and have already told you that through my intervention the Islands have been left out of the rise. I notice that in the last freight list they have been taken out.

6. Par.9. I will let you know next mail what the Board think about Anson's financial business. It is the only thing about which he may have a difficulty,and the Board's opinion is that if he withdraws all other business there is no reason why we should finance him. It would have been a burden on us some years ago, and might be again. I think you may take it for granted that if he will still continue to consign his produce to us,although he ships it outside us,we would continue to act as his financial agents. Much will depend on what he writes to me in ansewr to my letter some months ago. It is possible that he may think better of his action,and seeing that the Lafonia will be fit to go to the Chartres return to us altogether.

7. Par.10. We shall be interested to hear the result of negotiations about the school ground.

8. Par.12. I am glad to get the plan of the boiler at last, and must now await Mr.Morton's report,meanwhile the boiler will be ordered.

9. Par.13. Of course any cargo of Anson's which you had undertaken to insure must be paid for.

10. Par.14. As you say,the profit on the Fair Rosamond's Chartres voyages was not much; I suppose that you calculated the insurance in estimating the expenses per day.

11. Par.17. When you have an opportunity of doing it without rushing it,it would be desirable to point out to the Governor

that there can be no possible reason for not allowing us to complete the block inside our fence by buying the 1120 acres of more or less inferior land that was included through a misapprehension. If I am not mistaken,and I have no time now to look the subject up,it is the land on which the Hillside house stands,and I repeat that I have the most distinct recollection of being there the evening of the day Mr.Bailey surveyed the freehold,and I know that the latter was satisfied that the house was on the section. It is possible that he was mistaken,but I believe his survey pegs were never found,and although the late Surveoyor placed the boundary elsewhere,we acted throughout in perfect good faith.

12. Par.21. We will do what we can about the Chance.

13. Par.22. We will give you weights of tallow and measurements of sheepskins by next cargo boat; but surely you have them already. We give particulars of freights on our own,and weights and measurements for others will always be found in the account-sales. Tallow is always shipped by weight,and it is not desirable to supply measurements,as the tonnage is undoubtedly more.

14. Par.24. It is very unfortunate about Rowlands. As to Ennenga,to give him a good schooner would be much worse than sending her out close reefed towing several logs; I know him too well,and say most distinctly that rather than put Ennenga into the Lafonia we must look for a good coasting skipper here and send him out,if one cannot be got in the Islands. I am very glad to hear that Captain Thomas has done so well,as it is not always that a deep sea man is fit for a fore and aft coaster.

15. Par.25. It is a great pity you did not send an outside estimate of the Emilie's expenses,as it would have saved a lot of trouble. On the telegram to Lloyd's I estimated the expenses at £500,and as you know asked for a credit for that sum. I was not far out,but my estimate was thought excessive,and the owner only got one for three. I am now arranging for an extra £150,but to save any complication cabled you to make the extended credit separate,that is,draw for the £300 in full,and the surplus on a separate bill.

16. Par.27. The new press for Goose Green will be ordered.

17. In further reference to the Chance,I find that the pol-

icy is, and always has been, for total loss only, so that I am afraid that any claim is out of the question. In any case, I doubt if the Underwriters would recognize ballast as part of the ship's equipment. We will mention the case to our Brokers, and it is just possible that as she was stranded some contribution in the way of general average may be got, as the sacrifice was the means of saving the property imperilled; anyhow, the owner may rely on our doing what we can.

18. Par. 18. Mr. Felton's wool measurements are quite right, but to satisfy him I enclose the Dock return, which please send back. Whether wool comes into Liverpool or London, it is measured here, and you will see that the practice is to take one in ten, and ascertain the average. It is done impartially by the Docks, and neither we nor the shipowners have any control, so that it may be looked on as entirely fair, and as these weights are checked both by us and the P. S. N. Co. for the purpose of calculating freight it is one of those things in which there is very little chance of any mistake occurring. You will observe that the measurements differ considerably, and I can only suppose that Mr. Felton's pressing gang have more muscle available on some days than others.

19. Par. 28. The long passage of the Lafonia is most unfortunate; but I was told in Liverpool that it was a bad time for getting over the line, and I think I have mentioned that the Castalia, which left within a few days of the time in 1888, was 79 days going out. I was much disappointed not to hear of her arrival before the Victoria left Stanley, and now the next chance of hearing is when the Oruba gets to Sandy Point.

20. Despatch 257. I quite agree with all you say about the way we are being treated over the shipment of produce, and as soon as the mail is out of the way I am going to write a strong remonstrance to Liverpool. I have been rubbing them up periodically about delays for the last month or two, and last week got together a strong case from their letters on the subject during the last two months, but delayed writing hoping to make it still stronger on the arrival of the present mail. I need say no more, except that one letter shows that in Liverpool they thought that a cargo boat would be sent, confirming your "Spenlow and Jorkins" idea.

21. With reference to what I wrote about the leases of islands, I have found a copy of the one of Great Island, which expires 1st July, 1906. There is also some arrangement, I think, for the yearly occupation of Swan Island at a nominal rent.

22. I enclose copy of a letter from Mr. Robertson on behalf of Mrs. Bonner asking certain questions, some of which I have answered. We do not know if the bale of sheepskins per California was the one reported to have been in the water, but the number of skins seems to tally. There is also a question about one of our own bales, F in diamond, ~~also~~ reported over board, and I am afraid that although certificates have been sent at the time the damage took place, it has happened in several instances that the bales when redried have come forward without any mention having been made of them, and of course we have not sufficient materials for making a claim.

23. There will naturally be little cargo this time, but it occurred to me last week to get Lowdens to make arrangements with the P. S. N. Co. to receive goods later than usual, and Eills were warned to look out for their order. The delay of the mail set us back a day, but by telephoning the major portion of the list to Liverpool and sending the full order by express post as soon as it came in yesterday, I believe that Eills will get a considerable portion away, and if they do, it will be somewhat of a coup.

24. The stem plate for the Lafonia went by the Oruba, but Lowdens neglected to send us the invoice until the following week, and to let us know that it was going: I hope, however, that you have found it.

25. Wool is still going strong, the Missionaries having reached 10d. and Greenshields 11d. at the last sales. Our best tallow is now worth 29/9d.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures vis Liverpool

Duplicates

Despatch No. 987 dated 23rd November.

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

List of General Cargo per "Oruba"

List of Parcels

List of Dutiable Goods per "Oruba"

List of Goods shipped per "Oruba" for Clients.

Replies to Remarks onStores

General Invoice Goods per "Oruba"

Clients' reports & contracts:-

P H 129 bales Wool ex "Oruba"

AP 6 ,, ,,

Second of Exchange for £ 27 . 17 . 11 on J.Kirwan,B/L attached

B/L General Cargo per "Oruba"

Clients' A/sales:-

Z 1 bale Hair ex "Orita"

S 1 ,, "Antisana"

Enclosures via Liverpool.

Originals

Copy of Cablegrams sent on 1st & 17th December.

Copy of Cablegram received on 10th December.

Wool reports

Copy of letter from A.G. Robertson of 5th & our reply of 6th December re Mrs Bonner's account.

Clients' A/sales:-

AP △ P H	6	bales Wool	ex "Oruba"
	129	,,	,,
J B	7	,,	,,
K	40	,,	,,
K	10	,, Skins	,,
D S G I	4	,, ,,	,,
J B	2	,, ,,	,,
J R	2	,, ,,	"Orita"(remainder)

Brokers' press copies Company's A/sale Sheepskins ex "Oruba"

Evans' invoice for Stem-plate for "Lafonia" shipped per "Oruba"

Cook's credit note for 5/- error in A/c of September last.

Particulars of homeward freight per "Oruba"

Copy of letter from the Colonial Office of 14th & our reply of 15th December.

Royal Insurance Co.'s. Fire Policies numbers, 7975425/7975431. (7)

Mrs John Davis's letter to Eills returned

Landing Weight & Measurements of Mr. Felton's wool per "Magellan and "Antisana"

London 21st December, 1904

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts & Replies

Remarks on Stores

Replies to Remarks on Stores

List of Cargo per "Oravia"

List of Dutiable Goods per "Oravia"

General Invoice of goods per "Oravia"

Copy of letter from Fleming & Haxton dated 22nd December.

Langdon's invoice for goods shipped per "Oravia"

Dickinson's ,, ,, ,,

Eills's invoices ,, ,,

Particulars of rates of freights with the P.C.N.Co.

Credit note for 12/ from Foster Porter & Co.,Ltd.

Letters for the following :

W.A.Harding,Esq.

J.J.Felton,Esq.

Copy of letter from W.Lowden & Co.dated 23rd December.

Supplementary Remarks on Stores.

London,24th December,1904

The Falkland Islands Company.
INCORPORATED BY ROYAL CHARTER 1851.
Limited.
REGISTERED 1902.
61, Gracechurch Street,
London, E.C.

Per Victoria.

No. 989.

18th January, 1905.

Sir,

I have to acknowledge receipt of your despatch no. 258, which arrived on the 3rd inst., and to reply to certain paragraphs in no. 256, which had been left for the consideration of the Board.

2. 256-9. If, in reporting the secession of Dean & Anson, you had mentioned that by continuing to finance them you hoped to retain a portion of their Store business, the Directors would certainly have agreed to it, and it is a pity that you omitted to mention it as a reason for your proposal. If not definitely fixed, you are still at liberty to take them on on the same terms as Port Howard and Port Stephens. The view of the Directors was that if we lost the rest of the business there could be no advantage in making money matters easy for them.

3. Par. 12. Mr. Barringer has had drawings made for the new boiler, and tenders are being invited. It is to be above Lloyd's and B. of T. requirements, of thicker plating than the old one, and built to stand more than the original working pressure, not with the intention of running it at the highest pressure, but so that as it gets old, and pressure has to be reduced, there will still be a margin sufficient to get the best work out of the engines. We have no plan of the boat, and I doubt if we ever had, if it was not sent to Stanley as those of the boiler were. Morton has sent a tender from the Montevideo slip people, of which you no doubt have a copy. Mr. Barringer thinks that there is too large an opening for extras, and has drawn up a specification, copy enclosed, which should embrace the principal items of the work. He is also

W. A. Harding, Esq.,
Manager,
Stanley.

of opinion that it is a mistake to say that the services of the Engineer may be utilized in Montevideo, for the reason that the contractors should take the responsibility for the work, and that if he puts his hand to it he may be made the scapegoat for any imperfections, besides which, his time should be fully taken up in watching the progress of the work. I have communicated this to Mr. Morton, and have sent him a copy of the specification. I have also asked him about the trans-shipment from the outward steamer to the Samson, and mentioned that it must be got on board free of duty if possible. It is estimated that the work here may take nine or ten weeks, and we have provided for shipment from London, Southampton, or Liverpool, so that when shipment has been arranged I can cable you the name of the steamer, and you will then arrange to have the Samson up to meet her.

4. Par. 16. The Directors have considered your remarks on Mr. Girling's application for leave of absence, and have decided to grant him six months' leave on half pay, provided he wishes to return to his post on another five years' agreement at £400 per annum; should he not desire to do so, his agreement provides for his passage to England.

5. Par. 22. We are sending you some weights of tallow, both our own and clients', all of which are to be found in the a/sales, and with regard to sheepskins, measurements of the bales are always sent you in the periodical returns. I have been making further enquiries about tallow freights, and confirm what I said as to freight being always paid by weight, it being the custom of the trade. A similar custom I am told prevails in the sugar trade, though both tallow and sugar measure far more than they weigh. The P. S. N. Co. must not be allowed to suggest carrying tallow by measurement on any account. While on this subject I may mention that the idea has occurred to me of chartering a ship to carry some 500 or 600 tons coal from the Tyne about May or June, with an optional charter homewards. With such a vessel, and the Shaw Savill line in addition, we shall not be at the mercy of Mr. Sharpe as we have been this last season. If you can give us by return an estimate of the total weight of tallow to be expected from

Goose Green and all clients next season,and say approximately when you expect to have it all in,we shall know what to do. If we charter,there is no reason why the ship herself should not go to Goose Green to load; all sailing ships used to do so,and you would save freight and handling on the whole of ours,and only have the clients' tallow to bring to Stanley. The ship would return to Stanley to fill up,and any spare room could be filled with sheepskins. There are two points to be considered; what sized ship do we want,and then,shall we have enough weight of tallow to pay us home at 30/.or 35/.per ton weight? Take the Emilie as an example; just two years ago we chartered her out and home for £1200,providing for a call at Port Howard to load. The freight was £720 home under a sub-charter to Spearing & Waldron on joint account with Langridges,and this paid us very well. Assume that we could do the same,570 tons coal out at 21/.would give us just about £600,will the tallow and any other odds and ends homeward yield us the remaining £600 or more at the freight suggested above? The idea is worth considering; the tallow would be carried better than by steam,and we ought to get it home by October. Cameron as well as Waldrons ship wool by sail this year, but the tallow could not be ready as early,and it might be a convenience to both of them to join in helping to fill the tallow ship if we held out the bait of a moderate freight,at all events it would be worth your while to make enquiries.

6. 258-2. Surely it can never be necessary to <u>renew</u> the windlass of a hulk which is seldom or never moved.

7. Par.7. In the later issues of freight lists the P.S.N.Co. have omitted the Falklands; if they still give us the old rates but stick others with the revised ones,it is not for us to complain.

8. Par.8. I am afraid that we may have trouble with the Emilie's bill,all of which,if it occurs,will be due to your not having cabled an estimate of expenses. Hambros have accepted the bill for £300,but we have not yet heard from Mr.Abrahamsen. If I could guess the amount of the needed credit at £500 on seeing the report of the damage,there should not have been much difficulty in suggesting that amount.

9. Par.10. It looks as though the contract for receiving and delivering coal for the Admiralty referred to one special cargo,and that the original one has expired. You do not say what has moved you to put the Garland alongside the Sofala,nor is it clear why we should trouble ourselves in the matter at all. The Admiralty have established their coaling station,and had a perfect right to do it,but it has been greatly to our disadvantage, since it has deprived us of a nice little profit every year over the supply of 1000 tons of coal or more. Now having their station, is it not rather cool on their part to expect us to do all their work? Why should we not stand off,and tell them to do it themselves? Unless you see a decided advantage in landing and reshipping this cargo of over 3000 tons,that is to say,employment for a number of otherwise idle hands,and a thumping good profit out of the transaction,it would be better to leave it alone. It seems distinctly a case in which the Admiralty having made their bed should be made to lie in it. Of course there may be new or unexplained facts that may throw a different light on the matter,but this is how it strikes us.

10. In one of your letters to Valparaiso you mention that tallow is sometimes put up in dip or paraffin casks; is not this a slip? You must be aware that to use either means ruin to the tallow,and that a special warning on the subject was sent out not so long ago.

11. Your cable reporting 940 bales wool and 99 of sheepskins per Magellan arrived on the 16th. I have had a good deal of correspondence with the P.S.N.Co.about the mismanagement of our business by the Valparaiso manager,and enclose copies of letters. You will of course be careful to give them no chance of complaining of the want of definite information about cargo available. It seems specially perverse that the Magellan should have been sent in so early - at least a fortnight or three weeks too early - just as I have been rubbing into them the necessity of getting a steamer in to pick up as much as possible for the March sales, that is to say about the end of January. I am now urging them to let the Oropesa sweep up all that has been collected between the Magellan's call and her own; if this is done we shall have no

cause for complaint, but if not, the wool available for March will be a sadly small quantity, especially after all that has been said about hurrying a large consignment forward. You will see that, principally on what they have heard from Sandy Point, the P.S.N.C. refuse to reduce freights homeward; whoever he may be, and it can hardly be Stubenrauch, he professes to know a good deal more than he really does, and writes with a good deal of misplaced assurance about our motives. It will be interesting to hear what has been arranged about the Chartres wool, for the Sandy Point man seems confident that Brain & Blanchard cannot make the business pay. Your cable does not indicate what has been done with the tallow left behind by the Victoria; Mr. Bertrand has been writing about his.

12. At the sheepskin sales last week the Stanley lot brought the record price of 10 3-8d. per pound. They are always well got up by the butcher, but I am sorry to say that those from Goose Green are reported as having been badly cut, and, though it is difficult to estimate exactly, the Brokers think that they lost ½d. all round: I am writing to Mr. Allan about this.

13. Wool is still a good market, but the Brokers do not feel confident about what may happen after March, for which reason we are anxious to hear what has been shipped by the Oropesa.

I am, Sir,

your obedient servant,

Edwd. E. Lowe

Managing Director.

Enclosures vis Lisbon.

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Dutiable Goods per "Victoria"

List of General Cargo per "Victoria"

Weights & Measurements of Tallow & Skins shipped in 1904

General Invoice of goods per "Victoria"

B/L for Coal per "Victoria"

Debit notes for David Smith error in charges per "Oruba"

Eills & Co's invoices goods per "Victoria"

P.S.N.Co's ,, coal ,,

Clients' contracts :-

L 3 bales Wool ex "Orita"

H & B 4 ,, ,, ,,

F 3 ,, ,, ,,

Thompson's debit note for charges on Tea per "Victoria"

Copy of letter from Granvill Enthoven & Co. dated 18th Jany re "Chance"

Copies of letters from P.S.N.Co. of 19th, 20th Jany. ours of 20th Jany., also extract from Mr. Pearson's

Keys to the three tanks for Speedwell

Letters for the following:-

W.A.Harding, Esq. (2)

J.J.Felton, Esq.

A.L.Allan, Esq.

Mrs G.M.Dean.

C.G.A.Anson, Esq.

London 21st January, 1905

Enclosures via Liverpool

Duplicates

Despatch No. 988

Ledger & Journal Entries

Remarks on Accounts & Replies to Remarks

Remarks on Stores & Supplementary remarks

Replies to Remarks on Stores

General Invoice goods per "Oravia"

List of Dutiable Goods per "Oravia"

List of Clients' Cargo per "Oravia"

List of Parcels in case No. 5504

List of Cargo per "Oravia"

Lists of Enclosures

Clients' A/sales :-

P H	129	bales Wool ex "Oruba"
AP	6	,, ,,
K	40	,, ,,
J B	7	,, ,,
J R	107	Sheepskins ex "Orita" (rem. 2 bls.)
K	10	bales Sheepskins ex "Oruba"
J B	2	,, ,, ,,
D S	4	,, ,, ,,

B/L General Cargo per "Oravia"

Enclosures via Liverpool

Originals

Copy of Cablegram sent

Copy of Cablegrams received

Wool reports

Copy of letter to W.E.Morton dated 12th January with Jacob & Barringer's specification attached.

Copy of letter received from McIvor & Son dated 3rd January re Cement claim.

Correspondence with the P.S.N.Co. of 9th, 12th & 29th December, 2nd, 3 & 4th January & theirs of the 3rd January.

Clients' reports & contracts:-

B	7	bales	Sheepskins	ex "Orita"
AP	8	,,	,,	"Oruba"
W P	12	,,	,,	"Orita"
F	30	,,	,,	,,
S	17	,,	,,	,,
H G C	5	,,	,,	,,
H & B	91	,,	,,	,,
♡	3	,,	,,	"Oruba"
L	35	,,	,,	"Orita"

Broker's press copies of above reports & contracts and also Company's Sheepskins ex "Orita"

Bullivant's prices for Wire Rope

Clients' Wool reports:-

F	3	bales	Wool	ex "Orita"
L	3	,,	,,	,,
H & B	4	,,	,,	,,

Extracts from Correspondence with S.Abrahamsen.

Copy of letter from the P.S.N.Co. of 17th & our reply of 18th January.

Copy of letter from Glanvill Enthoven & Co. of 17th and our reply of the 18th January, re "Chance"

Letter of A.L.Allan, Esq.

London 18th January, 1905.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 15th February, 1905.

Per Orissa.

Vº 990.

Sir,

I have to acknowledge receipt of your despatches nos. 259 and 260, which arrived on the 30th ult. and 6th inst. respectively.

2. I have had two interviews with an official in the Colonial department of the Royal Insurance Co, and acquainted him with the cutting rates offered by the London Assurance. We are not in communication with the head office, and it seems to me that any proposal for a reduction of rates would be better pressed by you on that office as their agent. The Royal view is that in the rates as reduced and fixed for our own insurances they have got to the bed rock of what is reasonable, but their man says that in the case of a non tariff place like ours they and the other insurance offices are like a lot of tradesmen in the same street, and that there is no way of preventing cutting rates below a point that is reasonable. You mention that your agency rate for wooden dwellings is 25/.%, but as shops and warehouses in this country are always charged higher than dwellings, and we pay on our wooden places of business much less than that rate, the reduction in our favour is seen to be a very large one, for if we were charged in proportion to the increased rates in force here we should be paying on those buildings not less than 37/6%. So when you say that we should save £70 per annum by going to the London Assurance you are writing presumably without having ascertained that that Company would take mercantile risks at the same rate as dwelling houses. You have an excellent case for a reduction of your agency rates in being able to report to Liverpool what the L.A. is doing in the case of dwellings, but unless we know actually that they would out

W. A. Harding, Esq.,

Manager,

Stanley.

under the reduced rates already conceded to us by the Royal I do not think that we can move in the matter. The 2/6% extorted by that unjust Ordinance out of all Companies having an agent in Stanley is so monstrous, that you should ask the Governor if it cannot be repealed. I am informed by the Royal that here all charges for the maintenance of fire stations are borne by the rates, although in many instances the Insurance Companies contribute voluntarily. The injustice of having to return 2/6 out of a premium of 7/6 at once puts the agency out of court, and it might be represented that as the majority of the inhabitants are unable except through an agent to get at an Insurance Company an agency on the spot is a distinct advantage to the community, which is likely to be lost if this sort of thing continues. It is manifestly so much more unjust to take 2/6 out of 7/6 than out of 25/. that if he is unable to recommend repeal he might at least make the tax in the form of a percentage on the premiums.

3. Par. 4 desp. 259. Your cable advising an addition of £1000 to the Sofala's account duly arrived. I was in some trepidation about it, but I have seen one of the owners who is in the London office, and he talks rather lightly about it, says that they expected even more, and that whatever it is it will have to be paid, although they expect to get some returns. Whether anything of this kind has been arranged on your side I was unable to tell him.

4. Par. 5. You had better give us a list of New Zealand produce that would be suitable in case we arrange for a call this year, and you will of course suggest the quantities that should be ordered.

5. Par. 6. Mr. Abrahamsen has accepted the extra bill for the Emilie, and yesterday sent cheques on London to meet it. I have been rather apprehensive about this, as he has a way of not answering letters.

6. Par. 7. We have so often been told by Mr. Henry Waldron the story about a cheque to balance his account that we have given up believing him. The account must be balanced this year, and my belief is that nothing but dishonouring some of his cheques or refusing to execute his orders will bring him up to the mark. His business is a very small one, and I believe that he was virtually

turned off by Spearing & Waldron, who could not stand him any longer.

7. Par. 8. The news cabled about wool by the Oropesa is excellent. It shows that the schooners have been doing splendid work in the three weeks after the Magellan's departure, and it only needed the somewhat strong pressure put on the head office to bring about the gratifying result of getting 2000 bales in for the March sales, a quantity larger, I believe, by 500 bales than we have had for those sales for years, if ever. The wool will not have come too soon, for there is a distinct drop in cross-breds, and though it is not expected as yet to be serious the course of the market is very uncertain. You will have to keep your eye on any accounts that are doubtful, as we must never let the farmers run into our debt again to the extent they did a few years ago. Both Mr. Alcock and Mr. Lamb have called since I last wrote, and on this side there is an evident wish to do all they can for us. I have not failed to rub into them the perversity of their Manager, whose last exploit in sending us a steamer three weeks too soon might have had serious consequences, for who can doubt that he would have prohibited the Oropesa from taking wool if he had not been ordered from Liverpool to provide room? Mr. Ward, who has been much out of health lately, left for a trip in the Panama, will stay a fortnight in the Plate, and go down with this steamer. The Board will be glad if you will leave it to your subordinates to carry on the work as much as possible while the Orissa is in port, and give as much time as possible to a discussion of all questions with Mr. Ward. I shall mention his probable arrival in the next cable.

8. Par. 10. I am sorry to have given you the trouble of making copies of the Island leases, as I found them soon after I wrote. With regard to Bleaker Island, it certainly was the wish of the Board not to disturb Fell during his lifetime, but this was not inconsistent with an increase of rent when the lease fell in, and the fact that this had occurred ought to have been brought before the Board. Rent of Government land having been so much raised, and the same having taken place with our other islands, £20

or I should have written £25 - is much less than should now be paid. It may be somewhat embarrassing to raise the question now, but you might represent to Fell that an oversight has occurred, and you should arrange for an increase of not less than £5 per annum for the seven years following the third period of seven, during which he has paid £25, the increase having been £5 each seven years from the start. I think that no lease was given of Swan Island, but that David Smith was allowed to occupy it during our pleasure, for so long as we might not want it ourselves, at the rent you name.

9. Par. 11. With regard to the Municipal Ordinance, probably as you say the best thing will be to let the question of appointing a Council lie dormant as long as the Governor administers the finances of the Colony to the general satisfaction. In a Crown Colony it is hopeless to expect the Government to give the people any real voice in the management of their own local affairs, but this Ordinance gives them the power of asking for a Council, who could make themselves very disagreeable, in the event of much money being spent, as it has been in times past, on the personal gratification of the Governor and his officers, to the exclusion of the community at large. To those who pay rates in this country it is somewhat amusing to find you writing of rates at 4/. in the £ as being a high figure.

10. Par. 12. The Board concurs with the views you express on the subject of pilotage. It is not, except in an emergency, desirable that Captain Thomas or any of our Captains should be the recognized pilots of the place, though they might have licenses in case the regular pilot or pilots should be engaged with one or more vessels. I gave you my ideas in a private letter last mail. The Directors would not stand in the way of Rowlands if he wishes to take the post in his old age, recognizing the fact that his service with us cannot continue much longer. As you mention Ratcliff, I must say again that I have been in one or more ships beating up Port William with him, and that a smarter man at that time would have been hard to find, though I cannot pretend to know what he is now. I mention this because I have an idea that there may be some clerical prejudice against him on account of some moral

delinquencies of which rumours have reached us, and that the report of these and of his supposed drinking habits may have influenced the Governor. Of the latter I know nothing, but I do know that it is easy to say that a man drinks when he is really as sober as anyone could wish, and that in my time I never heard anything against him in this respect. Your remarks lead up to the subject of the command of our schooners, which must be taken in hand promptly. It is rather singular that the Islands do not breed sailors; I cannot think of any native who has had responsible command, and all the schooner Captains I have known have been men who have come to the Islands casually. Thi shows clearly that the vacanices that occur must be filled from outside, and since there is no man at the present time who seems fit to be put in charge, it follows that we must look for one here to replace Rowlands. This is so self evident, that I am already on the look out; I know that it is a great lottery, and that we may get someone who is quite unfit, and may have to be sent away again; but there are men in the coasting trade here doubtless who are eminently qualified to sail any schooner, and I shall do my utmost to secure one likely to be a success. As regards the schooner he is to sail, I shall leave the question open; I expect to hear that although smaller, the Lafonia is in other respects so superior to the Fortuna that Osborne, when he gets to know her thoroughly, may not wish to change. You were right in saying that Rowlands is not eligible for a pension; he came to us when he was over 50, and although the Directors recognize to the fullest extent the value of his services they consider that a pension in such a case would create a precedent that might prove to be most inconvenient. Whether they will award him a gratuity or not on leaving the service is a question on which I cannot give an opinion.

11. Par. 13. With regard to Mrs. Hansen's application for an advance, the Board would have liked you to express your opinion as to the advisability of granting it, but they think that if the boat is insured it would be reasonably safe, and authorized me to cable their assent. I tried to get her insured at once, but the particulars available at present are too meagre; the Underwriters

want to know name, dimensions, tonnage, (approximately at all events) whether she is launched, and any other details as to build that you can supply; you should also say if the insurance is to be for total loss only, or all risks.

12. Par. 14. Any criticism, adverse or otherwise, on the Lafonia is welcome. I have gone into all you say, and have referred the various points to Mc. Lauchlen and the designer, Mr. Richardson, copies of whose letters are enclosed.

Ballast. It is probably premature to say that 15 tons more will be wanted, as it remains to be seen whether she is too tender or not with what she has. Captain Fortay says that she was far too stiff on the voyage out, and the opinion in Liverpool was that a vessel of 94 tons register should be safe with 45 tons of iron in the bottom, some of which was cemented in, the weight of the cement being of course additional. The fact that she showed 6 inches of copper is nothing; after arranging for the repairs I decided on consultation with Mc. Lauchlen to give her an extra sheet of copper all round, so that even if deep loaded it should not be under water. It was never intended that the tanks should remain in her, but being there it was better to keep them for the voyage so as to have a full supply of water. I assume that she will not often have to sail with nothing but ballast, but occasionally she must, and if in that trim she should prove too tender or not sufficiently weatherly, - a point that can only be decided by experience, - then undoubtedly she must have sufficient added to make her safe.

Sails were not new, but there were so many of them that it would have been extravagant to add to them, and after the voyage they want middle stitching no doubt. You do not say that there is anything the matter with the canvas.

Rope. This was an experiment, and it will be interesting to know if it softens, Mc. Lauchlen thought that new it was rather stiff.

Boats. You will have to report after the season how they have worked; they were very strong, and had been used in the pilot service, so may be assumed to be good in a seaway. Was there any reason for removing the fittings of the life boat, that is to say did

the tanks under the seats impair her usefulness? It seems a pity, as the boat added to the safety of the crew in case of wreck, and if the Government carried out the Board of Trade rules the schooner would not be allowed to go to sea without these fittings, which cost us a good deal.

Cargo winch. You will see what Mc. Lauchlen says about this.

Hatch. When you wrote you had not seen the plan of the schooner's framing, and you have probably realized by now that this was made as wide as it could be without cutting into the steel ties that run fore and aft. These ties are one of the features of her construction that gave her the highest possible class at Lloyd's, and any proposal to tamper with them would not have been considered by the Surveyor for a moment. When you remember that her beam is over four feet less than that of the Fortuna, you will see that the hatch you suggest, even if it had been practicable, would have been out of proportion.

Windlass. Reference is also made to this in 260-3, and the matter has been most carefully sifted here, the evidence collected proving most conclusively that it is not yet understood. Mr. Richardson's letter goes most fully into the subject, and with the plan and instructions sent by him there should be no further trouble. You will see that the pilots met with the same difficulty at first, but the practical experience of Mr. Wheeler the Superintendent of Pilotage in Liverpool fully bears out what Mr. Richardson says, and you will see that you were mistaken in supposing that the anchor was only let go occasionally. There can be no doubt that it was habitually lifted by four boys, pilot apprentices on the Mersey, and what four Liverpool boys could do should not be too hard a task for four men in the Falklands. Very likely before you get this the working of the windlass or capstan will have become better known, and the trouble will be over. New ideas cannot be picked up all at once in many cases; but that this capstan, if properly handled, is efficient we cannot doubt, after seeing what Mr. Richardson, who is in the front rank of Naval Architects, has written about it.

13. Par. 15. The Board must leave it to you to make the best and most profitable arrangement you can about the Admiralty coal.

The original contract was evidently made with reference to a specific quantity of 1000 tons, afterwards increased to the extent of the cargo sent out, but has no longer any existence. The question is whether it is of any advantage to us to handle the coal at all in the first place; should it be so, then it must be done at a price that will leave a large profit. There would be no harm in making the handling of their coal so burdensome to the Admiralty that they would be glad to revert to purchasing from us, and if our hulks are used it should be in the shape of rent, not a lump sum for storing it just as long as the Admiralty want to keep it, which according to all appearances may be for years. However, I see on reference to my last despatch that I am more or less repeating what I have already written, and there is really no more to be said on the subject.

14. Par. 18. The information now sent about the Samson's boiler is now complete; the delay in sending the plan has caused a similar loss of time here, as the preliminaries are taking a long time. We have tenders from eight or nine makers, and are about to give the order. Freight will be heavy, as the P.S.N.Co. are bound by the conference tariff to the Plate, and cannot help us, so the charge by any of the ring will be £10 per ton weight and 10%. The Manchester liners, however, are not in it, and we hope to arrange something more reasonable with them. The weight is estimated at 17 tons.

15. Same par. The Directors are sorry to hear that you have been confined to the house through illness, but hope that you have long ago recovered.

15. 260-2. We shall proceed on the assumption that Preferable liens can be registered if executed in England, without being barred through lapse of time.

16. Captain Fortay reported that on settling up he was told that he would have to pay his board out of the gratuity of £5, which would leave him just 16/. As his letter, of which a copy was sent you, was practically the agreement under which he went out, and board was clearly stated, the story seems so improbable, that I hesitate to believe it without confirmation; if true, it was a blunder. He remarked that if he had known he would have to pay he

could have got board at much less than two guineas a week. My idea was that you would have sent him to some house, and directed the bill to be settled in the office, so I had some suspicion that he was trying to make something extra; however he produced an account redeipted by E. Rutter for £4.4/., and we of course paid it. A statement of his account showing how the balance was arrived at should have been sent home; fortunately he did not dispute it, although he did not know the items any more than we did. I expected that he would bring the Atlantic charts that had to be supplied at Liverpool: I was there unfortunately when they were asked for, and did not know that we had those returned by Rees in the office, perhaps it will now be better to keep them, in case of having to send a vessel home, or you may have an opportunity of selling them.

17. We had a couple of small disputes with the P. S. N. Co. about the freight on old metal and the minimum rate of freight, the Company thinking the former too low and proposing to institute a minimum rate of £1.1/. to Liverpool or 31/6 to London on single packages. As to the former I agreed that the rate was low, but quoted precedents, and on minimum rates referred them to a letter some four years ago in which I said that when we split up a number of consignments on separate bills of lading for their convenience and to comply with their regulations, we ought not to be mulcted in the freight of single packages even if the freight did not amount to the minimum. I have since seen Mr. Lamb, and he agrees about this; as to metal he may write you.

18. The Secretary of Lloyd's Register has enquired about the Samson and her boiler and general repairs, and I am going to give him full particulars in writing. He will instruct the Surveyor at Buenos Ayres to inspect the work that will be done in Montevideo, so that she will leave there with a clean sheet. I think that if there is a periodical survey pending in the course of a year or two it may be as well to have it carried out, so as to keep her character as long as we can.

I am, Sir,

your obedient servant,

Chas. E. Love

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No. 989

Ledger & Journal Entries.

Remarks on Accounts

List of General Cargo per "Victoria"

General Invoice goods per Victoria

Remarks on Stores

Replies to Remarks on Stores

List of Clients' cargo per Victoria

Extracts from correspondence with Abrahamsen

List of Parcels

Lists of Enclosures

List of Dutiable Goods per "Victoria"

Clients' reports & contracts:-

S	17	bales	Sheepskins	ex "Orita"
♡	3	,,	,,	"Oruba"
AP	8	,,	,,	,,
H G C	5	,,	,,	"Orita"
W P	12	,,	,,	,,
B	7	,,	,,	,,
L	35	,,	,,	,,
F	30	,,	,,	,,
F	3	,,	Wool	,,
L	3	,,	,,	,,

Bill of Lading Coal per "Victoria"

,, General Cargo per "Victoria"

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Enclosures via Liverpool

Originals

Copy of Cablegrams sent & received

Wool Reports

Copy of letter from William Bain & Co. dated the 6th instant re Wire Netting.

Clients' A/sales:-

H & B	4	bales	Wool	ex	"Orita"
F	3	,,	,,		,,
L	3	,,	,,		,,
H & B	91	,,	Sheepskins	ex	"Orita"
S	17	,,	,,		,,
AP	18	,,	,,		"Oruba"
♡	3	,,	,,		"Victoria"
F	30	,,	,,		"Orita"
L	35	,,	,,		,,
H G C	5	,,	,,		,,
W P	12	,,	,,		,,
B	7	,,	,,		,,

Spwedwell's invoice for Boiling down Tanks

Copy of letter from Mc.Lauchlen dated 2nd February, re "Lafonia"

Letter from A. Richardson dated 7th February re "Lafonia" & plan showing working of Capstan.

Clients' reports & contracts.

	F	34	casks	Tallow	ex	"Victoria"
(report only)	K	11	,,	,,		,,
	B	9	,,	,,		,,
(& A/sale)	D S G I	10	,,	,,		,,
	L	6	,,	,,		,,
	J B	6	,,	,,		,,
	△	90	,,	,,		,,
	W P	21	,,	,,		,,

(& A/sale) H & B 109 casks Tallow ex "Victoria"

Z 68 ,, ,, ,,

Brokers' copies of above mentioned reports & contracts.

Brokers' copies A/sales, reports & contracts Company's Sheep-Shins & Tallow ex "Orita" & Victoria"

Letter received from Mr. Butler dated 30th January re employment

Particulars of freight per "Orita" homeward.

London 15th February, 1905

Enclosures per Supplementary Mail via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores & Supplementary remarks.

Replies to Remarks on Stores

List of General Cargo per "Orissa"

List of Dutiable Goods per "Orissa"

General Invoices goods per "Orissa"

Particulars of homeward freight per "Victoria"

Clients' A/sales:-

B	9	casks	Tallow	ex "Victoria"
L	6	,,	,,	,,
J B	6	,,	,,	,,
W P	21	,,	,,	,,
F	6	,,	,,	,,
△	74	,,	,,	,,
H B	21	,,	,,	,,
Z	66	,,	,,	,,

Brokers' Copies Company's ~~Sheepskins~~ A/sales & Tallow ex "Victoria"

Eills' invoices goods per "Victoria"

Letters for the following:-

W. A. Harding, Esq.

A. L. Allan, Esq.

Key to tank

Contract H B 33 casks Tallow ex "Victoria"

London 18th February, 1905

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 15th March, 1905.

Per Oropesa.

No. 991.

Sir,

I have to acknowledge receipt of your despatches nos.261 and 262,which arrived on the 1st inst.

2. 261-4. The P.S.N.Co.say most positively,from information received from Sandy Point,that it is unlikely that a steamer will be sent to the Chartres from there.

Sent on 253 acknowledged in 256-B

3. Par.6. This seems to refer to a statement of the loss on goods per Fair Rosamond,but it was not found enclosed.

4. Par.13. You will have to be more precise in dealing with bales dropped overboard and re-dried,or you will be setting us an insoluble puzzle some day. The present one is bad enough:two bales of sheepskins belonging to different interests got wet and were taken ashore; in the course of time the sound skins in each were packed into <u>one</u> bale and shipped,without any advice being sent about it,and now we have to make a claim on each of those originally damaged. The matter is in hand,and we shall recover something,but you may easily see that it might have been made easier for us. It is not clear why any of the skins,if they were promptly unpacked,need have been unfit to be dried,but if that was the case it would have been better to sell the whole by auction for the benefit of those concerned rather than formulate such a complicated claim.

5. Par.16. Your remarks about filling up Spearing & Waldron's vessel are noted. The subject was discussed here at the time,and,knowing that their difficulty has always been to fill outwards the vessel they had to send out for the Port Howard and other wool,it seemed to us inadvisable to smooth the way

W.A.Harding,Esq.,

Manager,

Stanley.

for them by supplying them with cargo. Had we known that they could fill up by shipping coal for Willaiams the matter might have been reconsidered. This coal,however,having been bought here,will have cost him a good deal,and it rather points to the advisability of sending a cargo from the Tyne in the course of the summer at a price which will enable you to undersell him.

6. Par.17. The Johanna's bill has been paid.

7. Par.18. The course suggested by you with regard to the Goose question is reasonable,and it is most satisfactory to hear that the Governor has drafted the Ordinance on these lines.

8. Par.20. It seems odd that the Rosa Baker should have been coppered,seeing that her keel fastenings were iron,and it suggests that the fastenings of the planking may be in the same condition; in fact if they are iron too they cannot be sound. Such a vessel is usually,I believe,sheathed with zinc.

9. Par.21. It will not be necessary to deduct the sum of £54 overdrawn on the Weddell Island account in 1903.

10. Par.22. I saw Admiral Finnis lately,and heard from him that the Admiralty would be only too glad to let us draw whatever coal we may want. I am therefore going to write to them on the subject.

11. Par.24. The owners of the Sofala have accepted both bills without demur,and I have seen one of them who runs the London office several times. He has asked what returns we are prepared to make,and the Directors have agreed to halve the commission,but are unwilling to do more. If,however,you think that any other charges would bear reduction,you had better let us know,so as to be prepared if Messrs.Steeves become too pressing.

12. Par.2,desp.262. Nothing could have been better than the manner in which the shipping of wool has been arranged,and the Board are much pleased at getting so much home for these sales. There is a drop in prices,of course,but not as bad as we feared,and the average will come out much in excess of last year's. In comparison with medium cross-breds from New Zealand our wool has suffered very little. I observe from the correspondence with Valparaiso that the Manager there is sore about

some of the complaints I had to make; I am sorry to have had to ruffle him, and I am afraid that he will take still greater exception to one or two of my subsequent letters; but the time had arrived for asserting ourselves strongly, and I can see that if I had not pressed the head office they would not have cabled out, and the Oropesa would have brought no wool at all. I enclose copies of one or two of their letters, which show that they really wish to serve us well, and you will note what they say about the extra 24 hours' detention of the Oropesa.

13. Par.5. It is pleasing to hear what the Lafonia can do in heavy weather, but it only confirms what I felt sure of all along, that a boat specially built to stand the weather between the Liverpool bar and Holyhead would not be found wanting in the Falklands. I shall be glad to hear how she stands up with the tanks out; I suppose you will remove one or two at a time. You have not yet reported the change of port, which should be made at once, if it has not been done already.

14. I forward some correspondence with the Surveyor of Taxes on the subject of Income Tax on the profits of Speedwell Island. No doubt the S.I.Co. was brought under his notice through Mrs. Dean-Pitt's will having been proved here, and he has been very obstinate and persistent over it; but as he has now dropped the subject I think that he has found himself in the wrong. If, however, he should write to the Manager of Speedwell Island, you had better draft a letter for Bonner to sign telling him as politely as possible to mind his own business. Seeing that Mrs. Bonner, Mrs. Williams, Mr. Bertrand, and others at times, are Falkland farmers residing in England, it would be intolerable for us to be held responsible for paying their income tax, but this would follow if the Surveyor had his way about Speedwell. As a fact, I believe that all these make their own returns of such income from the Islands as they receive in England, and this is the right thing to do.

15. It would save some confusion at times if you could get Mr. Felton to adopt JF as his mark instead of F, which for years

with or without a diamond,has been ours. In many of the Bills of Lading our mark F has been given from time to time without the diamond,and this should not be,when the diamond is actually on the packages,as there might be complications in case of an insurance claim.

16. 261-15. The Directors have read your remarks on the proposed telephone with much interest,and wish me to say that , although it would be premature at present to give their assent, they desire to have full estimates of the cost and any other information that can be gathered here,and will then give the subject the most favourable consideration. It is now 25 years since I first represented the desirability of establishing electrical communication between Stanley and Darwin,and more than 14 since I had the distance chained,as I find that in my despatch from Stanley,511-16,of 10th November,1890,I reported that it was just 49½ miles from Darwin to the office. I have seen Mr.Lucas,who knew the Governor in Fiji,and he has promised to get me all the information he can from some official in the Post Office. He inclines to iron or steel posts in preference to wood,and thinks that some kind of copper or bronze wire would be better than galvanized steel,though he does not think the difference would be very great. As regards the division of cost,that will be a matter for after consideration. The number of messages would be so small that it could not be expected to pay commercially,but the advantage to us would be enormous,whether we put it up ourselves or whether the Government defrayed part of the expense. We must, of course,have the full use of the line,but if the Governor wishes to extend it to a further point on the East or to the West,he may rely on our putting no obstacle in his way,and,as he says,a single wire to Darwin would probably carry all the traffic,and an exchange station there would forward the messages. The charge here for the use of the trunk lines is,I think,6d. per 50 miles,and of course four or five times that rate would be no kind of return on the capital expended. I was glad to hear from Mr.Lucas that the cost of a cable is much smaller than I thought; his idea was that a single telephone wire would not

cost more than £80 to £100 per mile. The distance across the Sound at the narrowest part is two nautical miles, but on looking at the chart Mr. Lucas observed that the bottom was rocky and that the tide was strong, and said that he would prefer to take a a somewhat longer course, even at the expense of more cable, if he could secure a more favourable bottom. By next mail I hope to have full information, and you can assure the Governor that the question will not be allowed to drop, but that we will do all we can to make the project a success. We have been willing for years to work hand in hand with the Government in all matters tending to advance the interests of the Colony, but we have had to wait until now to find a Governor who is not, through absurd jealousy or unfounded suspicion, or both, averse to acting with us.

17. The second lot of wool was sold yesterday at much the same prices as on the first day, and the average works out at a trifle over 8d., with which we are quite satisfied. We have now sold over three fourths of our clip, and are safe for next year.

18. Particulars of a spring buffer for a schooner's main boom were sent in lately, and as I think the Lafonia is without one I am sending it. The Fortuna, to the best of my recollection, has one.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures vis Liverpool

Duplicates

Despatch No. 990

Ledger & Journal Entries

Remarks on Stores

Remarks on Accounts

Replies to Remarks on Stores

List of General Cargo per "Orissa"

List of Dutiable Goods per "Orissa"

List of Parcels

List of Enclosures

General Invoice goods per "Orissa"

Clients' A/sales, reports & contracts:-

W P	21	casks	Tallow	ex "Victoria"
F	6	,,	,,	,,
J B	6	,,	,,	,,
△	74	,,	,,	,,
B	9	,,	,,	,,
Z	66	,,	,,	,,
L	6	,,	,,	,,
D S	10	,,	,,	,,
♡	3	bales	Sheepskins	ex "Oruba"
L	35	,,	,,	,,
AP	8	,,	,,	,,
◇B	7	,,	,,	ex "Orita"
W P	12	,,	,,	,,
◇H G C	5	,,	,,	,,
F	3	,,	,,	,,
L	3	,,	,,	,,
S	17	,,	,,	,,
F	30	,,	,,	,,

Bill of Lading Cargo per "Orissa"

Enclosures via Liverpool

Originals

Copy of Cablegram sent on 24th February.

received on 5th March.

Wool reports

Draft on J.C.Aldridge for 17.7.6 for collection.

Correspondence with the Inland Revenue re Income Tax

Copy of letter from P.S.N.Co. dated 28th February.

,, ,, ,, Loveridge, Ltd. dated 28th February.

,, ,, ,, Carr & Co. dated 4th March.

,, ,, to W.W.Bertrand dated 3rd March.

Particulars of freight home per "Magellan"

Copy of letter to Lamb Brothers dated 10th March.

Directions for using the Magnesia Covering.

Clients A/sales :-

H B 33 casks Tallow ex "Victoria"

& contracts

H B	7	,,	,,	,,
K	11	,,	,,	,,
Z	2	,,	,,	,,
△	8	,,	,,	,,

reports & contracts

H B	172	Salted Hides ex "Magellan		
J B	21	,,	,,	,,
F	22	,,	,,	,,
△	38	,,	,,	,,
J B	13	bales Sheepskins		,,
♡	8	,,	,,	,,
△	32	,,	,,	,,
H W	7	,,	,,	,,
△	4	,,	,,	,,
Z	34	,,	,,	,,
D S G I	4	,,	,,	,,
S	20	,,	,,	Victoria
F	3	,,	,,	,,
T R	3	,,	,,	,,

Brokers' press copies reports & contracts of above

Brokers' press copies Company's A/sales Wool Tallow & Hides ex ""Victoria" & Magellan

Copy of letter from Bills & Co re complaint about figs

Debit note from Anning & Cobb re error in weight tallow per "Victoria"

Cutting from the Globe of 10th March.

Debit note for Speedwell Island Account for 4 2 .7

Contract for 8 casks Tallow ex Victoria for Page Bros. & Co.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street.

Per Supplementary mail.

No 992.

London, E.C. 17th March, 1905.

Sir,

In my despatch via Liverpool I omitted to mention that the contract for the Samson's boiler has been given to Riley Bros. of Stockton-on-Tees, who built the one for the Great Britain. We had eight tenders ranging from £475 by Rileys to £755 by Adamson of Manchester, these prices including the fittings in the supplemtary order. Freight has been arranged by one of the Manchester liners, leaving about Easter, at a much lower rate than we could get from any line in the ring.

2. In further reference to the claim for damaged sheepskins, we shall get some kind of settlement, but the particulars you have sent do not tally at all, as bale no.11 per Oruba is entered in the specification ashaving 75 pelts, whereas you say there should be 107 skins. We are taking the shipment to have been a few months after the accident; if it was much later you should have mentioned it. These claims want much more punctilious attention than they have ever received.

3. In the matter of the Chance I hope to be able to report before closing this what the Underwriters are prepared to do. It would have been possible for you to arrange a rate of salvage, or put the claim into the Vice-Admiralty Court, and the decision of the latter would have been binding on the Underwriters. I have had several talks with our Broker, who is of opinion that the Plym is undoubtedly entitled to salvage, and this will be on the value of ship and cargo. I have now told him that if a satisfactory rate can be arranged, we as owners of the Plym will settle it here, and I am to hear in the course of the day what they are prepared to offer. I added that if their offer was inadequate we should

W.A.Harding, Esq.,

Manager,

Stanley.

instruct you to take the matter into Court. The ship is insured for £300,and the cargo for £235,total £535 at risk. Our Broker thinks that the salvage should be £150,and I told him I should be prepared to settle for 20 to 25%. As regards the cargo,the return shows that £85 was done on the 11th of January,and if this was after the accident,the salvage claim would not fall on the Underwriters,as it would be like betting against a horse that was known to have lost; on this point you should have informed us. Later. The Broker has just sent us a letter from Average adjusters,copy enclosed,giving their opinion that as the vessel is insured against total loss only there is no claim on the Underwriters,but the Underwriters on the cargo offer to settle for £30. This is just over 12½%,and will not do at all. I have told him that we shall get you to put in a claim in the Vice-Admiralty Court against ship and cargo,and whatever may be the percentage awarded the Underwriters on the cargo will be bound by it. The refusal of the ship's Underwriters to recognize the claim does not mean that we have none,but that it will go against the owners, and this is very unfortunate for them. Had this been known at the time it might have been better,if life was not at stake,to refuse to send the Plym at all,for we ought not to risk such a valuable vessel with the prospect of getting nothing worth having for her services. Taking the value of the Plym into account, and the risk she ran,you should certainly put in for 25%,and I think that it is recognized that claims abroad are awarded on a more liberal scale than in European waters. Whatever may be given, you should give a liberal share to the crew,particularly the Captain and Engineer,as is usual,but in these cases the Court sometimes divides the amount.

4. The P.S.N.Co.have sent a copy of a letter of credit in favour of Hurst for £300,which has been made payable at this office in the event of the money being drawn in the Plate. The sum has been paid to them,but seeing that we had no advice whatever of this the transaction was most irregular,and must not be repeated.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures vis Lisbon.

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores & Supplementary

Replies to Remarks on Stores

List of General Cargo per "Oropesa"

Wool reports

Clients Reports & contracts:-

H & B	200 bales Wool ex "Oropesa"		
J B	127	,,	,,
S	92	,,	,,
F	55	,,	,,

Brokers' press copies Company's wool per "Oropesa"

Copy of letter to Eills & Co.dated 16th March.re figs

Weston,Spratts,Eills,Pacific Co's invoices goods per "Oropesa"

Copy of letter from P.S.N.Co.dated 3rd March.

General Invoice goods per "Oropesa"

Esbensen's prices for New Season's butter.

B/L Caols per "Oropesa"

Copy of letter from Hogg & Heath to Glanvill Enthoven & Co. dated 17th March,12 re "Chance"

Letter for the following:-

W.A.Harding.

J.J.Felton

~~George Allendyce~~

London 18th March,1905

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street,

London, E.C. 14th April, 1905.

Per Supplementary Mail.

No 993.

Sir,

I have to acknowledge receipt of your despatches nos.263 and 264,which arrived on the 27th ult.

2. 264-4. The reason why I suggested that measurements of Tallow should not be given was that the great discrepancy between weights and measurements if brought prominently under the notice of the P.S.N.Co.might lead to a disturbance of the established rates.

3. Par.5. Your cable,which repeated gave the word Tredentudo,or 260 tons Tallow,arrived on the 3rd inst.,and shows that we shall not have enough for a sailer this year,unless you should happen to have a large quantity of sheepskins available,as we must not on any account ship wool. We have chartered the bkn. Daisy,384 tons,for coals from the Tyne: she will carry rather more than you want,but ships are scarce,and the rate is unusually favourable,18/6d.,so that with coals at 10/6 and 1/.duty,we shall lay them down at Stanley at much less than we have been paying of late,and they will keep you going a long time. We have provided for 200 tons rough cargo,weight or measurement at the same rate,but do not expect to ship much. There is also the option of chartering homewards at 20/.on dead weight cargo,which you are unlikely to be able to exercise.

4. Par.6. No doubt we shall be able to get the winch you want if you send full particulars.

5. Par.9. You are aware,no doubt,that the Slaughter House was built on a foundation of broken bottles,which effectually kept rats out as long as I was in Stanley. It would be interest-

W.A.Harding,Esq.,

Manager,

Stanley.

ing to know how they have managed at last to make a breach in the defences.

6. Par.11. It is interesting,or I should say satisfactory to hear that the Rosa Baker is afloat again. If you will send us a detailed statement of the expenses we will tell you how to deal with them as regards the amount to be charged to the Underwriting fund.

7. Par.12. From copy of letter from J.L.Waldron,Ltd.enclosed you will see that they want the half-yearly account sent direct here,without waiting for Mr.Mathews's confirmation.

8. Par.14. The Samson's boiler is to be shipped by the "Manchester Mariner",leaving directly after Easter,and I cabled you the approximate date of her arrival. The Directors quite approve of your having gone to Montevideo,and think that the information you will have gained there will be of advantage.

9. Despatch 263 on accounts. There is very little to say about this,except that the Board are much pleased at their turning out so unexpectedly favourable,even in the Store,which was an account ~~over~~ about which they had felt dubious. With sales and deliveries during the year on a reduced scale it is difficult even now to understand how an increased profit has been made. They are glad to know that you have scrutinized the Stock sheets closely,and hope that the result is due to economy in the working expenses. The only note of warning that it is necessary to sound is with regard to some of the Store accounts,as on comparing the debts with those of the previous year the accounts that you mention in your remarks are on the increase,and some of the debtors, Gleadell for instance,have been notoriously bad payers for years. On this point the Storekeepers should be told to exercise caution. We do not know who Mc.Phee is,but such an account,£62.18.2, is too high,and it should be noted that the sale of building materials is not necessarily profitable if you cannot get the accounts paid.

10. Hayward Tyler & Co.lately brought us a letter from Mrs. Robson,asking them to quote for a press. I told them who she was, and said that any order would probably come through us. Large

firms like this are not in the habit of dealing with unknown people abroad.

11. I shall be glad if you will expalin the reason why you have not taken any profit on the Glengowan Coal account,sales having been made during the year,and why the ship herself is allowed to remain as a debtor in the books,having become our property long since.

12. Mr.Shires called here lately with a copy of an Admiralty notice about the sale of property consequent on the closing of the works at Stanley,which is to be posted on the Gazette Board. It comprises certain steam cranes and dredging grabs,and the steam pinnace,and the Board wish to have your opinion as to the desirability of making an offer for any of the property. We do not think that any advantage could be gained by going in for the crane or grabs,but if you are of a contrary opinion we shall be glad to hear what you have to say. As to the pinnace,we understand that she is a fine boat,and has a water tube boiler,enabling steam to be got up at short notice,but having the Plym we hardly see that she could be a profitable purchase. If,however,you think that it would be right to keep all steam in our own hands,you might suggest a limit to which we might go,and it is worth considering whether it would be desirable to have another boat plying for passengers on mail days,or allow her to get into the hands of anyone who might make a bid for the mail agency. We understand that the boat cost here about £1500,and that she cost £800 to send out. Your reply will arrive in time for us to make a bid if thought desirable.

13. Not having heard from Mr.Lucas after my interview with him,I wrote to ask if he had collected the information he promised to get,and received a reply to the effect that he had sent it out to the Governor. I then asked him for a copy,pointing out that it rested with us to make the first move,and that if we waited for the return mail from the Islands we should lose a good deal of time.He then sent it,and I enclose a copy,but it does not advance matters much. For a single wire the estimate is £8 per mile or £400 for the 50 miles,for poles £46 per mile or £2300,

and £18 for two sets of instruments,or £2718 in all for materials here,exclusive of freight and insurance,to say nothing of extras of which no doubt a number would be required. I think this absolutely absurd,and can only suppose that they thought they were quoting for the Crown Agents. 30 poles per mile means one in less than 60 ~~yard~~ yards,and each is to cost over 30/. I believe that 22 per mile or one for every 80 yards would be quite near enough, in fact I know of a stretch of poles on the South coast where they are 100 yards or more apart. And I have been through the length and breadth of England and Scotland without seeing iron posts anywhere; why then should we not use wood in the Falklands? I believe that we could get sufficiently stout poles at about 7/. each. I have an estimate for a telephone made in 1888 when there was a talk of connecting Stanley and Darwin,and calculating all items separately down to the leading-in wire it totalled up £641.3.8. I put up the telephone at Stanley in the beginning of 1880; are the same poles still standing,and if so what is their condition? That will be important evidence as to the class of pole to be sent. We have no white ants or creatures that prey on wood,and I believe that except between wind and water the soil in the Islands is not destructive to wood. If wooden poles,creosoted wholly or partly,are chosen,I believe that we cannot do better. I think that Mr.Lucas will tell the Governor all he can, but he gave me the impression that it might be troublesome to be consulted by us too much,and as we have no claim on him I think the best plan will be to get the name of some telegraph Engineer and consult him professionally. You will observe that Mr.Lucas does not mention the part of the query that would interest the Governor the most,the cost of a cable between the Islands,and this I must get elsewhere.

14. With regard to the credit in favour of Hurst,the P.S.N. Co.have returned the money,as it was credited in your late account with them. To prevent any misunderstanding of the kind you had better in future advise us that an amount may be asked for.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts & replies to Remarks

Remarks on Stores

Replies to Remarks on Stores

Eills & Co's invoices

Pacific Steam Navigation Co's invoice

Contract for F 1 bale Hair ex "Magellan"

Sight draft on J.Kirwan for £ 42 . - . 8 for collection
B/L attached.

B/L for Coals

Copy of Estimate for Proposed Telephone Line from the
Telephone Construction & Maintenance Co.

Charty-Party ship "Daisy"

List of General Cargo per "Orita"

List of Dutiable Goods per "Orita"

General Invoice goods per "Orita"

Morton's invoice for goods shipped per "Orita

Letters for the following:-

W.A.Harding,Esq.

A.L.Allan,Esq. (2)

London 15th April,1905

Enclosures via Liverpool

Originals

Wool reports

Copies of Cables sent 24th March & 7th April

,, ,, received 23rd March & 3 rd April

Copy of letter from J.L.Waldron,Ltd.dated 29th March.

Copy of letter from Norman & Sons dated 28th March,account attached.

Copy of letter from Parry & Roche,Ltd.sample attached.

Clients' A/sales :-

	H & B	200	bales Wool ex "Oropesa"
	J B	127	,, ,,
	F	55	,, ,,
	S	93	,, ,,
	△	8	casks Tallow ex "Victoria"
	A N	1	cask Sealskins ex "Orita"
& contract	H	1	,, ,, "Oropesa"
	F	28	casks Tallow ex "Victoria"
	H & B	6	,, ,, ,,
report & contract	W P	8	,, ,, "Oropesa"
	L	3	,, ,, ,,
	H & B	10	,, ,, ,,

Brokers' press copies of the above reports & contracts

Brokers' press copies Company's reports & contracts Shins & Tallow ex "Oropesa"

,, ,, A/sales Wool & Tallow ex "Oropesa"

Credit note from Defries for error in invoice per "Oruba" November last £ 18 . 6 . 8

Copy of letters from the P.S.N.Co.dated 3rd April. (2)

Copy of letter from T.& S.Plum dated 6th April.

Particulars of Homeward freight per "Oropesa"

India Rubber,Gutta Percha Co's notice re rise in prices.

Quotations for Coffee from Appleton,Machin & Smiles,Ltd.

N,B.

Despatch to be forwarded per Supplementary mail.

London 12th April,1905

"Enclosures" via Liverpool

Duplicates

Despatches Nos 991 & 992

Remarks on Stores & Supplementary remarks

List of Enclosures

List of General Cargo per "Oropesa"

General Invoices goods per "Oropesa"

Ledger & Journal Entries

Remarks on Accounts

B/L Coals per "Oropesa"

Clients reports & contracts:-

S	92	bales	Wool	ex "Oropesa"
F	55	,,	,,	,,
J B	127	,,	,,	,,

List of Clients Cargo per "Oropesa"

List of Dutiable Goods per "Oropesa"

Copy of letter to Lamb Brothers of 10th March.

List of Parcels

Correspondence with Inland Revenue

Second of Exchange for £17 . 7 . 6 on J.C.Aldridge.

Clients' reports, contract & A/sales:-

△	38	Hides	ex "Magellan	
J B	22	,,	,,	
F	22	,,	,,	
D S	4	bales	Sheepskins	ex Magellan
△	4	,,	,,	,,
♡	5	,,	,,	,,
H W	7	,,	,,	,,
S	20	,,	,,	Victoria
T R	3	,,	,,	,,
[illegible]	3	,,	,,	,,
Z	34	,,	,,	Magellan
△	32	,,	,,	,,
K	11	casks	Tallow	ex Victoria

Z 2 casks Tallow ex "Victoria"

8 ,, ,, ,,

B/L General Cargo per "Oropesa"

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

Per Panama.

No 994. London, E.C. 10th May, 1905.

Sir,

I have to acknowledge receipt of your despatch no.265 per Inca and of no.266 per Panama,both of which arrived on the 25th ult.,duplicates of the former and enclosures having come forward from Montevideo.

2. 266-2.There is nothing more to be said about fire insurance until we hear what action the Governor takes with regard to the tax on Insurance agencies.

3. Par.3. G.M.Steeves & Co.have met all the drafts without grumbling,and are one of the most pleasant firms we have ever had to deal with over a ship's business. Arrangements for getting the accounts and letters of advice home by the same mail as the bills might have been better; for instance on both occasions I had to lend them our copies,and the bill that anticipated the Inca might have been accompanied by a duplicate letter of advice. I told the member of the firm in the London office that I would hold over the bill until the advice arrived,but he was good enough to say that if I would let him have it he would send it to Liverpool for acceptance,and this was done without advice. Not one firm in ten would have done such a thing,and you should see in future that all arrangements are completely in order. The amount remitted to the owners themselves instead of being a gratuity to the Captain was an excellent innovation,and no doubt paved the way for the considerate treatment we received,besides showing that the Master was an honest man; as we are not subject to competition I do not see why this should not be done in all cases.

4. Par.8. What you say about the Municipal Ordinance and Ordinances being submitted to the Council is most satisfactory.

W.A.Harding,Esq.,

Manager,

Stamley.

5. Par.9. The arrangements about pilotage are noted. There are one or two men at Liverpool who are willing to go out to command a schooner,but I have held them off,hoping to have a decid- expression of opinion from you on the subject. It seems now that it would be only prudent to send someone,provided a suitable man is to be found. Rowlands you say is better; but after all he is 70 or thereabouts,you have no one to take his place,and should he fail just at the beginning of the season's work it would be most disastrous. If we get a man,notwithstanding that he will be on Master's wages you would do well to let him have a trip as mate with Rowlands to get a general knowledge of the coast and the work,or more if necessary. It looks expensive,but the cost would be nothing compared with the loss we should sustain if the Fortuna or the Lafonia were without a master,for Ennenga is unthinkable,and there is no local talent to draw from.

6. Par.11. You do not say that all the Lafonia's sails are rotten,no doubt some of them were bad,but there were far more than she wanted,as she took over the whole inventory. When all the sails are so far gone as to be past repair,or before that, you must let us know,and a new suit will be sent out. It is unfortunate about the winch,which was ordered by Mc.Lauchlen and supposed to be an exact duplicate of the Fortuna's. Is it not possible to improve the working of the hand brake so as to make it serviceable? Your report on the windlass has come before Osborne has had an opportunity of studying Richardson's instructions and explanations. It is very mysterious,for there is not a shadow of a doubt that it worked properly while she was a pilot boat,nor that they did not understand it at first. Should your final report be that it is beyond the comprehension of the local sailors the Board will have to consider the question of supplying a new one.

7. Par.12. I am going to try to get the amount due for the coal account out of the Admiralty. As regards what should be done with the balance,the arrangements have up to the present all been made on your side,and the Directors think that you should charge hulk hire,not so much per ton. What the hire should be we must

leave to you,and you would be right in making some reduction in consideration of the length of time the hulks will have been employed. At the same time we must remember that in doing their work for them we have certainly helped the Admiralty out of a hole,for having engaged to receive that Sofala's coal they would have been in a fix about landing it if we had stood by and left it to them. We must also remember that we can always reduce the charge first made,should it seem right to do so,but that we could not advance on the price asked. Add to this that a Minute was made at the last Board that you were to be instructed to make as much as you can for the hulks,and you will know what to do. In connexion with this subject I have at last received an answer to my letter asking them to name a price for coal to be taken from their stock. They have been about 50 days over it,and would not have written now if I had not jogged their memory. The price in Store is 48/.per ton,but I have suggested that if taken afloat it might be reduced by the cost of getting it into Store,and I hope to be able to report the reply by Supplementary mail.

8. Par.13. Your question about the Samson will be referred to Mr.Barringer,and I will write to Morton about it. I wired to him when the Manchester Mariner left,the 1st inst.,and he will no doubt make all necessary arrangements. Lloyd's here will give instructions to their agent and surveyor about what has to be done.

9. Par.18. No one can be surprised to hear of the loss of the Chance after all the escapades of her late Captain,and the report of his condition in Port William. When documents arrive we will put the claim forward. I am afaid that this loss may prejudice premiums in the future; I have had some difficulty in making the Underwriters understand that she was not our vessel.

10. Par.19. The working of the schooners this year has given great satisfaction to the Board. If the Hornet is kept at short trips she ought to make money,but as I have often said she should not go long distances from Stanley.

11. Par.20. The remark about the measurement of sheepskins has been investigated by the Secretary of Holmested & Blake,Ltd. and the measurement slips,which are quite correct,have been seen

by Mr.Blake.

12. Par.21. It is clear that we cannot load a ship home with tallow,so we have chartered the "Daisy" out only for a cargo of Wallsend coal from Blyth. It is perhaps more than you want immediately,but ships were scarce,and we were lucky in getting a freight of 18/6,and the coals being 10/6,plus the duty,the total cost is, with insurance,a trifle over 30/. The coals are,of course,much better than those from North Wales. We are shipping some shooks, stoves,and small sundries. Wood in a coal ship is impossible; if of any length it cannot be stowed at the top,and underneath the coal it would not do at all.

13. You have not reported the stock of house coal,and we are shipping another 5o tons to fill the gap until the arrival of the Daisy,which ought to be loading next week. I tried to stop this coal,but was too late,as the order was given some time ago.

14. The Samson,Fortuna,Hornet,and Plym,being the rest of our vessels,have now been transferred to the port of Stanley,and it is necessary at once to paint the name of the port,"Stanley,F.I.", on the stern of each. We shall have your answer shortly about the Lafonia,the papers for which went out when she did; there is something singular about this,for she is entered in the new Mercantile Navy List as belonging to Stanley,and yet Mr.Girling tells me that the port has not been altered. As the Registrars of Shipping here want the old Registers I cannot understand why nothing has been said officially by the Liverpool man,unless the transfer has after all taken place,and he has got the Register back; but in that case it would be quite incorrect to retain the word "Liverpool"on the stern. These transfers have become necessary owing to the number of enquiries and applications for fees that we receive from the various ports. The fees for transfers have all been paid here according to the scale laid down. Papers are not sent to us,but to the Registrar at Stanley direct.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.993

Ledger & Journal Entries

Remarks on Accounts

Replies to Remarks on Accounts

List of Cargo per "Orita"

General Invoices goods per "Orita"

Remarks on Stores

Replies to Remarks on Stores

List of Dutiable Goods per "Orita"

List of Clients' Crago per "Orita"

Clients' A/sales:-

J B	127	bales	Wool	ex "Oropesa"
S	92	,,	,,	,,
F	55	,,	,,	,,
△	8	casks	Tallow	ex Victoria"
E	28	,,	,,	,,
L	3	,,	,,	Oropesa
W P	8	,,	,,	,,
H	1	,,	Sealskins	,,
A N	1	,,	,,	ex "Oriba"
F	1	bale	Hair	ex "Magellan"

List of Parcels

List of Enclosures

Second of Exchange for £ 42 . - . 8 & B/L attached

B/L coals per "Orita"

B/L general Cargo per "Orita"

Enclosures via Liverpool

Originals

Copy of Cablegram sent 20th April.

Copy of Cablegram received 29th April

Wool reports

Clients' reports & contracts:-

H	30	bales Wool	ex "Inca"
T R	51	,,	,,
AP	97	,,	,,
W P	38	,,	,,
B	80	,,	,,
F B	120	,,	,,
J B	179	,,	,,
H & B	106	,,	,,
F	84	,,	,,
L	205	,,	,,
L	27	Salted Hides	ex "Inca"
S	63	,,	,,

Copy of letter from Burgon & Ball,Ltd.dated 6th instant re sheep shears

Copy of letter from the Admiralty of 8th & our reply of 9th Apl. re steam coal.

Debit note for Wharf charges on F 34 casks Tallow ex "Oropesa"

Copy of letter from T.& S.Plum of 13th April and our reply of 17th .

Cheque for £ 3 . 5 . 10 from the Royal Bank of Scotland for collection.

Clients' A/sales & contracts:-

H & B	48	casks Tallow	ex "Oropesa"
L	33	,,	,,

Copy of letter from R.R.Lucas dated 13th April.

Copy of letter from John H.Austin & Co.dated 25th April re steel sheets

Copies of Brokers' A/sales,reports & contracts Co's Wool,Skins, Hides & Tallow ex"Victoria""Oropesa" &"Inca"

London 10th May,1905

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 12th May, 1905.

Per Supplementary Mail.

No. 995.

Sir,

Since writing via Liverpool we have received a long telegram from the Admiralty, which I send in original for your use, and a letter explaining why they have been so long in answering my first letter.

2. With regard to the telephone question, I have been introduced to the Manager of the London Wall Exchange of the National Telephone Co., who has undertaken to give us professional advice on the subject, and most useful advice it is. He has sent in a long and most elaborate specification of all materials necessary for a 50 mile line, the cost of which works out at £647.3.3½d, against over £2700 estimated for the Governor. In this estimate the posts are calculated at the price given by Lamb Bros., but the N. T. Co.'s specification for posts is so elaborate and stringent that if we follow it I doubt if the price will hold, and there may be an advance to some extent. However, I think that some of the conditions may be waived, and the advance may not be very material. The cost would now appear to be practicable, and if the Board decide to go further into the project it is possible that they may say that we had better run it independently. There are various matters in connexion with it on which we shall be glad of your opinion after you have conferred with the Governor. We are most willing to co-operate with the Government, but if we do it must be understood that it must be a fair and equal, not a one-sided partnership, and by this I mean that we have always felt, and you had better put it to the Governor delicately, that although we

W. A. Harding, Esq.,
Manager,
Stanley.

paid our full share of the cost of the Lighthouse telephone,with the object of getting immediate advice of any ships in sight from Cape Pembroke,we have been debarred from direct communication with the Lighthouse,and we know that information about ships has been in the possession of the Government for hours before it has been communicated to us. We are the people,I believe,who send out the pilots now,and for this reason as well as because we have paid for half the line,we ought to be put on more equal terms as regards its use,and probably the Governor's sense of justice will cause him to make a more equitable arrangement if the injustice is pointed out to him. As long as the line extends to Darwin only the advantage to the Government is not very obvious; can you explain why the Governor suggests paying for one-third of it? Should it ever be extended to the West it will of course be most useful to them,and in such a case it is not clear why they should not pay half,as we did in the Lighthouse case. One line to Darwin with the means of switching on further ought to accommodate all the traffic. These remarks are only put forward by way of suggestions,and I am sure that the Board are willing to meet the Governor's wishes in every way. As regards the use of the line, it must be free between your office and Mr.Allan,but we should be willing to consider suggestions as to a tariff,which would in part pay for the upkeep,and debar the general public from its use whenever anyone feels inclined to chatter. There is another and a very important point; whether by Ordinance or otherwise as may be necessary we must know that our posts,once set up,cannot be disturbed. For the most part the line will pass over our own land, but for the first 20 miles or so it will be on Government or private ground,and it must not be left to such Governors as we have unhappily had in the past to say that we are trespassing with our posts and that they must be removed. Perhaps this may be got over by paying wayleaves of a nominal amount,say a penny per post in perpetuity per annum,but this is a matter that no one but you can arrange. Then as to Mr.Packe's line; I am advised that it would be better to carry his wire independently as a second line up to the point where it would branch off to Fitzroy,rather than

run one to a shepherd's house, such as Hillside or Mount Pleasant, and make an exchange there. The length of wire would be less if taken from the head of Fitzroy, but the chief objection would be that you would have to rely for communication with Darwin or Fitzroy on the intelligence of the inmates of the house and on someone being always at home. Should this be done, Mr. Packe should pay his share of the wire and posts as far as the branch, - I meant to say the whole cost of his wire and a share of the posts, - and to this he could hardly object. I do not think that I have anything to add to what I have written today, except that your reply will be awaited with interest. Copy of my last letter to Mr. Lucas is enclosed, and the fact of his not replying shows that he does not wish to be troubled by us.

3. I refer you to what I have written to Mr. Allan about the condemnation of our tallow at Hamburg, and should it be possible to send a protest through the Colonial and Foreign Offices it ought to be done.

4. In my letter to Mr. Allan I omitted to mention that the hand cart for coal is sent this time, and I hope it is what he wants.

5. By desire of the Board I called on Mr. Johnson at the C. O. two days ago to support the suggestion made by Dean Brandon that the grant to the Chaplain should still be continued in connexion with the inspection of schools. I told him that although in theory it was quite correct to withdraw the ecclesiastical grant it was the opinion of many on the spot and elsewhere that the visits of the Dean and his assistant had an important bearing on the moral welfare of the people in the Camp, and should in some way be kept up, also that there was very little chance of doing so without some assistance from the Government. Mr. Johnson said that the question was receiving careful attention, and that the views of those who supported the Dean would receive every consideration, that 12 or 13 petitions on the subject had been received from various people, including two Bishops, and that if we liked to write in officially ours would be added to the number, in any case what I had said would be borne in mind. I told him that I thought that

that would be sufficient,and that without the express wish of the Board I would not write anything which might be misconstrued into opposition to the Governor.

I am,Sir,

your obedient servant,

Thos. E. Webb

Managing Director.

Enclosures via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Copy of letter from Hayward Tyler & Codated 10th May.

List of Dutiable Goods per "Panama"

Wool reports

General Invoice goods per "Panama"

Original Telegram from the Admiralty re coals.

List of General Cargo per "Panama"

P.S.N.Co's.invoice for coals

Eills & Co's invoices for goods shipped

Clients' ~~reports~~ contracts:-

S 95 bales Wool ex "Panama"

H G C 94 ,, ,,

D H 108 ,, ,,

Copy of letter from the Admiralty dated 9th May.

B/L coals per "Panama"

Price list of J.Jamieson's Whisky

Letters(2)for W.A.Harding &(1)for A.L.Allan.

London 13th May,1905

The Falkland Islands Company.
INCORPORATED BY ROYAL CHARTER 1851. Limited.
REGISTERED 1902.
61, Gracechurch Street.
London, E.C.

Per GAELIC.

No 996.

7th June, 1905.

Sir,

I have to acknowledge receipt of your despatches nos.267 and 268,which arrived on the 22nd ult.

2. Par.2. Probably if Mr.Anson is left alone he will come to his senses,for it is practically certain that his Sandy Point arrangement will prove an expensive one. His decision to avoid the Pacific line both for passages and cargo on account of some fancied slight on the part of one or two of their officers looks like a kind of childish spite,and you cannot reason with people of that sort.

3. Par.3. The particulars of losses per Fair Rosamond were found in the course of time.

4. Par.6. Messrs.Steeves have asked for no more allowances, and seem quite satisfied about the Sofala's business.

5. Par.10. I now send a copy of the specification for telephone materials,which you will see is very complete. We have been advised to have rather stouter posts,the tops to be not less than 4 to 4½",and as the cost of creosoting rises materially with any increase in the diameter these will cost us at least 7/.each,or £100 more on 1000. This however is nothing compared with the cost of iron posts,31/.each. I have travelled thousands of miles over English and Scotch roads,and have never seen iron posts used,except on some short lengths of telegraph or telephone belonging to the War Office. My belief is that iron is suggested for abroad because people think that white ants or other destructive insects are sure to be met with. As regards the durability of creosoted wood,I asked Mr.Mantel,the N.T.Co.'s Manager,what the life of a

W.A.Harding,Esq.,
Manager,
Stanley.

post so treated was,and he said that he could not tell me; he knew of some that had stood for 40 years without showing signs of decay,and that seems good enough for us. We know that our own posts in Stanley lasted 20 years before they went,and they were not creosoted. The proposed line has now assumed such a practical shape,that the Board have decided to risk buying the posts at once,as there may be some delay in obtaining them; but as to the rest of the materials,they will wait until the arrival of your reply to my last despatch,in which I asked what security we could get against a future disturbance of our posts,before going further into the matter. Regarding the height out of the ground,you are in error in suggesting that eight feet will be enough; Mr. Mantel says that we must allow for a 5 ft.sag,and this would bring the wire within 3 ft.of the ground,which would be absurd. To allow a man on horseback to pass under the lowest dip of the wire 14 to 15 ft.is about the thing,for it must be remembered that if there are two wires,one of them must be on a bracket at the side of the post,and not quite at the top.

6. Par.12. Everything seems in order about the "Samson",and I have just heard from Morton that he has sent you a fireman by the Orita. I have sent him invoices of the boiler,the lagging,and a Worthington pump,and also Lloyd's Survey Report on the boiler, all of which,when done with,he is to forward to you. The pump has been sent in compliance with your request and under Mr.Barringer's advice,but he suggests that it would be far better to make a permanent job of this by connecting it with the tanks,instead of using rubber hoses; a copy of his letter has also gone to Morton to be handed to Atherton. This pump will serve as a stand-by or in aid of the feed pump,which you say is of hardly sufficient power. With the means of using fresh water he does not think it necessary to go to much expense in repairing the evaporator,which appears to some extent to be still serviceable,and as to using salt water on the passage down,he says it would be of advantage to get a little scale on the boiler when new.

7. Par.13. The Chance having been lost it would seem that there can be no advantage in pursuing our claim for salvage ag-

ainst the Estate of the late owner,which is practically insolvent,and we must get our money out of the Underwriters on the cargo and,if any,the owners of such cargo as may have been uninsured. For the purpose of assessing the amount of our claim to be presented to Lloyd's,we must have a decision in Court stating the percentage of salvage awarded,and then we can settle it here. I told you that I had offered to settle,but that the Underwriters declined my terms,and offered an inadequate sum. With what we can hardly help getting from them when the Court has given its award the Plym will probably be found to have been sufficiently paid. With regard to your remark that the question of insurance is unsatisfactory,and that unless the vessel is wrecked there seems little prospect of recovering anything,your meaning is obscure until you say what vessel you mean. You have from the accounts all particulars of insurances existing at present,but I will recapitulate them. The Samson is done at 7 gs.,the Plym at £5,(harbour service only) and the Lafonia at 12 gs.,these three are all risks; the Fortuna is 10gs.total loss only. None of these pay the 14 gs.you mention,but that was the rate on the Hornet,all risks,and we collected,if I recollect rightly,several claims for average on her. Now with the first three there can be no doubt about recovering any claims we may have for repairs,unless the Underwriters are able to show that we have gone into them improvidently,that is to say that we have with our eyes open paid more for the repairs than the value of the vessel when repaired; this is a matter on which you would seldom be at a loss to judge. With a vessel insured against total loss only,it would not be prudent to undertake very heavy repairs,but I think that we should be bound to effect any reasonable ones,or to show that the vessel is a constructive total loss. We used to insure the Fortuna all risks at 14 gs.,but there was a little difficulty about this,and we found that we were able to get such a good rate for total loss only that the insurance was changed. Another reason for this was that the [redacted] premium was a heavy charge on the working account annually,and knowing Rowlands we decided to take the risk. Bear in mind that by this alteration we saved in premiums about £120

per annum,and having run for several years without loss we have a sort of reserve fund for meeting the cost of any incidental repairs that may become necessary. When Rowlands leaves the Fortuna I shall consult the Board as to the desirability of reverting to the allrisks policy. With regard to the Chance,your explanations of our position are satisfactory as far as our security by mortgage goes,but I am sorry to say that the documents forwarded in support of the claim are not considered to be in order,and further proof of the loss is required. Making allowance for want of experience in cases of total loss,I am bound to say that the whole thing has been dealt with in a manner quite contrary to the usual custom,both at Rous Creek and in Stanley,and the result is the attitude that Lloyd's Underwriters have assumed. First as to the vessel. The previous escapade in Port William,at the time when Captain Thomas went on board and found the crew decamped and the Captain more or less drunk,would make the Underwriters think that such a person was unfit to be placed in charge of property, and if there was a change of master it would have been better to mention it. The extract from the log book shows the most gross incapacity,whoever he was. An ignorant man,as I have tried to show the Underwriters,would not know how to write up a log,but anyone,not an absolute idiot,would surely have been aware that he ought to give a more or less plausible reason for the mishap,involving as it did some hundreds of pounds. This is what he says. On the 8th of March,wind increasing and glass falling,he anchored in Rous Creek with one anchor and 30 fathoms of chain, wind N.N.W.,very strong. On the 9th,at break of day went on deck and found the vessel had drifted ashore,so he called all hands up! That is positively all! Having anchored in a place open to the N.W.,as the chart shows,with the wind strong from N.N.W.and the glass falling,he let go a single anchor and then he and the crew went to bed. If it were not for the loss it would be too funny for words. Would not any man who cared about his ship have at least let go a second anchor with more chain,and left an anchor watch to report if she began to drag? This occurrence and the one in Port William would make anyone of a suspicious nature

believe that the owner or the master had determined by hook or by crook to get rid of the vessel. We can let that pass and the rest; the Underwriters are supposed to insure the Captain as well as the vessel, and if the total loss is proved it will be all right in the end. Now with regard to the way the loss was dealt with. The whole property became from the time she was abandoned the property of the Underwriters, and the Captain and Lloyd's Agent were bound to protect their interests, and to realize for them what they could out of the wreck. Was this done? Whatever she might have fetched, she should have been sold by auction, and the proceeds credited to them. If there was no bid this should have been certified, but no mention has been made of an attempt at a sale. No doubt a boat was saved, and you report in 266-18 that the Fortuna took off the sails and sundry gear, all belonging to the Underwriters, but no account has been rendered of the proceeds, nor is it stated whether they were sold by auction or not. After paying the Fortuna for freight in there must surely have remained something for the Underwriters, and there can be little doubt that if any remittance had been made, however small, and the account had been attested by your signature, the claim would have been met, for one of the objections raised is that Lloyd's have not had from you yet any definite report of the loss, nothing more than a statement that you had heard the vessel was lost. Finally, the protest. This is somewhat delicate ground, for the form is anything but right, and the Governor's attention should be called to it. In all notarial documents on more than one sheet, they should be so fastened together with a seal or otherwise so that it is impossible to abstract or add a sheet, or in any way tamper with it. These sheets are simply stapled together, and could be altered to any extent after they come out of the Notary's hands. You will find in the instructions to Lloyd's Agents, under the head of documents necessary in case of claim, that the first is the Protest, which should be compared with the Log Book and certified by the Agent, &c. This was not dome, and in any similar case in future you should bear it in mind. The papers are returned with a copy of letter from our Broker showing what is wanted, and I hope that on their return there will be no more trouble. I am sorry to have

had to write at such length,but I have confined myself almost exclusively to facts,and to indicating what should have been done. It is to be hoped that the practice of letting go one anchor with a small scope of chain and then going to bed with all hands is not followed in our own vessels,and that we shall not hear that the stranding and loss of the Hornet were caused by neglect of the kind. The claims lately made will prejudice us most unfavourably with Underwriters for some time to come,especially as it is difficult to make them understand that these outside insurances are not our own.

8. Par.14. It seems that Wilsons ought not to have sent the letter of credit home,but your wording is certainly faulty,for you wrote:- "the same to be refunded to you together with your commission by the F.I.Co.,Ltd.,through the Pacific Steam Navigation Co.,Liverpool". On this we could not possibly refuse to pay, and to make your intention clear you should have added "Stanley" to the Company's name. As a matter of fact,this being the Head Office and the Company being registered in London,it apparently referred to us. There would be no objection to your making such credits payable here,provided you advise us.

9. Par.17. The Board have decided to leave it in your hands, if you think fit,to let Mrs.Ryan have a cottage at a nominal rent for not exceeding 12 months,but they would like to know something about her future prospects,and suggest that it might be better to send her with the family home to Liverpool. They decline to be pledged to deal in the same way with all widows for ever,and are averse to creating precedents.

10. 268-2. From your cable about the Oravia it seems that you have not got as much wool together as you expected.

11. I am not taking any steps about replacing the Hornet until the arrival of the Oravia,but I have asked several people to keep their eyes open.

12. You had better send a drawing or full particulars of the Fortuna's pattern of winch,and also of her windlass or capstan, whatever it is,and if there is a maker's name on either we can make sure of getting the right thing when wanted. You have never

mentioned what the second winch was wanted for,or whether a mistake was made in asking for it in two places,although the question has been put,I believe,more than once. And as to the Lafonia's windlass,no more has been said since Mr.Richardson's instructions got out,andI hope that it is now working satisfactorily.

I am,Sir,

your obedient servant,

Thos. E. Love.

Managing Director.

Enclosures via Liverpool

Duplicates

Despatches Nos.994 & 995

Ledger & Journal Entries

Remarks on Accounts.

Remarks on Stores

Replies to Remarks on Stores

General Invoice goods per "Panama"

List of General Cargo per "Panama"

List of Durable Goods per "Panama"

List of Parcels

List of Enclosures

List of Clients' Cargo per "Panama"

Copy of Telegram from the Admiralty re coals.

Clients' Reports & contracts:-

W P	38	bales Wool	ex "Inca"	
H	30	,,	,,	
T R	51	,,	,,	
J B	179	,,	,,	
B	80	,,	,,	
A P	97	,,	,,	
L	205	,,	,,	
F B	120	,,	,,	
F	84	,,	,,	
D H	108	,,	Panama"	contracts only
H G C	94	,,	,,	contracts only
S	95	,,	,,	contracts only
L	27	Salted Hides	ex "Inca"	
S	63	,,	,,	,,
L	33	casks Tallow	"Oropesa"	A/sale & contract

B/L for General Cargo & one for Coals.

Enclosures via Liverpool

Originals

Copies of Cables received.

Copy of Cable sent.

Wool reports

~~Copy of letter to Glanvill Enthoven & Co.dated 1st June re "Chance"~~

Clients A/sales:-

L	27	Salted Hides	ex	"Inca"
S	63	,,	,,	
H	30	bales Wool		,,
T R	51	,,	,,	,,
W P	38	,,	,,	,,
AP	97	,,	,,	,,
B	80	,,	,,	,,
F B	120	,,	,,	,,
F	84	,,	,,	,,
J B	179	,,	,,	,,
H & B	106	,,	,,	,,
L	205	,,	,,	,,
S	95	,,	,,	"Panama"
H G C	94	,,	,,	,,
D H	108	,,	,,	,,
T R	81	,,	,,	,,

Brokers' Copies Company's Sheepskins & Hides ex "Inca"

Particulars of freight homeward per "Inca" &"Panama"

Copy of letter from Eills & Co.dated 24th May re Port Wine.

,, ,, ,, ,, 2nd June re tins.

Copy of the Worthington Pump Co's invoice for Pump shipped per "Raphael" to Montevideo for Samson.

Estimate of Materials required for the proposed Telephone line.

Clients' A/sales,report & contracts:-

B	2	bales Sheepskins	ex	"Inca"
T R	1	,,	,,	,,

S	7	bales	Sheepskins	ex "Inca"
H G C	2	casks	,,	"Panama"
W P	1	bale	,,	"Inca"
H	2	,,	,,	,,
D H	2	,,	,,	"Panama"
H & B	16	,,	,,	"Inca"
J B	6	,,	,,	,,
L	4	,,	,,	,,

Brokers' Copies reports & contracts of above sheepskins.

Copy of letter from T.& S.Plum dated 3rd June.

"Chance" Protest &c.returned also our letter to GIanvill of 1st instant & theirs of the 6th June.

Letters for the following:-

W.A.Harding,Esq. (2) Vere Packe,Esq.

A.L.Allan,Esq. W.Stickney,Esq.

Mrs Benney

London 7th June,1905

Enclosures per Supplementary Mail

Originals.

Ledger & Journal Entries.

Remarks on Accounts. + Replies

Remarks on Stores + Supplementary

Replies to Remarks on Stores

General Invoice goods per "Gaelic"

List of General Cargo per ,,

List of Dutiable Goods per ,,

Eills's invoices

Weston & Westall's invoices

B/L & sight draft on J.Kirwan for collection £ 41 . 5/-

Letter for Govermor Allardyce from Neale + Wilkinson, Lr.

London 9th June,1905

The Falkland Islands Company.
INCORPORATED BY ROYAL CHARTER 1851. Limited.
REGISTERED 1902.
61, Gracechurch Street,
London, E.C.

No.997.

Per Oravia. 5th July, 1905.

Sir,

I have to acknowledge receipt of your despatches nos.269 and 270,which arrived on the 21st ult.

2. 269-8. It is quite true that six years ago,when several people were nibbling at the Glengowan,the instructions you quote were sent,but since then it has become evident that if she is ever turned to account at all she will have to become a receiving hulk,and the proper course is to transfer her to London,like the rest of the shipping,and then we can gradually write her down. As to the coals,for which there seems to be a small,but regular demand,it was never intended that we should not take our annual profit on these sales,and this should be done in future,taking each year a fair estimate of the value of the stock remaining to be carried to the new account,passing the balance to Profit & Loss.

3. Par.9. From what you say it is evident that we had better not touch the Admiralty Stores,and this applies to the launch,unless she is offered at a knock-out price. You do not say whether it would be possible or not to take down the bulkhead that separates the engine room from the stokehold,so that one man could run the engines. It is also a question whether a water tube boiler,if looked after in a proper and intelligent manner,is not manageable; we know how Government people knock property about. There is a certain advantage in being able to get up steam very quickly in a case of emergency.

4. Par.10. The telephone poles have been ordered. As you mention the lighthouse poles it occurs to me to ask you what their diameter is at the butt and the top. No doubt what we are sending

W.A.Harding,Esq.,
Stanley.

will be infinitely better than anything you could get from Sandy Point,to say nothing of the creosoting.

5. Par.13. What you write about the interviews with the Governor on the subject of the revived steamer project is very interesting. It happens that I wrote to him myself last mail,and my letter in several respects will serve to confirm what you have told him,while what I said about the peril of being left with only one vessel to do all the coasting work will give him cause for reflection. I doubt if the P.S.N.will be brought again to the point I got them to,and we must remember that after our large outlays on the Lafonia and Fortuna,on which you have also touched, one of our conditions for standing aside would be that they must buy from us one of those schooners,and at no loss to ourselves. If this were declined,we should naturally run all our own produce as well as any we could influence,and with the remainder no steamer could make both ends meet. If from first to last we had been as little self-sacrificing as the bulk of the farmers,whose sole aim seems to be to get freights down by a few shillings,regardless of everything else,it is more than probable that the F. I. mails would now be carried by schooners. There must,however,be a limit to this,and no one can say that in declining to repeat our offer made after the loss of the Fair Rosamond we are acting in any way unfairly,or prejudicially to the interests of the Colony.

6. Par.14. It is most doubtful if Mr.Anson's arrangement to get the Rippling Wave across to the Chartres will serve him any better than shipping by us; but time will show. I had hoped that he would still consign his wool to us,but as he has not done so you were quite right in declining to do the insurance,which is the business of the consignees.

7. Par.15. The imperfect description of Eills's goods was Lowden's error,and will not be repeated.

8. Par.17. You were inadvertently in error in claiming from the Shipping Master the cost of the passages of the Chance's men. I have made enquiries and find my belief confirmed that although in the case of the loss of a British ship the Board of Trade step

in in the first instance,and take charge of the distressed seamen,under 207/8 of 58 Vict.they make a demand ultimately from the owners of the wrecked vessel. My informant has seen a B.of T.form for making this claim. Your course would have been to get the cost from the owners,or out of the proceeds of any salvage,and this,I suppose,you can still do.

9. Par.18. Your account of the loss of the Hornet calls for very little remark: it was evidently an unavoidable accident,and I do not think that the Underwriters will be entitled to ask this time if any effort was made to save her. At the same time it would be well to instruct your Captains in the event of any damage or loss that is likely to result in a claim,to put a little more agony into their log books,such agony as Captain Thomas seems to be a master of,and they ought to be specially careful to detail all efforts made to save the property that is imperilled. A "bald and unconvincing narrative",such as the log of the Chance and to a lesser extent that of the Hornet does not carry conviction with it,and a lurid picture of the perils to which the crew were exposed cannot do any harm. At the same time allowance must be made for Ennenga's literary deficiencies. I have shown the papers to our Insurance Broker,and he agrees with me that we had better not put the claim forward until you have accounted for the proceeds of the wreck. In fact,on another occasion,you had better keep all the papers back until you can send them complete. I infer that any further efforts to salve the heavy portion of the cargo would lead to no result.

10. Par.19. Before receiving your despatch I had made enquiries about auxiliary oil engines but with no result. They do not seem to be in use here,and Mr.Richardson says that if we want them we shall have to build. Enquiries about the makers will be made in New Zealand. It has been suggested that we should get a schooner from North America,like the sealing vessels that have lately been in Stanley,and Captain Dougall has offered to go over for us. As they are much cheaper than anything we can pick up here the idea is worth considering. Anyhow,as you have two schooners with ample accommodation for passengers,I think it would be a

good move this time to have a cargo boat,pure and simple,with just sufficient accommodation for the crew,like the English coasters,and not rob her of carrying capacity by fitting extensive and elaborate cabins.

11. Par.20. Captain Thomas reported his arrival in Montevideo,but gave the disquieting news that owing to a general strike the work would be much delayed. Morton did not write at all,and I have told him that he must not leave it to Capt.Thomas to report proceedings,but let us have full details by every mail. A letter has since arrived from him,but he did not mention the arrival of the boiler,though I got the information from the copy of his letter to you. We have been so much accustomed to look on Montevideo as the port to which our vessels naturally go that it has escaped all of us to try what could have been done in Buenos Ayres,which the Samson,having steam,could have fetched just as easily as Montevideo.

12. Par.22. Will this epidemic of insurance claims never cease? The fire on the Great Britain was deplorable,and we have only just escaped a loss that could not have been replaced. Presumably Captain Thomas was away,but the fact that it seemed in the natural order of things to throw ashes,whether alive or dead, on the deck of the hulk is suggestive of a singular want of order and care,for which someone ought to have been responsible. The Board are glad to hear that steps will be taken to prevent any recurrence of this misdoing,and trust that in future ashes will be thrown overboard. The Royal have already settled for the damage to the hulk,but your further particulars are awaited before claiming on the British & Foreign for the wool and skins. As regards the damaged bales,the correct course seems to have been followed in putting them up to auction,but you are in error in supposing that the Pebble wool is not insured from the sheep's back like ours,and even if it had not been insured that would hardly have been a reason for preferential treatment,as the course taken was supposed to be the best in the interests of all concerned.

13. Par.23. Rowlands' health seems so shaky that I am in doubt as to whether the wisest course would not be to send out a

successor at once.

14. Par.3,desp.270. On reading the account of the loss of hides between the hulk and the steamer,which is accompanied by a certificate from Cpatain Cooper to enable us to make a claim,I was reminded of a similar occurrence on a larger scale in July, 1868,when a lighter containing 148 hides was upset alongside the Athole in Darwin Harbour. On that occasion the Captain fished with a grapnel for two days,and recovered 146. Is there any reason why an attempt should not have been made to recover these,and is it not another case in which the Underwriters have the right to ask if any steps were taken to avert the loss?

15. Owing to the epidemic to which I have alluded the Underwriters at Lloyd's have flatly refused to renew the coasting policy at less than 15/.%,and we have had to submit.

16. I send some correspondence with the Engineer-in-Chief of the Trinity House about extensive works they are about to undertake at Cape Pembroke,in connexion with which he wishes us to tender for the conveyance of about 620 tons of materials from Stanley. This we have declined,as we do not know enough of the local conditions,and the matter is referred to you. It seems that the piles on which the lighthouse is built are rotten,and the whole thing is in an insecure condition. They are going to take it down and rebuild it on a concrete foundation,besides,as I understood,raising it and rearranging it altogether. I saw Mr.Matthews,the Engineer,last week,and talked the matter over together with Mr.Hood,who was at Stanley. He showed me a letter from you quoting 35/.per ton for the transport,and I am sorry that you have made no allusion to the subject in your despatches,as you might have given some useful information. We do not know the cost per day of running the Samson,nor the charge we ought to make for receiving the materials into one of our hulks and trans-shipping them to the Lighthouse. Mr.Matthews says that he cannot think of paying the rate suggested,and independently of other considerations a charge made for carrying a ton or two would seem to be too much when applied to over 600. You will see that they propose to lay down moorings 150 yards west of the present landing cove,

to which the lighters would be hung in deep water,and these moorings would be sufficiently near the rocks to be plumbed by the jib of a crane,which would lift all the materials with little labour on our part. This sounds very nice,but I know the spot,and cannot help fearing that the jib would have to be abnormally long to enable the lighter to ride in safety. This is a most important point,and we must not be content with any opinion given here,but require your report. Mr.Hood assured me that the Plym would tow the lighters; I took the liberty of doubting this,as you would hardly trust her with anything but a very small one in such a place,lest a sudden gale should come on. The Government will give storage free in the Dockyard,but it would be more convenient to take the stuff from a hulk. In consideration of the immense value of the light to our shipping,and of the fact that we pay no dues, this is a case in which we ought,while taking care that our vessels are not imperilled,to consider that we are dealing with an institution that is a public benefit,and make our charge as reasonable as we can without loss to ourselves. Mr.Matthews talked of our sending you a cable at the expense of the Trinity Board,but I am afraid that it would be impossible to express all that I have said without running into a very large sum. If,however,on receipt of this you can make up your mind before the steamer leaves what we could fairly charge for the whole job per ton,including receiving,storing,reshipping,and delivering in the manner suggested,you had better wire the figure via Sandy Point.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures vis Lisbon.

Originals.

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oravia"

General Invoice goods per "Oravia"

Sight Draft on J.Kirwan for £ 57 . 14/- for collection B/L attached

Clients' A/sales :-

♡ 1 cask Tallow ex "Oruba"

" 48 Salted Hides ,,

(reportonly) 239 bales Wool ,,

Eills & Co.'s invoices goods shipped

Copy Letter from Trinity House of5th & our reply of 7th July

Letters for the following:-

W.A.Harding,Esq.

A.L.Allan,Esq.

Over

London 8th July,1905

Clients' Reports:-

T.R.	9abales Wool ex "Oravia"			
D H	3	,,	,,	,,
S & S	123	,,	,,	,,
W.Fell	37	,,	,,	,,
M V	14	,,	,,	,,

The above reports are all we have received from the Brokers to date.

Enclosures via Liverpool

Duplicates

Despatch No.996

Ledger & Journal Entries.

Remarks on Stores

Replies to Remarks on Stores

List of Dutiable Goods per "Gaelic"

General Invoice Goods per "Gaelic"

List of General Cargo per "Gaelic"

Remarks on Accounts

Replies to Remarks on Accounts

List of Clients' Goods per "Gaelic"

List of Parcels

Second of Exchange for £ 41 . 8/- on J.Kirwan for collection

Estimate of Materials required for Telephone

Clients' A/sales,reports & contracts:-

	H G C	2	casks	Sheepskins	ex "Panama"
	S	7	bales	,,	,,
	D H	2	,,	,,	,,
	T R	1	,,	,,	,,
	J B	6	,,	,,	Inca
	W P	1	,,	,,	,,
	H	2	,,	,,	,,
	B	2	,,	,,	,,
	L	4	,,	,,	,,
A/sale only	J B	179	,,	Wool	ex "Inca"
	S	63	Salted	Hides	ex ,,
	L	27	,,	,,	,,
	T R	81	bales	Wool	ex "Panama"
A/sale & contract only	H G C	94	,,	,,	,,
"	D H	108	,,	,,	,,
"	S	95	,,	,,	,,

A/sale only	F B	120 bales Wool ex "Inca"		
,,	T R	81	,,	,,
,,	H	30	,,	,,
,,	B	80	,,	,,
,,	AP	97	,,	,,
,,	F	84	,,	,,
,,	W P	38	,,	,,
,,	L	205	,,	,,

B/L General Cargo per "Gaelic"

List of Enclosures

D A I S Y

List of Enclosures

Bills of Lading (2)

List of General Cargo

Remarks on Cargo

List of Clients' Goods

General Invoice.

Enclosures per "Oravia" via Liverpool

Originals

Copy of Telegram sent 17th June

Copy of letter from Liebig's Extract Co.,Ltd.dated 23rd June.

Copy of freight note goods per "Daisy"

Copy of letters from the Trinity House dated 27th & 29th and our replies of the 28th June & 4th July re Lighthouse

Kirkland Cope's account for Company £ 3 . 6 . 6

,, ,, ,, B.Stickney 6 . 9 . -

Particulars of homeward freight per "Oruba"

Extract from Letters dated 27th February & 21st May re typewriter.

Clients' reports & contracts:-

S I 6 bales Sheepskins ex "Oruba"

♡ 2 ,, ,, ,,

♡ 1 cask Tallow ex "Oruba"

♡ 48 Salted Hides ,,

(report only) S I 74 bales Wool ,,

Credit note for Packe Brothers & Co.claim re-covered on sea-damaged wool per "Panama"

,, ,, Mrs J.Bonner ,, ,, ,, damaged wool per "Inca"

,, ,, F.I.Co.,Ltd. ,, ,, ,, damaged wool per "Panama"

Clients' Contracts :-

S.I.128 bales Wool ex "Oravia"&"Oruba"

F 138 ,, ,,

P H 97 ,, ,,

S 13 ,, ,,

♣ 120 ,, ,,

AP 167 ,, ,,

Du Croz Doxat & Co's Wool reports

London 5th July,1905

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 2nd August, 1905.

Per Victoria.

No 998.

Sir,

I have to acknowledge the receipt of your despatches nos. 271 and 272, which arrived on the 20th ult.

2. 271-3. The command of the schooners must be left to your discretion when Rowlands retires. I suppose that it is considered promotion to sail the Fortuna, although the Lafonia is much the best and the most valuable of the two vessels.

3. Par. 4. When in Liverpool last week I saw Mr. Richardson, and mentioned the difficulty experienced in letting go the Lafonia's anchor at once, but he makes light of the objection and says that if properly worked it is just as quick. I will send him an extract from your remarks, and see what he has to say in reply.

4. Par. 5. You make no allusion to the telegram from the Admiralty about the price of coal to us, but I suppose that you have acted on it.

5. Par. 7. The claim for the Chance's insurance will be put forward again as soon as the papers return.

6. Par. 9. I am afraid that the Registrar of Shipping was within his right in charging for a new Register, as I believe the fee here was for closing the Liverpool Register and advising the change; however, I am not sure, and you would do right to ask for the authority.

7. Par. 10. It is good that the Governor is taking up the tallow question. I could not send the papers, as they were only lent us by Van den Berghs, but I can very likely get them again if the C.O. wants them.

8. Par. 11. Bishop Every's remarks are much appreciated.

W. A. Harding, Esq.,

Manager,

Stanley.

9. Par.12. The papers relating to the claim on wool damaged in the Great Britain seem to be quite in order,except that in the account-sales the marks of the bales are not given; if they were illegible it would have been better to say so. However they have gone in for settlement,and as all are insured with the British & Foreign,and each lot was insured at so much a bale,I do not anticipate any difficulty. Par.13. The Hornet's papers,as far as I can see,are also regular,and have gone in; in this case our Underwriting fund is partly concerned,but I hope that Lloyd's will settle their share without demur,although they are more difficult to deal with than the Company.

10. Par.15. From what you write about the Hornet's condition the Board fear that reinstating her as a lighter may be a most expensive operation,and they hope that you will not undertake it without fully considering the cost. We should not like to see as much spent as the cost of the Rosa Baker's repairs,and there would also be the expense of towing her in from Salvador. The Tilton may last some years yet,and with the Fairy,Rosa Baker,and Nimrod,to say nothing of the Sissie,which ought to be fit to carry ten tons or so,surely you must be sufficiently supplied with lighters? The safest way of proceeding would be to get it tendered for by contract,and if the cost is not too much old Biggs might be willing to go in for it.

11. Pars.17 and 24. The misdescription of Eills's goods is a regrettable incident,and I lost no time in writing to prevent it in future. It is,however,quite clear how it occurred. They are Provision merchants,and Lowdens in making out the Bills of Lading saved themselves trouble by classing all their goods as "Provisions",regardless of the fact that some dutiable goods were included,of course without our knowledge,in fact our bona fides in the matter is proved by the fact that we always send you a list of all such goods. I enclose a copy of Eills's remarks on the subject.

12. Par.23. I am glad to hear that I overstated the case as regards the Lighthouse Telephone; but you will understand that as I know nothing of the facts personally I only repeated what had

been told me,and I cannot remember who my informant was. We are quite satisfied with what the Governor says about the division of the cost,and I hope that the installation will be carried through, though I fear that the C.O.may be obstructive.

13. 272-2. Before sending a message via Sandy Point we always ask the Eastern Co.if the line is clear. In the circumstances you mention it would certainly be desirable to cable via Coronel; but from Messrs.Stubenrauch's letter it seems that the Government line was expected to be ready in a fortnight,and after that interruptions were not likely to be so frequent.

14. We are likely to pay off the Weddell mortgage this week, and I hope to be able to advise you later that it has been done. There are certain formalities to be carried out at Stanley,and I send you a copy of our Solicitors' letter on the subject,which, however,may be modified to some extent,as the Board have agreed to advance the money against a mortgage to be executed by Mrs. Williams as soon as the Deans' claim has been satisfied,and in order to clear them out of the way the Probate of Harold Dean's Will has to be resealed and,I suppose,registered in the Colony. Thus there will not be a transfer of the old Mortgage,but a new one will be executed,and you can disregard so much of our Solicitors' requirements as relate to the transfer,attending to the remainder. However,both Solicitors are hard at it,and I shall most likely be able to send you something more definite.

15. Lowdens have been making enquiries for us about a Nova Scotia schooner,and I send you copy of a letter I have lately received from them. You will see that we can get one built of 90 tons register for $5500,and the Board are rather inclined to take the matter up,for this sum is much less than we should have to pay for an old vessel here. I saw Messrs.Alcock and Ward last week,and they held out no hopes about a coasting steamer. In these circumstances the Board may not wait for your further advices as to the desirability of buying a vessel,as they are afraid of the possible total upset of the coasting business should you have the misfortune to lose one of our two schooners. Mr.Johnson asked me to call on him last week to discuss questions of communication

raised by the Governor,but when I went he was in a flurry about something he was getting ready for the printers,and could only spare a few moments. I gave him my ideas in a few words,and afterwards sent him an extract from a letter I had written to Mr.Allardyce two mails ago,at a time when I was unaware that he was moving in the matter. As you may not have seen this I send you a copy. He spoke a few words about the telephone,but all that I could get out of him was that the mail subsidy could not be increased,and that he hoped that Mr.Allardyce would cut his coat according to his cloth.

16. The news received here about the Samson is most alarming,and what it is going to cost to get her away from Montevideo it is impossible to estimate. As we had heard little from the 22nd of May,the date of her arrival,I cabled on the 12th ult.to ask what the vessel's position was,and received a reply next day to the effect that the old boiler was out and that she was ready for inspection. This was followed by a cable from Thomas on the 17th saying that the Surveyor would refuse certificate unless the deck was renewed,and that unless the crankshaft was renewed he would not allow more than 140 lbs.pressure,recommending that a new shaft should be sent from here. I then asked the price of repairs recommended,and received the staggering reply that it would be £750,that he had not anticipated that the vessel was in such bad condition,and in reply to a question whether a crankshaft could be supplied there that he strongly advised its being ordered from Earle's,as expenses would be very heavy. From this it is not clear whether £750 represents the cost of the deck only or includes the shaft; in either case it is a hideous robbery. After consulting Mr.Barringer and talking the matter over with the Chairman,I replied that we authorized the renewal of the deck,but that the crank shaft would be sent to Stanley,and that he must proceed at 140 lbs. The crankshaft has been ordered from Earle's,and will cost £75 only,and now we want to know what the deck is going to run us into. It would be intolerable to let her remain in Montevideo for another two months certain,just for the sake of another 10 lbs.pressure,especially as we hear that the crankshaft,though

it will be a tight fit,can go down through the skylight. Even if it could not,it would probably be better to take up the coamings and possibly part of the deck at Stanley,rather than let her lie idle in Montevideo,with her crew probably in lodgings,and very likely other expenses being heaped on her as long as she remained there. There are several things that we shall want to know; if the deck was so bad why was it not ascertained before,was it impossible to find out the condition of the crankshaft,and why,after the strike was over,was there such intolerable delay? I wonder if the Surveyor is to be trusted,is he standing in with the repairers,or is anyone else making a job of the thing? These suspicions must arise,but it would be hard to put them to the proof. Do the people think that as we can pay we are to be rooked to the fullest extent? Stanley may be an expensive port,but Montevideo can give it many points and beat it. There must be something wrong,when a deck,with or without a crankshaft,for a little vessel like the Samson costs £750. I cannot make out what Morton is doing all the time; he did not even report her arrival,and has only mentioned her casually once or twice. I have been expecting to hear from him weekly,and have told him so. As our agent he ought to be defending our interests,and he is not expected to lie by and take a back seat just because Capt.Thomas has taken the tug up; but this is what he seems to do,and may have the impression that the whole business is in the hands of the latter.

I am,Sir,

your obedient servant,

Fred. E. Lobb

Managing Director.

Enclosures via Liverpool.

Originals

Wool Reports

Annual Colonial Reports for 1904

Copy of Cablegram sent 14th July.

Particulars of freight home per "Oravia"

Copy of Letter from Eills & Co.dated 29th July

Copy of letter to W.E.Morton dated 21st July

Copy of letter to Capt.H.Thomas dated 27th July.

Clients' A/sales:-

S I	6	bales	Sheepskins	ex "Oruba"
♡	2	,,	,,	,,
△ D H	55	Salted	Hides	ex "Oravia"
F	138	bales	Wool	,,
♡	239	,,	,,	"Oruba"
T R	9	,,	,,	"Oravia"
S & S	123	,,	,,	,,
S	3	,,	,,	,,
M V	14	,,	,,	,,
W.Fell	37	,,	,,	,,
S	10	,,	,,	,,
AP	166	,,	,,	,,
♣	119	,,	,,	,,
♣	1	,,	,,	,,
△ P H	96	,,	,,	,,
△ D H	3	,,	,,	,,
S I	74	,,	,,	"Oruba"
S 1	54	,,	,,	"Oravia"
△ P H	1	,,	,,	,,

Copy of letter from Editor of Sunday School Times,Philadelphia to Lloyd's of the 21st June & our reply to Lloyd's of 10th

Copy of lettersfrom Earle's to Jacob & Barringer of the 21st of July re Samson.

Account Currents for Stickney Bros,Packe Brothers & Co.,& Baillon & Stickney.

Credit note for Packe Brothers & Co. for Hides dropped overboard per "Oravia"

Brokers' copy of A/sale Company's Hides ex "Inca"

Copy of letter from W. Lowden & Co. dated 29th July re Schooners.

Copy of letter from Eills & Co. dated 23rd June re classing dutiable goods

Extract from letter F.E. Cobb to Governor Allardyce of 8th June

Copy of letter from Bischoff & Co. dated 28th July re Weddell Isd. Mortgage.

Enclosures via Liverpool

Duplicates

Despatch No.997 dated 5th July.

Ledger & Journal Entries

Remarks on Accounts

General Invoice goods per "Oravia"

List of Parcels

List of Dutiable Goods per "Oravia"

List of Clients' Cargo per "Oravia"

Second of Exchange for £ 57 . 14/- on J.Kirwan

B/L general Cargo per "Oravia"

List of General Cargo per "Oravia"

List of Enclosures

Clients' reports & contracts

A/sale	Heart	48	Salted Hides	ex "Oravia"	
,,	,,	1	cask Tallow	,,	
	,,	239	bales Wool	,,	(report only)
	S I	74	,, ,,	"Oruba"	,,
	S I	6	bales Sheepskins	,,	
	Heart	2	,, ,,	,,	
	T R	9	,, Wool	ex "Oravia"	
	D H	3	,, ,,	,,	reports only
	S & S	123	,, ,,	,,	reports only
	W.Fell	37	,, ,,	,,	reports only
	M V	14	,, ,,	,,	reports only
	S 1	128	,, ,,	,,	contracts only
	F	138	,, ,,	,,	contracts only
	S	13	,, ,,	,,	contracts only
	AP	167	,, ,,	,,	contracts only
	Club	120	,, ,,	,,	contracts only

Enclosures per Supplementary Mail

via Lisbon

Originals

Ledger & Journal Entries.

Remarks on Accounts

Remarks on Stores

Supplementary Remarks on Stores

Copy of Cablegrams received from Montevideo. (3)

Copy of Cablegram sent to Montevideo

Cook's corrected invoice

Eills & Co's invoices

Report & contract F 2 casks Tallow ex "Oravia"

List of General Cargo per "Victoria"

List of Dutiable Goods per "Victoria"

General Invoice goods per "Victoria"

Copy of letter to W.E.Morton dated 4th instant

Copy of letter from Eills & Co.dated 3rd instant

Letter for W.A.Harding,Esq.

London 5th August,1905

The Falkland Islands Company.
INCORPORATED BY ROYAL CHARTER 1851.
Limited.
REGISTERED 1902.
61, Gracechurch Street,
London, E.C.

Per Orissa.

No 999.

16th August, 1905.

Sir,

I have to acknowledge receipt of your despatch no.273,which arrived on the 14th inst. As I am leaving for Norway in a few days,I will write in anticipation of the mail,and answer the main points as fully as I can.

2. Par.2. It seems that Mr.Anson will have to pay rather dearly in future,if not this year,for the privilege of shipping outside us,and,as I have said before,all we have to do is to leave him alone.

3. Par.3. I have not heard from Mr.Bertram Cox,who is probably away,like Mr.Johnson. As reagrds Mr.Packe,the offer to drag out the posts seems fair,and if you approve,I am sure that the Board will be content. If he has an independent line all the way it would obviate the exchange station at Mount Pleasant,and as regards this,I think I can suggest something better,though as Mr.Mantel is taking his holiday I cannot consult him as to its practicability. I think that it would be easy to provide an arrangement at certain places to be chosen on the line,by means of an "earth",where Mr.Allan with a telephone in his pocket could get into communication with you. I am inclined to think,but here again I speak without positive knowledge,that anyone at the exchange station could tap your messages,and that would be objectionable. With regard to the tariff,I must remind you that telephone messages are paid for here at so much per three minutes, not per word as in the case of telegrams,they are conversations in fact. You could only charge per word if you received the messages for transmission yourself,and the conversation system is

W.A.Harding,Esq.,
Manager,
Stanley.

better,as it is quite private.

4. Par.5. I quite understand your explanation about the "Chance",and see that the delay and mismanagement were due to an official who is more distinguished for red tape than intelligence. I had to deal with many cases of this kind,but my experience generally was that when I intervened as Lloyd's Agent the Receiver of Wrecks recognized that the matter was in the hands of a person responsible to the Underwriters,and took a back seat. One case I remember,in 1871 I think,when the Governor was obstinate,and put the case in the hands of the Receiver of Wrecks,but between them they made such a mess of it,that the Underwriters came off very badly indeed,and after that they ceased to interfere. There was another case,I forget when,about which I put it to the Receiver much as follows:- "I think that so-and-so is the right thing to do,and as Lloyd's Agent I propose to do it; you of course can take the thing into your hands if you like,but remember that you will be held responsible for any mistake,and I shall report the matter fully to Lloyd's". In that case I had my own way. I have always understood that the meaning of the clause in the M.S.act about wrecks and the Receiver's duties,is,as you say,to protect property when there is no legal representative on the spot; but I believe that if Lloyd's Agent steps in the Receiver steps out. At all events,if not,the instructions of the Receiver and Lloyd's Agent clash,and it is a case on which you would do right to ask the Secretary how you should proceed in order to carry out your instructions,which are,in case of shipwreck,to take charge of the property in the absence of the master or owner of the vessel or goods,or any of their representatives or any legal authority; whether the Receiver of Wrecks is the legal authority alluded to; what say the master or owners have in the matter; and what should be done in the event of the Receiver adopting a course which is clearly to the disadvantage of Underwriters. I have no copy of the M.S.Act here,but you have,and a number of treatises as well,and can tell at once if there is or is not a clause which restricts the Receiver's power when any representatives of the property are on the spot. A case might arise in which

it might be imperatively necessary to sell by auction while the ship holds together,and neglect to do so might be of consequence to Underwriters,and again,as in the case of the Chance,a settlement is much harder to get as long as property still remains unaccounted for. You need never fear writing at too great a length if there is any important fact to be reported. This matter is of the greatest importance,and if I were you I would write a confidential letter to the Secretary setting out the obstruction offered by the Receiver,and asking how you should guide yourself when that official takes steps which you consider prejudicial to the interests of Underwriters.

5. Par.7. If you will refer to the Indent for Stores to be shipped by the new schooner,no.337 of 20th July,1904,you will find,sandwiched in between Wax vestas and a levelling table,"1 double and single-purchase winch for cargo like Fortuna's". If, as it turns out,that referred to the winch to be fitted in the schooner,you will be the first to admit that it was in the wrong place. There was no explanation,and it puzzled us greatly,but it seemed clear that another winch was wanted for a schooner or lighter,and being a bulky thing it was suggested that it should be shipped by the schooner,and it was. I have a strong impression that a remark was made about it,and I think it may have been in a letter from Liverpool,if not it is very singular.

6. Par.10. I had a few disputes with the Shipping Master about the discharge of seamen,and have turned up some correspondence which I send with this; it need not be returned. In both cases I got the better of Mr.Brooks as you will see. You ship a crew for a period not exceeding six months,but if the voyage ends in less you can discharge the crew by declaring the voyage at an end. Mr.Brooks read the engagement as being for six months certain,but was wrong. In case of drunkenness,as you say,you can discharge at once,but I do not think that you could discharge one of a crew without sufficient reason,and keep on the rest,because your voyage is not at an end. You may say that this does not touch the present case,but it is somewhat allied to it,and the correspondence may be useful. As regards our liability to the B.of T.for

the passage home of a discharged seaman,I do not think that we could escape it,unless perhaps he had committed a criminal offence.

7. Par.12. Regarding the new schooner,we have had no decided opinion from you yet about sending one. Still everything is in track,and we shall get shortly from Nova Scotia plans and specification of what they can offer us. If the Captain of the "Ans" brings out the schooner and runs produce at ruinous prices,he may and probably will,ruin himself,but he may cut off some of our carrying for the time being. A topsail schooner of 176 tons is about as unhandy a thing for the Islands as could be imagined,and I question also if there are many others among our clients who are likely to be detached from us by a venture like this. I met Mr.Spearing yesterday,and he told me that the "Ans" was hard up for money to pay off the crew,and seemed to think that the Captain was in difficulties.

8. The Admiralty have at last paid for the work done in Stanley,but have made some deductions on account of short tonnage,of which we,of course,know nothing. A copy of their statement is sent, and you must see what you can make of it.

9. We are very much concerned about the Samson still,and feel more or less helpless,as we have hitherto had so little information about her. Since I last wrote a few more cables have passed,the last bringing the disturbing news that repairs are likely to be prolonged unBil the middle of September. The Board have fully decided that they will not send the crankshaft to be fitted in Montevideo. It seems to us that if we had sent it,and it could not have got there before the 15th prox.,further delays would have been incurred,because they would very likely have deferred putting on the new deck until its arrival. Another great consideration is the extreme cost of every kind of work done at Montevideo; there are keyways to be cut on the shaft,which at the rate they work might take a fortnight; there are still reports in the papers of a general strike there; but as potent a reason as any is the uncertainty whether Captain Thomas is up to any tricks or not for his own benefit. It may turn out that if the shaft had

———————————— been sent there the loss of time might not have been as great as expected,but on the principle that nothing should be done there that can be carried out at Stanley under your own eye,the Directors' decision has been formed,and you will understand that we take the full responsibility. There are many points on which we should like to be satisfied; we cannot think that,as the Samson is not a carrier of cargo,the decks can have been so bad that she was unsafe to go down to the Islands, even if it had been advisable to replace them there with our own material. We also think that if the Surveyor was at all a reasonable man it would not have been impossible to get him to waive some of his requirements,on the understanding that they would receive attention later,and we should very much like to find out if there was a willing acquiescence on the subject shown by our agent and Captain,though this we shall probably never know. It is quite possible that if we had had an agent of greater standing and more experience we should have come off better,and we cannot think that if the Samson had been in the hands of Wilsons,who know something about steamers,we should have been put to all this expense. The Directors were of opinion that I should write very strongly to Thomas about the proceedings in Montevideo,and I enclose copies of letters both to him and to Morton. We are quite in ignorance as to what has been done about the crew; but if they have been on pay since the 22nd of May,when the Samson reached Montevideo,and possibly also boarded at the Company's expense, this will be a very serious item,and any prudent man would have paid them off and even returned them to the Islands,as soon as it became clear that the delay would last for months. In this matter we have been constantly in communication with Mr.Barringer,and it goes without saying that the cost of such repairs as Mr.Morton has mentioned would be very much less here,and the same remark applies to the time. The new shaft goes by this boat,and is to have Lloyd's test.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Orissa"

General Invoice goods per "Orissa"

Copy of letter from the Colonial Office dated 31st August with enclosure re telephone communication.

Copy of letter to the Sunlight Soap Co.dated 24th August.

Eills & Co's.invoice goods per "Orissa"

Consolidated Electrical Co's invoice

Cadbury Brothers Export Bonus List.

Letter for the following:-

W.A.Harding,Esq.

A.L.Allan,Esq.

London 2nd September,1905

Enclosures via Liverpool

Duplicates

Despatch No.998

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Supplementary remarks on Stores

General Invoice goods per "Victoria"

List of General Cargo per "Victoria"

List of Dutiable Goods per "Victoria"

List of Parcels

List of Clients' Cargo per "Victoria"

Clients' A/sales:-

	D H	55	Salted Hides ex "Oravia"	
& contracts	♡	239	bales Wool ex "Oruba"	
	E R	9	,,	"Oravia"
	S & S	123	,,	,,
	S	3	,,	,,
	M V	14	,,	,,
	W.Fell	37	,,	,,
	S	10	,,	,,
	AP	166	,,	,,
	F	138	,,	,,
	♧	119	,,	,,
	♡	2	,,	Sheepskins ex "Oruba"
	S I	6	,,	,,
	P H	96	,,	Wool ex "Oravia"
& contracts	D H	3	,,	,,
	P H	1	,,	,,
	♧	1	,,	,,

Report & contract F 2 casks Tallow ex "Oravia"

B/L General Cargo per "Victoria"

List of Enclosures.

Enclosures via Liverpool

Originals

Copy of Cablegram sent 11th August.

,, ,, ,, to Montevideo 10th August

,, ,, received 18th & 19th August

Particulars of Cablegrams sent and received from Montevideo

Clients' A/sale F 2 casks Tallow ex "Oravia"

Corrected General Invoice goods per "Victoria"

Admiralty particulars showing difference in amount of bill drawn on them.

Drawing of the New Shaft for S.T.Samson from Earls.

Papers relating to Shipment of Seamen.

Dawson's account for Dr.L.A.Jameson £5 . 4 . 2 paid by Co.

Copy of letters received from Thomas Sharp of 21st & 24th inst

Particulars of homeward freight per "Victoria"

Clients' Reports, contracts&-A/sales :-

T R	4	bales Sheepskins	ex "Oravia"	
M V	4	,,	,,	,,
S	3	,,	,,	,,
S & S	6	,,	,,	,,
AP	10	,,	,,	,,
W Fell	2	,,	,,	,,
P H	1	,,	,,	,,
D H	2	,,	,,	,,
Heart	3	,,	,,	,,
F	1	,,	,,	,,

Brokers press copies for the above reports & contracts.

Copies of letter to W.E.Morton of the 10th 17th August & his of the 29th July & 5th August.

Copy of letter to Capt.Thomas of 10th August,& his of the 29th July.

Copy of letter to Jacobs & Barringer from Earle's of the 22nd August re "Samson certificate of shaft test.

Copy of letter to Trinity House of the 21st August ~~and their reply of the 23th inst.~~

Clients Credit notes for Damaged Wool ex "Oravia"

J.J.Felton	£ 12 . 63 . -
A.Pitaluga	6 . - . 8
Stickney Brothers	2 . 14 . -

London 30th August, 1905

The Falkland Islands Company.
INCORPORATED BY ROYAL CHARTER 1851. Limited.
REGISTERED 1902.
61, Gracechurch Street,
London, E.C.

Per Oropesa.
No 1000.

27th September, 1905.

Sir,

I have now to acknowledge receipt of your despatches nos. 274 and 275,which arrived,the first in duplicate,on the 11th, the Galicia delivering the original on the 14th inst.

2. 274-2. I wrote to the P.S.N.Co.about the extra expenses in curred in Port William through the act of their Manager,and they replied by simply acknowledging the letter and enclosing a cheque for the full amount without deducting your estimate of the probable cost of delivering from the hulk. This seems very fair, and if you set off the cost of the coals used against the estimate we shall be about square.

3. Par.3. The owner of the "Sixtus" has accepted the draft for advances. He complains that the Captain has not written to him,and the only details of the loss he has are those furnished from this office.

4. Par.4. and 275-19. Trinity House accepts the proposed rate for receiving and delivering the materials. As regards the plant offered by cable,the Engineer-in-Chief says that they have already purchased their requirements; at present he is out of town, but on his return I will try to get him to cancel his order.

5. 275-2. You had better treat the Glengowan account as you suggest.

6. Par.4. I am glad to read what you say about the Lighthouse poles,as our specification is for not less than 6½" at the butt and 4-4½" at the top,which is of course a good deal stouter. I have written to the C.O.as per copy enclosed. The Governor will

W.A.Harding,Esq.,
Manager,
Stanley.

see that even the Post Office is inclined to be extravagant; if it were not that we have such a safe adviser in Mr.Mantel I should feel less sure about his estimate being safe enough. He says that the P.O.telephone service is not conducted on lines as economical as his Company's,and there is no reason to doubt it. We must put our foot down and say that in no circumstances will we agree to iron poles,the outlay would be too great altogether, besides which our poles are ready,and only await shipment. If the C.O.are unwilling to go in with us on Mr.Mantel's estimate,we must run the line on our own account,and later,if the Government wish to use the poles for a line of their own to the West,we must give them liberal terms. Mr.Mantel told me the other day that if it is desired to run a cable telephone a return wire will be a necessity; this does not come into the scheme at present,but it is as well to know it.

7. Par.5. We can only watch Mr.Anson's business arrangements with quiet amusement.

8. Par.7. All insurance claims are through except that relating to the "Chance",on which the principal Underwriter is out of town. Our Brokers think that the claim is now in order,and will be settled on his return.

9. Par.8. We shall provide some accommodation in addition to the cabin for the Master in the new schooner,but when you look at the large space occupied in both the Fortuna and and Lafonia you must admit that it takes away a good deal of their carrying capacity. You do not remember the old schooners,but anyone whose recollection goes back to the Fairy,the Louisa,or the Tilton,will be ready to acknowledge that the accommodation provided for passengers in these later days is far and away ahead of anything that was dreamt of in the old days. Our idea about the new vessel is that she will do most of our own work,and be useful for going up creeks where the larger schooners,owing to their draught of water,are difficult to handle.

10. Par.9. It is true that Mr.Dean used not to insure,but that was many years ago,long before your time,and he got let in for such a heavy loss on one occasion that I believe he gave up

running his own risks long before he died. Mr.John Dean has always insured.

11. Par.10. I note what you say about recovering hides. It is of no consequence,as the B.& F.have paid up,but had they been insured at Lloyd's we might have had trouble,and I will suggest that on another occasion it would be good policy to let two or three men go over the spot with a grapnel for half an hour,and then in answer to the probable enquiry you would be able to say that they had been grappled for without success.

12. Par.11. The rate on goods in outside vessels is still 10/.more than on ours.

13. Par.14. It is most satisfactory to hear that the Rosa Baker is quite tight after repairs.

14. Par.18. It seems that it would be better to keep the Admiralty coal afloat,and the Board hope that you will be able to satisfy the Admiralty by charging a rate at which they will be content to let it lie.

15. Par.19. If the Trinity House will not take the Admiralty plant,do you think you could sell it at Montevideo or elsewhere?

16. Par.21. We have heard nothing from the Danish Government, and I must communicate with the Danish Consul as soon as the mail has closed.

17. Copy of letter from the Colonial Office on the subject of the quarantine station on the north shore is enclosed. The importance of keeping small pox at bay is so paramount,that we cannot offer any objection.

18. With regard to the new schooner,we have decided to build in Nova Scotia a vessel of about 90 tons register,to carry 160 tons dead weight,and I am to go to Liverpool this week to arrange a contract through Lowdens,whose agents have been giving us the information we required. There are two offers,one to build for £ $5,600 to 5,900 according to class,the other for $60 to $65 per ton register,so that we shall get a new vessel for much less than we should have to pay for an old one here. The Board are also willing to put oil engines into her if it is found practicable; but on this point I have met with an unexpected difficulty,as I

find that the engines are driven by gasoline,naptha,petrol,or benzine,and I need hardly say that it may prove to be impossible to get any of these shipped to the Islands. I have seen Mr.Richardson,agent for the Union Marine Engines,which are made in San Francisco,and are the type most commonly in use in New Zealand. He was accompanied by his son,who is in Thornycroft's service,and the latter told me that although engines were occasionally constructed to burn the heavier oils,they were more expensive and did not work as well. For instance,a 30 h.p.engine,which is about what we want,would cost £400 for benzine,but £550 for kerosine. I will see what the P.S.N.Co.have to say about carrying benzine across from Sandy Point,and Mr.Richardson will ask the Kosmos if they would carry it there from San Francisco. This is what they use in New Zealand,and they get it from the States,but no doubt it goes across in large quantities and not by the mail steamers. If the idea is found to be practicable,we shall go into it,and if we have to give it up it will not be for want of enterprise, but because on examination the difficulties will have been found to be insuperable. I may mention that one of the builders turned out the "Leslie"L.",which you have seen in the Islands.

19. We are patiently awaiting the completion of the Samson's repairs,and the presentation of the bill,for which Morton has asked for a credit up to £1500. Had we known more of the position of affairs,it is quite possible that we might have sent the crank shaft to Montevideo; but the Board are still strongly suspicious of jobbery somewhere,and in any case take the full responsibility for declining to have any more work done in Montevideo than can be avoided. It is a great misfortune that the small tides at Stanley put a slip out of the question. Why the Surveyor could not have allowed the deck to be left until her return,and given a certificate for the machinery we cannot understand. Had this been done we could have got a full certificate later on. We should like to know if Atherton was aware that the machinery was in as bad a state as it is alleged to have been,and whether by attention to timely repairs it could not have been kept in better order. This is merely an enquiry into which you must not read a

suggestion that there has been neglect; we simply ask for information.

20. Wool is going better than ever,and Weddell has touched 1/0½d.,this lot being the best seen from the Islands this year. Mrs.Williams will be able to make a substantial payment in reduction of the mortgage,which we shall not be sorry to see,and with economy in the Island and restraint in cash drawings here the whole debt,which with prudence ought to have been wiped out many years ago,will soon be liquidated if prices keep up fairly.

21. Now that wool is going at such high prices,cannot you get Bender's debt within a reasonable compass? If he cannot get his head above water now,he never will; and we ought to consider whether we should go on with this comparatively large debt outstanding from year to year,or whether we ought not to realize the security. His drawings in cash and stores do not seem high,and the only conclusion we can come to is that the place cannot realize enough to enable him to live.

21. I hoped to say something about the tallow in Germany,but although we have been promised the original papers by Van den Berghs they have not got them yet. We are much indebted to the Governor for his intervention,and you will see that the matter has been through the F.O.to Berlin. It seems that I may have been in error in mentioning Hamburg as the port where it was stopped,but this will be cleared up when we get the papers.

I am,Sir,

your obedient servant,

Managing Director.

I omitted to say that Mr.Girling goes out this mail on a five years' agreement at £450 per annum,half pay from sailing to date of arrival,as per agreement enclosed.

Enclosures via Liverpool.

Duplicates

Despatch No.999 dated 16th August.

Ledger & Journal Entries

Remarks on Accounts

List of Enclosures

List of Parcels

Clients' Cargo per "Orissa"

Dutiable Cargo per "Orissa"

General Invoice goods per Orissa"

General Cargo per "Orissa"

Remarks on Stores

Replies to Remarks on Stores

Copy of letter from Colonial Office dated 31st August and enclosure.

Clients' A/sales,reports & contracts:-

Heart	3	bales	Sheepskins	ex "Orissa"
P H	1	,,	,,	,,
T R	4	,,	,,	,,
S & S	6	,,	,,	,,
D H	2	,,	,,	,,
AP	10	,,	,,	,,
W.Fell	2	,,	,,	,,
F	1	,,	,,	,,
S	3	,,	,,	,,
M V	4	,,	,,	,,
F	2	casks	Tallow	,, (a/sale only)

Enclosures via Liverpool

Originals

Copy of Cablegrams received (2)

Copy of Cablegrams sent (3)

Wool reports

Mr Girling's Agreement.

Copy of letters from Colonial Office of 5th & 26th and our reply of 22th Sept.re small-pox

Copy of letter from Colonial Office dated 14th & our reply of 22nd Sept.re tallow

Copy of letter to Colonial Iffice dated 22nd Sept.re telephone.

Copy of letter to P.S.N.Co.dated 20th September.

Copy of letters to Van der Berghs,Ltd.of 18th & 20th Sept. retallow

Clients' reports & contracts:-

	Club	25	bales Wool	ex "Galicia"
	H W	54	,,	,,
	J B	3	,,	,,
	F B	3	,,	,,
	R B C	25	,,	,,
	D S G I	59	,,	,,
	W.E D	176	,,	,,
	J D M	26	,,	"Oropesa"
	B B	21	,,	,,
	J R	28	,,	,,
report only →	M V	1	cask Tallow	ex "Galicia"
	H W	8	,,	,,
	H G C	5	,,	,,
	H B	19	,,	,,
report only →	J B	2	,,	,,
ditto →	L	125	,,	,,

Brokers' reports &c.(press copies) Company's Wool,Hair & Tallow ex"Oropesa"& "Galicia"

Copy of letter to Du Croz Doxat & Co.dated 26th Sept.

Maple's packing specification for Mr.Girling.

Letters for the following:-

A.L.Allan,Esq. (2)

W.A.Harding,Esq. (2)

J.J.Felton,Esq.

Vere Packe,Esq.

Governor Allardyce,C.M.G.

London 27th September,1905

Enclosures vis Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Eills & Co's invoices

General Invoice goods per "Oropesa"

List of General Cargo per "Oropesa"

List of Dutiable Goods per "Oropesa"

Draft on J.Kirwan for collection £ 64 . 7 . 6

Average Statement for S.S."Oravia"

Copy of Cablegram sent 19th Sept.from Cornfoot

Credit notes for the following :-

J.J.Felton	£ 2	14	-
A.Pitaluga	12	6	-
W.Fell	105	6	-
J.J.Felton	35	2	-
A.Pitaluga	218	8	-
Stickney Bros.	6	-	8

Clients Reports & contracts :-

D.S G I	2	bales Sheepskins	ex "Galicia"
W E D	13	,,	,,
R B C	2	,,	,,
H W	7	,,	,,
Club	15	,,	,,
F B	1	,,	,,
J R	1	,,	"Oropesa"
B B	5	,,	,,
J D M	18	,,	,,
M V	1	cask Tallow	ex "Galicia")
J B	2	,,	,,) contract only
L	24	,,	,,)

Brokers(press copies)reports & contracts relating to above and Company's produce

280

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

Per Orita.

No 1001.

London, E.C. 25th October, 1905.

Sir,

I have to acknowledge receipt of your despatch no.276 and letter of 12th September,which arrived on the 9th inst.

2. Par.3. The wording of the policy on goods out is,"includ-"ing all risk of craft and boats to or from the ship or vessel", you may therefore feel quite easy about any accident to the lighters.

3. Par.4. I had a talk with Mr.Johnson a few days ago about the telephone. Nothing has been decided as yet,and Mr.Johnson asked me to write officially to enquire about it. I rather gathered that they were a little out of breath at the C.O.in trying to keep up with the Governor,whose energetic ways rather take them aback.

4. Par.5. I have informed Messrs.Bischoff & Co.that Mrs.Dean had produced a duly audited Balance Sheet of Port Stephens,and that no delay on that score need be apprehended. The Preferable Lien at the present time is somewhat of an absurdity,as it is only taken as security for current advances,and Weddell has a balance of some £2000 to the good.

5. Par.6. Since I wrote last the prospect of getting a workable oil engine seems to be improving. A specification has been sent to Nova Scotia,and we may have tenders before next mail goes. My interview at the C.O.was to talk about the proposed coasting steamer,and the position the Company took up,I told Mr.Johnson,was that the time for this had passed. The reasons I gave him were those detailed in a letter to the P.S.N.Co.,of which I enclose a copy,so I will not repeat them. It would be unreasonable to expect us to lay up both the Fortuna and the Lafonia,and Mr.Johnson seems

W.A.Harding,Esq.,

Manager,

Stanley.

ed to agree with this.

6. Par.7. We have heard by cable of the Samson's departure, and it now only remains to pay the bill,until the arrival of which we cannot tell where the money has gone. Morton cabled lately for an additional £500,making the credit opened with the River Plate Bank £2000 in all. Morton has in several respects been negligent, and had he been more prompt in his movements,and had he given us more information,the Board might not have formed such an unfavourable opinion as they did of the conduct of the business. We expect to find the charges about 150% higher than they would have been here,and as to the time occupied,it has been remarked that a ship of her size ought to have been built in the time. The reason why it was so necessary to get the class renewed was that there might have been much difficulty over the renewal of her insurance. But we have paid too highly for it,and it is possible that we may manage,by setting a sum of money aside,to do our own insurance by the time the next survey is due.

7. Par.10. All wool without exception is insured from the sheep's back.

8 .Par.11. The Board agree to lending £300 to Browning on the terms you mention.

9. Par.13. Your remarks about the coal ex Sofala are noted, but we cannot intervene in any way,nor do I suppose that you wish us to do so.

10. Par.14 & 15. The Master of the Emilie is instructed to draw on Wright Bros.& Co.as before. The Parnassos got ashore in the Plate,as you may have seen. Par.16. R.Thomas & Co.will meet the bill,or I should have said J.Cornfoot & Co.

11. Your cable about the Gunford duly arrived,and the owners will meet the draft for disbursements; this,with the Emilie,Deudraeth Castle,Parnassos,and Beacon Rock shows five towages we have lost through the detention of the Samson in Montevideo.

No. She has towed in only 4 towages Cost

12. In the list of enclosures the Indent is numbered 354; it should have been 356.

13. Mr.Carpenter has pointed out that the commission on cash payments has been omitted from the Port Stephens account.

14. The Wool sales for next year are fixed for the 16th Jan,

13th March,8th May,10th July,25th Sept.,and 27th Nov. These dates have been given to the P.S.N.Co.,who will pass them out to Valparaiso.

15. I send you a statistical table which has been printed for the information of the Shareholders.

16. The Governor has written me at some length about the proposed mail service by steam round the Islands,and this,in fact, was what caused Mr.Johnson to ask me to call. If Mr.Allardyce had been in the Islands when the question was first mooted and the Company's offer was made,no doubt the scheme could have been put to the proof; but as we all know,Mr.Grey Wilson made a mess of the whole thing by putting forward demands to which the P.S.N.Co. could not accede. I was anxious to make Mr.Johnson understand that our present objection is one which we must in our own interests maintain,and I told him,as I did the P.S.N.,that a consideration of the course of events must absolve us from any charge of obstructiveness,it is in fact with much regret that we are unable to give our adhesion to the proposal. Perhaps it may be worth while to say that in our view the Governor makes rather too pessimistic a forecast of what will occur if the steamer is not put on,and that his estimate of the secessions on the West is somewhat exaggerated. The shipments by sailing vessel do not amount to 50% of the wool from the West Falkland proper,and if the adjacent Islands, such as Weddell,Pebble,Saunders,&c.,are taken into account as they should be,the proportion is much less. To go into the question thoroughly the individual farms shipping outside the P.S.N.Co.must be considered. Take Waldrons; they have consistently stuck to sailers,and there is no "disintegration" here. I am not sure that a reduction of rates such as I have suggested to the P.S.N.Co.may not bring them in,for Mr.Mathews at Liverpool seemed strongly in favour of the change. Then Dean & Sons. Why they went I do not know,unless it was on account of Mr.Hennah's rather frequent complaints that he could not get a schooner when he wanted. The substitution of newer and better vessels in place of the Fair Rosamond and Hornet will strengthen your hands considerably,and Mr. Carpenter,with whom I had a talk a few weeks ago,has promised to

write to his nephew,who personally made the change,suggesting that the mail service ought to be supported. Dean & Anson complete the list; I do not look uopn them as irrecoverable yet,and possibly a few words in season to Mrs.Dean on the Cordillera mess might be of service. My idea is that any restlessness that exists is due not so much to a desire for steam as to considerations of £ S D. There are few who remember the Malvinas days,but I do,and it was a common remark at the time that those who were most critical and exacting were the very people who steadily refused to send their produce by her. Unless the people have altered much,it would be the same again; they appreciate the comfort of travelling by steam,but do not care to pay for it,directly or indirectly,and the surest way of stopping the disintegration is to offer a lower freight on wool. There is certainly the rather singular proposal emanating from West Point Island that there should be a whip round of 1d.a head on sheep,which would cost the author,Mr.A.E.Felton,£7.1.8 per annum,while Port Howard would have to pay £152.11.5 and Hill Cove £138.16.8 per annum for the privilege of steam; but anything emanating from that quarter can hardly be taken seriously,and if the proposal were slightly varied,though on the same principle,by suggesting a double freight on wool,it is hardly likely that Mr.Felton himself would take it up. I have at last got the P.S.N.Co.to say that they are prepared to consider the question,if we will help them; but I have had to explain that we are on bed rock,and that any reduction of our local charges would spell actual loss. I hope to be able to announce something definite before the Supplementary mail leaves.

17. I send a translation of the original German order condemning the tallow,as well as a copy of my letter to the Colonial Office on the subject,to which I have nothing to add,except that our best tallow has again been sold for edible purposes at 30/. per cwt.,some shillings better than any other brand from the Islands,which is gratifying.

18. About the new schooner I have to report that the specification has been made out,and that it has gone to Nova Scotia.

19. Mr.Rowen,the U.S.Consul called here last week,and asked

already mentioned

us to advance him £40 to be repaid on his arrival in Stanley by this mail. I let him have the money,and he seemed very grateful; a refusal might have caused us some difficulty in dealing with American vessels.

20. Since writing par.16,the P.S.N.have again written suggesting our helping them in the matter of reducing freights,and have asked if,assuming that the farmers pay 30/.& 5% by sail,a rate of 32/6 would not suit them. I have replied that we can do nothing here without consulting you,but that I fear we should lose on every ton carried. If you see any way out of it,you will of course let us know. Copy of correspondence is enclosed. Among the arguments against a steamer,I put the following to Mr.Johnson. Say the total export from the Islands is 6000 tons,which is an outside figure. A steamer of suitable size would carry 300 tons,but let us say 250. She ought to average a trip a week,the schooners do more sometimes, but put it at a week. Therefore she will bring in 6000 tons in 24 weeks; how is she to live during the remaining 28 weeks of the year? But,said Mr.Johnson,could she not get some other work to do, say on the coast of Patagonia? No,I replied,she would be tied at the end of a string,which the Government would pull ~~at the end~~ every four weeks to get her to carry the mails to the West Falklands,and bring them back. So she would be reduced to running part cargoes which would not pay,spread over the whole 52 weeks. The total freight and passage money is estimated at £3900 per annum, and the Government might add £600 by way of subsidy,total £4500, and she would cost £5000 at least to run. What does this all mean but the old story that the Islands are too small for a steamer, and you cannot enlarge them?

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1000 dated 27th September,05

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to remarks on Stores

General Invoice goods per "Oropesa"

List of General Cargo per "Oropesa"

List of Dutiable Goods per "Oropesa"

Statement of loss on goods per"Hornet"

List of Clients' Goods per "Oropesa"

List of Enclosures

List of Parcels

Clients Reports & contracts:-

W E D	176	bales	Wool	ex "Galicia"
D S	59	,,	,,	,,
R B C	25	,,	,,	,,
△ F B	3	,,	,,	,,
J B	3	,,	,,	,,
Club	25	,,	,,	,,
H W	54	,,	,,	,,
J D M	26	,,	,,	"Oropesa"
B B	21	,,	,,	,,
J R	28	,,	,,	,,
△ F B	1	,,	Sheepskins	ex "Galicia"
D S	2	,,	,,	,,
R B C	2	,,	,,	,,
H W	7	,,	,,	,,
C lub	15	,,	,,	,,
W E D	13	,,	,,	,,
J R	1	,,	,,	"Oropesa"
B B	5	,,	,,	,,
J D M	18	,,	,,	,,
◇ H G C	5	casks	Tallow	ex "Galicia"
H W	8	,,	,,	,,

J.B. 2 casks Tallow ex "Galicia"

L 125 ,, ,, ,,

M V 1 ,, ,, ,,

B/L General Cargo per "Oropesa"

Second of Exchange for £ 64. 7 . 6 B/L attached.

Enclosures per "Orita" via Liverpool

Originals

Copy of Cablegrams sent

Copy of Cablegrams received

Copy of letter to W.Lowden & Co.dated 30th October re new Schoon

Copy of letter to W.E.Morton dated 13th October re Samson

Copy of letter from the Guarantee Society dated 2nd October re W.C.Girling's guarantee

Copy of letters from Hayward Tyler & Co.,Ltd.dated 3rd & 9th October re press pumps

Rowen's duplicate receipt for £40

Copy of letter to the Colonial Office dated 13th October re Tall

Eills & Co's A/sale for 3 casks Casings ex "Oropesa"

Clients' A/sales :-

W E D	176	bales Wool	ex "Galicia"
Club	25	,,	,,
NCR	128	,,	"Oropesa"
F B	3	,,	"Galicia"
D S	59	,,	,,
J D M	26	,,	"Oropesa"
B B	21	,,	,,
H W	54	,,	"Galicia"
H & B	5	,,	,,
J B	3	,,	,,
R B C	25	,,	,,
H W	8	casks Tallow	,,
H & B	19	,,	,,
L	125	,,	,,
J B	2	,,	,,
H G C	5	,,	,,
M V	1	,,	,,
HB	22	Salted Hides	,, & 20th

Copy of letters ~~from~~ to the P.S.N.Co.dated 17th October and their reply of 19th October re freights

Clients' A/sales:-

W E D	23	bales Sheepskins	ex"Galicia"
B B	5	,, ,,	"Oropesa"

F B	1 bale	Sheepskins ex	"Galicia
J R	1 ,,	,,	"Oropesa"
D S	2 ,,	,,	"Galicia"
R B C	2 ,,	,,	,,
H W	7 ,,	,,	,,
J D M	19 ,,	,,	"Oropesa"
Club	15 ,,	,,	"Galicia"

Copy of letter from William Greer & Co.,Ltd.dated 20th October re Whisky

Copy of letter from Eills & Co.dated 17th October

Brokers' press copies A/sales Company's Wool Skins & Tallow ex "Galicia"& "Oropesa"

Credit note for Owners of Yawl "Chance"

Particulars of freight per "Oropesa" & "Galicia"

Copy of letter from the P.S.N.Co.of 24th and our reply of 25th October,re freights .

Copy of Original Order condemning our Tallow

Statistical Table covering years 1877/1904

Letters for the following:-

A.L.Allan,Esq.

J.J.Felton

London 25th October,1905

Enclosures vis Lisbon per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Orita"

List of Dutiable Goods per "Orita"

General Invoice goods per "Orita"

Sight draft for £ 51 . 1 . 6 on J.Kirwan for collection

Eills & Co.'s invoices

Brokers' press copy report & contract Co's Hides ex "Orita"

Letters for the following:-

W.A.Harding,C.K.Blount & A.L.Allan

London 28th October,1905

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street.

Per Lord Derby.

No 1002.

London, E.C. 17th November, 1905.

Sir,

This steamer is to leave tomorrow with goods for ourselves and Trinity House, including the telephone poles, but as the mail is likely to anticipate her arrival I will only send enclosures as stated separately.

I am, Sir,

your obedient servant,

Ted. E. Love

Managing Director.

W. A. Harding, Esq.,

Manager,

Stanley.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C.

Per Panama.

No 1003.

22nd November, 1905.

Sir,

I have to acknowledge receipt of your despatch no.277 and letter of the 11th ult.

2. 277-2. Mr.Martel recommends branding the posts in preference to painting or putting on metal figures,and a set of brands shall be sent out. I have noticed that this plan has been adopted on all the telegraph lines here.

3. Par.6. The schooner question is a difficult one to deal with at the present time,because the P.S.N.Co.seem half inclined to yield to the pressure put on them by the Colonial Office. I do not think,however,that anything will come of it really,but it is obvious that until the question is finally settled we cannot risk sending out another schooner. Mr.Alcock was here a short time ago on his way to the Colonial Office,and seemed afraid that the Government might force their hand when the contract expires. I did my best to assure him that they were far more afraid of being thrown over by his Company than he need be of losing the contract, and I took the opportunity the same day of answering the C.O.letter that I had received on the subject. I sent a copy of my letter to Liverpool,and received in return a copy of their official letter to the C.O.,all of which you will find in the enclosures. I used the old familiar arguments,which are sufficiently convincing to anyone who will take the trouble to look into the question closely,and I hope that the Governor will see that it is unreasonable to ask anyone to put on a steamer,the running of which must result in certain loss. I did not fail to rub in my ideas about

W.A.Harding,Esq.,

Manager,

Stanley.

the desirability of reducing freights home as a means of consolidating their business,and you will see that this is alluded to in their letter to the Colonial Office,though they seem to build too much on the hope of getting us to come down also,for I shall be much surprised if you are able to see your way to doing it. When you mention the secession on the part of clients,to whom do you refer? We know about the Deans and Anson,and perhaps should add Cameron; but who else is there likely to go elsewhere? The last mentioned called last week,and we had a satisfactory talk. He told me that he had shipped by sail on account of the difficulty of getting out coal,of which he burns a good deal,and he could not stand paying 70/.a ton,which he had to do through Stanley. I said that if that was all I thought that it could easily be arranged. I could get the P.S.N.Co.to ship him coal at a moderate c.i.f. price,and I said I would suggest to you that heavy cargo of this kind might be taken from Stanley at 10/.per ton instead of 15/. This may fairly be our way out of the difficulty: we may tell the P.S.N.that we cannot reduce our wool rates,but that we can smooth the way for them by a concession on outward rates from Stanley, which will remove the objection that has led shippers to secede. With a moderate reduction of homeward rates on produce coupled with the facility for getting coal,Mr.Cameron said that he would return to the P.S.N.Co.,and acknowledged that by so doing he would get his wool home in better condition and more punctually. I hope to hear soon that the P.S.N.Co.have stiffened their backs about the steamer,and then we can go on with the schooner. I am sorry to say that we have met with an unexpected rebuff from Nova Scotia,as a tender has come in to build according to our specification for $12,500,or more than twice what was quoted for a vessel of the usual style. I am afraid that our requirements are too exacting,and that to get a cheap vessel is practically an impossibility. The end may be that we shall either have to build in England, or buy another yacht,with all the attendant disadvantages of deep draught and want of strength,which will be unfortunate. As regards boats,I will see what can be done; it is most difficult to get them out at anything like a reasonable price,unless we have the chance

of shipping on the deck of a sailer. In this matter we are not content with such boats as ordinary schooners would use and did use in the old days. Then ordinary American whaleboats were thought good enough,and were used in the Fairy,Louisa,and Tilton. What you ask for means an outlay of from £200 to £250 in one line,and where are we to earn the freights to pay for such conveniences? We cannot escape the fact that if we were a shipping Company trading for profit we should be ruined,and on the other hand it is equally certain that 5000 or 6000 tons of wool and other produce must be lifted in the course of the year,and that we are the only people to do it. Before leaving this subject I may mention that Mr.Alcock,without pledging himself that his Board would agree,suggested that in consideration of laying up or selling the Lafonia they might see their way to paying us a sum down by way of compensation,and asked me if I thought that we would take £1000. I said that that was a question that I could not possibly answer.

4. Par.8. We will order a new suit of sails for the Lafonia, and send them by the next boat.

5. Par.9. If the hooliganism in Stanley continues the place will have to be protected by a heavy police rate,which would not be agreeable to householders. It must surely be confined to a few bad characters,and it is to be hoped that the authors of the mischief will sooner or later be discovered.

6. Par.12. I have heard nothing from Lloyd's about wireless telegraphy.

7. Par.15. It looks as if the project for salting legs of mutton might pay us; another copy of Mr.Hobbs's letter has been made as well as of one from Mr.Herbert Hobbs of Newcastle. I think that Mr.Allan,without attempting anything on a large scale at first,might make up a sample shipment of 10 casks,and I shall suggest it to him. The lot of 100 casks (or was it more?) sent from Punta Arenas seems to have been a failure,chiefly owing to the delay in getting it away from Sandy Point. Unless Mr.E.Hobbs has misunderstood the term,the price "f.o.b.Punta Arenas" means that the buyers take delivery there and pay the homeward freight. As it may be shipped either to Copenhagen or Hamburg,I see no difficulty in

getting the mutton to London by a cargo boat with tallow,and then shipping across to the Continent; this would be preferable to the risk of a long voyage by sailing vessel,and for a new industry like this we might get special terms from the P.S.N.Co.

8. Pars.16 to 21. Your reports on the ships in distress are noted; it is unpleasant to see what towages have been lost. The two bills sent home have been accepted without remark. Credits have been obtained in all cases,including that of the Paul Isenberg,reported by cable. The latter is on the Direction der Disconto-Gesellschaft,London,and their name has been indicated by their telegraphic address in our cable.

9. Par.22. The fact that the Plym went outside her boundary line has been reported to our Insurance Brokers.

10. Par.24. The Directors regret to hear that you have been so unwell as to be confined to the house,but are pleased to hear by cable from Sandy Point that you had recovered.

11. Louis Williams has written to Messrs.Du Croz Doxat & Co. asking them to accept direct consignments of wool and skins,but they have replied,I understand,that as Brokers they can only deal with wool placed in their hands by merchants in this country. As Williams has hitherto shipped to his agents Hooton & Yates,it looks somewhat mean to pass them over,and his shipments can only be very inconsiderable. How does he get any wool at all,and what are the sheepskins that he manages to ship?

12. Trinity House has just shipped the first instalment of the Lighthouse materials,which left per Lord Derby on the 18th inst,some 96 tons. Their Superintendent,Mr.Trerise,goes by this mail,and they have placed in our hands £400 in order that you may open an account in his favour. His expenditure is likely to amount to about this sum per month,and we suppose that it will not inconvenience you. As the Lighthouse is a public benefit we wish to make everything as easy for them as possible. The Engineer asked about the charge for the use of the Plym,but I said that it must be left in your hands,and that I would write to you to make it as moderate as possible.

13. The code word advising that you had drawn £2500 was in the wrong place in your cable,and appeared to mean that the estim-

ated cost of the Gunford's repairs was that sum. On another occasion care should be taken to place it first,or in such a way that it cannot be mistaken. It caused us a little inconvenience,as we had not that sum free at the time.

14. If you could manage to give some indication of the probable cost of repairs in the case of a ship more frequently,it would save us trouble,especially in the case of a foreign one. Owners who have to provide a Bank credit invariably ask the amount,and although I know it is most difficult to estimate,in many cases you might state an amount that you know cannot be exceeded.

15. On several occasions of late owners have asked us to lend them our copies of ships' accounts because their Captains have failed to send them. If you could see that letters for the owners are properly posted it would save trouble,and possibly loss. The latest case was that of the Sixtus,the owner of which,Mr.C.P.Holm, after paying the bill asked to see the account again,as he had not had a word from the Master.

16. I do not know whether you sent a copy of your correspondence with Mrs.G.P.Smith to T.Sharp or not,and therefore I forwarded it to him,saying that we would do what we could to help him. I enclose copy of his reply,and hope that with the assistance of his agent you may succeed in getting the account squared up. There seems to be a certain difficulty in the fact,according to accounts, that Mr.Smith is not to be found sober after 8 a.m.,which is a little early for doing business. But it seems to me that you might place the onus of bringing in accounts to be charged to the firm on his shoulders,especially if you get his Attorney,T.Watson,to put pressure on you. For instance,Watson has the right to ask what balance stands to the credit of the firm on the sale of the produce after deducting the Company's account. This being also communicated to Smith,you might tell him that Watson is pressing for a division,and that unless he sends in his private accounts you will be compelled to make a division and remit Sharp's share home,in which case Smith must recover direct from his partner. I give this as a suggestion,not being fully posted as to all the circumstances.

17. The Samson's accounts have arrived, and are not pleasant to look at. After drawing the whole of the £2000 credit, Morton has a further balance due him of $272.03. The Directors will not look at the accounts, or go to the expense of having them checked; we should get no return, and all we can say is that we have bought a bitter piece of experience. There are some points to which I must draw your attention. Morton has been vary casual and remiss; he has forwarded Harratt's account, which is the principal item, but he has sent no vouchers in support of Moor's Store account, $498.65, or over £100, or the Hotel bill for the Captain and Engineer. About the latter it is a little difficult to write calmly. While the board of the crew has come, in all, to $145.50, Thomas and Atherton have been luxuriating at what I suppose is still the best and most expensive hotel in Montevideo at a cost of $402, and this item requires the closest investigation. It seems much as if the Master and Engineer of a Thames tug thought it seemly to put up at the Grand or the Metropole here; I have stayed there (the Oriental) often, but never met people of that class. Is it conceivable that there are no boarding houses for Captains at Montevideo, where they could have been taken in at far lower rates? Why was the bill so high? How long did they stay there? Was it necessary? Why did not Morton object, or report the proceeding to you? If they lived there for weeks when they might have boarded on or near the ship, some of the cost should certainly be stopped out of their wages, certainly the difference between hotel and the usual boarding terms. It is absurd to think that owners of merchant ships lying in Montevideo would ever countenance such a bill. The lighterage of the boiler ashore wants looking into. The original estimate of the cost, as far as I can see, was $95.30, and the sum charged is $139.97, but this may have had to be altered, if it was not a contract, in consequence of the strike. Passing over the items of repairs to machinery, I see that $39.90 was expended on painting and varnishing the cabin, and $25.31 on covering the cabin cushions with American cloth, doubtless bought at a ruinous price. A quantity of paint seems to have been bought, and this surely could have been taken up

from Stanley,or put on after the vessel's return. These last are comparatively small items,but they go to show that the principle that nothing should be done that could have been carried out at Stanley with our men has been quite neglected.

18. With regard to Mr.Morton,his management of the affair has not given satisfaction. He seems to have exercised no control over Captain Thomas,and he has been most remiss in reporting facts to us. He is,we understand,a very young man,and there is a feeling here that if the business had been in more capable hands,we should have come out of it better. He is evidently in a very small way of business,as we were obliged to furnish him with a credit for the very small monthly transactions. Some time ago I think you made some reference to the possibility of getting Wilson Sons & Co.to do our work at Montevideo,as they were agents for the P.S.N. and therefore in touch with you. Unless you see strong reason to the contrary,the Board would like you to approach them as to terms of agency. It is quite certain that we should never feel easy in putting a large transaction in Mr.Morton's hands again.

19. By not cabling the arrival of the Samson either to us or to Lloyd's you gave us an unpleasant fortnight; the extra insurance to cover the cost of repairs had been overlooked,and when we tried to do it on the arrival of the bills we found that it could only date from arrival at Stanley. I cabled to Stubenrauch to ask if he had heard of the arrival,and the reply which stated that from private information he gathered that she had not arrived made matters worse. Fortunately your last cable has relieved our minds.

I am,Sir,

your obedient servant,

Thos. E. Todd

Managing Director.

Enclosures via Liverpool

Duplicates (Originals per "Orita")

Despatch No.1001 .

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Orita"

List of Clients' Cargo per "Orita"

List of Dutiable Goods per "Orita"

List of Enclosures

General Invoice Goods per "Orita"

List of Parcels

Eills & Co.'s A/sale 3 casks Casings ex "Oropesa"

Clients' A/sales:-

J B	2	casks Tallow	ex "Galicia"
M V	1	,,	,,
L	125	,,	,,
H W	8	,,	,,
H C	5	,,	,,
R B C	25	bales Wool	,,
J B	3	,,	,,
H W	54	,,	,,
D S	59	,,	,,
F B	3	,,	,,
Club	25	,,	,,
W EcD	176	,,	,,
J R	28	,,	"Oropesa"
J D M	26	,,	,,
B B	21	,,	,,
H W	7	bales Sheepskins	"Galicia"
R B C	2	,,	,,
W E D	23	,,	,,
F B	1	,,	,,

D S	2 bales	Sheepskins	ex "Galicia"
Club	15	,,	,,
J D M	19	,,	"Oropesa"
B B	5	,,	,,
J R	1	,,	,,

Sight Draft for £ 51 . 1 . 6 for collection B/L attached

B/L general Cargo per "Orita"

Duplicates (Originals per "Lord Derby")

B/L general Cargo per Lord Derby

General Invoice goods per "Lord Derby"

List of Clients' Cargo ,,

List of General Cargo ,,

List of Dutiable Goods ,,

Remarks on Stores

Despatch No.1002 dated 17th November.

Enclosures via Liverpool

Originals

Copies of Cablegrams sent.

Copy of Cablegram received.

Copy of letter to the Colonial Office dated 3rd November.

Wool statistics for 1905

Copy of letter from Mr.Johnson of 13th & Mr.Cobb's replies of the 14th & 17th November.

Credit note for Mrs Bonner for sea-damaged Wool per "Galicia"

Particulars of homeward freight per "Orita"

Copy of letter from Eills & Co.dated 15th November re Syrup.

Copy of the Direction der Disconto-Gesellschaft's letter re opening credit for Barque "Paul Isenberg"

Cutting from the Daily Graphic of 25th October.

Copy of letter to Trinity House datec 3rd November and specimen signature of J.Trerise.

Copy of letter to W.E.Morton dated 8th November.

Clients' reports & contracts:-

& A/sales	B	6	casks Tallow ex "Orita"
	H	3	,, ,, ,,
	H	2	bales Sheepskins ex "Orita"
report only	K	41	,, Wool ex "Orita"
	B	2	,, ,, ,,

Copy of letter from the Colonial Office dated 25th Oct. & Governor Allardyce's despatch of 17th May.

Corrected A/sales Company's Wool per "Oropesa" & "Galicia"

Copies A/sales Company's Tallow & Hides ex "Oropesa"& "Orita"

General Invoice goods per "Lord Derby"

Copy of letter from P.S.N.Co.dated 7th Nov.with copy of of their letter to the Colonial Office of same date.

Copy of letter from Thomas Sharp dated 19th November.

Extract from letter from Ernest W.Hobbs to S.Miller dated 3rd August & copy of letter from H.Hobbs to R.Blake of 15th November.

Copy of letter from A.L.Aitkens dated 22nd November

Letters for the following:-

Miss V.Felton

Mrs Mathews

E.J.Mathews,Esq.

London 22nd November,1905

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 24th November, 1905.

Per Supplementary Mail.

No 1004.

Sir,

Since writing via Liverpool I have received an important letter from the Colonial Office about the telephone, copy of which is enclosed. You will see that the Post Office has condemned the use of wooden poles, and at present there is a dead lock. I have sent the letter with the P.O. Report to Mr. Mantel, and at present can say nothing; but if, as I expect, he is still confident that we are doing right in adhering to wood, I think I see a way out of the impasse. Regarding the weight of copper wire and the distance apart of the poles, I think I shall be able to get some information that will upset the P.O. contention. The poles went per Lord Derby; owing to the dilatory way in which the C.O. dealt with the question the only alternative to buying the poles in the dry weather of summer was to shelve the question for a year, which after the scheme had been virtually agreed on would have been a pity. When compared with the winter gales on the South Coast here the F.I. winds are not as bad as the P.O. have been led to believe, and I think that I shall be able to prove by actual measurement that between Brighton and Newhaven they have wooden poles of their own set at more than double the distance apart that they prescribe for the Islands, and carrying eight or ten wires.

2. Mr. A. J. Aitkens of Mincing Lane has brought a project before us, somewhat on similar lines suggested by the late Mr. Lawson, for taking Extract of meat from our sheep before they are boiled down at Goose Green. A copy of letter on the subject is enclosed, but I think that we are likely to do better by salting legs of mutton for the Danish or Iceland market, as they are doing in the Straits.

W. A. Harding, Esq.,

Manager, Stanley.

3. In consideration of the extra work that has fallen on Mr. Oswald's shoulders through the absence of Mr.Girling in England, the Board have decided to allow him to draw salary for the time on what is understood to be the Government system,that is to say at the rate of half Mr.Girling's salary and half his own,which you will please communicate to him.

4. With reference further to the telephones,owing to the low freight quoted by the P.S.N.Co.the poles will be laid down in Stanley at considerably less than 10/.each,while those recommended by the Post Office would cost here 19/.,to which freight would have to be added.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Eills & Co's invoices goods per "Panama"

Langdon's invoices ,, ,,

List of General Cargo per "Panama"

List of Dutiable Goods per "Panama"

Corrected List of Clients' Cargo per "Panama"

Copy of letter to W.E.Morton dated 24th November

Copy of letter from the Colonial Office dated 22nd November and copy of Engine-in-Chief's report on Telephone.

General Invoice goods per "Panama"

Debit note for Insurance on Casing per "Orita" for H.Reddeman

A/sale for H 2 bales Sheepskins ex "Orita"

B/L general Cargo per "Panama"

Letters for the following:-

A.L.Allan,Esq.

Vere Pauke,Esq.

W.A.Harding,Esq.

London 25th November,1905

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 20th December, 1905.

6

Per Gaelic.

Vº 1005.

Sir,

I have to acknowledge the receipt of your despatches nos.278 and 279,which arrived on the 8th inst. We have also received your cable about credit for ships,to which a reply was sent as per copy enclosed.

2. 278-2. I sent you by last mail copy of a letter from the C.O.about the telephone,and now enclose copy of my reply and of a supplementary letter. If no answer arrives before the mail leaves, we shall be no farther forward. I have endeavoured to show the C.O. that the Post Office contentions are upset by quotations from Preece & Sivewright's standard text book on Telegraphs and by facts,and that what we are prepared to agree to is a line that in all respects is actually stronger than their own in this country. With regard to what you say about wayleaves,had we private owners to deal with,the erection of posts between Stanley and Fitzroy would be so absolutely harmless to them that we might expect to get it through on purely nominal terms; but the perversity of officialdom is so great that I fear we may expect to be asked to agree to something ridiculous. We must wait,however,and it is a satisfaction to have the Governor on our side.

3. Par.6. You had better see that the Admiralty plant is not allowed to rust for want of paint,and if I can get Mr.Shires to give me full particulars I will try to get a price for it here. I am not sure that the description we have of the items is sufficient to identify them. We are never likely to ship either mutton or tallow by sail; the buyers will pay freight on the former if a contract is made,and when once in the casks it is evident that it

W.A.Harding,Esq.,

Manager,

Stanley.

should reach its market as quickly as possible.

4. Par.7. We are alive to the risk we are running in not pressing forward with the new schooner,but the P.S.N.Co.have asked us urgently to hold our hand until the steamer question receives its final quietus.

5. Par.8. We should have liked to hear something about the condition of the Samson after her repairs as far as you were able to judge,and your opinion as to the feasibility of getting the new crankshaft in without much delay. With regard to the Hotel bill,the explanation given privately ought to have been furnished by Morton; it is another instance of the way he kept us in the dark. Probably 6/6d.a day was not out of the way,but there is the fact that at $4 per day for the two $400 means 100 days on shore, and this wants a good deal of explanation. Why they should have been this huge time in the town,separated from the ship by the width of the bay is incomprehensible,and whether accommodation could not have been got at the Cerro has not been stated. If the crew were accommodated there,why not the Captain and Engineer? And was she actually for 100 days or more than three months in such a state that it was impossible to live on board? I suppose that you have satisfied yourself that the charge was for board only, and that liquors were not included.

6. Par.9. If Bender cannot keep enough stock to make the place meet expenses with present prices,is it not clear that we should try to get rid of the account as soon as we can? Would it not pay to send his wool to Darwin to be pressed,if the freight is so enormous through his inability to press closely himself?

7. Par.13. The Directors have decided that the question of rating the hulks is too trivial to make a fuss about.

8. Par.14. The cost of laying down a buoy,especially as there is one handy would be trifling: do you mean that the Admiralty object on principle to buoying the Forth Shoal? If it is only a question of expense,could not the P.S.N.Co.do it themselves ?

9. Par.16. T.P.Richards & Co.have paid the 10/.for Customs services.

10. Par.17. The Directors have considered Browning's request,

and have decided to decline it for the following reasons,which you can communicate or withhold in part,at your discretion. When he went out he was not in his first youth,and pensions or rewards, when granted,are intended to apply,except in special cases,to those who have spent the best of their lives in our service. Browning is a good honest sort of man,but it cannot be denied that had it not been for his long service we should have done better by parting with him ten years ago at least,and employing a more active man and a better gardener. When he went out in 1892,he was looked upon as a man settling in the Colony for life,and in consideration of that,to a certain extent at least,he received 10/.a month more than the wages under his first agreement,not because he was more useful certainly. He will have had the increased wages of £6 per annum for over 13 years,which will amount to more than £80,or about double the cost of the passage he intends to take,and this, with the privilege of leaving at his own time,the Directors consider a sufficient recompense. They are always averse to creating awkward precedents,and if this assistance were conceded it would afford grounds for similar applications in the future. As the Directors have come to this decision the question will not be re-opened.

11. 279-2. The owners of the Paul Isenberg promptly increased the credit opened with the Direction der Disconto Gesellschaft in Cornhill,and the same has to be reported with regard to the Emilie,whose Master is to draw on Wright Bros.& Co. Gracie Beazley & Co.make themselves responsible for the M.E.Watson; this ship is a Company in herself,and I may remark,though it is probably superfluous to do so,that in no case must such a Company be understood to be the owner to be drawn upon,but the Managing Owners must be the drawees.

12. Par.4. The Gaelic lost time all the way home,and did not arrive in Liverpool until Saturday the 9th inst.,the day on which the P.S.N.had,at my request,secured room in the London boat. This could not be carried out for want of time,and the skins left the following Wednesday,not reaching here until the 18th,by which time it was out of the question getting them sorted and lotted for the

sale of the 22nd,and the next one is on the 9th of February. It is unfortunate,but cannot be helped.

13. Par.5. The omission to cable the Samson's arrival was put down to your illness. On consideration you will see that the fact of her having sailed from Montevideo was no guarantee that she had arrived,and our reason for anxiety was naturally on account of her new boiler and practically new machinery after only a short trial trip. Fortunately everything seems to have worked well.

14. I read to the Board your remarks on the subject of leave and the expression of your wish to come home next year,and it was at once decided that you should be allowed to do so as soon as you find it convenient after the accounts have been completed,and you are able to make arrangements for carrying on the work during your absence.

15. Owing to a misunderstanding with Mr.Lamb when I was last in Liverpool,which led me to think that the Lord Derby would call there and take the Blasting Powder for Trinity House,I found that we were in a fix; for the Engineer-in-Chief had left it to us to get it down,and has lately told us that it will be wanted at once. The P.S.N.Co.have come to our assistance in a very generous manner,for although they are debarred by the mail contract from carrying explosives,they have agreed privately to do it quietly for us, and have cabled out to their agents to receive ten kegs of 25 lbs. each,and the balance of the 5 cwt.is to go by the Gaelic. We have accordingly cabled Morton to ship this quantity by the Panama,together with 50 coils of fuse,and I hope that there will be no hitch. There used to be a lot of blasting powder in the Magazine that came out of the Vicar of Bray,but it has probably perished long since. Should the powder not arrive,I hope that in case of need some substitute may be found; possibly the Government may have some.

16. I am sending some correspondence with Mr.Herbert Hobbs and Eills & Co.about salted mutton. It seems that if it can be done properly there should be some profit in it; but Mr.Hobbs's buyer will not divulge the proper method of salting unless he has a contract for some years,and we do not want to commit ourselves

until we see the result of a trial shipment,besides which we cannot give a guarantee for others. As Mr.Hobbs lays stress on the importance of cutting and curing properly,it will hardly be safe to try unless we can get the secret out of him,especially as Reddeman's mutton has not gone at all,and there is evidently no market except the Icelandic one.

17. The latest idea about the schooner is to have one built in the usual Nova Scotia style,which means without copper and a very bare inventory,and then have her over to Liverpool to be coppered and engined,which,owing to the Canadian duties,would be done much more cheaply than over there. Advantage could be taken of the call to add any necessaries that it might be desirable to send to fit her for our coast,and as you will be here at the time it may suit very well. We have not got estimates yet from the other side,so it has not been discussed by the Board. Owing to our requirements we can never expect to get a cheap vessel; we are so particular about windlasses,winches,and other things being of a more expensive kind than would be found in any ordinary specification,and then there are the boats. You want six 26 feet long; but if this is the minimum length that will suit,why did you ask,before the Lafonia went out,for two 19 or 20 feet only,for rafting wool? (Indent no.337.) In former years there used to be a number of American whaleboats in the Islands,which answered very well, and these I believe are cheap,but being iron fastened do not last long. But such boats could probably be built with metal fastenings at no geat advance in price,and as the Canadians no doubt use them there would be no difficulty in having half a dozen supplied with the schooner. If you have been on board any of the Canadian sealers,you can form an idea of their suitability for our work,which we,not knowing them,cannot do. As regards cargo,it may suit us to have her filled with lumber,which need not be disturbed in Liverpool,and in such a cargo,as I know by experience,a large number of palings or droppers would come in for dunnage and broken stowage. Looking over some of last years despatches,it occurs to me what a pity it was that the suggestion made about the Hornet in 982-18 was not carried out.

18. We shall be glad to know that the hulks' moorings are now in proper order,and that the mooring swivels sent out were suitable.

19. You have overlooked or ignored the question put to you in 1000-19 about Atherton. I am reminded of this by a remark Mr. Barringer made on looking through the Samson's account,to the effect that if the bunkers had been properly cared for there would have been no occasion for scaling and painting,or at all events the former,in Montevideo. But the slip people there seem to have left nothing untouched in the ship,and you should find out if the Captain and Engineer were constantly on the spot to watch the work, for if they were luxuriating at the Oriental for any considerable part of the time it is no wonder that the bill ran up as high as it did.

20. Finding that the "A.B.C."Code,5th edition,is an improvement on the one we use,I have sent you a copy,and on receipt by cable of the word "Certamenes" we shall use it in future. It seems to be an amplification of the "A 1" by the same compiler.

I am,Sir,

your obedient servant,

Chas. E. Lobb.

Managing Director.

Enclosures via Liverpool

Duplicates

Despatches Nos.1003 & 1004

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Letter from the Colonial Office dated 22nd November and report of the Engineer-in-Chief on the Telephone.

List of Parcels

Copy of letter from the Colonial Office dated 25th October & copy of Governor Allardyce's despatch dated 17th May.

B/L cargo per "Panama"

General Invoice goods per "Panama"

List of Dutiable Goods per "Panama"

List of Cargo per "Pamama"

List of Enclosures

Clients Reports, contracts & A/sales:-

H	2 bales Sheepskins ex "Orita"	
H	3 casks Tallow ex	,,
B	6 ,, ,,	,,
K	41 bales Wool ex	,,
report only B	2 ,, ,,	,,

London 20th December, 1905

Enclosures via Liverpool

Originals

Wool Reports

Copy of Cablegram sent dated 1st December

Copy of letter to the Colonial Office dated 7th & 11th Dec. re telephone.

Copy of letter from Herbert Hobbs of 4th and our reply of 5th Dec.re salting legs of Mutton

Copy of letter from Eills & Co.dated 16th Dec.re pickled Mutto

Clients' A/sales:-

K 41 bales Wool ex "Orita"

B 2 ,, ,, ,,

Particulars of homeward freight per "Panama"

Copy of letter from Eills & Co.dated 4th Dec.re Pine Apple Syrup.

Clients' reports & contracts

S 25 Salted Hides ex "Panama"

A F 40 ,, ,, ,,

F 1 bag Hair ex "Orita" (press copy) Company's

Ledger & Journal Entries

Remarks on Accounts

Replies to Remarks on Accounts

Letter for A.L.Allan,Esq.

London 20th December,1905

Enclosures per Supplementary Mail

Originals

B/L General Crago per "Gaelic"

Sight draft on J.Kirwan for £ 111 . 19 . 11 for collection
B/L attached

Remarks on Stores

Replies to Remarks on Stores

Supplementary Remarks on Stores

List of General Cargo per "Gaelic"

Clients Reports & contracts :-

S 1 cask Sheepskins ex "Panama"
S 9 bales ,, ,,
A F 10 ,, ,, ,,

Brokers' press copies Company's Skins ex "Panama"

John Hoare & Co's Sheepskin catalogue

Letters for the following:-

W.A.Harding,Esq.
Vere Packe,Esq.
W.Stickney,Esq.
J.J.Felton,Esq.
A.L.Allan,Esq.

General Invoice goods per "Gaelic"

Supplementary Ledger & Journal Entries

London 22nd December,1905

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 17th January, 1906.

Per Oravia.

No 1006.

Sir,

I have to acknowledge receipt of your despatch no.280 and letter of the 6th ult.per Oravia,which arrived on the 1st inst.

2. Par.2. I think that the remark in my despatch about disregarding a portion of our Solicitors' requirements must have been in allusion to their letter to us of the 28th July last,but was not intended to override any instructions they might have sent you direct. I have spoken to Mr.Bompas on the subject,and he says that what you have is a combined document which transfers the old Mortgage and includes new Covenants by Mrs.Williams. This he thinks was endorsed "Transfer of Mortgage",and when this has been registered the transaction will have been completed.

3. Par.3. The Board having agreed to pay Mr.Morton a commission of 2½% on the Fortuna's disbursements establishes a precedent for a similar charge on the Samson,which we are not in a position to dispute.

4. Par.4. You do not say that we are to apply to the Admiralty for payment of the charges on the Sofala's coal,and I assume that the account will be verified and sent home by Mr.Herring. We have not heard from the Admiralty on the subject.

5 . Par.9. I enclose copy of a letter I have written to the P.S.N.Co.about freights home,to which no reply has as yet been received. On looking at the totals of your statement it was apparent that there was some clerical error which rendered it incorrect,and it has been most carefully checked and amended: a copy is enclosed. Mr.Alcock called last week,and said that they were prepared to go into the matter at once. He advanced the proposition that our

W.A.Harding,Esq.,

Manager,

Stanley.

schooners should not be looked upon as a profit earning department, but as part of the machinery necessary to keep our business together, like steam engines or any part of our plant or utensils. We are not prepared quite to subscribe to this view, though there is something in it. We might say that of the 4000 odd tons of wool collected the 1257 tons of our own is the only quantity that we are actually bound to carry, and that we might tell the owners of the rest that they must get their produce lifted the best way they could, but such a course would certainly prejudice our general business, and lose us the command of the Colony's shipment of wool which we possess at present. On the other hand we can point to the fact that our rates have driven all competition out of the Colony, and that as a general rule those who succeed in this way are more prone to put their rates up than down. What it means, in fact, is that these rates are too low at present to give any outsider a living profit, and for that reason a descent to still lower rates is a thing that should not be asked for. All I can say at present is that we shall make the best bargain we can. The Board do not agree to your suggestion that there should be a general rate for the whole Colony, as they feel sure that unless there is some difference made according to distance those whose places are near Stanley would have a right to complain. For instance, Mr. Packe would say, and justly, that it was absurd to charge him the same through rate from Fitzroy or Port Louis as is paid from Weddell Island, and the only answer we have made to such complaints in the past has been that we pay the steamer a higher rate on his than on distant produce.

6. Pars. 12 & 13. The two drafts have been met without comment.

7. The cause of the discrepancy in the Trinity House figures was that the P.S.N.Co. thought that the whole quantity of materials would be shipped per Lord Derby, whereas there is a good deal still to be manufactured, and through a mistake the quantity of sand to be taken down to the Lighthouse was thought to be included.

8. Since last mail left the Colonial Office have given way about the telephone, and have agreed to the proposals made in my letter of the 7th December. I called on Mr. Johnson at his request,

and he gave me this information,which has since,but only lately, been officially confirmed. At the interview he made what seemed to me the impossible proposal that all the materials should be bought by the Crown Agents. This the Board could not agree to,for several reasons,the principal ones being that we are actually the predominant partners,and that after all the terrible delay that has taken place,entirely due to the sluggishness of the C.O.,we cannot feel certain of going ahead until the matter has ceased to be dealt with by any Government department. The C.O.have withdrawn their demand,and I hope to ship everything by the February mail. Since they began to play with the subject copper wire has gone up 2¼d.per lb.or more,and we are penalized to the extent of three-quarters of ~~xxx~~ this through their procrastination.

9. The Board regret that you did not send an independent report on the Samson's business instead of waiting simply to answer questries put from this side. Not knowing as much about it as you do there may be many things needing attention that have escaped us,and if you confine yourself to answering questries we shall not learn as much as weought. One thing has come to our knowledge that you have not reported,and that should have been made known to us, that is that Mrs.Atherton joined her husband in Montevideo,a fact that may account for a good deal. We know that she came home at our expense some time ago,but I do not think that we have ever heard of her return. This makes it still more desirable that the Oriental bill should be investigated. I have said that if the whole board was charged for at $4 per day for the two it means that the Captain and Engineer were there 100 days. The fact that the wife was there too serves to explain why they were in the hotel so long,and leads to the suspicion that without her a stay there might have been avoided altogether. Now there is another thing: if they were in the hotel 100 days we may assume that Mrs. A.was there too,and that her board amounted to $200,or more than £40; do you suppose that Atherton paid this,or has there been any manipulation of the accounts? We know nothing of Atherton,but have heard from time to time that he is somewhat unruly under discipline,and certainly came into collision with Rees. If Thomas does

not get on with him,remember that there are many Engineers as good as he to be got in England,and that it may be as well to have a change. How did Mrs.Atherton return to Stanley?

left Stanley Aug 18 Sept 29 Returned

10. From correspondence with Lloyd's Register about the Lafonia's survey you will see that little remains to be looked at to enable her class to be continued,the report of the Surveyor at Liverpool having been taken for the rest. In these circumstances it will be as well to comply with their requirements as soon as convenient,and to get some impartial person,not in our service of course,to hold the Survey. It would be too much to expect them to stand a survey held by our Marine Superintendent at the instanc e of our Manager as Lloyd's Agent.

11. I have again to complain of inattention on the part of Mr.Morton,and there is no doubt that we shall have to find a better agent. On the 14th ult.I had to cable him to send the powder and fuse for Trinity House,as I have already told you,and had he acknowledged the cable by mail,the Aragon having,as we have ascertained from the Royal Mail Co.,sailed homewards on the 17th,we should have known for certain that he had been able to get the powder at short notice,and could have felt easy that the remaining half would go by the Gaelic. But the Aragon only brought a short letter advising a draft,entirely ignoring the cable,and on the 8th instant,to make sure,we had to cable again about the Gaelic. Shortly afterwards a cable arrived saying that the powder had gone on the 14th and advice sent on the 16th; this advice has not yet arrived,and I strongly doubt its having been sent. Had it been posted for the Aragon there would have been no object in cabling at all,and it seems to have been sent to cover Morton's forgetfulness. If this is a fact the cost should not be charged to us. In any case his dealings with us have been most unsatisfactory of late, and I told Mr.Alcock when he called that we thought of transferring to Wilsons.

Probably true

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No. 1005

Ledger & Journal Entries

Remarks on Accounts

Replies to Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice Goods per "Gaelic"

List of General Cargo per "Gaelic"

Second of Exchange for £ 111 . 19 . 11 on J.Kirwan B/L attached

B/L General Cargo per "Gaelic"

List of Enclosures

Supplementary Remarks on Stores

List of Dutiable Goods per "Gaelic"

List of Parcels

List of Clients' Cargo per "Gaelic"

Correspondence with the Colonial Office re telephone.

Clients' Reports & contracts;-

& A/sale	K	41	bales Wool ex "Orita"
	B	2	,, ,, ,,
	A F	25	Salted Hides ex "Panama"
	S	40	,, ,, ,,
	A F	10	bales Sheepskins ,,
	S	9	,, ,, ,,
	S	1	cask ,, ,,

Enclosures per "Oravia" via Liverpool

Originals

Wool Reports.

Copies of Cablegrams sent

Copy of Cablegram received

Completed table showing shipments of Wool & Skins in 1904

Copy of letter from Colonial Office dated 12th January and our reply of 16th.re telephone.

Copy of letter to W.E.Morton dated 11th January

Copy of letters to P.S.N.Co.dated 11th & 15th January re freights.

Particulars of freight home per "Gaelic"

Clients' A/sales :-

S 1 cask Salted Sheepskins ex "Panama"

S 9 bales Sheepskins ex "Panama"

A F 10 ,, ,, ,,

S 25 Salted Hides ex ,,

A F 40 ,, ,, ,,

Receipt for Rev.C.K.Blount for £3

Copy of letter from the Colonial Office dated 2nd January and our reply of the 9th "17" January re telepho

Copy of letter from Lloyd's Register dated 9th and our reply of the 10th January re"Lafonia"

Report on the H G C A/sale 2 bales Wool ex "Gaelic"

Brokers' copies Company's Skins per "Panama" and report on 3 bales Wool ex "Gaelic"

Corrected General Invoice goods per "Gaelic"

Letter for A.L.Allan,Esq.

London 17th January,1906

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts & replies

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oravia"

List of Dutiable Goods per "Oravia"

General Invoice goods per "Oravia"

Eills & Co's invoices goods shipped per "Oravia"

Leng's corrected invoice goods shipped "Gaelic"

Copy of letter from Colonial Office dated 18th Jany.

Copy of letter from P.S.N.Co.dated 19th Jany.re freights

Copy of letter from Lloyd's Register dated 17th January

Clients' contracts:-

S & S	2 bales Wool	ex	"Oravia"
H G C	2	,,	"Gaelic"

Sight Draft for £ 28 . 7 . 9 on J.Kirwan for collection
B/L attached

B/L general cargo per "Oravia"

Letters for W.A.Harding,Esq. (2)

London 20th January,1906

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

64. Gracechurch Street,

London, E.C. 14th February, 1906.

Per Victoria.

No 1007.

Sir,

I have to acknowledge receipt of your despatch no.281 per Victoria,and also your letter of the 4th ult.,both of which arrived on the 31st id.

2. 281-2. You will find enclosed a copy of the P.S.N.Co.'s letter agreeing to a reduction of 2/6 on their wool freights but declining to make any alteration in the rate for sheepskins. This I cabled out on the 22nd,as follows: "Wool freight to be reduced 2/6 gross freight will be 32/6 with 5% primage no reduction can be made Sheepskins". I wrote them that you would have to readjust the freight on the latter,and in view of what you have pointed out about the great variation in the pressure at the various stations, which in some cases causes us to carry skins at little or no profit on the present system,I suggest that you should arrange a rate on weight,and to mollify any malcontents who may complain of the apparent increase in the charge you can point out to them that it gives them the advantage of pressing lightly,which must be better for the skins,and is really,on lightly pressed bales,a reduction. I hope that this cable went over in the Sarmiento,and enabled you to charge the new rate on her wool. Mr.Cameron has already signified his intention of shipping by steam next year,and I have told the Pacific that the delay in making up their minds has deprived them of his produce in the coming season. Regarding the charges on coal,those which relate to the handling ex steamer must be left to you; if you think they are only sufficient to repay us for the cost of labour,and this item is a heavy one,they cannot be reduced; but looking at the subject as a whole it is worth while con -

W.A.Harding,Esq.,

Manager,

Stanley.

sidering whether those which do not represent actual cash out of pocket might not be lessened or in some cases waived. One of our principal objects is practically to retain the bulk of the carrying from the Colony in our own hands. It is an enormous advantage to us,for while we retain the command we are in a position to ask for and get numerous concessions from the P.S.N.Co. I may digress into an illustration of this by mentioning that they are just now asking some outsider £500 for carrying out a 20 ton yacht,while they took the Plym out for us for £225. We stand to be shot at from all sides,and the position we hold we must retain at all costs. Cameron's is a useful case to consider. He is not a client, but shipped through us up to last year. Towards the end of 1904 he called to say that he intended in future to ship by sail,his principal reason being that coal for the use of his station cost him 70/.a ton through Stanley,while he could import it direct at a little over 40/. This is a grievance that anyone would be liable to feel,I should myself; it is not so much the actual loss of £30 on 20 tons of coal,as the feeling that 30/.a ton is being needlessly sent up the chimney. Look on the other side of the account. I have had his freight account on the produce of 1904 turned up, and I find that our local freight and charges came to £136.3.4, all of which we lost last year,as well as our 5% commission on the ocean freight,which amounted to some £22 more. The moral of all this is that we must look on our business as a whole,the various branches dovetailing into one another,where we find the shoe pinches we must ease it,and remembering that when we squeeze two shillings here and eighteenpence there we run the risk of losing what is of far more value. This coal grievance is a real one,and we should do all we can to lighten it,even if we make no profit on the supply at all. It has been suggested,and the idea is a good one,that an arrangement might be made to charter a coal ship from the Tyne to land coal at some of the principal ports in the East and West; should this meet with favour a stipulation should be made for a minimum quantity,say 60 tons,at any one port. The advantage would be so great that most people would not mind having two or three years' stock at a time. Some difference per ton should be made in favour of our own clients,and this might lead to in-

crease in business with those who are at present outsiders. I have already mentioned the subject to our Shipbrokers,and they see no difficulty in it,provided the ship is not required to go through any of the dangerous passes: this would give us liberty to call at any port from Hill Cove on the North down the Sound to Port Stephens. When you say that the charges have been severely criticized,I assume that you mean those relating to coal; to those on more valuable goods specially purchased for clients there would hardly be the same objection. Regarding Braun & Blanchard's offer, the Directors of course decline it,and your reply was probably

made to gain time; meanwhile you have probably secured all our clients' wool on the new terms,and in any case an intending shipper would have to wait until the Chartres clip is ready,which is not likely to be very early. Mr.Blake thinks that the Lovart would not get any wool on the coast.

3. Par.3. The Nova Scotia builders have cabled a reduction of no less than $2000 on their tender,offering now to give us the schooner for $10,500,which is nearer the mark. We are now asking for a tender exclusive of coppering and other items that can be supplied much cheaper in England,with the idea of having her over to Liverpool to complete,and fit the oil engine,which also may be expected to be much lower in price here.Meanwhile we are to have a tender from English builders,but I do not expect much result,as the only one received at present is over £3000. One of the advantages of getting her from Nova Scotia is that we can get cheap boats built there. I take it that what would suit you is a sort of glorified whaleboat,copper instead of iron fastened,with hardwood gunwales.

4.Par.4. We must not go into meat salting unless we can get the recipe for the process. Reddeman's venture is an absolute failure,being doubtfully worth 5/.a cask.

5. Pars.7 and 18. You have blundered over the Emilie's business in sending forward a draft for £273.18.5 without advising it by cable,although it was in excess of the credit given. This was the case of a German ship,the owners of which had provided funds up to £750 by a credit on a good London house. The latter could

not possibly have accepted the bill without reference to their principals; fortunately in this case the latter happened to be good people,and they gave the required authority at once. But if they had withheld it,we might have been let in for a costly chase round the world of an outward bound ship,with little chance of getting our money except at great expense and loss of time,and this is what we shall be let in for some day,unless more care is exercised. There are several classes of credits to be considered. In the case of good English owners,who have given an undertaking to accept the Master's drafts without limiting the sum,we are practically safe. Even if a sum has been named we should be likely to recover in the end,because by English law a British Master can pledge his owner's credit for necessary supplies. Other cases are that of a British ship with doubtful owners,from whom we have required a Bank or other credit,always for a fixed sum,a sailing ship Company,on which we must on no account take a draft,but stipulate that it must be on the Managing Owners,and lastly a foreign ship,for which,unless we know the Owners well,we always require a credit on London. You are aware no doubt that the German law is precisely the reverse of the British as reagrds credit,as it is claerly laid down that the Master has no power to pledge his Owner's,for this reason,even with the best firms,we must always have the credit in writing. Now in the cases I have mentioned you cannot exceed the credit that has been fixed without risk. You say that the Master may come at the last moment and say he wants cash for this and that,or perhaps for his personal use; but if the credit has been exceeded you simply must not give it,and you should let him understand this from the first. If he has contracted debts outside your office,he must liquidate them the best way he can. So far I am sure of my ground; I am not equally certain as to what the Master can pledge his Owner's credit for,although when I was able to have recourse to the various books on the Merchant Shipping Act that are in the Stanley Office I knew my way pretty well. But I think I remember a case in which it came out that credit could only be pledged for the bona fide benefit of the ship,which in a case of distress would embrace any expenditure undertaken for

the purpose of getting to sea,but not any cash or other advances made to the Master,except for the benefit of the ship,and to the best of my recollection the onus of proof as to this lies on the person making the advances. If,for instance,a Master gave a series of Champagne suppers,you would not be justified in providing the cost,even in the form of "Cash to Master". In the case of the Emilie you took a risk,which happily had no bad consequences; but having taken it,it would have been better to cable the amount overdrawn. In future cases you should satisfy yourself that the credit given will cover the advances made or likely to be made by us in cash and goods,and restrict those advances so as to be within the limit,but you must take no responsibility as to outside claims,and certainly refuse to satisfy them if by doing so you would exceed it.

6. Par.10. I hope that you have settled with Wilsons about the Agency,as Morton is getting too bad altogether; he is irregular in his correspondence,and ignores most of the remarks and questions from here. Wilsons' head office say that the question has been referred back to you by the Montevideo house. If I knew that it had been settled,I would get the River Plate Bank to cancel Morton's credit by cable.

7. Par.12. Until the labour difficulty can be got over we shall not be able to come to terms with any of the people who seem anxious to get our bye products. Perhaps this may be as well,as it may cause them to bid against one another,and a little competition would be healthy.

8. Par.14. The sails have been ordered for the Fortuna,again from Lapthorn,but I am anxiously awaiting the report on those made in Liverpool for the Lafonia. If reasonably good,we must go to Kennaugh in future,for we should get about two suits for one. The foresail sent in 1903 was a second hand one converted. You say very truly that Lapthorn is expensive,so is a Bond Street tailor; his work is excellent,so is the tailor's; but you would never send a labourer to Bond Street to be dressed,and this is really what fitting out a working coaster amounts to if you order her suits from Lapthorn.

9. Par.15. Mr.Lange's sight draft has gone forward to Norway for payment,but we have not received the cash yet. If the Norwegians were to construct a slip it would be right into our hands, and I should think that the Directors would be inclined to contribute a modertae sum towards the expenses.

10. Par.16. I understand that the Weddell papers are in order.

11. Par.17. The Board do not wish to raise any quibble about the cost of maintaining the Lighthouse Telephone,and are willing to divide the cost. They think that in view of the fact that the Government make themselves responsible for one-quarter of the maintenance of the Darwin line,nine-tenths of the benefit of which will be ours,it would be ungracious to object.But as you say we put up,or rather supplied the iron wire now in use,should not creit be given for half that,and as the bronze wire was taken down, something must have been done with it surely? It cost here over £30,and would most likely be worth more than half that if shipped home. The Post Office objected to our creosoted wooden poles,but we have far more reason for criticizing the purchase of those miserably perishable ones the Governor has ordered from Sandy Point, the life of which can hardly exceed six years,for bad as they are to start with they have been subjected to no preserving process. It would have been far better to borrow from the Darwin stock,and any taken could have been replaced in time. This is,in fact,so obviously what should be done,that we hope the idea has occurred to you. If there is any detail in the arrangements for working the Lighthouse line that wants amending,perhaps the Governor would be prepared to meet you at the present time.

12. The telegram announding the shipment of 1650 bales of Wool per Sarmiento is satisfactory,though as you said that if she arrived in the middle of that month you would only have that number,we hoped that as she must have been with you almost at the end there might have been more,or that the Orissa might have brought some. However,we know that you have sent as much as it was possible to get in,and suppose that the weather must have been against you and that the Orissa was prohibited from taking any. Something of the kind happened last year,or would have,if the P.S.N.had not

cabled the Master of the Oropesa to take what he could.

13. The price of wool seems likely to keep up,and sheepskins are fetching record prices,a quantity of ours having been sold in the neighbourhood of 11d,and even touching 11½d. The Brokers have asked me to mention that many of the J B skins were heated,the depreciation on three of the lots being estimated at from 10 to 15%; the Heart mark also suffered from the same cause.

14. For the reasons expressed in my latter to the Colonial Office,copy of which is enclosed,we have decided not to send out the Telephone foreman before the winter. The wire and the principal sundries have been ordered,and will go by the next steamer. I enclose copy of the specification of the former,which is identical with that used by the National Telephone Co.,and leaves little to be desired in the way of stringency. The materials we are ordering at present will be for the Stanley-Darwin line only,as that will be the first one erected,and having conceded the 80 yard spans,or 22 posts to the mile,the 1100 sent will only be just enough for the distance. I propose to ship Mr.Packe's materials separately,a s soon as you can send the necessary particulars. We shall want to know the distance from Stanley that his line will run before it branches off to Fitzroy; so far he will use our posts,but separate brackets and insulators will be required. From the junction he will have his own posts,and the number required must be stated; each of these will want a roof,pole saddle,and insulator. I am sending this mail a sample of the pole fittings and another useful book on telegraphs,in which you will see hints as to the care of posts previous to erecting them and as to other matters. If you and the Governor can agree as to the height out of the ground the posts are to be,the books I have sent will instruct you about the depth to which they should be planted,and you will know whether you have to cut anything off the tops or not. With the saddle as a pattern for the angle to be cut at the top of the poles I think they can be dressed with a saw by any intelligent labourer,and will not require the attention of a carpenter; but you and Mr.Allan must settle this. You must take note of what the book says about tarring any bare wood that may be exposed by cutting through

the creosoted surface. As to whether the poles should be dragged out before the winter or not, you the Governor and Mr. Allan must decide; but I would suggest that, if there is no doubt as to the route, time would be saved by doing it. In settling the line it is important to avoid any very soft places where the posts could not be firmly set. Do not on any account have any of them erected until the foreman is on the spot to take charge. We shall probably not get a competent man under £4 a week, and when he arrives he should go straight out to the job. We must not waste his time, as the Government's share of the initial cost is limited. I think he ought to leave in July, but will be guided by what you and the Governor decide.

15. I believe that two shepherds are on their way to Liverpool from Harris to join this boat, but at the moment of writing am not sure; their engagement has caused infinite trouble, and we cannot undertake to send any more in the same way.

I am, Sir,

your obedient servant,

Managing Director.

The manager blundered
All the Board wondered
The managing Director
Typified the blundered
Jump on him, worry him
What will he tell them?
Feed his bones, prey on his skin
And oh, won't his hair be thin!
He that had blundered

Enclosures via Liverpool

Duplicates

Despatch No. 1006

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Accounts

Replies to Remarks on Stores

General Invoice goods per "Oravia"

List of Clients' Cargo per "Oravia"

List of Parcels

Corrected General Invoice goods per "Gaelic"

List of General Cargo per "Oravia"

Clients' A/sales:-

	AF	40	Salted Hides ex "Panama"	
	S	25	,, ,,	,,
	S	1	cask Sheepskins	,,
	S	9	bales ,,	,,
	AF	10	,, ,,	,,
contracts only	S & S	2	bales Wool ex "Oravia"	
	H G C	2	,, ,,	,,

List of Enclosures

B/L General Cargo per "Oravia"

Second of Exchange for £ £ 28 . 7 . 9 B/L attached.

List of Dutiable Goods per "Oravia"

Enclosures via Liverpool

Originals

Copy of Cablegram sent 22nd January 1906

Copy of Cablegram received 3rd Instant

Wool reports

Draft from the Royal Bank of Scotland for £ 15 . 3 . 2 on J.C.Aldridge for collection.

Duncan Fox & Co's A/sale for 1 keg of Mutton shipped by H.Reddeman

Agreements Donald McDonald & John McLeod.

Copy of letter to the Colonial Office dated 30th January & their reply of the 10th instant.

Copy of letter from Bischoff & Co.dated 1st February re Weddell Island Mortgage.

Clients' A/sales,reports& contracts:-

A N	1	cask Sealskins ex "Orita"
H	1	,, ,, ,,
H G C	2	bales Wool ex "Gaelic"
S & S	2	,, ,, "Oravia"
S	8	,, Sheepskins "Gaelic"
H G C	4	,, ,, ,,
T R	5	,, ,, "Oravia"
S & S	5	,, ,, ,,
F B	4	,, ,, "Gaelic"
J B	12	,, ,, ,,
♡	3	,, ,, ,,
S & S	36	Salted Hides ex "Oravia"

Extract from letter from J.Toule dated 5th instant re fowls

Copy of letter from Ratsey & Lapthorn dated 7th instant & quotation for Sails attached.

Brokers' copies A/sale,Reports & Contracts Company's Wool & Sheepskins ex "Gaelic"

Copy of Specification for Telephone Wire.

Letters for the following:-

A.L.Allan,Esq.

W.A.Harding,Esq.

J.J.Felton,Esq.

London 14th February,1906

Enclosures via Lisbon.

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice goods per "Victoria

List of General Cargo per "Victoria

B/L General Cargo per"Victoria"

Eills & Morton's invoices

Morton's invoices for ~~goods per~~ Mr. Dean's goods

Letters for:-

W.A.Harding,Esq.

A.L.Allan,Esq.

Hamley's illustrated list of Bride Cakes

London 17th February,1906

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 16th February, 1906.

Per Supplementary mail.

No. 1008.

Sir,

Since writing via Liverpool our Inspectors have reported that the copper wire has passed the test,and that it is being prepared for shipment by the next outward boat.

2. Since writing par.4 of my last despatch,I have had the opportunity of looking up the law as to supplies to ships in distress,and as the subject is a most important one,and should be thoroughly understood,I am giving you the following extracts from "Kay on Shipmasters and Seamen":- "As he (the Master) is appointed "by the Owners for the purpose of conducting the navigation of the "ship to a favourable termination,he possesses,as incident to that "appointment,when he cannot communicate with his owners,or their "agent,an implied authority to bind them for all that is necessary "to that end. By virtue of this authority,he may pledge the credit "of the owner for all such repairs,and for the supply of all such "provisions,and may make all such contracts and do all such other "things,as are reasonably necessary for the due and proper prose-"cution of the voyage,in which the ship is engaged..... In the ab-"sence of express authority,he has no power to bind the owners in "respect of matters connected with the voyage,which are not neces-"sary for its due prosecution.....The proper mode of ascertaining "whether supplies or repairs were necessary is to ask,whether a "prudent owner would himself have ordered them under the circum-"stances,if he had been present.....As the Master may bind the own-"ers by a contract for necessaries,so he may borrow money on their "credit for disbursements and repairs which are necessary to ena-"ble the ship to prosecute her voyage; but only in those cases in "which ready money is necessary for that purpose. The amount which

W.A.Harding,Esq.,

Manager,

Stanley.

"he has authority to borrow is so much,but only so much,as is re-
"quired at the time by the exigency of the case." The following
is very important:- "In order to make out a valid claim for money
"advanced against the owners,the lender must prove the necessity
"of the loan at the time it was made. He must also prove that the
"specific sum claimed was advanced expressly for the purposes of
"the ship. It is not enough to charge the owners that the money
"was advanced to the master on a general account,and was after-
"wards applied to those purposes. This is required on account of
"the facility of misapplication and the temptation to abuse to
"which the power of borrowing is incident." When,therefore,you say
that it is impossible to tell what money the master may or may not
ask for at the last moment,you see that in giving him what he asks
you run the risk of having our claim repudiated,unless you know
that every penny is required for the service of the ship,and with
the knowledge of the law as laid down it is incumbent on you to keep
a much more careful watch on the liabilities he is incurring out-
side your office than has apparently been the case. Ships' bills
may go through without trouble for years,but there is always the
danger of having to deal with a cantankerous owner,and against
this you should be prepared.

I am,Sir,

your obedient servant,

Thos. Lobb

Managing Director.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street.

London, E.C. 14th March, 1906.

Per Orissa.

No 1009.

Sir,

I have to acknowledge receipt of your despatch no.282 and of letters of 30th January and 6th ult.

2. Par.4. The Directors have read with interest your remarks on the Samson and the report accompanying the despatch, and are satisfied that you have gone most thoroughly into the matter. There is no use in crying over spilt milk, and the less said about this disastrous affair the better. Fortunately we are in very good circumstances this year, and it is probable that the Board in settling the depreciation this year will wipe out a large portion of the cost of repairs. We had no idea that replacing the crankshaft would occupy anything like two months; had we known all the facts the Board might have ordered the new one to be put in place in Montevideo, but, seeing how things were going, they decided to incur no more expense than was absolutely unavoidable.

3. Par.15. Morton was distinctly instructed to ship the balance of the powder by the Gaelic, and it is another instance of his want of attention. Mr. Matthews now says that the Shell powder you mention will do, so the matter may be left.

4. Par.11. The price of 22 ft. boats in Nova Scotia, the length we enquired for, is enormous, builders there having offered to construct six for $1165.50. Since receiving your remarks we have got Lowdens to ask for an amended quotation for 24 ft., which will, of course be higher. To check this we are asking some Liverpool boatbuilders for a price.

5. Par.15. The Board wish me to protest once more against the

W.A. Harding, Esq.,

Manager,

Stanley.

Sealskin Tax,and I am to see Mr.Johnson this week,though I doubt if it will do any good.

6. Par.16. No doubt on principle it is incorrect to use the proceeds of the Sheep tax for general purposes; but the Board thinkk that it would be impolitic to be too insistent on the subject. The rise in wool has brought about a great change in the circumstances of the Colony: the Sheepfarmers,who were a few years ago in poor circumstances,though Government would not believe it,are prospering to an extent that no one could have anticipated,while,if reports are true,the Stanley people are many of them in a bad way. We cannot conceal from ourselves,although we do not wish to proclaim it publicly,that in assessing the revenue of the Colony the Government would not be wrong in getting a larger proportion out of the farmers,and we speak as the largest of them. After all,to anyone who experiences the burden of Imperial and local taxation in this country the taxes in the Colony are a mere fleabite; the difference is that here representation follows taxation,while in the Colony all expenditure is in the hands of the Governor,who may use the revenue well or ill as it pleases him,he being responsible only to the Secretary of State. Possibly this may always be so in a Crown Colony,nevertheless we should continue to contend for the principle that those who pay the taxes should have some voice in the expenditure,and if in the course of time this should be granted there would be no valid reason against an increase of taxation.

7. Par.17. The owners of the Beacon Rock have accepted the draft for disbursements without remark.

8. Par.18. The purchase of Admiralty Stores seems to have been an advantageous one.

9. Par.19. I have seen Mr.Matthews,and have explained to him the difficulty of working as quickly as Mr.Trerise may wish,owing to the numerous calls on the tug and your staff,and I also read to him the correspondence with the Superintendent. He said that if you found that we were not making enough out of the business he would favourably consider any representations you might make on the subject. Tons are weight or measurement at your option.

10. Par.24. The owners of the Paul Isenberg have increased

the credit to £1200 with the Direction der Disconto Gesellschaft, but this is another case in which advice ought to have been sent by cable,so that if the extension had been refused we might have had an opportunity of stopping the ship by cable,as she could not have left Stanley before the return boat from Montevideo with the men.

11. I have to report the death of Mr.Coleman on the 7th inst. He was in the Company's service between 39 and 40 years,and retired on a pension in 1891.

12. I enclose copy of correspondence with the Admiralty about the price of coal. In view of what they say we cannot object to paying 48/.,and it may have the effect of hurrying on the payment of the sum due for hulk hire,of which we have heard nothing from them as yet. Hurry is not a word that can be applied to the Admiralty in connexion with payment of accounts,which are often shelved for many months.

13. Two Camp teachers go by this mail; they have been selected out of a number of applicants,and seem from their testimonials to be promising young men. When Mr.Allan has seen their certificates they are to be returned to them.

14. Further correspondence with the Colonial Office about the condemnation of Tallow at Cleves is enclosed,and the matter may now be considered at an end.

15. I also enclose correspondence with the P.S.N.Co.about the Orita going to Stanley for Wool,against which I thought it necessary to protest; you will see that they consider it unavoidable,and you must make the best of it. Probably the small shipment cabled per Oropesa will lighten the quantity to be taken by the larger vessel,and it is to be hoped that she will come inside the Narrows.

16. Par.20. We communicated with J.H.Austin & Co.about the box iron,and the Senior partner was attending to it,but he unfortunately died rather suddenly,and the particulars cannot be got in time for this mail.

17. We have got a price at last for the schooner in Nova Scotia which seems satisfactory,but it is coupled with the condition

of December delivery,which I have rejected as impossible. We were told that she would be built in three months,and this throwback is disheartening; I have had the subject constantly before me,and it is most disappointing to be no farther forward. Estimates,as I think I have reported,have been obtained from builders here,but the prices are enormous,and the last idea was to get the vessel built as they turn them out in Nova Scotia,and have her over to Liverpool to be coppered and engined. I am now suggesting that Captain Dougall,who would in any case have gone over to receive her,should proceed to St.John,and select a second hand vessel,if we can find that any suitable ones are to be got.

18. The Wool sales have opened with a further rise of 10 per cent in coarse cross-breds,and we expect to get high prices this evening; they will be advised by Supplementary mail.

19. The statement about the Sustentation fund is by no means explicit,and a letter from the Dean throws no further light on it, as it would seem that the money wanted is already provided. The Directors observe,however,that there is a debt on the Church House that has to be paid off,and have decided to contribute £100 towards this object,without committing themselves as to the future. This amount you are authorized to pay.

I am,Sir,

your obedient servant,

Ted. E. Lobb.

Managing Director.

Enclosures via Liverpool

Duplicates

Despatches Nos. 1007 & 1008

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice goods per "Victoria"

List of Dutiable Goods per "Victoria"

List of Parcels

List on Enclosures

List of General Cargo per "Victoria"

List of Clients' Cargo per "Victoria"

Clients' A/sales, reports & contracts:-

A/sales & contracts	A N	1	cask	Seal Skins	ex "Orita"
	H	1	,,	,,	,,
A/sales only	H G C	2	bales	Wool	ex "Gaelic"
	S & S	2	,,	,,	"Oravia"
Reports & Contracts only	S & S	36	Salted Hides		ex "Oravia"
	Heart	3	bales	Sheepskins	ex "Gaelic"
	F B	4	,,	,,	,,
	J B	12	,,	,,	,,
	S	8	,,	,,	,,
	H G C	4	,,	,,	,,
	T R	5	,,	,,	"Oravia"
	S & S	5	,,	,,	,,

Second of Exchange for £ 15 . 3 . 2

B/L General Cargo per "Victoria"

Enclosures via Liverpool

Originals

Cablegram sent 24th February.

,, received 7th March.

Particulars of homeward freight per Victoria"

Corrected General Invoice goods per "Victoria"

Copy of letter from the Admiralty dated 13th & our reply of the 26th February re coal.

C.E.Stewart's Agreement & Testimonials

G.R.Gordon's ,, ,,

Proforma Invoice for Fowls per "Victoria" for Henry Waldron

Clients' A/sales as follows:-

	Heart △ F B	3 bales	Sheepskins	ex "Gaelic"
		4 ,,	,,	,,
	J B	12 ,,	,,	,,
	H G C	4 ,,	,,	,,
	S	8 ,,	,,	,,
	S & S	5 ,,	,,	Oravia
	T R	5 ,,	,,	,,
	S & S	36	Salted Hides	,,
(report only)	J D M	5 ,,	,,	Victoria

Brokers' copies A/sales Company's Sheepskins ex "Gaelic"

Copy of letter from Jacob & Barringer dated 19th February & original particulars of Wire tests.

Copy of letter from the Colonial Office dated 28th February & report on Tallow from State Chemical Examination Office.&c & our reply of 8th March.

Copy of letter to the Pacific Steam Navigation dated 7th March & their reply 13th instant.

Credit note for 5/- error in Messrs Bain & Co's invoice per "Victoria"

Wool reports

Letter for A.L.Allan,Esq.

Ledger & Journal Entries

London 14th March,1906

Enclosures per Consignees' Letter

Suppliers' Invoice goods per "Orissa"

,, ,, ,, (J.H.Dean)

,, ,, ,, (Telephone Line)

List of Dutiable goods per "Orissa"

List of Parcels

List of Clients' Ca rgo per "Orissa"

Original Quotation dated 13th March from Corsar & samples of Canvas.

London 14th March,1906

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 16th March, 1906.

Per Supplementary Mail.

No 1010.

Sir,

On the 19th ult.we received your cable asking us the obtain a credit for the Gustav & Oscar belonging to Gutschow of Valparaiso,and I have delayed writing about this,hoping to be able to advise something. Why you did not communicate direct with Valparaiso instead of cabling here passes our comprehension,as there would have been far more chance of arranging through our agents there,and the course of post is little over a week. From what we have been able to learn,it seems that the vessel is American built and over 35 years old,going out to Valparaiso to be used as a hulk. Such a ship must be of very doubtful value,probably not more than £1000,and any advances made to her must be of small amount. Lawther Latta & Co.were the Brokers who sold her to the present owner,and they undertook to cable to him asking for a credit for £1000,but no reply has been received,and we are powerless to do more. We cabled you on the 24th ult.,"Cannot arrange a credit Oscar do not advance without good and sufficient security". That is to say that in the absence of a credit on London,or some security arranged in Valparaiso,the vessel must not leave until her account has been paid in cash. Once more a credit has been cabled for,not on the owners,without any amount having been stated. I repeat that such requests are useless,as the first question is as to the sum required. You may say rightly that it is impossible to judge,but it must seldom happen that you cannot name a sum that it is impossible to exceed; anyhow if you mention a figure it will do to go on with,and if necessary an increase may be asked for.

2. You will see that the wool sold on the 14th inst.at wonderful prices.

I am,Sir,

your obedient servant,

Managing Director.

W.A.Harding,Esq.,
Manager,
Stanley.

Enclosures via Lisbon

Originals

Supplementary Ledger Entries.

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Orissa"

Corrected list of Dutiable Goods per "Orissa"

,, ,, Clients' Cargo per "Orissa"

General Invoice goods per "Orissa"

Eills & Day's invoices

Clients' Reports & contracts:-

L	36	bales Wool ex	"Sarmiento"
J B	130	,,	,,
H & B	258	,,	,,
B	18	,,	,,
S & S	41	,,	,,
H	30	,,	,,
S	130	,,	,,

Brokers' Copies A/sales Company's Wool ex "Sarmiento"

B/L Cargo per "Orissa

Letters for the following:-

Dean Brandon

A.L.Allan,Esq. (2)

J.J.Felton,Esq.

C.A.Gorton

London 17th March,1906

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 11th April, 1906.

Per Oropesa.

Vo 1011.

Sir,

I have to acknowledge receipt of Mr.Harding's despatches 284, 285,and 286,which arrived on the 28th ult.

2. No.283 is on the subject of accounts,which will be discussed with Mr.Harding on his arrival. I may,however,say that the Board are anything but pleased with the return from the Store,as it shows an amount of carelessness in Stocktaking either this year or last that will very materially destroy their confidence in future in such returns,unless a clear explanation should be forthcoming.

3. 284-7. No doubt Mr.Harding will clear up the matter of the Montevideo agency. For some months past Morton has ceased to answer letters,and he has not even drawn for the Blasting powder that went down for the Lighthouse. Some people in Montevideo have written to ask for the agency,as they say that Morton is giving up business,and in the absence of any word from him I have thought it prudent to cancel by cable his credit with the London & River Plate Bank.

4. Par.9. The Paul Isenberg's business may be taken as a model to avoid in future,as it shows every fault that it was possible to commit. Credit had been obtained from the owners with a German financial house in London,for £800,increased afterwards to £1100, but this was not known in Stanley. Bills were to be drawn at sight. When it was found that the credit had been exceeded - a thing in itself that should not have been allowed - the only proper way of dealing with it would have been to draw one bill for £800,and the remainder in another;but the whole sum was put into one bill for £1264.7.11,and how it could have been supposed that the Disconto Gesellschaft could accept this passes comprehension. Again,the

THE ACTING MANAGER,

STANLEY.

bill having been drawn,prudence would have suggested cabling the excess over the credit to enable us to make arrangements; this was not done. The word we cabled,"Deshorado",meant "Draw at sight"; it was drawn at 60 days' sight,which would have been expressed by "Designar". On arrival acceptance was of course refused,but I am glad to say that the owners eventually instructed the drawees to accept at 60 d/s.,and we may consider ourselves extremely fortunate to get off with the loss of two months' interest. But this sort of thing must not occur again.

5. Par.11. The "Gustav und Oskar" was sent out to be a hulk, as I have already reported. I cannot add to the instructions sent about this vessel last mail; we must have our money or good security before she leaves,and should she be condemned and sold,no one else must possess a hulk in Stanley as long as we can help it.

6. Par.14. We have received a cable reporting wool per Galicia and Orita. As the quantity seems less than Mr.Harding anticipated possibly the latter could not wait for all you had in the hulk.

7. 285-5. I cannot understand how the Manager at Valparaiso failed to let Mr.Harding know that the Galicia would call,as he reported it himself to Liverpool. I have sent the correspondence to the P.S.N.Co.

8. Mr.Cameron has asked that his tallow and sheepskins may be collected for the steamers. I told him that you would be hard pushed to get allthe work done by two schooners,but that no doubt if possible his wishes would be carried out. He will do all through us next year,as he is disgusted with the sailing ships chartered by Spearing and Waldron.

9. I have to report with great regret the death of Mrs.Bonner, which took place rather suddenly on the 4th inst.

10. A shepherd named "Seath" Stirling goes this mail.

11. We have heard of Dr.Jameson's death with regret. Dr.Foley has applied for the post,and though he cannot arrange to leave until June,the Board considered that it would be better to delay a month,rather than send a stranger.

I am,Sir,
your obedient servant,

Chas. Lowe. Managing Director.

List of Enclosures per Consignees' Letter

Suppliers' invoices goods per "Oropesa"

List of Dutiable Goods per Oropesa

List of Parcels in Pearson's case

London 11th April,1906

Enclosures per Supplementary Mail

Originals

Supplementary Ledger Entries.

List of Cargo per "Oropesa"

List of Clients' Cargo per "Oropesa"

General Invoice goods shipped per "Oropesa"

Remarks on Stores

Replies to Remarks on Stores.

London 12th April,1906

Enclosures per "Oropesa" via Liverpool

Duplicates

Despatches Nos. 1009 & 1010

Ledger & Journal Entries & Supplementary Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Orissa"

List of Dutiable Goods per "Orissa"

List of Clients' Cargo per "Orissa"

List of Parcels

Clients' Reports & Contracts

S	130	bales Wool	ex "Sarmiento"
B	18	,,	,,
H	30	,,	,,
L	36	,,	,,
J B	130	,,	,,
S & S	41	,,	,,
J D M	5	Salted Hides	ex "Victoria"

List of Enclosures

General Inv oice goods per "Orissa"

Clients A/sales:-

H G C	4	bales Sheepskins	ex "Gaelic"
S	8	,,	,,
S & S	5	,,	,,
T R	5	,,	,,
J B	12	,,	,,
F B	4	,,	,,
Heart	3	,,	,,
S & S	36	Salted Hides	ex "Oravia"

B/L general Cargo per "Orissa"

Enclosures via Liverpool

Originals

Wool Reports.

Copy of Cable sent on the 6/4/06 and 23/3/06

Copy of Cable received on the 2/4/06

Copy of letter from Hayward Tyler & Co.Ld.dated 5/4/06

Stirling's Agreement

Particulars of freight homeward per "Sarmiento"

Clients' A/sales,reports & contracts:-

J D M	3	bales	Sheepskins	ex "Victoria"
S	2	,,	,,	"Sarmiento"
A F	6	,,	,,	,,
◇B	9	,,	,,	,,
F	11	,,	,,	,,
♡	5	,,	,,	,,
H & B	33	,,	,,	,,
L	46	,,	,,	,,
D S	1	,,	,,	,,

Brokers' press copies of the above reports & contracts

A/sales only

S	1	bale Wool	ex "Sarmiento"
H & B	258	,,	,,
◇B	18	,,	,,
◇H	30	,,	,,
L	36	,,	,,
J B	130	,,	,,
S	129	,,	,,
S & S	41	,,	,,

Brokers' press copies A/sales Company's Wool & Skins ex "Sarmiento"

Invoice for Telephone Materials for Darwin Telephone A/c.

Ledger & Journal Entries

Remarks on Accounts

Letters for A.L.Allan,(2) J.J.Felton,E.J.Mathews.

London 11th April,1906

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851) Limited.

REGISTERED 1902.

61, Gracechurch Street.

Per Orita.

No 1012. London, E.C. 9th May, 1906.

Sir,

I have to acknowledge receipt of Mr.Harding's despatch no. 285 per Orita,and letter of 29th March,which arrived on the 24th ult.,also of letter per Galicia,which was delivered on the 30th id.

2. Par.3. The Board will be interested to hear what the clients say to the proposal to deliver coal direct. Mr.Buckworth is much in favour of it.

3. Par.8. Mr.Harding and I will go into the subject of sails,and if there is no sailmaker in England who can cut fore and aft sails but Lapthorn,we shall have to go to him again,though the prices will be some 75% higher than those of an ordinary man.

4. Par.9. I have explained to Mr.Harding that the condition of the old telephone wire would not affect its price if sent home for sale. As anything with copper in it is abnormally high at present,it would be worth while collecting the old pieces,if it can be done without great expense.

5. Par.11. When we know how many extra posts will be required both for Mr.Packe's work and for a stand-by for ourselves,we will order them to be prepared,and arrange with the P.S.N.Co.about a cargo boat.

6. Par.13. The Board very much regret to learn the cause of Dr.Jameson's death,and have resolved to grant the widow and children free passages home. Dr.Foley,who will go out next mail,tells me that he has sufficient furniture of his own,and will be unable to buy any of the late Doctor's.

7. Par.15. The Pacific S.N.Co.have instructed their Manager

The Acting Manager,

Stanley.

to send no boats in future that cannot enter the harbour,and have undertaken that when the Orita in the course of her itinerary is homeward bound a cargo boat shall call about the same time. I have arranged with Mr.Harding that little or nothing shall be ordered in the way of goods when that steamer goes outwards,and to carry this out it will be necessary to order a two-months' supply by the steamer that precedes her.

8. Par.16. The offer made by Vorwerk & Co.to guarantee the Gustav & Oscar's draft should be accepted,and you have probably done this already.

9. I enclose a copy of letter from P.Iredale & Porter,Ltd. agreeing to accept the draft for any legitimate disbursements of the "Allonby",and animadverting on the expenses of the port. It is very necessary in this case to be most strict as to the supply of cash and goods,especially the former,and to make yourself quite sure that any supplied is bona fide for the purpose of enabling the ship to leave. Where possible the cash should be entered as having been advanced for definite payments,and should the Captain wish to draw a few pounds for minor expenses a receipt should be taken in duplicate,and a copy sent with the accounts,stating that it is for the necessary disbursements of the vessel.

10. Two agreements were found enclosed,and we did not know why they had been returned,but Mr.Harding explained that it was because they were not signed for the Company. It was quite unnecessary,as I had signed the men's copy and ours contained their signatures; however I return them signed.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures per Consignees' Letter

Suppliers' Invoices goods per "Orita"

List of Clients' Cargo per "Orita"

List of Parcels

" " Dutiable foods per "Orita"

London 9th May, 1906

Enclosures via Liverpool

Duplicates

Despatch No.1011

Ledger & Journal Entries

Remarks on Accounts

General Invoice goods per "Oropesa"

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oropesa"

List of Parcels

List of Clients' Cargo per "Oropesa"

List of Dutiable Goods per "Oropesa"

List of Enclosures

Clients' A/sales, reports & contracts:-

	L	46	bales	Sheepskins	ex "Sarmiento"
	Heart	5	,,	,,	,,
	J D M	3	,,	,,	"Victoria"
	F	11	,,	,,	"Sarmiento"
	S	2	,,	,,	,,
	D S	1	,,	,,	,,
	B	9	,,	,,	,,
	A F	6	,,	,,	,,
A/sales only	S	1	,,	Wool	,,
	B	18	,,	,,	,,
	H	30	,,	,,	,,
	J B	130	,,	,,	,,
	L	36	,,	,,	,,
	S	129	,,	,,	,,
	S & S	41	,,	,,	,,

B/L General Cargo per "Oropesa

Enclosures via Liverpool

Originals

Copies of Cablegrams received on 25th & 30th April.

Copy of Cablegram sent on 20th April.

Copy of letter from Iredale & Porter,Ltd.dated 27th April.
re "Allonby"

Copy of letter from the P.S.N.Co.dated 28th April.

Credit note from J.Dewar & Sons,Ltd.for £2 . 10/-

Weymouth College Account for W.C.Girling.

Signed Agreements returned:-

Donald Macdonald.

John McLoed.

Brokers' press copies reports Company's Wool per "Oropesa" &
"Orita"

Packe Brothers & Co's report on 74 bales Wool ex "Orita"

Wool reports

Letter for A.L.Allan

London 9th May,1906

Enclosures via Lisbon

Originals

Ledger & Journal Entries

Supplementary Ledger & Journal Entries

Remarks on Accounts & Supplementary Remarks

Remarks on Stores

Replies to Remarks on Stores

Sheep Skins reports

Sight Draft for £ 60 . 14 . 10 on J.Kirwan for Collection B/L attached.

Copy of letter to the Colonial Office dated 10th May.

Packe Brothers & Co's contract for 74 bales Wool ex "Orita"

Letters for the following:-

George Bonner, W.C.Girling, A.L.Allan & Governor Allardyce(2)

Copy of letter from Herbert Hobbs dated 11th May re pickled mutton.

List of General Cargo per "Orita"

General Invoice goods shipped per "Orita"

Bill of Lading cargo per "Orita"

London 12th May, 1906

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

Per Panama.

No 1013.

London, E.C. 6th June, 1906.

Sir,

I have to acknowledge receipt of your despatch no.296,which arrived on the 22nd ult.

2. Par.2. Mr.Harding and I have seen Mr.Mathews at Trinity House,and he will certainly not countenance any unreasonable demands on the part of Mr.Trerise. When I have an opportunity of seeing him again,I will make the suggestion you put forward about the shipments.

3. Par.3. I have written to the Admiralty asking leave to draw whatever coal we may require,but have no answer as yet. Probably payment will be made in London.

4. Par.7. The Board have considered the papers forwarded about the Sustentation fund,but would like details of the subscriptions promised by others. They observe that the Company are entered as subscribers of £100,and the farmers generally a like sum. They will not be unwilling to increase their contribution,if others will do the same,but think that the general subscriptions should be larger. Our payment to the Church is given in lieu of the amount formerly given to the Presbyterian Minister,the majority of our men belonging to that denomination. An application made by the Bishop for the Endowment fund has been ordered to be declined.

5. Par.17. Mr.Stanley Wood has been here about canning,and I have had some correspondence with him. He does notthink that Mr.M. Braun has anything to do with the proposal,but fears that his representative has gone too far in the proposals he has made to Mr. Felton,and has cabled to stop him from making contracts. His wish is to come to an arrangement with us at Goose Green,and asked us to cable out for facilities to be given to Mr.Smith,who I believe

The Acting Manager,

Stanley.

is his superintendent,to inspect Goose Green,and this has been done. At Teal Inlet a large outlay in the way of buildings,machinery,and other plant would be necessary,much of which is already on the spot at Goose Green,besides which the harbour and shipping facilities are better,and the place is more central. If it will pay to set up a plant for 15,000 sheep,it will answer our purpose to start canning on our own account,whatever other people may do, and I have told Mr.Wood that on no account can we consent to drive our sheep from Lafonia to a place in the North-East corner of the Island. Probably we shall be able to make an arrangement with Mr. Wood that will be mutually beneficial.

6. Par.18. The result of Reddemann's venture last year can hardly have been promising.

7. Par.19. The Board consider that you did right in accepting the seat offered on the Legislative Council during Mr.Harding's absence.

8. Par.20. A cheque has been sent to Mr.Jameson for the cost of Mrs.Jameson's passages.

9. Your cable about the loss of the Fortuna fills us with dismay,and at the present moment I cannot say what we shall do. If by any chance you can make a reasonable arrangement with the owner of any steamer or schooner at Sandy Point to come over and collect the wool that is awaiting shipment,it strikes me at the moment as the best thing that could be done. There would be no delay,as we assume that by this time all the season's clip must have been baled,and with the assurance of full cargoes it ought to pay a steamer to do the work at moderate rates,and then clear out as soon as it is over. We cannot afford to waste time on building,and I have wired Nicholsons asking what they can offer, and to Mr.Harding to see them. Possibly I may tell you more by Supplementary mail. You ought to have stated the nature of the cargo lost,as we do not know whether it was general or wool; if the latter it will have been fully insured. The Underwriters have enquired,as the interests are differently insured.

10. I will write to the owner of the Caradog to increase the credit to £1200.

11. Par.9. It is most fortunate that the Lafonia was got off undamaged,or you would have been completely paralysed in the collection of wool. The steps taken to get her off were quite correct,and the statements made by Captain Thomas and yourself were clear and sufficient; but it is unfortunate that no claim was made at the time,as it may make it difficult for us to get as much as we ought for the service rendered. I am rather surprised that Captain Thomas,whose statements on occasions like this are invariably admirable,did not remember that,as Master of the tug assisting a vessel in distress,notwithstanding that that vessel belonged to the same owners,was entitled to consider that any claim he chose to make would be,not on his owners,but on the underwriters of the other vessel. If he had made a claim that could be considered reasonable in the circumstances,and it had been accepted by Osborne acting as agent for all concerned in the Lafonia,including the underwriters,it would have been hard to upset here; as it is the underwriters,who at first offered £50,have not at present got beyond £250,and I have mentioned £300 as the minimum we can accept,without prejudice,the alternative being a claim in the Vice-Admiralty Court at Stanley. Very likely we may take the former sum if we cannot get more,but on such an occasion it does not do to be too modest to begin with. Then as to the Protest,it is not clear why you thought the matter could wait until you heard from us; a note of protest is made when a Master does not know whether there will be a claim or not in certain cases to protect himself, and if there is none he goes no farther; but in this case,when a claim is undoubted,the note should be followed by an extension as soon as the latter can be drawn up. In this case the underwriters seem willing to accept the statements made without insisting on a formal protest,and when insurers and insured are well known to one another it seems to be waived; but as it is clearly and strictly the right thing to do,it is always safer to extend it. On this point I can refer you to the Instructions to Lloyd's Agents under the heading "Documents":- "The necessary documents in cases of "claims against the underwriters on the ship are:- 1. The Protest,

"which should be compared with the Log Book and certified by the "Agent,who should report any discrepancies that may be discovered "between them",&c.&c. No harm,you will see,has been caused by omitting to follow the strict letter of the instructions,but it will be well to note for the future that it is ~~well~~ better strictly to comply with all the regulations laid down as closely as possible. Owing to people not being all back after Whitsuntide I am afraid that I cannot report a settlement this mail.

12. Referring to par.9,later news from Lloyd's shows that you reported the lost cargo fully,as it was right to do; but this information must have been withheld at first,or the underwriters would not have sent here to enquire,and it would have been in the papers.

13. Regarding the French wreck on Bleaker,if there was any chance of salvage there would have been no vessel to perform it, but about this we must await the news the mail will bring.

14. Mr.T.A.Homer,an Electrician,goes this mail to carry out the laying of the Telephone. I did not wish to send him until August,but Mr.Harding says that there is fully a month's work on local telephones in Stanley,and Mr.Mantel says that much may be done in the way of preparing the posts before they are shipped,so that it is hoped that he may find full employment. Mr.Mantle (I am sorry to say that his name has up to the present been misspelt owing to his indistinct signature,and it is hard to get out of it) says that he has put him through a searching examination,and considers that he has been most lucky in finding him,as he is thoroughly acquainted with every branch of the work,for which reason I have thought it desirable to secure him at once. His pay is high,£4 a week,but we could not have done better,as such men command high wages here. His agreement is enclosed,and as Mr.Johnson told me that it was the wish of the C.O.that we should carry out the work on our own responsibility,it is between the Company and himself, with a clause allowing us to hand him over to the Government when any of their own work has to be done. With the materials sent this time everything will have been shipped except some shackles,nails, and sundries from Bullers and some wooden creosoted stay blocks

for the posts,which I shall see about shortly. Homer should look through all the invoices,and point out any omissions should they be discovered; I think however that Mr.Mantle has been so thorough in all the advice he has given, - and what we should have done without him I do not know - that the materials will be found complete. I must point out,however,that we have sent only such as are wanted for the main line,which will be erected first,and Homer, after he has been over the ground,should make out a supplementary order for those required for Mr.Packe.

15. Mr.David Smith has bought and sent out the ketch "Gleam" of Ramsgate,for use at Great Island,and she sailed on the 23rd ult.from Deal in charge of a man who is taking her out by the run. You are instructed as to the amount to be paid to him on delivery of the boat. He has to send the crew home at his own expense,but if any of them wish to remain in the Colony it may be a chance of picking up a few hands for the season. She is not coppered,and the bottom will have to be painted periodically with green paint,which is found in the West Indies to be a protection against worms.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1012 dated 9th May.

Ledger & Journal Entries

Remarks on Accounts & Supplementary Remarks

General Invoice goods per "Orita"

List of General Cargo per "Orita"

List of Dutiable Goods per "Orita"

List of Parcels

List of Clients Goods per "Orita"

Remarks on Stores

Replies to Remarks on Stores

List of Enclosures

Report & Contract F B 74 bales Wool ex "Orita"

Bill of Lading General Cargo per "Orita"

Second of Exchange for £60 . 14 . 10 ~~for~~ B/L attached.

Enclosures via Liverpool

Originals

Wool Reports.

Copies of Cablegrams sent.

Copy of Cablegram received

Kirkland Cope & Co's account for F.I.King 10/10

,, ,, W.A.Harding 9/-

,, ,, F.I.Co. £3 . 6 . 6

Dr.Foley's Agreement

Mr.Homer's Agreement

P.S.N.Co's order for Mr.T.A.Homer's return passage.

Mr.Hommer's receipt for £2 (duplicate).

Copy of letter from Langridge re Gleam dated 1st June and list of Provisions attached.

Particulars of homeward freight per "Orita"

Clients' A/sales,reports & contracts.:-

F B	74	bales Wool per	"Orita"
S	84	,,	"Galicia"
J B	22	,,	"Orita"
♡	226	,,	,,
J B	164	,,	"Galicia"
F	189	,,	,,
H G C	164	,,	,,
AP	132	,,	,,

contract only J D M 5 Salted Hides ex "Victoria"

Brokers' copies Company's A/sales Wool per "Oropesa","Orita" & "Galicia"

Copy of letter to Glanvill Enthoven & Co.dated 30th May.

Letters for the following:-

A.L.Allan,(3) W.G.Girling (2)

London 6th June,1906

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries.

Remarks on Accounts

List of General Cargo per "Panama"

General Invoice goods per "Panama"

List of Clients' Cargo per "Panama"

Particulars of Suppliers (Darwin Telephone)

Cr.note for Mrs Hansen Seadamaged Wool per "Sarmiento"

Particulars of homeward freight per "Galicia"

Dewar's letter of 6th instant pro-forma invoice attached

Price's Patent Candle Co.,Ltd invoice

Eills & Co's invoice

Sight draft on J.Kirwan for £65 . 10/- with B/L attached

Remarks on Stores

A/sale J.D.M.5 Salted Hides ex "Victoria"

Amended Profit & Loss Statement for 1905

B/L Cargo per "Panama"

London 9th June,1906

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 4th July, 1906.

Per Orissa.

No. 1014.

Sir,

I have to acknowledge receipt of your despatches nos.287 and 288,which arrived on the 25th ult.,and of cables of 19th and 25th ult.from Montevideo.

2. 287-2. Of course we know nothing of the people Morton bought the powder from,and whom he seems to have defrauded of the cost. They must recover from him,if the Uruguayan law will allow it.

3. Par.7. With regard to a remark on the subject of discount on certain telephone purchases,there is a misapprehension which I will explain. We treat the account precisely as we treat the Store,that is to say we allow trade discounts,if any,and charge neither commission nor interest. But we get certain discounts for cash,and in consideration of not charging interest from the date of payments,we are clearly entitled to this. Austins took the cash discount by mistake off the invoice,instead of deducting it from the statement,hence the query. If the Government wish to have the benefit of these discounts we have no objection; but in that case we must charge interest on all payments up to the day we are repaid by the Government. Probably this explanation will be sufficient: seeing that some of the purchases were at net prices without discount they will be wise in their own interest to let sleeping dogs lie.

4. Par.8. It is very serious about the Great Britain,and you must really make someone responsible for seeing that she is left in a safe condition after steam has been used. If the ashes,which are light,were allowed to be thrown overboard,is it seriously supposed that the depth of water in the harbour would be materially altered in a thousand years,and was it not a piece of unnecessary

The Acting Manager,
Stanley.

obstruction on the part of the late Governor that stopped us from getting rid of them safely? If you put this before the Governor, he would probably take a common sense view of the question. You should have sent a certified account of the damage and of the gratuities paid, so that we could, if we thought it desirable, bring it before the Royal. At least a tarpaulin seems to have been burnt, and as regards the expenses we could have brought pressure by threatening to place the insurance at Lloyd's, where they would be in such a case more liberal.

5. Par.9. Mr.Harding says that you have misunderstood him on the subject of Dick, and that he does not want to make an immediate change.

6. Par.13. Captain Thomas, as well as our other servants, must only hold the appointment of pilot if it does not clash with his duty to the Company.

7. Par.14. The bills on the owners of the M.E.Watson have been accepted without remark. I think that I omitted to mention that we were asked by James Cornfoot & Co. to renew the draft on them on the ground that they had not settled with their Underwriters; this we had to decline, because in the absence of the Master we could not have made him a party to the renewal, and should have lost a valuable lien on the ship. If they had wished the bill to be drawn at 90 days there would have been no objection, and the Board decided that in future, while all drafts under £1000 should be at 30 d/s, from £1000 to £2000 might be at 60 d/s, and over £2000 at 90 d/s; but this should be permissive only, and done at the request of the Master or Owner, that is to say, as a general rule, a fairly large bill should in the absence of any special request be drawn at 60 d/s. The M.E.Watson being a British ship, we had no credit for a specified amount, so that the whole might have been put in one bill. Par.15. The Caradog's bill has also been accepted.

8. 288-2. I hope that Captain Rowlands noted his protest in due time; if he was unable even to go up to sign his name the Mate might have done it. In order to place our claim before the Underwriters no doubt you will have had the salved goods and the wreck and cargo sold by auction, after advertising, as a matter of form,

for salvage.It is necessary to show that everything possible has been done to protect the interests of the Underwriters. Is there any possibility of some of the wool washing up? If the Fortuna remains on the reef,it would be desirable,if possible,to save the windlass.

9. Par.4. Wesell's wool came home consigned to Mr.Carpenter, through the intervention of Mr.Hennah. It is a trivial matter,and Wesell probably was not aware that having received advances against it he ought to have consigned it to us. Mr.Carpenter has been instructed to pay our account up to 31st December,and it will now be a question whether it is worth while continuing to keep such a small account open with the onus of having to collect wool from such an inaccessible place as the Passage Islands. Mr.Carpenter has put the wool into the hands of Hoares,but admits that he did it through an oversight.

10. Par.10. It is to be hoped that you made a sufficient charge for the visit of the Samson to Bleaker Island on account of the French wreck. Without saying that any of her trips round the Islands could,in the circumstances,be avoided,you must remember that she was sent out as a tug for Stanley Harbour,and for salvage purposes in case of wreck,and it must be clearly understood that her use as a despatch boat is as a general rule to be deprecated,and as a fact must not be allowed. She should not be sent round the coast for less than £50 per day,which it is hoped would be prohibitive. There is always the chance of losing a good tow if she is away from Stanley,and it is not reassuring to hear that her engines are more or less knocking so soon after paying that hideous bill in Montevideo. If she is used too much from time to time on unremunerative work,we may find her efficiency seriously impaired before we know it.

11. There is some fear that the St.Leonards may be too late for the sales,and it seems careless of the Coast Manager of the P. S.N.Co.to have put off the call of a cargo boat in this way.

12. With regard to the charter of the Consort,which is a dandy of 55 tons,the price,£105 per month,seems high. Possibly a steamer could not be secured,although as remarked last mail she

would find all cargo ready,and it ought to be a paying job. No time was lost in putting the insurance into the hands of our Brokers,but Underwriters are very shy of Falkland risks after the loss of our three schooners in three years,and up to the present it has not been done. If I have anything to report by Supplementary mail you shall hear.

13. William Armstrong has written to say that although his family have a passage due to them under the old agreement of 31 years ago,his own passage was taken some years ago,and he wants to know if the Company will give him another. The Board do not agree that he is "entitled" to a passage,as he puts it,as all shepherds and labourers have been supposed for many years to be sent out as Colonists,and if they do not settle in the Islands they have to go away at their own expense. But in consideration of the faithful performance of his duties by Armstrong while he has held the position in which he was placed so many years ago,the Directors have agreed to let him have a passage as a gratuity on leaving,and you will please inform him so accordingly. His pension will be £74 per annum.

14. We have bought the schooner "Gwendolin" at Gosport,and she is being fitted out by Camper & Nicholson under the superintendence of Mc.Lauchlen. She ought to sail in a few weeks' time. She is on the slip,and her bottom is in first rate condition. Having been in her young days a racer,she is very fast. Fortunately Mr.Harding is living close by,and between him and Mc.Lauchlen she will be turned out well.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1013 dated 6th June

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

List of General Cargo per "Panama"

List of Dutiable goods per "Panama"

List of Parcels

List of Clients' Cargo per "Panama"

General Invoice goods per "Panama"

List of Enclosures

Corrected Profit & Loss Account for 1905

B/L General Cargo per "Panama" (two)

Second of Exchange for £ 65 . 10/- B/L attached.

Clients' A/sales &c.:-

J D M	5	Salted Hides	ex "Victoria"
♡	226	bales Wool	ex "Orita"
F	189	,,	"Galicia"
H G C	104	,,	,,
F B	74	,,	"Orita"
AP	132	,,	"Galicia"
J B	22	,,	"Orita"
J B	164	,,	"Galicia"
S	84	,,	,,

Enclosures via Liverpool

Originals

Copies of Cablegrams received

Copy of Cablegram sent

Particulars of Homeward freight per "Panama"

A.Wilson's Account for Dr.Foley

Debit note for Insurance on Private Effects for T.A.Homer

Debit note for freight & Insurance on Effects for Dr.Foley

Corrected General Invoice Goods per "Panama"

David Smith's Agreement with Capt.Brook re"Gleam"

Clients' reports & Contracts:-

reports only	F B	35	bales Wool	ex "Panama"
	S I	144	,,	,,
	W.Fell	31	,,	,,
	S	31	,,	,,
	F	3	bales Sheepskins	ex "Galicia"
	S	2	,,	"Panama"
	H G C	2	,,	"Galicia"
	♡	2	,,	"Orita"
	F B	2	,,	"Panama"
	A F	5	,,	,,
	J B	5	,,	"Galicia"
	S I	3	,,	"Panama"

Brokers' press copies of above Sheepskins

Brokers' Press copies reports,contracts,& A/sales Company's Wool and Skins

Invoice for Telephone Materials for the Darwin Telephone A/c shipped per "Panama"

Buck & Hickman's Discount list for Catalogue sent last mail.

Ledger & Journal Entries.

A/sale,report & contract A F 28 Salted Hides ex "Panama"

Anning & Cobb's Raw Hide Reports.

Letter for W.C.Girling

London 4th July,1906

Enclosures via Lisbon.

Originals

Supplementary Ledger Entries.

Remarks on Accounts

Supplementary Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice goods shipped per "Orissa"

List of General Cargo per "Orissa"

Eills & Co's invoices

Lamb Brothers' invoices

Sight draft for £3 . 19 . 0 on R.Bradbury for collection

,, ,, £58 . 17 . 1 on J.Kirwan ,,

Bill of Lading General Cargo per "Orissa"

Letter for W.C.Girling,Esq.

London 7th July,1906

Enclosures per Consignees' Letter per "Orissa"

Suppliers' Invoices goods shipped per "Orissa"

Bullers's invoices for Nails &c.for Darwin Telephone

List of Dutiable goods per "Orissa"

List of Parcels

List of Clients' Cargo per "Orissa"

London 4th July,1906

The Falkland Islands Company.
INCORPORATED BY ROYAL CHARTER 1851. Limited.
REGISTERED 1902.
61, Gracechurch Street,
London, E.C.

Per Oropesa.
No 1015.

1st August, 1906.

Sir,

I have to acknowledge receipt of your despatches 289 per St. Leonards and 290/1 per Oravia,the latter having arrived on the 16th ult.,but the first named not until the 25th. The wool,therefore,through the bad management of the P.S.N.Manager on the Coast, was too late for the sales.

2. 289-2. It would certainly be worth while to get asmuch old metal as possible from the Sabino.

3. Par.5. If you turn up Kay on Shipmasters and Seamen,and look at the chapter on "When the Master may bind Owner by contract" you will see the exact position. The Master has authority according to British Law to pledge his owner's credit for necessaries,but the onus of proving that they are necessaries lies on the lender. If therefore a Master asks for an unusually large sum of money,or if it is known that he is entertaining friends at public houses,it is necessary to enquire how the money is to be spent,and it may be desirable to point out to him the state of the law,and to explain that we are bound to protect ourselves. When the owners of the "Allonby" say that they will be liable for necessaries,they are only taking on themselves a liability that attaches to them by law. According to German law,you are probably aware that the Master is expressly debarred from pledging his owner's credit,for which reason it is imperative that a credit is obtained in all cases.

4. Par.7. I have been away for a short time,and have been unable at present to do anything about the crane; but Trinity House have written to ask on what terms we are lending it,and I shall reply that we contemplate a sale to them outright.

5. Par.8. It was right to prepare to sell all salvage and

The Acting Manager,
Stanley.

the wreck of the "Fortuna",as the Underwriters will want the proceeds however small. As regards the "Samson",I do not think that there is a chance of their recognizing any claim for her services beyond the value of the proceeds,as they will say,as they have done before,that they do not mind paying 100%,but object to anything more. It is not satisfactory to find that,although the protest was extended before Rowlands left for Sandy Point on or about the 7th of June, the certified copy for transmission to this office was apparently not obtainable as late as the 21st of that month. For want of it we can do nothing in the way of putting the claim forward,and if the delay was caused by the negligence of the Registrar there seems to have been no reason for not having appealed to the Governor to hurry him up. The delay of a fortnight in the delivery of a document which ought to have been ready within 24 hours is scandalous. We are getting the claim for lost cargo put forward on your certificate.

6. Par.12. Without making any enquiries before it is necessary,I think that I may safely say that the law about distressed seamen is clear enough. When a crew,shipped in the U.K.or elsewhere,with a final port of discharge in this country,are shipwrecked,they are returned here by the Board of Trade in the first instance as D.B.S.s,and the Board recover the cost of passages from the owners. In the case of the Fortuna the final port of discharge was Stanley,and therefore in returning them there we did all that was required of us. No claim has been made on us,as the B.of T.probably know better,and unless it comes forward I shall lie low and say nothing. Should it be presented to you,you will of course decline to pay.

7. Par.13. The Admiralty are still silent about letting us have coals,and you will have to get them from the Storekeeper as best you can. We have had an offer of the whole stock,but shall of course decline,and before next mail leaves I shall try to get the question settled.

8. Par.14. The facts about the Chance salvage seem to be misunderstood all round. There is no question of proceeding against the Underwriters,therefore what the Colonial Secretary says is

nonsense. What we did was to perform certain services by which loss on the part of owners of cargo on board was averted or minimized,and for this we are entitled to some reward,which we want put into figures,either by the Court or by arbitration. Those who were uninsured will have to pay their proportion,and as the award will probably be given in the form of percentage on value,this will be easily calculated. Theoretically those insured will also pay their proportion,but in their case they will fall back on their Underwriters,and practically we shall collect the amounts from the latter here,without any money passing in Stanley at all. I think that you will see this clearly,and note that the action is not primarily a case against Underwriters,in which they should be represented,but that they will eventually have to pay when the result of the award is known. If you will look again at Glanvill's letter of the 6th June last year,you will see what they want in addition.

9. 290-9. It would seem that the P.S.N.Co.should be liable for all expenses in quarantine,and you would do right to charge the expenses you mention. But there is probably a clause in the Bill of Lading under which they can recover from the owners of cargo,if the amount is large enough to make it worth while.

10. Par.10. You should try to get Sofala coal; it cannot matter much to the Admiralty,as they will have to sell the whole sooner or later at a sacrifice.

11. 291-2. It is a most unusual thing for the owners of a ship under charter to hold the charterers liable for insurance,and it has put us in a difficulty,as Underwriters are most shy just now about Falkland risks. We have at last done it at 20 guineas per annum,a proportionate return to be made for the balance of the year unexpired when we give the "Consort" up. She seems small to carry 135 bales,but we must hope for the best. We should have preferred chartering at per ton,if that had been possible.

12. Par.3. The offer by Wahlen & Co.seems fair enough,and no risk would be run in accepting it. In the circumstances you have probably delayed the sale of the cargo. The job of unpacking and

drying would be heavy and expensive,so that no one could afford to give much for the wool at auction,and I do not see how the steamer is to make anything out of the venture. Still,as you say, we may hope to get her to pick up a lot of the remaining wool.

13. Wool went back a little at the late sales,but no great fall is expected.

14. The "Gwendolin" should be completed in about a week I understand,and will be despatched as soon as possible.

15. The new schooner at Connah's Quay is planked up,and looks very well. Mr.Blake and I saw her last week,and were much pleased with her. All arrangements for placing the engine have been made, andit is estimated that she will have 2000 cubic feet more hold than the "Lafonia". She will be a 13 years' ship instead of 12,and Lloyd's Surveyor speaks highly of the material and workmanship. They are hurrying up,and expect to finish her a month before the contract time,thus earning a premium of £1 per day which I arranged with the builders.

I am,Sir,

your obedient servant,

Thos. E. Todd

Managing Director.

Enclosures via Liverpool

Duplicated

Despatch No.1014

Ledger & Journal Entries

Remarks on Accounts

Supplementary Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Orissa"

General Invoice Goods per "Orissa"

List of Dutiable Goods per "Orissa"

List of Parcels

List of Enclosures

Clients A/sales,reports & contracts&-

A/sale only	S	2	bales Sheepskins ex	"Panama"
	F	3	,, ,,	"Galicia"
	S I	3	,, ,,	"Panama"
	F B	2	,, ,,	,,
	H G C	2	,,&1 cask ,,	"Galicia"
	♡	2	bales ,,	"Orita"
	A F	5	,, ,,	"Panama"
	A F	28	Salted Hides	"Panama"
reports only	F B	35	bales Wool	"Panama"
	W.Fell	31	,, ,,	,,
	S I	144	,, ,,	,,

List of Clients' Cargo per "Orissa"

Corrected General Invoice Goods per "Panama"

Sight draft for 58 . 17 . 1 with B/L attached.

B/L for 3 pacakages Wheels & Axles for Government Black smith.

(no duplicate draft received)

Enclosures via Liverpool

Originals

Copy of Cablegram sent on 13th July.

Copy of Cablegram received on24th July.

Wool Reports

Invoice for Swivels &c.for the Darwin Telephone Account.

Sight Draft for £ 1 . 2 . 2 for collection from S.Montagu & Co.

Clients A/sales & contracts:-

W.Fell	30	bales	Wool "Panama"
F B	35	,,	,,
S I	144	,,	,,
S	31	,,	,,

Brokers' Copies A/sales Company's Wool ex "Panama"

,, ,, Report & Contract Company's Tallow ex "St.Leonards"

Copy of letter to the Colonial Office dated 31st July.

Letter for A.L.Allan.

London 1st August,1906

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice goods per "Oropesa"

List of General Cargo per "Oropesa"

Clients' reports & contracts:-

B	1	bale	Sheepskins	ex "St.Leonards"
H	1	,,	,,	,,
S & S	2	,,	,,	,,
M V	3	,,	,,	,,
T R	1	,,	,,	,,
L	3	,,	,,	,,
S	3	,,	,,	,,
W P	2	,,	,,	,,

Brokers' copies Company Sheepskins ex "St.Leonards"

Riley Brothers invoice for Fire Bars

Sight Draft for £111 . 12 . 4 on J.Kirwan for collection
B/L attached.

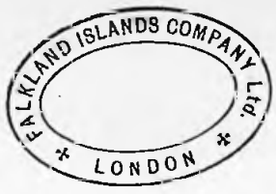
B/L General Cargo per "Oropesa"

Sheepskin Report

Letters for the ~~following~~ following:-

A.L.Allan,W.C.Girling.

London 3rd August,1906



Enclosures per Consignees' Letter

Suppliers' Invoices goods per "Oropesa"

Rownson's Invoice for Swivels for Darwin Telephone

List of Clients' Cargo per "Oropesa"

List of Dutiable Goods per "Oropesa"

List of Parcels

London 1st August, 1906

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 21st August, 1906.

Per Oravia.

No 1016.

Sir,

I am writing early in anticipation of being away when the mail leaves. I have to acknowledge receipt of your despatches 292 and 293, which arrived on the 16th inst.

2. 292-2. Mr. Mathews is away from London, and I have no answer as to the price of the crane; but Mr. Hood called lately, and said that Mr. Trerise had made complaints about inattention, which I told him I thought had no foundation.

3. Par. 3. I have again written to the Admiralty, but at present my letter has only been acknowledged. I told them that if they could not supply us ex Sofala, we should send out a supply on our own account.

4. Par. 4. The Board have considered the matter of the Sustentation Fund, and are prepared to make an offer. They observe that while we pay £100 a year to the Clergy for their services in the Camp the remaining subscriptions come to about double. They do not feel called upon to pay more than the Company's just share, but taking the above figures as a basis to work on, they are willing to pay annually until further notice just half of what the bona fide subscriptions amount to from the rest of the Colony, exclusive of special donations or receipts from bazaars. That is to say, if the subscriptions of the public are raised to £250, the Company will pay £125, and if £300, then £150. The Church may perhaps regard this as a sporting offer. As you say that neither the farmers nor the Stanley people have been canvassed yet, there would seem to be a chance of getting a considerable increase in the subscriptions.

5. Par. 5. When we were asked to promise a number of sheep annually for canning, we replied that having our own establishment at

The Acting Manager,

Stanley.

Goose Green,which could not be allowed to fall into disuse,we were averse to sending any away from our own land,but were willing to take up and carry out any proposal for canning at Goose Green that could be shown to have reasonable prospects of success. According to arrangement with Mr.Wood,Mr.Smith,the expert in canning,who has been working for Braun & Blanchard,was to visit Goose Green on the way home,to see what machinery in addition to our plant would be necessary to complete the establishment,and then,on his arrival here,we were to go into details. Mr.Smith lost one steamer,and was in too great a hurry to call at Goose Green at all,and Mr.Wood found it necessary to go out to Punta Arenas by the steamer of the 16th inst.,having said all along that until Smith's arrival he could say nothing about arrangements. Owing to the late arrival of the Victoria,Mr.Wood actually sailed without seeing Smith at all, and to complete the fiasco the latter called here yesterday to say that he was bound to cable Braun & Blanchard in the evening definitely whether he would return to them for three years or not. The situation thus became an impossible one,for although there happened to be a Board meeting yesterday,the Directors,in the absence of the information and proposals expected from Mr.Wood,absolutely declined to go into the matter. If Mr.Wood could not,in the absence of Mr.Smith,make any definite proposals,he might at least have suggested provisional ones,and the blame for the matter falling through for the present rests with him. I understand that he intended to suggest that the cost of setting up the plant and of working the establishment should be equally shared by the Company, Smith,and himself,on thirds,the profits also in the same proportion. From what Smith says it seems that sheep could be bought outright,skin and tallow included,at from 6/6d.to 7/6d.each in the Islands,and that any mutton canned by Smith the Australian Meat Preserving Co.,for whom Smith has worked since he was a boy,would take at the market price,the last obtained having been 31/.per case of 12 6lb.tins,or over 5d.per lb.,and this,with the skins and tallow would seem to show a good margin of profit. Smith says that Mr.Tyndall of the A.M.P.Co.knows him well and has confidence in him,and this we are going to get confirmed. If the business is as promising as Smith makes out,probably it would answer us better to

do the whole thing ourselves,as the extra cost of plant over what we have already would not be very great. Probably Mr.Smith is not the only man in the world capable of supervising the details of such a venture,and it may be that Mr.Tyndall will be able to recommend someone whom it would suit us to engage on liberal terms. Seeing that the outturn of tallow,after all the expenses have been paid,does not amount to more than a few shillings per sheep,this is a business that will have to be investigated closely. The idea of sharing the expenses and profits is not one that commends itself to the Board,and as we should have had to make a charge for rent of buildings and machinery there would have been room for considerable difference of opinion as to the proper amount.

6. Par.6. The Consort seems to carry a fair cargo for her size,and the arrangement is satisfactory,though we hope that it need not be continued beyond the three months,by which time the bulk of the produce must be surely in. Since you remark that it was not possible to forward a copy of the Charter by last mail,I must point out that there was no apparent difficulty in sending one to Mr.Harding,and that information on all points is expected to be sent direct to the office.

7. Par.7. We have settled the claim for assistance to the Lafonia for £200,and in the circumstances it was the best thing to do,especially as it seems from what you say that it was really not a case of salvage at all,and that although there is no doubt ~~that~~ about the crews of vessels belonging to the same owners being entitled to salvage rendered by one to the other,the point whether the vessel herself is entitled to share seems on further enquiry to be open to question.

8. Par.8. We will find out about the missing parts of the telephone fittings,and send them. As regards the discrepancy between the length of the saddles and the pole tops,this is unfortunate; but I am hoping that it may be found possible further to reduce the length of the poles by cutting some feet off the tops, a matter in which we must be guided by Mr.Homer's opinion. Practically it would seem necessary only to have them at such a height as to allow a man on horseback to pass under the sag of the wire at the lowest point; this would seem reasonable in the open coun-

try,whatever may be the case in the settlements,for which,if necessary the poles with the stoutest tops could be selected. If the majority could be reduced from 20 to 17 ft.in length over all, giving 13 ft.from the ground,probably many of the tops would show 5 inches,and it must be remembered that the shorter the poles the less effect the wind will have on them. These remarks are sent for the consideration of Mr.Homer,as we cannot on this side pretend to settle the question.

9. Par.9. The Board approve of the purchase of the "Cassard", and as it seems to have been in the hands of the Receiver of Wrecks who ordered the sale,no reflections can be cast upon us,though the ordinary course of advertising for tenders for salvage does not seem to have been followed. It would appear that the cargo is likely to be of more value than the ship,though more was paid for the latter. As regards the disposal of the wheat,a good deal is now being shipped from Australia to Chili,and you should find out the net value there in bond,making arrangements,if desirable,for shipment by the P.S.N.Co. Perhaps after the earthquake prices may for a time rule high. If there does not seem to be any advantage in shipping to Valparaiso,the best course would be to send the wheat home. It would be too risky to send a hulk down unless she is undoubtedly tight,and the weather would have to be picked.

10. Par.11. The tenants of our houses have no right to advertise or sell the "good-will" of their business,as the choice of a tenant is a matter that we must in every case strictly reserve. Of course this does not mean that they are not at liberty to sell their stock in trade as best they can. It has been hinted from time to time that our houses are not kept as well as they should be,and do not compare favourably with private public houses. Whether this is so or not,it would be well to put a stipulation in future leases that the holding must be subject to the property being kept in decent order,and the business respectably conducted.

11. Par.12. Unless the wool market keeps up long enough to enable Nender to get out of our debt,the account looks somewhat hopeless,and it may be desirable some day to close him up altogether,rather than go on making advances that are unlikely to be

repaid.

12. Par.14. In the circumstances it will be right to pay Rowlands' wages while on board the "Consort",as it will afford a guarantee that no time will be lost. The stipulation about Sunday and overtime work is most unusual in a time charter,and should have been resisted,for the crews of vessels not actually in Stanley are supposed to work to the best advantage according to the weather. There may be days when we shall have to put up with enforced idleness through gales,when work might be possible in the evening. It is to be hoped that this does not mean an extra charge for taking advantage of a fair wind on Sunday or on a clear night.

13. Par.18. I mentioned the subject of interest on money paid on the Telephone account last mail,and in Remarks on accounts you will find a calculation of what this would be if the Government were to elect to pay it in lieu of allowing the discount for cash, which we propose to take as a substitute.

14. 293-2. The P.S.N.Co.tell us that the Potosi has been sent to Stanley,and we hope that this is the case.

15. Par.3. P.Iredale & Porter have accepted the Allonby's drafts. In the case of an English ship the amount of the credit is seldom stated,as Owners are liable by law for all legitimate disbursements. It was therefore unnecessary to split up the Allonby's account,and the same rule should be followed in future unless special instructions are sent. On the other hand a special credit is always obtained for a foreign ship,and when this is exceeded notice of the increase required should always be sent by cable. I believe that instructions on this point went out a short time ago.

16. Par.5. We shall obtain a new propeller for the Samson from Earle's.

17. Thomas Sharp has written to say that he can get no accounts from his partner,and we ought to know what sum we can reasonably pay him.

I am,Sir,

your obedient servant,

Managing Director.

E N C L O S U R E S

Duplicates

Despatch No.1015

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice goods per "Oropesa"

List of General Cargo per "Oropesa"

List of Dutiable Goods per "Oropesa"

List of Parcels

List of Clients Cargo per "Oropesa"

List of Enclosures

Clients' A/sales & Contracts:-

F B	35	bales Wool	ex "Panama"
S	31	,,	,,
S I	144	,,	,,
W.Fell	30	,,	,,

Clients' Reports & Contracts:-

L	3	bales Sheepskins	ex "St.Leonards"	
W P	2	,,	,,	,,
H	1	,,	,,	,,
B	1	,,	,,	,,
S & S	2	,,	,,	,,
M V	3	,,	,,	,,
S	3	,,	,,	,,
T R	1	,,	,,	,,

Sight Draft for 111 . 12 . 4 for collection B/L attached

B/L General Cargo per "Oropesa"

Enclosures via Liverpool

Originals

Copies of Cablegrams sent on 10th & 24th August.

Copy of Cablegram received dated 24th August.

Weymouth College Schooling account for W.C.Girling.

Lewis Grant's Agreement and testimonials

Alexander Bain's ,, ,,

Stickney Brothers account for Wool lost ex "Fortuna" & A/current to be forwarded to Mr Stickney

Mrs Bonner's account ,, ,, ,,

Clients' A/sales as follows:-

S	3	bales	Sheepskins	ex "St.Leonards"
L	3	,,	,,	,,
W P	2	,,	,,	,,
T R	1	,,	,,	,,
M V	3	,,	,,	,,
S & S	2	,,	,,	,,
H	1	,,	,,	,,
B	1	,,	,,	,,

Darwin Telephone Account invoice goods per "Oropesa"

Copy of letter from J.L.Waldron,Ltd.dated 17th August.

Bill on J.Aldridge for £15 .17 .1 for collection from the Royal Bank of Scotland.

Clients' Reports on Wool ex "St.Leonards"

T R	120	bales	Wool	ex St.Leonards"
M V	13	,,	,,	
S & S	71	,,	,,	
B	67	,,	,,	
H	33	,,	,,	
H & B	10	,,	,,	
W P	33	,,	,,	
L	182	,,	,,	
S	12	,,	,,	& Tallow

A/sales

Brokers' press copies Company Sheepskins ex "St.Leonards"

Particulars of homeward freight per "St.Leonards"

Letters for the following:-

A.L.Allan(2)

Dr.Foley.

W. Stukney

London 29th Aug., 06.

Enslosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

B/L General Cargo per "Oravia"

List of General Cargo per "Oravia"

List of Clients' Cargo per "Oravia"

Eills & Co's invoices

Falkland Islands Annual Reportsfor 1905

Agreement for carrying Bull & Rams in lieu of B/L

,, ,, Cows in lieu of B/L

Sight Draft on J.Kirwan for collection B/L attached £40.5.1

Capt.Pollard's Agreement Schooner "Gwendolin"

London 1st September,1906

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 28th September, 1906.

Per Oriana.

No 1017.

Sir,

I have to acknowledge the receipt of Mr.Girling's despatches nos.294 and 295,to which it is unnecessary to reply at length as we have discussed them.

2. Par.2. Possibly,although permission to throw ashes overboard could not be given,it might be quietly understood that the Governor would wink at the breach of the law,and not prosecute us.

3. Par.5. Recognizing that it has been more or less impossible to prevent the absence of the "Samson" from Stanley of late on occasions,you are to note that when we have our full fleet again she is not to leave the neighbourhood of the port for any purpose whatever or for however short a time,except for wreck or salvage purposes.

4. We do not seem to have had any details of the salvage recovered from the "Cassard",nor do we know if wheat has been saved in sufficient quantity or in good enough condition for export. Much wheat has been imported into Chili this year from Australia,but no doubt England would be the best market.

5. Par.11. I do not think that we shall be able to ship any coal by the "Malvina".

6. Par.12. The Board regret to hear of the death of their old servant William Fell,and have decided tolet the sons remain as yearly tenants until we have discussed the question of the Islands with Mr.Allan.

7. Par.13. Vorwerks have forwarded a draft for £804.8.3,but no details showing how the amount was made up have been received either from Valparaiso or Stanley.

8. Par.14. I will speak to Mr.Matthews about the question of

W.A.Harding,Esq.,

Manager,

Stanley.

landing materials at Cape Pembroke. I ~~understand~~ hear that it is understood that the crane has been bought,and leave it to you to make the charge on your side.

9. 16. I send as promised the original Admiralty letter authorizing the delivery of 100 tons of Steam Coal.

10. Details of the salvage ex Fortuna should have been sent, and we want to know what we have bought,probably the greater part. Have the boats and any of the sails been saved? If you have the latter,and any are nearly new,it might be as well to get Lapthorns to alter them for one of the schooners. Is there any chance of getting the windlass or winch? Regarding the services of the "Samson",I have told you that the Underwriters will not pay more than 100% loss,and that anything to be got from her must come out of the proceeds. There are no grounds for any further claim,and we should be stultifying ourselves in putting one forward. At present we must hold on the the proceeds.

11. 295-4. We should not dream of selling any of our best breeding ewes,but Mr.Menendez may be able to arrange with Mr.Allan to get some of the culls. As these have lately been sold at SanJulian at 10/.per head,and there is evidently a dearth on the coast,or enquiries would not be made in the Islands,we should not sell too cheaply.

12. I will place on record the Board's decision about canning, of which you are already aware. Having made enquiries here in various directions,we have become aware that warehouses and wharves are choked up with unsaleable canned meats,and that prospects are extremely doubtful. Moreover we find that the profits to be expected are unlikely to come up to the estimates put before us in a vague way,for we really have no details,and Mr.Wood bolted without giving us any figures for consideration. It was therefore minuted at the last meeting of the Directors that the idea was abandoned for the present,and the field is now open to anyone who likes to take up the venture.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1016 dated 21st August.

Ledger & Journal Entries

Remarks on Accounts

Replies to Remarks on Stores

Replies to Remarks on Accounts

Remarks on Stores

List of General Cargo per "Oravia"

List of Clients' Cargo per "Oravia"

List of Dutiable Goods per "Oravia"

List of Parcels

List of Enclosures

Clients' A/sales

L	3	bales	Sheepskins	ex "St.Leonards"
W P	2	,,	,,	,,
H	1	,,	,,	,,
B	1	,,	,,	,,
S & S	2	,,	,,	,,
M V	3	,,	,,	,,
S	3	,,	,,	,,
T R	1	,,	,,	,,

General Invoice Goods per "Oravia"

Sight Draft for £40 . 5 . 1 on J.Kirwan for collection

B/L General Cargo per "Oravia"

Second of Exchange for £15 . 17 . 1 on J.Aldridge.

Clients' Reports & Contracts:-

H	33	bales	Wool	ex "St.Leonards"
W P	33	,,		,,
B	67	,,		,,
L	182	,,		,,
S & S	71	,,		,,
S	12	,,		,,
M V	13	,,		,,
T R	120	,,		,,

Enclosures via Liverpool

Originals

Copies of Cablegrams sent

Copy of Cablegram received

Sutton's invoice for G.A.Cobb

Wool Reports

Sheepskins Reports

Copy of letter to the Admiralty of 17th & their reply of 20th September re coal.

Particulars of "Gwendolin's" Cargo under separate cover

London 26th September,1906

Enclosures per Supplementary Mail vis Lisbon.

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Bain's invoices goods shipped per "Oriana"

Eills ,, ,, ,,

Lamb Brothers ,, ,,

Sight draft for £ 51 .12 .2 on Kirwan for collection B/L attached.

Particulars of payment to Guarantee Society on account W.C.Girling.

Copy of letter the Admiralty dated 27th instant re coal.

Original letter from the Admiralty dated 20th September re coal.

General Invoice goods per "Oriana"

List of General Cargo per "Oriana"

Corrected List of Dutiable Goods per "Oriana"

Letter for the following:-

A.L.Allan.(2)

Dr.C.N.Foley

List of Clients' Cargo per "Oriana"

B/L

London 29th September,1906

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street.

London, E.C. 24th October, 1906.

Per Ortega.

No 1018.

Sir,

I have to acknowledge receipt of your despatches nos.296 and 297,which arrived on the 9th inst.

2. 296-2. The question of owners' liability has been pretty well thrashed out by this time. They are responsible for disbursements necessary to get the ship away,but not for others. Regarding the question put in this paragraph,the best course to take would be to have an understanding with the Captain at the outset,or,if necessary,to warn people that we should not be responsible for liabilities incurred. I can quote a case that occurred in the late sixties: a ship named the "San Fernando",Capt.Roberts,came to us for repairs,the Master drank heavily,and gave us a lot of trouble. At the end he was so bad that his signature was barely legible,and in my innocence I reported this to the owners. They refused payment of the bill on the ground that we had practically sanctioned his conduct by making improper advances,and though we got our money after a lot of trouble,I am not sure whether we had to allow any abatement or not.

3. Par.5. I am still without an answer from the Admiralty about coal,and have instructed Langridges to look out for a ship. They have had it in hand at least three weeks,but have not found one yet,and I shall soon try the Cardiff man. As soon as we have fixed a cargo,I shall tell the Admiralty that our offer is withdrawn.

4. Par.8. As soon as you have finished with the "Consort",we should like to have a detailed account of her work and earnings.

5. Par.9. We cannot expect to get any salvage from the "Fortuna" now. We must hold on to the proceeds of sale towards the

W.A.Harding,Esq.,

Manager,

Stanley.

work done by the "Samson". The Underwriters have settled for a total loss,and are unlikely to reopen the subject.

6. Par.10. Thanks to the good management of Wilsons the "Gleam" has got to Stanley without any serious addition to the cost,but it is a lesson to anyone who may wish to get out a small boat,and a warning to us not to despatch any schooner on contract.

7. Par.12. The Board have discussed the subject of the garden belonging to Capt.Thomas's house,and though they would be willing to help the Governor to carry out the scheme mentioned,which we understand is in practice in many schools here,they think that Capt. Thomas has some reason in objecting to being dispossessed,and there is the further consideration that,if in the future,someone should occupy the house and desire to make use of the whole garden,the resumption of the plot would be difficult without creating an outcry,unreasonable of course,but still there would be one,and there would be an unpleasant feeling towards us. Would it be impossible, as an alternative,to offer the use of a portion of the paddock at the back of Eagle Buildings for the experiment?

8. Par.13. The new regulations about the working hours of Customs Officers seem unfair,but it must be settled locally,and it seems to affect the P.S.N.Co.more than ourselves. I have been trying to show that it is not in accordance with the practice here, but I am afraid that it is. From enquiries I have made,I gather that although the system is different,that is the Customs officers are in the Docks to protect the Revenue generally,and their time is not charged to any special ship,yet if a vessel loading on the berth requires the attendance of any officer out of hours an extra payment is exacted,and as far as I can learn,the hours are from 9 a.m. to 4 p.m.

9. Par.15. The Board think that the quickest and most satisfactory way of ~~selling~~ selling the wheat will be to ship it,if in any quantity,to Liverpool.

10. Par.16. I sent Mr.Matthews extracts from the last two despatches on the subject of Cape Pembroke stores,and offered to call to discuss the subject. The enclosed copy of letter shows that he thinks that you have an sufficient understanding with him,

Pars. 12 hung question for board of [illegible] 10 for [illegible]

Board not willing to question [illegible] only for commercial point of view

Workmen's Compensation Act

p. 221 Govt Letter Book

and there is no more to be said until we get your report.

11. 297-1. After reading that the "Ortega" had plenty of room for cargo it was a surprise to get a note from Mr.Girling saying that a lot had been shut out. A few more lines might have been added by way of explanation,especially as the cargo shipped was for the most part produce in which we had no interest. I enclose copy of correspondence with the P.S.N.Co.who have complained about delay in attending to this vessel. I have told them that the blame probably should rest elsewhere; but you had better enquire and send a report.

12. Par.3. Looking at the probable value of Mrs.Hansen's produce,the Directors would have no objection to advancing her £550; but I think that she has quite miscalculated the cost of a 20 ton boat in placing it at that sum. I sent for one of King's men and talked it over with him: he said it was an old story,as Mrs.Hansen had already written them about the matter more than once; but he scouted the idea of doing it for the sum named,and knowing that the "Gleam" cost £300,and more as it happened,to sail out,it would be unreasonable to think that the boat could be bought with the balance. I left it that when they report that they will place a 20 ton boat in Stanley for £550,the money will be all right. Would it not be better to see what a boat of the size could be got for in Sandy Point,where I hear they build vessels?

13. The last despatch gave no information about the balance of the tallow to be shipped,both from Goose Green and outside,or about the rest of last season's produce. We are much disturbed about the tallow,as the market is higher than ever,and we do not know how long these prices will last. We got 36/.for some of the last from Goose Green last week,the highest price since 1883,and we beat the best New Zealand at the same sale by 3d.to 6d.per cwt. I am afraid that we have been too generous in bringing in outsiders' produce to the neglect of our own interests,but it is difficult to judge,as there is not a word about what the two schooners have been doing.

14. I enclose copy of a letter from Capt.Pollard,which is unsatisfactory. What he says about the cook shows once more how inadvisable it is ever to choose men for a skipper instead of let-

ting him do it himself,retaining a veto in case of need; but what troubles me most is the remark that he would have had to put in in any case to overhaul gear,&c. No schooner within my recollection has ever in the course of an outward voyage put in any where until now,and it seems to me that,having got through gales and bad weather,and being on the verge of the Tropics where fine weather and N.E.trades are practically certain,it shows a want of push to have done as he has,for many a man,the majority probably,would have managed to go on. I only hope that bad weather south of the Plate will not afford a reason for going back,and I shall after this feel much more easy when the "Gwendolin's" arrival is cabled. The expenses in St.Vincent have been a little over £25. I wonder that you did not hear of her when you were there.

15. The news about the "Hyndford" foreshadows a good salvage after all these lean years. We have put the case in the hands of Messrs. Ince Colt & Ince,and have cabled you that salvage will be settled in the Admiralty Court here,that the vessel is not to be detained, and that you are to follow the Captain's instructions. Bail has been put in by the owners of ship and cargo,and when all the facts are known we shall make our claim. No offer to arbitrate under Lloyd's Arbitration Agreement is to be accepted,Mr.Ince says that the Arbitrator employed by Underwriters was formerly Solicitor for them, and that his awards are always biassed in their favour As regards information and evidence to be sent by you,I shall write fully by Supplementary mail. Unfortunately we cannot tell from the cable whether the steamer was within five miles of Stanley or of the port,if the former she was actually safe; if the latter only,there was the tow up Port William to be faced.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via LIVERPOOL

Originals

Wool Reports.

Copy of Cablegram received

Copies of Cablegrams sent

Copy of letter from A.G.Robertson dated 16th October re Mrs Bonner's Estate

Copy of letter from the P.S.N.Co.dated 12th & our reply of the 15th October

Copy of letter from Ince Colt & Ince dated 17th October

Dates of Wool Sales for 1907

Particulars of homeward freight per "Oriana

John McPherson's Agreement

Copy of letter from Trinity House dated 20th October.

Copy of letter from the P.S.N.Co.dated 17th & our reply 18th October.

Clients A/sales reports & contracts:-

K	38	bales Wool ex "Oriana"	
H & B	65	,,	,,
P H	89	,,	,,
W E D	189	,,	,,
D S G I	25	,,	,,
W Fell	16	,,	,,
AP	48	,,	,,
H & B	10	,,	St.Leonards
H	33	,,	,,
B	67	,,	,,
W P	33	,,	,,
L	182	,,	,,
S	12	,,	,,
T R	120	,,	,,
M V	13	,,	,,
S & S	71	,,	,,

Corrected General Invoice goods per "Lord Antrim"

Brokers' copies Company Wool A/sale per "St.Leonards"

Invoices for the following:-

Vere Packe Goods per "Oriana"&"Lord Antrim"

W.A.Harding Insurance on Goods per "Oriana"

Dr.C.N.Foley Goods per "Oriana"

Darwin Telephone A/c goods per "Oriana" &"Lord Antrim"

Copy of letter received from Capt.Pollard dated 2nd October.

Kirkland Cope's account for F.I.King for £ 1 .8 .10

,, ,, ,, W.A.Harding 9/-

Clients'Reports & contracts&-

AP 4 casks Tallow ex "Ortega"

McG 2 ,, ,,

Detailsof draft for £25 . 18 . 2 account schooner "Gwenbolin" at St Vincent.

Corrected list of Clients' Cargo per "Lord Antrim

London 24th October,1906

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street.

London, E.C. 26th October, 1906.

Per Supplementary Mail.

No 1019.

Sir,

In further reference to the "Hyndford" I have to inform you that I wrote to Messrs. Ince yesterday asking for advice as to information to be got from you, and telling them what I proposed to ask for, which is as follows:- (1) A copy of the Chart with the precise spot marked where the steamer first anchored and from which she was towed, (2) a statement of the weather while under tow, (3) a report of any circumstances tending to show any skill exhibited or risks involved, (4) what the weather was for some days after the ship left her anchorage, as a gale in the exposed situation in which we think she was would probably have caused her to be a total loss had she not been taken in tow. In reply they have named some further points for enquiry, and suggested that the statement should be drawn up and made on oath before a Notary; this they say is not strictly evidence, but will probably be accepted. A copy of their letter is enclosed. A further letter has just come in with suggestions as to details of the "Samson"'s equipment and earnings, which I think can be better supplied by Earle's and yourself, but I will submit it to them, and see what they say. I shall suggest, however, that the most should be made of the money spent on refitting the tug in Montevideo last year. In speaking to Mr. Ince lately, he asked if we had any written agreement with the Captain and crew as to their share of any salvage that might be earned, and seemed rather surprised that we had not taken this precaution. I shall make further enquiries as to what is usual with salvage tugs; in the present case the Court will apportion the salvage.

2. 296-6. I omitted to write via Liverpool on the subject of

W. A. Harding, Esq.,

Manager,

Stanley.

the "Chance" salvage. I do not understand the point that there would be no one to defend the action,as,as far as I am aware,the shippers of the cargo are all in the Islands as well as the owners of the vessel. It must not be supposed that the Underwriters are parties to the action at all; it is against the owners of ship and cargo,and this misconception must be removed. They only come in after the action,when the owners of insured cargo send in their claims for the award given against them. The plain fact is that the Plym at some risk to herself rendered certain services for which she is entitled to be rewarded,and it would be grossly unfair to try to upset this on a technical point,simply because the Court do not understand it,and wish to shirk it,if,as it seems,this is the case. It is when a thing of this sort arises that we feel the want of a Judge. You will have to do the best you can to uphold the Company's interests by trying to get a judgment on the claim. Probably a trial action against one owner of cargo as well as the shipowners would be accepted as conclusive by the Underwriters. Glanvill's letter must have been as stated,and the two cases mixed up.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures per Supplementary Mail via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoices goods shipped per "Ortega"

List of General Cargo per "Oretga"

Corrected list of Dutiable Goods per "Ortega"

Corrected list of Clients' Goods per "Ortega"

B/L Cargo per "Ortega"

Debit note for Insurance Private Effect for Cpt.Pollard

Hindley's invoice for Spunyarn

Cooper Pegler's invoice for Fancy Goods

Eills & Co's ,, for Provisions &c.

Copies of letters from Ince Colt & Ince of 25th & 26th & our reply of 26th October

Copy of letter from J.King & Co.dated 25th & our reply of the 26th October.

Copy of letter from P.S.N.Co.dated 25th & our reply of the 26th October.

C.W.Harrison & Sons' invoice for Dean Brandon,showing balance to pay £1 . 2.3

Copy of letter received from the Admiralty dated 22nd Oct.

Copy of letter ,, ,, ,, 26 ,,

Letters for the following:-

W.A.Harding & A.L.Allan (2)

London 27th October,1906

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 21st November, 1906.

Per Orita.

No 1020.

Sir,

I have to acknowledge the receipt of despatches nos.298 and 299,which arrived on the 5th inst.

2. Par.6. It is fortunate that the "Cassard" could not be got afloat,for although we should have got more of a haul out of it, the abandonment of such a valuable property would have been considered premature,and would have been most damaging to the reputation of the Islands,which is not too high at present among Underwriters and Shipowners.

3. Par.8. When a passage is guaranteed like the one to the man on board the "Gleam",it would be better to stick to the rule that it must be taken forthwith or declined; in this case advantage has been taken of Mr.D.Smith,as the man has work for six months,and can go away at his expense when work gets slack.

4. Par.9. The papers re "Lafonia" are in order,and have been sent in to the Average Adjusters. When a Protest is extended a copy of the Note is not needed,as the fact of its having been made is recorded in the Extension. ~~Par.10 and 299~~.

5. Par.10 and 299-4. The Board consider that the despatch of the Consort to Sandy Point,however well intentioned,was an error of judgment. The vessel was chartered solely for the purpose of overtaking the arrears of work caused by the loss of the "Fortuna", and it was most unlikely that she could be over in time to be of any service,or that we could in any case have got anything out of it. There is still produce to be collected,and tallow after nearly touching 40/.is at present flat. Enquiries have been made why Port Howard station has been exceptionally favoured by having the tallow brought in,while ours and our clients' has still to come for-

W.A.Harding,Esq.,

Manager,

Stanley.

ward. If any delay,as foreshadowed,was likely to occur over the shipment of wood,it would have been better to have it over by a mail boat; the collection of produce should take precedence of everything.

6. Par.12. I have seen Mr.Matthews about the charge for landing the Lighthouse materials. He seems to think that he arrived at such a complete and amicable understanding with you that all difficulties would be smoothed over on your arrival. I told him that I believed the charge of 10/.per ton extra after the destruction of the jetty was fair,but agreed at his request to let the matter stand over pending a reference to yourself; if you say it is,he will pay it,but suggested that 7/6d.or even 5/.would be sufficient. It cannot be denied that he is somewhat of a "screw",and never loses a chance of getting a reduction. He presented a Store account,and asked me to take off 10%; I told him that on a former occasion I had,under pressure,agreed to this reduction in the case of an account of some magnitude,to get it settled,but that the bills he showed me were small,and that on principle I disliked altering the Stanley accounts. I do not see why,if the accounts are settled on your side,you should not allow 5% on the spot as a compromise. I ventured to tell him at last that the business had given so much trouble that we would have preferred to see it done by someone else,and this rather upset him for the moment. The Lighthouse is of so much importance to our vessels that we have put ourselves out of the way to serve the Trinity House,but we must not be imposed upon.

7. Par.13. I am afraid that we cannot reckon much longer on having Rowlands' services,and for this and other reasons I am hoping that the men selected to take out the schooners may turn out well,and decide to stop. This you must bear in mind,Underwriters are beginning to ask who our Captains are,and although nothing was said all the years we ran without accident,it is likely to be inconvenient in future to have to admit that they are not certificated men,but only promoted sailors.

8. 299-3. The detailed account of the proceedings with regard to the "Hyndford" shows that the proper steps were taken,and Captain Thomas's handling of the affair shows that in such a case he

is all there. His assurance in telling a 10,000 ton steamer to go away as she was not wanted was as commendable as it was comical, but people are asking how the Captain of the "Hyndford" came to concur. However,as the business was carried out successfully it is all the better for us. We now await the evidence asked for last mail,and expect to find Captain Thomas's statement to be one of his finest literary efforts. Seeing that the cable brought by the "Orita" reported the vessel in a critical position and not yet safe,I wonder that it did not occur to you to report that she was safely in harbour when you next cabled.

9. Referring to the account for the "Lafonia"'s repairs,I notice that an iron davit was supplied for £7. Until lately I was not aware of the cost of these,but I could not,as you know,get Fergusons to put an extra pair into the "Malvina" for less than £25,and this should be borne in mind in case of a sale in future. There seems to have been no Blacksmith's work on the schooner; was this so?.

10. The Missionary sheepskins were one bale short in delivery.

11. We are sending flour from Liverpool,and the price will compare favourably with that of Chilian. I tried to get 100 lb. bags,but found that it would add much to the cost. There is no apparent reason for getting supplies from Chili,when,as is the case now,the crop of wheat has been so short that large supplies have had to be imported.

12. Eills & Co.send an enquiry about sausage skins,of which they say they sent a sample some time ago showing how they should be prepared.

13. I enclose copy of a letter I have written the Admiralty, offering by desire of the Board after discussing the matter a further abatement of 20% off the charges for hulk hire.

14. As the Admiralty have not yet given us a price for the coal we asked them to sell months ago,we have withdrawn the offer, and have arranged to send out 600 tons from Cardiff by the St.Hugo, chartered by the P.S.N.Co. Mr.Lamb has put us on favourable terms, as he is buying some 2000 tons for their own use at Sandy Point, and letting us have our lot out of it at the purchase price,which is less than we should pay for the small quantity,freight being

20/. By the same boat we shall ship more Blacksmiths' coal,the bricks ordered by cable,salt,hay,lime,cement,and other rough goods. With regard to a request for 100 tons House coal in bags for Darwin,we shall not send it,and we believe that the order has been sent without a proper consideration of the circumstances. Last year we shipped from the Tyne,almost at the pits mouth 665 tons of the best house coal to be got,and assume that a quantity is still available. This coal cost us,c.i.f. 30/6d.per ton,while the inferior North Wales coal obtainable in Liverpool has always worked out at from 40/.to 41/. The bagging alone costs about 6/.a ton,and although it might suit us to send bagged coal if ordered by a client who is willing to pay the extra cost,when it comes to coal for our own use,it is sheer waste to pay 10/.a ton extra,and it must not be thought of.

15. Your cable of the 28th ult.from Sandy Point came just too late to acknowledge by mail. It was badly mutilated,as were also those for Robertson Paterson & Co. and,I believe,Lloyd's,and many words had to be repeated. It came by the "Western Union",and was the worst we have had. The Eastern Co.say that the fault lies with the Government land line,and that theirs are liable to mutilation also,but as a fact they have usually been intelligible. Correspondence on the subject of the "Leon Bureau" is enclosed,and instructions have been cabled to you,but I may state shortly how the case stands. Our Solicitors have asked for bail,but it has not been forthcoming as yet,and we cannot release the ship or cargo. An agent is said to be on the way out,and there are indications that an attempt may be made to get the ship condemned,which,if she is repairable at a reasonable cost should be resisted. We want no more hulks in the harbour to begin with,but the most urgent reason against this course is that our claim would only be on the value realized at auction,and amount to a mere trifle. There is a partner in Clarkson's here who has a share in the ship,and as he has told Mr.Ince that he has never had a copper from her,naturally a condemnation would suit his book. Then as to the cargo. The Master has cabled a suggestion that the ship should be transported to Punta Arenas,where he thinks that a sale of the coal might be effected through M.Braun. That may be so,but it would ob-

Last export by Lafarge Dec 04 2000 pails
@ 1/10 c
Return per Anne Oct 02 @ 2/6
Acc 1000 pails in drums
Have leakage in cases about 70%

viously more prudent to write across to enquire rather than take the ship before it is known whether there is a market or not. Our claim is on ship and cargo at Stanley, and we must not let the property go until we have security. As other damage is mentioned it is unlikely that the ship would be in a condition to proceed until repairs have been effected, and then for this we must have a credit, which at present has not been furnished. The arrest of a ship used to be carried out by a Marshal of the Vice-Admiralty Court, who placed a notice on the mainmast, and although this Court has been abolished no doubt there is some way of getting her stopped. But if she is incapable of moving this expense need not be incurred. Noticing that the steering gear is lost, and that the "Cassard" is about the same size, I assume that you will be able to make the deficiency good with that belonging to the latter.

16. I hope that you will shortly be able to give us quantities for coal to be delivered at outstations, as we can then charter from the Tyne. We can get the requirements of Adelaide Station, Packe Bros. & Co., Bonner, and Baillon & Stickney here. You should say if we ought to freshen up the Stanley stock at the same time.

17. Since beginning this despatch we have had a quotation of 25/. per ton for Brancepeth coal at Liverpool, exclusive of dues, and this is too much. To meet your immediate requirements we are shipping by this boat 20 tons of the coal chiefly used in all Liverpool smithies, and shall probably have to make up the rest with the same kind.

18. Mr. Elborough of Lawes' Co. has been to see me about the sale of their dip. He says that Mr. Blake reports that although they gave us a material reduction in price you are still selling at the old rate, that there has been no order since 1904, and that Robertson & Ness seem to be going ahead. He proposes now to circularize the farmers, and to give us a commission of 5% on all orders that come through us, though he will still supply us at the last quotation, which seems contradictory. I said that I knew nothing about it, but that this would be no inducement to us to push the dip, the 5% that is to say, as it would not pay establishment expenses if we made no more than that on goods we imported. Probably the best way out of it would be to order any dip required, and

sell it at a reduced rate corresponding with the price they now charge us. You might say if it is a fact that other dips are going ahead,and if so,why. I told Mr.Elborough that since we gave up using it the demand had naturally slackened.

19. The Malvina was safely launched on the 17th,but it is most mortifying to have to report that the engines are behind hand,and that a week or two will elapse before she is ready for sea. Mutual recriminations are going on between our Superintendent Engineer and the Contractors,and it is difficult to decide who is to blame. Lowdens have advised the despatch of a lawyer's letter to the latter,and there the case stands at present. We shall load her entirely with paraffin,200 barrels of Rock Light for her own consumption,and,if there is room,100 ordered for the Store. This is an article that I cannot get Mr.Lamb to take at less than 45/. or 50/.on deck,and it is too much. I have been wondering how to get the engines worked on the voyage,and remembering what you said about the desirability of having a second Engineer on the staff, have thought it a favourable opportunity for getting one out on the Articles,leaving it to you to engage him when he gets out,if you can come to terms. He goes at £12 per month,with the same passage home as the Captain if not engaged. The man selected is named Baseley,and I saw him at Connah's Quay at the launch; he struck me as one of the most promising men I have met for a long time, being bright,active,and intelligent,and his references are of the highest. He will instruct one of the crew in the running of the engine on the voyage,and being married will,if engaged,want one of our houses. I do not know what you have to offer him,but believe that there are several let to outsiders. The Master is named Finch, and he too is very well spoken of.

20. I enclose another letter from the Colonial Office about the Telephone agreement,to which I have tried to reply,but I have been so busy of late that I have been unable to give any time to it. I shall take it in hand as soon as I can,and shall still oppose the right of priority they claim,which in the circumstances seems most unjust.

21. Mr.Reid goes out this mail,and as his engagement has been

fully discussed with you there is nothing to add on the subject, except that the Directors commend him to you as one sure to prove a valuable assistant, and that they trust you will do your best to enable him to take up the routine of his new duties pleasantly and without friction.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Originals

Copy of Cablegram sent 2nd November

Copy of Cablegram received 5th November

Charles Wang's application for Eills & Co's catalogue

Copy of lettersto the Admiralty dated 13th & 19th November.

Clients' A/sales,reports & contracts:-

	W Fell	3	bales	Sheepskins	ex "Oriana"
	A P	3	,,	,,	,,
	H & B	7	,,	,,	,,
	K	6	,,	,,	,,
	D S	2	,,	,,	,,
	W E D	13	,,	,,	,,
	McG	6	,,	,,	"Ortega"
	P H	36	,,	,,	,,
	K	6	,,	,,	,,
A/sales only	McG	2	casks	Tallow	,,
A/sales only	A P	4	,,	,,	,,

Brokers' press copies above reports & contracts

Brokers' copies Company's A/sales Skins & Tallow ex "Ortega" & "Potosi"

Copy of Correspondence re "Leon Bureau"

Conveyance of Land to Vere Packe from A.Fleuret completed.

Alexander Reid's agreement.

One pound Falkland Island Note for collection Royal Bank of Scotland

Two letters for W.W.Bertrand.

London 21st November,1906

Enclosures via Liverpool

Duplicates

Despatches Nos.1018/1019

List of Parcels

Remarks on Stores

List of Clients' Gargo per "Ortega"

Ledger & Journal Entries

Remarks on Accounts

Supplementary Remarks on Stores

Replies to Remarks on Stores

Clients' A/sales & contracts:-

T R	120	bales Wool	ex "St.Leonards"
S & S	71	,,	,,
M V	13	,,	,,
S	12	,,	,,
L	182	,,	,,
W P	33	,,	,,
B	67	,,	,,
H	33	,,	,,
AP	48	,,	"Oriana"
W.Fell	16	,,	,,
△	89	,,	,,
W E D	189	,,	,,

List of Enclosures

List of Dutiable Goods per "Ortega"

List of General Cargo per "Ortega"

General Invoice Goods per "Ortega"

Reports & Contracts :-

AP	4	casks Tallow	ex "Ortega"
McG	2	,,	,,

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice Goods per "Orita"

List of General Cargo per "Orita"

B/L Cargo per "Orita"

Sight Draft for £34 . 17 . 3 for collection (J.Kirwan)

Lowden's invoice for Smithy Coal per"Orita"

Bailey & Whites' invoice for Droppers & Palings per "Lord Antrim"

Copy of letter from the Colonial Office dated 30th October re Telephone.

Credit notes for Tallow damaged Wool ex St.Leonards"

D H	1	bales	£ 1	10	2 .
L	4	,,	16	3	5
H & B	1	,,	3	-	3
S & S	1	,,	3	10	4

Particulars of Homeward freight per "Ortega"

Debit note for Insurance for Reddemann & Whitlock

Clients' reports :-

♡	2	bales	Wool	ex "Orita"
F	78	,,	,,	,,
D H	122	,,	,,	,,
H W	52	,,	,,	,,
R B C	33	,,	,,	,,

Letter for A.L.Allan

London 24th November,1906

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 19th December, 1906.

Per Oronsa.

V° 1021.

Sir,

I have to acknowledge the receipt of your despatch no.300, which arrived on the 4th inst.,having been preceded by a day by letters of the 30th October and 8th ult.,the latter via Lisbon, from which I infer that the mail was carried on to Liverpool.

2. 300-2. The wheat per "Duendes" arrived in good order,but is not likely to realize more than about 15/.per bag less freight and charges. If therefore you have a steady demand locally it will probably be better to sell it on the spot. I arranged with the P.S.N.Co.for freight at 20/.,which is not exorbitant. I cannot learn that it matters whether it comes to London or Liverpool.

3. Par.4. It is,as you know,difficult to get at what Mr.Felton really thinks on any subject. When discussing the canning question,he said nothing to suggest his being annoyed; but rather intimated that people in the Straits were expecting him to do more than he considered prudent,and seemed to realize that the U.S. meat scandals had altered his ~~xxxxx~~ prospects. You are aware that we should have taken the matter up if we had not been warned in time,and now if Mr.Felton,knowing the turn affairs have taken, likes to burn his fingers,we cannot help it. I think,however,that he will confine himself to giving the land,and let other people find the money.

4. Par.5. I am sorry to say that the P.S.N.Co.are substituting the "Duendes" for the "St.Hugo",and that she will of course be later,leaving on the 29th inst. She will carry,besides steam coal,bricks and another 20 tons of Smithy coal. Bricks were entered in a sailing ship order;but no urgency was mentioned. Of

W.A.Harding,Esq.,

Manager,

Stanley.

course they will not be "Gault",which I understand to be the local name for a South of England variety,but will be the same as supplied on a former occasion by Mc.Ivors of Birkenhead. Lowdens say that the Smithy coal is considered very good in the Liverpool shops,and would like to know how it turns out. I am only sending 40 tons in all,as there may be a chance of shipping later from the Tyne; this I have already mentioned.

5. Par.6. You are mistaken about my having the necessary measurements for a windlass for the "Lafonia"; but if I can get the position of the hawse pipes I shall probably send one of the old type,such as we had on all schooners previous to the "Fortuna". I expect that in any cases new bitts will have to be provided,as the present ones are unlikely to suit.

6. Par.8. I have to be in Liverpool this week,and shall see if a boat can be got there ready made of the kind you ask for. If it can I shall send it per "Duendes"; if not,probably I shall get Fergusons to build it.

7. Par.9. The Board have read your account of the proceedings with reagrd to the "Leon Bureau" with interest,and regret to see that the Governor is suspected of having unduly interfered. Mr.Ince says that it is certainly a case of salvage,and a meritorious one,but unfortunately ship and cargo together have little value. We can get no satisfaction out of the owners either as regards salvage or a credit for repairs. They tell us that they , or rather the Underwriters,have sent out a M.Vié,to represent their interests,and seem to expect that arrangements for credit will be made by the Underwriters. If they do not agree to have the salvage adjusted here it may have to be done in the Supreme Court in the Islands,and if so,it will be most unfortunate if the Governor has already committed himself to any opinion on the case, and another drawback is that he is not a lawyer and clearly knows little about shipping matters. But whatever may be ultimately decided as to the salvage,it is clear that credit will have to be provided here for payment of the sum awarded as well as for the repairs,and you must not allow yourself to be bounced out of your hold on the ship,but must detain her until bail or other security approved by us is given. With Mr.Ince's concurrence I cab-

led via Montevideo telling you that the stop must not be removed.

8. Par.10. Your remark about the "Plym" is not understood,as it seems to imply that she had not been in good working order,and that possibly there had been an unreported accident,otherwise how had the tail shaft become bent?

9. There can be little doubt that insurance is recoverable on tobacco dropped from slings in loading,if insured,but nothing can be done on a vague statement made in a despatch without even a date. If it was declared for insurance it should have been noted on the list as lost,and a certificate of the occurrence should have been obtained from the Master countersigned by Lloyd's Agent and forwarded here. If it was not very long ago we might yet recover if you will send the necessary papers; but you should bear in mind that matters of this kind must not be treated in a happy-go-lucky way.

10. Par.14. The information about the "Hyndford" is satisfactory as far as it goes,but Mr.Ince is anxious to get the supplementary information asked for,and has remarked that the various statements up to the present do not present a very strong case,and thinks that more might have been made of the danger in which the ship was. In fact,as compared with the salvage of the "Leon Bureau" the case is a weak one,and is scarcely more than an ordinary tow performed with everything in the "Samson"'s favour. The fact that the ship rode out a gale while the "Samson" was away for coal is against us,and unfortunately after she got back the "Orita" turned up,so that all actual danger was over. If the "Samson" had picked the ship up at sea,it would have been a different matter; as it is we are advised not to look for too much. We do not understand about the propeller,and your remark about a perfectly new one with four blades does not clear it up. Why she could not have proceeded on her voyage after shipping the spare one is not explained. News carried by "Consort" anticipated the "Orita" by two days; had it been longer no good purpose could have been served,and the Board are unable to adopt your view that the despatch of the schooner was justified.

11. Par.15. It is a relief to hear by cable of the arrival

of the"Gwendolin". If you retain the "Consort" you will not be so badly off until the "Malvina" gets out,and we expect that no delay will occur over the shipment of the Company's wool,to which everything else must give way. I am very sorry to have to report that in consequence of scandalous delay on the part of the Gardner Engine people,the trial which has been postponed from day to day and from week to week has not yet come off,and I fear that she will not leave on this side of Christmas. The detention will be the subject of a claim,and possibly a law suit,if the Board decide to press it. The trial is now definitely fixed for tomorrow,but after the continual disappointments I shall not believe it until it has actually come off. All the cargo is ready to ship, and when once the machinery is pronounced to be in proper order a few days will see her off. It is very mortifying,but Lowdens have been unable to hurry the Engineers,who move in their own way, although a lawyer's letter has been sent to them.

12. Par.16. The Board are gratified to learn that the Company's business has been well looked after in your absence by Mr. Girling,and wish you to return thanks to him on their behalf for his assiduity. They also desire to acknowledge the services which have been rendered by Mr.Oswald.

13. I have asked Mrs.Williams for the Weddell returns of lambing,shearing,&c.,but she has not received them from her son. It is part of our understanding that we as mortgagees are to be kept fully informed from time to time,and you had better get Mr. W.Williams to supply them in a form approximating as nearly as possible to our own returns. We assume that you are keeping your eye more or less on the place,and satisfying yourself that no stock or property is being parted with.

14. I enclose copy of correspondence with Mr.Matthews of Trinity House about the work of landing supplies; so far I have not got much out of him,but when your report arrives I think that he will be reasonable.

15. I have answered the Colonial Office on the subject of the Telephone,and it is now their turn. It seems that we have to split hairs and worry ourselves about all sorts of unlikely con-

tingencies,and it is by no means certain that the last word has been said. Meanwhile it is satisfactory to know that the practical part of the work is being carried on well. You will observe that I have put the Company's foot down on the priority claimed for the Government.

16. From the enclosed copy of letter from the Admiralty you will see that they profess to know nothing about the supplementary account for hulk hire,and I need hardly add that we have heard nothing from them about payment. In the meantime I am refraining from paying an amount of £559.4/.for coal supplied,which they asked for on the 19th of September.

17. You remark elsewhere that Atherton would like to know what oil the Hornsby-Ackroyd engine works best with,and I enclose copy of a letter from the makers saying that Rock Light,the kind we are sending out,is suitable. Depend upon it,it is not the oil that is at fault,but the man,and as he is up in steam but presumably knows nothing practically of oil engines,we cannot blame him. Probably Baseley will be able to set him right.

18. I may mention that Mr.Connell speaks in high terms of the last mentioned and of Capt.Finch,who takes out the "Malvina". I hope that both of these men will prove to be acquisitions.

19. You have mentioned privately the question of a douceur to at least one of the salvaged Captains,and have asked what we should do. I am obliged to reply,nothing. I enclose a copy of the Act for the better prevention of Corruption that will come in force on the 1st of January,from which you will learn that for doing anything of the kind we or one of us would render ourselves liable to both fine and imprisonment,and we are not going to risk that. It would not be half a bad thing if the Act were re-enacted in the Islands,for it would put a stop to the gratuities to Captains,which I look uopn as both humiliating and out of date in the absence of competition.

20. There is a point in the new Spirit duty that calls for remark. It seems that extra duty is payable on all spirit over proof,and we are not only sending you Customs Certificates relat-

ing to every invoice,which one would think ought to render the gauging in Stanley unnecessary,but have got the suppliers of a cheap strong whisky which is overproof to reduce it,to our advantage in the matter of price,and it goes out as 0.1 overproof. But the Ordinance while providing for extra payment overproof does not provide for duty being reckoned in all cases on the amount of proof spirit,that is to say a whisky supplied by the same people on the same invoice is 20 u.p.,and yet as I read the Ordinance we shall have to pay the full duty on this. We have just consulted Mr.Day on the subject,one of the largest Wine Merchants in London, and he tells us that in case of underproof the duty is only charged here in proportion to the rate per proof gallon,and so the duty on the last mentioned would be here 11/.per gal.less 20%. Did this point arise when the Ordinance is passed,and does the Governor mean to conform to the usage in this country? People ask us why we do not import spirit overproof and reduce it ourselves. I reply that Stanley is a talkative place,and that if it were known that we watered our Whisky there would be an end of our trade.

21. Looking over the quarterly balances there is one account with which you will have to deal,that is Mr.A.E.Felton's. At the end of September he owed us £783.6.6,and his wool since sold has only realized £431.12.10. When he came home he asserted that he had a credit of £300,a large portion of which he drew,as at the time his balance in Stanley seemed a fair one. The question was referred to Mr.Girling,and his reply was not very clear. We must not,even in a small matter like this,allow a return to the bad old system of allowing overdrafts,and this matter must be taken up sharply,and Mr.Felton's credit restricted until he is on the right side. It may be as well to point out to him that the payments on account of his daughter may have to be stopped,and he and everyone else must be made to understand that drafts on the Company must not depend on what they wish to spend,but be strictly regulated by the amounts of their balances in the ledger.

22. The Secretary of J.L.Waldron Ltd.has brought in an extract from one of Mr.Mathews's letters which is somewhat disquieting. He reports that a schooner that brought a consignment of

wire had"had to throw 1½ tons overboard in order to float her,because she ran on a reef. This was insured". The matter we are told has been mentioned to the Underwriters,who on such a vague statement are unable to act,but point out that if the facts are as reported it is a case of General Average,and ship,cargo,and freight are all liable to contribute. It must be assumed that the schooner was one in which we are interested,as there are no others,and it is always unpleasant to receive reports of this sort from outside instead of getting them from your office. Several points arise on which we must have full information. Where did the schooner ground on a reef? If in harbour,the natural thing would have been to land the wire or put it into the boats; therefore we must conjecture that it was outside,consequently she was in grave peril,and yet not a word has been said about it. Secondly,was this the only cargo jettizoned? Thirdly,did the Master on his return to Stanley note a protest? This should certainly have been done for two reasons: the consignee's claim primarily would be on the ship for non-delivery,and the only valid answer would be furnished by a protest,and again,if by any chance the vessel's bottom was injured,a note at the time would enable us to claim from the Underwriters next time it became necessary to heave down for cleaning or any other purpose. Fourthly,if the matter is one of General Average,the values of ship,cargo,and freight will have to be stated to enable the Statement to be prepared. As the matter stands the best thing we can do is to let it rest,unless a Protest was noted,for I fear that unless the Underwriters are unusually generous,there is a great risk now of any claim that may be made falling upon us.

23. We have recovered Particular Average on the "Lafonia" in connexion with the accident she met with,the whole claim having been paid,less the crew's wages,which are disallowed.

24. The unavoidable mess into which we have got through the loss of the "Fortuna"and the delay in replacing the "Hornet"has

made a consideration of the whole question of coasting necessary, and it is desirable that you should understand thoroughly the feelings and wishes of the Board on the subject. I have said unavoidable,because,although in ordinary circumstances we should have replaced the latter promptly,and very likely the public think that we were foolish in not doing so,our hands were tied by the request made by the P.S.N.Co.that we would not make a move until the pending question of a steamer had been thrashed out. What are the Company's schooners sent out for? The answer is,to do the Company's work in the first place,and afterwards that of other people. Now this West Falkland mail question is a serious one. When the last of the little boats that used to carry the mails was lost, I believe that it is a fact that you came to the rescue temporarily,and offered to fill the gap until fresh arrangements could be made. This assistance has been continued to the present day,and now we find it asserted that it is the positive duty of the Company to keep the service going,regardless of everything else. That the service hampers our vessels unduly we are obliged to conjecture from figures in our possession. In 1891,my last year,the "Castalia" and the little "Hornet" had brought in and shipped by the 12th of February 1870 bales of Wool,while in 1905,the last year we had three schooners working together,the "Fortuna",Lafonia" and "Hornet" had collected only 2010 bales by the 3rd of February. The schooners now are doubtless as capable of collecting as quickly as ever they were,but if,as we believe to be the case, you are bound to dates and ports,and have to wait for the mails, you cannot carry out the only system on which it is possible to work to the best advantage,that is to send each vessel in turn as she is ready to a port where you know that cargo is ready for her. Therefore it seems to us that we should shake ourselves free from the shackles of the mail service as quickly as possible. It must not be forgotten that mails followtrade; not the reverse,the history of the mail service shows the truth of this. When in 1880 we got our ocean mails carried by steam for the first time,it is a fact that cannot be disputed that it was brought about by the promise of support given by our Company in the way of cargo. When in

1900 negotiations were opened between the Colonial Office and the P.S.N.Co.for the new service,Mr.Alcock called here,and satisfied himself that we should back them with cargo out and home before the contract was made,and there can be little doubt that our attitude decided the matter. Apply this to the West Falklands. Up to a few years ago we collected from every port,with the single exception of Port Howard,all the produce that was shipped to London. The secession of the Deans withdrew our calls from Port Stephens and Port Edgar,while the arrangements made by Dean & Anson drove us from the Chartres,and yet with the considerably less volume of carrying trade with the West we have of late become hampered with this miserable contract. And the irony of the thing is that one of the two mail ports is Port Howard,from which we have nothing to look for,except the leavings of Waldron's sailing ships,and yet we are bounced by Mr.Mathews,who has no claim on us whatever, into treating him on more favourable terms than anyone else. A check must be put on our altruistic tendencies,unselfishness is a noble virtue,but in business matters charity begins at home. The course of events of late seems almost too absurd to be true,but the fact is that,thanks to us,Waldron's tallow has been shipped and sold,and other work has been done for him,while our own tallow and that of Packe Bros.is lying here,having missed the market, Holmested & Blake's by the last accounts is still at Port Howard, delay in delivering the telephonepoles is taking place,our sheepskins are not shipped yet,and our stations are bare of supplies. No tallow sales will take place before January,the demand having completely fallen off,and when we do sell we are likely to do so at a loss; but this is nothing to what may happen if our wool does not come forward as early as usual,for a drop in the market may easily prejudice us to the extent of a thousand or two.The Directors leave the matter in your hands; if you are not bound to give notice of discontinuance of the mail service,and you see that we are likely to suffer through detaching a schooner for the purpose, they will not blame you if you say that it is impossible to do it consistently with carrying out our own work; if on the other hand you oblige other people to our own detriment they will be anything

but satisfied. Your first object must be to get the Company's wool forward quickly,your second to serve the station in which some of the Directors are interested,and generally,to consider the interests of our own clients in preference to those of outsiders. If business calls one of the schooners to any port on the West you will of course carry a mail; but no amount of subsidy could compensate us for loss of markets through not getting our wool home at the proper time. Of course,if you see your way at any time to obliging the Government by carrying a mail you will do it,but you must retain freedom of action. The"wretched makeshift" may not have as good accommodation as either the "Lafonia" or the "Gwendolin",but she must be as good as the Chance or the "Result",and there seems no reason why she should not,if she can be spared,carry the mail. With schooners running frequently to the West there used to be no difficulty in arranging for passages in and out,and there seems to be no reason why they should not be taken in the same way now. The use of the "Samson" is of course barred,as she should not leave Stanley except on rare occasions when the Company's service may make it necessary,or there is a case of salvage or towage. I have written at unusual length on this subject,because at the beginning of the season,unless it is understood completely that our own work must not be allowed to suffer,we may be let in for serious loss.

I am,Sir,

your obedient servant,

Chas. Lowe

Managing Director.

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oronsa"

B/L Cargo per "Oronsa"

Corrected list of Dutiable Goods per "Oronsa"

Certificate of Strength Mackenzie's 5 octaves Whisky

Langdon's invoice for goods per "Oronsa"

Debit note for Bertrand & Felton £ 3 . 2 . 3

B/L & invoice for Sheep Dip per "Oronsa" for G.Bonner

Dewar & Webb's copy of A/sale Wheat ex "Duendes"

General Invoice goods per "Oronsa"

Clients' reports & contracts:-

K	1	bale	Sheepskins	ex "Ortega"
♡	5	,,	,,	"Orita"
W E D	15	,,	,,	,,
△ D H	6	,,	,,	,,
△ F B	2	,,	,,	,,
AP	10	,,	,,	,,
R.B.C.	7	,,	,,	,,
H W	12	,,	,,	,,
F	5	,,	,,	,,
T R	6	,,	,,	,,

Brokers' press copies of above reports & contracts

Anning & Cobb's Sheepskins Sale report.

Brokers' copy A/sale Company Hides ex "Potosi"

Letter for A.L.Allan

Ainslie's corrected invoice.

London 22nd December,1906

Enclosures via Liverpool

Duplicates

Despatch No.1920

Ledger & Journal Entries

Remarks on Accounts

Replies to Remarks on Stores

Remarks on Stores

List of General Cargo per "Orita"

General Invoice Goods per "Orita"

List of Dutiable Goods per "Orita"

List of Parcels

List of Enclosures

List of Clients' Cargo per "Orita"

Second of Exchange for £34 . 17 . 3

Clients reports ,contracts & A/sales:-

	K	6	bales	Sheepskins	ex Oriana"
	△	36	,,	,,	Ortega
	K	6	,,	,,	,,
	AP	3	,,	,,	Oriana
	DS	2	,,	,,	,,
	W.Fell	3	,,	,,	,,
	W.E.D.	13	,,	,,	,,
	McG	8	,,	,,	"Ortega"
A/salesonly	AP	4	casks	Tallow	,,
	McG	2	,,	,,	,,
Reports only	♡ △	2	bales	Wool	ex "Orita"
	D H	122	,,	,,	
	F	78	,,	,,	
	R B C	33	,,	,,	
	H W	52	,,	,,	

B/L General Cargo per "Orita"

Enclosures via Liverpool

Originals

Wool Reports

Trinity House printed Notice to Mariners

Copies of Cablegrams sent

Copy of Cablegram received

Copy of letter to Trinity House of 14th and their reply of 15th December.

Extract from letter from Port Howard dated 28th Oct.,06

A/sale of Old Metal ex"Orita"

Prevention of Corruption Act

Clients' A/sales & contracts:-

H W	52	bales	Wool	ex "Orita"
♡	2	,,	,,	,,
R B C	33	,,	,,	,,
F	78	,,	,,	,,
△ D H	122	,,	,,	,,
AP	109	,,	,,	"Duendes"
T R	1	,,	,,	,,

Brokers' copy Company Hide A/sale ex"Potosi"

Particulars of homeward freight per "Orita"

Loewe's notice re rise in prices of Briar Pipes.

Copy of letter from the Admiralty dated 27th & our reply of 28th December.

Copy of Correspondence with the Admiralty re coal as requested.

Copy of letter from Lowden & Co.reporting on the Smithy coal shipped per "Orita"

Copy of letter from R.Hornsby & Son,Ld.re Rock Light Oil

Clients' reports & contracts:-

△ D H	36	Hides	ex	"Duendes"
H W	18	,,	,,	
♡	29	,,	,,	
McG	17	,,	,,	
H W	247	Hair Sealskins	ex	"Duendes"

Copy of letter to the Colonial Office dated 4th December.re telephone

Clients' Credit notes for Sea-damaged Wool ex "St.Leonards"

B	2 bales	£ 2 . 7 @ 2	
H	1 ,,	1 . 7 . 9	
W P	1 ,,	6 .11 . 3	

Debit notes for insurance &c.for Alex.Reid (2) -

Invoice for goods shipped per "Orita" for Darwin Telephone A/c.

~~Credit notes for the following:-~~

~~W.P. 1 bale sea-damaged Wool ex "St.Leonards"~~

~~H 1 ,, ,, ,,~~

~~B 2 ,, ,, ,,~~

Letters for the following:-

(2). W.A.Harding,A.L.Allan & F.I.King.

London 19th December,1906

Ack Eyles letter 19/an re telephone

1907 - 1

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 16th January, 1907.

Per Orissa.

No 1022.

Sir,

I have to acknowledge receipt of your despatches nos.301/3, which arrived on the 7th inst.,and being a week late has prevented our attending fully to all the contents.

2. Par.4. It will be better to transfer the proceeds of salvage ex Fortuna as you suggest,and say nothing more about it unless you are asked,when you can shift it on to this office if you like.

3. Par.5. The Rev.M.Migone did ask us to sell the land at the back of Eagle Buildings,but the Board declined to part with it. We have no intention of parting with freehold land in Stanley to anyone,or at any time.

4. Par.6. You will be wise not to make a fuss about the Customs regulations,as the cost of the new rules to us is so little. If it comes out at more than you expect,you might consider the propriety of putting a penny or so on the landing charges to meet it.

5. Par.7. I enclose copy of correspondence with Mr.Matthews, and you will see that he has somewhat grudgingly given way about the extra 10/. He makes a polite reference to the assistance you have rendered his people since your return.

6. Par.8. I have forwarded the statement and a summary of your remarks re "Ortega" to the P.S.N.Co.,who are probably letting the matter drop,as they have not replied.

7. Par.9. For the last 40 years we have had only two Darwin cutters,the Lily and the Flora. The first was fairly worn out when she was replaced,and the Flora,which was built by Woolfe,went out over 30 years ago. With ports always under her lee it is most unlikely that a boat running in Choiseul Sound only could be lost

W.A.Harding,Esq.,
Stanley.

except through gross carelessness or worse. The length of life enjoyed by these cutters is a fairly good proof of this. Since you mention that the Flora had been ashore on the 12th November (?) at John's Creek, will you enquire whether she ran aground on Lively Island some time before that because the Master was too drunk to see the way in? If this was the case it would have been well to follow the wholesome rule that a man in charge of life and property who misconducts himself in such a way should not have another opportunity of losing either. I understand that the man's name is Spamer, and I would suggest that if he has at any time been drunk while on duty you will hardly like the responsibility of keeping him where he is.

8. Par.10. Mr.Blake asks me to say that he had refrained from making any complaint about the detention of the HB produce, and you will find this confirmed, although I did not mention him by name, in my letter of October 11th.

9. Par.11. I suppose it was Capt.Pollard who used the word "forced". I did not know that he had objected to the cook, or I would have given the man, who seems to be quite useless, a trifle as compensation for not taking him. With regard to the rest of the crew I am afraid that a mistake was made in the Articles, as Pollard, who was here lately, tells me that they were shipped for the voyage only, which was not at all what I intended. I have always taken on a crew in similar circumstances for 12 or 18 months, not because I have dreamt that they would remain in the vessel, but because it has given us the opportunity of striking a bargain on or soon after arrival, and of keeping them until it has been convenient to let them go. If they were shipped for the trip only, with a passage home, naturally they took it, and we have had to bear the expense.

10. Par.12. I remember the arrangement about the fence on the mountains very well, and I see that if Felton and Robson agree to fence their boundary we ought to run that proposed line marked on the plan to meet it. Mr.Felton could ask us to put a fence along the proper boundary, or share it with him I should have said, and the proposal will get us out of it cheaply, unless Mr.Allan should think it would be any gain to us to take in the

whole of the boggy land that we fenced out. Without hunting up old despatches I am sorry to say that I am not clear as to Robson's land,that is to say whether he holds it from us or the Government,and whether he bought our house or rents it.

11. Par.13. The Directors are much concerned about Mr.Allan's illness,and trust that he will pull through the operation all right. He seems to have arrived at Montevideo in good time by the "Oropesa".

Par.15.

12. It is very unfortunate about the "Fifeshire",and from what you say a prima facie case of manslaughter can hardly have been made out. The draft for disbursements has been accepted.

13. Par.15½. Your remarks about the "Leon Bureau" are noted, and I have to point out that there was no reason for reticence on the subject of the detention of the ship,as the course ordered to be followed was the ordinary one ~~followed~~ in all salvage cases. We performed salvage services,and were entitled to prevent the vessel from leaving harbour until bail was given for the value we put on them. Further,we have what Mr.Ince calls a possessory lien for the advances made outside the salvage,and the owners and Underwriters might have moved with more celerity if you had said plainly what we intended to do. It is similar to putting a stop on freight on the arrival of a vessel in a home port,and is no mark of hostility whatever. The threat contained in your cable received on the 6th inst.is a piece of bluff on the part of the Underwriter's agent,and of course you did not give way to it. The matter has incessantly been urged forward,and if there has been delay the Frenchmen have themselves to thank for it. Bail has at last been given for £2500,being £1750 for salvage,£500 for disbursements as per your cable via Sandy Point,and £250 costs,and we cabled you to this effect on the 10th inst. Through carelessness in the office the word "Badaudage" was misspelt "Badanage", but corrected the following day. Copies of letters on this subject are enclosed. I may remark here that all cables through Sandy Point that come by the Western Union are more or less mutilated, while those per Eastern are correct; is there any way of getting them all sent by the latter?

14. Par.17. The hay was ordered as part of a sailing ship cargo,and at first it was intended to ship it by "Malvina". The price had advanced so enormously that I did not know whether it would be safe to send so much or not,however 200 bales have gone in the "Duendes". The order said "200 or 300 bales,"which was understood to be meant for filling up if necessary,and if you want the other hundred shipped at whatever the price may be please say so.

15. Par.18. It is satisfactory to hear that Mr.Greenshields has decided to do his business through our office,barring the consignment of his wool. You know of course that Hoares charged those who consign to them direct a brokerage of 1%,while to merchants in London the charge is ½%. With our commision and the brokerage the charges come to 1¾%,but it is perhaps not always known that a merchant's commission carries a guarantee.

16. Par.19. We hope of course that none of the farmers will sell their wool locally.

17. Par.20. Your further remarks about Mr.Felton and the canning project tally with what I had heard from him,and there must have been some misunderstanding as you say.

18. Par.21. You are mistaken about the Sustentation fund; it is true that the deductions you mention were suggested by one of the Directors,but it was not pressed,and the Board are unanimous in saying that the more liberal offer was what they intended to make. The £100 was not mentioned as being the minimum offer or contribution,but if it was mentioned at all it was alluded to as what the Company always had and always would give until further notice.

19. Par.22. I have submitted you remarks about the line to Fitzroy to Mr.Mantle,but unfortunately he is laid up with influenza,and although he may go into the matter before the Supplementary mail leaves I cannot give you his opinion today. The point was not overlooked as Mr.Allan seems to think when the line to Darwin was first discussed,and I remember that Mr.Mantle said that there would be a certain amount of cross-talk unless something was done,but what that was I do not remember,and I thought that

there would be a certain amount of cross-talk unless something was done, but that that was I do not remember, and I thought that he had gone into it with Homer. As far as I can see the proposal now is to abandon the direct line over Fitzroy ridge and carry it straight to Fitzroy, thence to the head of Fitzroy and on to Stanley, making Mr. Packe's house an intermediate station. This can be done if Mr. Packe can guarantee that there will always be someone at the house to attend to the telephone, or else that the line will normally be "through" there. In such a case I suppose that we should only have to charge him for the number of poles extra that the deviation from the straight line would necessitate, and either make him an annual charge for the use of the line, as he would have no wire of his own to pay for, or charge him with an agreed proportion of the cost of the main line wire as far as Fitzroy. We ought to oblige him if we can, but the only gain to us, and perhaps not a very valuable one, would be that we should have another short length on which a fault would be easily located. On the whole, perhaps you will say that, unless he is very keen on it, it would be better to stick to the main line only, and pay for the dragging of the poles. It seems to me to emphasize the point I have insisted on that no agreement for carrying outsiders' wires should be made without much consideration. I have sent the sketch to Mr. Mantle, but if I understand the intention rightly I do not see why there should be a loop at all, as it would be a waste of posts. I shall be able to discuss the matter with Mr. Allan shortly.

20. 302-1. All the papers about the "Hyndford" have been sent to Mr. Ince. He is going to write a letter of suggestions for use in any future cases.

21. Par. 3. When I went to the Custom House to make the declaration of ownership of the "Malvina" I asked the Chief Registrar of Shipping about the fee for transferring from one port to another, that is whether it was payable at both ends. He laughed at the question, and said that of course the fee paid covered both ends, adding that if any Registrar in a port of the U.K. had asked for a second one he would have known how to deal with him, but that they did odd things at times in Colonies.

22. Par. 5. You have alluded several times to the Hyndford's

propeller,and are probably not aware that you have not explained what was the matter with the spare one; however I got the explanation from Capt.Pollard. The work seems to have been very well done. I have sent the papers relating to the "Consort"'s voyage to Mr.Ince,but do not expect to make anything out of it.

23. 303-3. I have had no time to go into the matter of the crank shaft,but will attend to it as soon as I can.

24. I enclose a copy of a letter from the C.O.about the Telephone,and you will be glad to see that Lord Elgin has accepted all my amendments and abandoned the preposterous claim to priority which was put forward so long and with such persistence. I suppose that his Lordship is tired of the subject; I am. It is less pleasant to me to find that I am expected to send in a clean draft of the agreement as a whole,marking all the amendments and differentiating between those suggested by the C.O.and our own. Considering that they have people in the C.O.accustomed to this sort of thing,it is putting a good deal on me,as I shall have to go over every line of the original and every letter of half a year's correspondence. I hope,however,to take it up after the mail has left.

25. The wheat ex "Cassard" netted only 12/3d per bag,so there is no catch in sending it here if you can sell in the Colony.

26. I reported to the Board the arrangement you had made with the Captain of the "Hyndford",and explained the cheque for £100 I sent to your Bankers to be placed to your credit. Some of the Directors were unaware of the practice of giving commissions to Captains,which I explained had been followed for years,though I should have been glad to see it discontinued when we ceased to have any serious competitor in Stanley. It was resolved that I should inform you that in future all such commissions would be discountenanced by the Board,and must cease,as it would manifestly be improper to connive at what has been here since the 1st of January a criminal offence. We might perhaps give a Captain a box of good cigars or a case of port,but anything more is strictly forbidden.

27. I went to Liverpool for the trial trip of the Malvina on the 21st ult.,and was on board for about an hour and a half,the trial lasting six hours. The engine was calculated by Mr.Cumming to give 5 knots at 350 revolutions. Nothing could have been more satisfactory in every respect as regards the machinery; it worked smoothly and with a total absence of vibration in the cabin,the revolutions went up to 375,and a speed of 5½ knots was attained in four runs on the measured mile in moderate weather. On the other hand,the misfortunes which have dogged the vessel so long have not ceased yet: at the launch it was noticed that she broke one of the inner ways,but nothing was thought of it at the time,as she seemed to go into the water well enough; but shortly afterwards some fragments of copper were picked up on the ways, and when in Liverpool she continued to make more water than she ought to have done,even allowing for shrinkage after caulking. This leak continued at the rate of about 22 inches in 24 hours, and she had to go into dry dock,when it was discovered that two sheets of copper had been torn off. I refused to take her in a leaky condition naturally,and Fergusons had to take off the false keel,this showed the cause of the trouble,one of the scarphs of the main keel being slightly started. Under the directions of Lloyd's Surveyor this has been rectified and the keel strengthened,and you will see from enclosed letter from Lowdens that the frame of the vessel has not been affected in any way. The cargo has been alongside for weeks,and there is nothing now I hope to prevent an early start. All this has been extremely mortifying, and the hope we had at the outset of having the schooner at the Islands in time for the early work has been completely falsified; but she ought to be out in time for the more distant collection of wool,and I hope will still be of service this season. The whole thing has been an experiment,and if we have at any future time to build a vessel of a similar description,I know enough now to be able to avoid the pitfalls that have obstructed us.

28. The woolsales opened yesterday with a strong demand,and prices for cross-breds from par to 5% up. There seems to be a likelihood of a good market in the first half of the year,and we

rely on getting the bulk of our own clip forward for the March and May sales, even if the West Falkland mail service has to suffer temporarily. The P.S.N.Co. have notified that the "Oravia" is to bring the first lot at the end of this month.

29. Your cable by Western Union read as follows:- "Federal Dora maresca sorrento leonbureau elimberis iscurris exclusive salage (sic) achicaban tallerets schaduwen isoclimi(sic)". After getting the last word repeated as "isoclinic" the meaning is tolerably clear, I put a comma after "salage" and read "Underwriters' Agent has telegraphed", not that you have telegraphed, although at first sight the latter seemed the correct interpretation. It is not clear, however, how the Agent has been able to take upon himself to judge the amount of salvage likely to be awarded, and that is a matter that might well have been left to our Solicitors. If the probable amount of disbursements had been stated only it would have been better. As already mentioned we have got the amount increased to £2500, which in the judgment of Mr. Ince will be sufficient, assuming that the £500 estimated disbursements has not been exceeded. With regard to the "Dora" we have been in communication with Fisher Alimonda & Co., agents for the owners, and hoped to arrange a credit, and I have also written direct to Sorrento; but we hear that they are in communication with the Captain with a view to condemnation, which you will of course try to prevent. I have again to complain that no sum is mentioned in asking for credit, and wish I could get you to see that in dealing with a foreign ship it is absolutely useless to try to obtain one unless a definite amount can be given, as that is the first question asked. Unlimited credits are not given in such cases, and though you will say that at such an early stage it is impossible to calculate, I say never mind that, say something to begin with, and then when a credit is once obtained it is easy to get it increased. Knowing absolutely nothing about the damage, I made a shot at £1500 in writing to the owners. It was just the same in our own case for the "Samson"; we were asked for and gave a credit for £3000, which was afterwards at Morton's cabled request increased to £4000.

I am, Sir,
your obedient servant,

Managing Director.

Enclosures via Liverpool

Originals

Wool Reports

Copy of Cablegram received

Copies of Cablegrams sent

General Invoice goods per "Duendes"

Baseley's agreement

Capt. Finch's agreement

Mr. Mathews's two letters to Mr. Girling returned

Clients' A/sales :-

H W	12	bales Sheepskins	ex "Orita"
F	5	,,	,,
✓ △ FB	2	,,	,,
R B C	7	,,	,,
✓ △ D H	6	,,	,,
AP	10	,,	,,
W E D	15	,,	,,
✓ ♡	5	,,	,,
K	1	,,	"Ortega"
T R	6	,,	"Duendes"
H W	18	Salted Hides	ex "Duendes"
MCG	17	,,	,,
✓ D H	38	,,	,,
✓ ♡	32	,,	,,
H W	248	Hair Sealskins	,,
J B	48	casks Tallow "ex	,,
✓ ♡	2	,,	,,
✓ △	68	,,	,,

Brokers' copies A/sales &c. Company's Tallow ex "Duendes"

Copy of letter to Trinity House dated 9th January. and their reply of 14th Jany.

Times Book Club's invoice for Dean Brandon

Specimen of Receipt from N. McLeod.

Particulars of homeward freight per "Duendes"

Copies of invoices from Lowden & American Oil Co for goods per "Duendes"

Copies of letters from Ince Colt & Ince of 7th 8th & 9th Jany. and ours of the 8th Jany.re "Leon Bureau"

Copy of letter from the Colonial Office dated 1st Jany.re telephone.

Copies of letters from W.Lowden & Co.dated 9th & 11th Jany re "Malvina."

Press copy of Statement of Claim re "Hyndford."

London 16th January,1907

E N C L O S U R E S

DUPLICATES

Despatch No.1021

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oronsa"

List of Dutiable Goods per "Oronsa"

List of Parcels

List of Enclosures

General Invoices goods per "Oronsa"

Clients' reports, contracts & A/sales:-

Reports & Contracts only	H W	247	Hair Sealskins ex "Duendes"				
	♡	29	Salted Hides ex "Duendes"				
	H W	18	,,	,,	,,		
	McG	17	,,	,,	,,		
	△ D H	36	,,	,,	,,		
	R B C	7	bales Sheepskins ex "Orita"				
	△ D H	6	,,	,,	,,		
	K	1	,,	,,	"Ortega"		
	T R	6	,,	,,	"Duendes"		
	♡	5	,,	,,	"Orita"		
	W E D	15	,,	,,	,,		
	AP	10	,,	,,	,,		
	△ F B	2	,,	,,	,,		
	H W	12	,,	,,	,,		
	F	5	,,	,,	,,		
A/sales & contracts	♡	2	,,	Wool	,,	B/L General Cargo per "Oronsa"	B/L & invoice Robertson's Sheepdip for G.Bonner
	F	78	,,	,,	,,		
	H W	52	,,	,,	,,		
	D H	122	,,	,,	,,		
	R B C	33	,,	,,	,,		
A/sales & reports & contracts	T R	1	,,	,,	"Duendes"		
	AP	109	,,	,,	,,		

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 18th January, 1907.

Per Supplementary Mail.

No 1023.

Sir,

In continuance of my despatch via Liverpool, I write to enclose copies of Instructions to Counsel re Leon Bureau and Statement of Claim re Hyndford. Mr. Ince has had no time to prepare the questions for consideration in salvage cases, but has mentioned a few points which I can communicate to you now.

2. The names of the Samson's crew and their several capacities should have been given on both occasions. It should have been stated whether the tow line and other tackle used belonged to the vessel or the tug, and in the latter event to what extent, if any, it was damaged during the service. The weather is an important factor in these cases, and not enough has been made of it, especially in the case of the Leon Bureau, for although it took only an hour to go down to her, the towage lasted 11 or 12, and this should have been stated by Captain Thomas. We happen to know from other sources that the tow took place against a strong gale, but information received in this way is not as effective as when given by the tug's Master. About the tackle above mentioned, the value should have been given if ours. How the vessel was taken in tow is not stated, that is how the tow rope was passed, and whether there was any danger to the Samson or her crew over the operation, this is a point that usually appeals to the Judge. Then if there was any personal danger incurred from fire while towing or getting in tow, this should have been made the most of. The circumstances attending the beaching of the Leon Bureau, though given by Mr. Girling are not detailed in the log as they should have been, chain slipping and that sort of thing, and how it was recovered; all these

W. A. Harding, Esq.,

Manager,

Stanley.

things tell. I am writing without the Leon Bureau papers before me,as they are with Mr.Ince,and am simply repeating the main points that I jotted down while he was talking. No doubt with the instructions that will follow Capt.Thomas will be equal to the occasion when another salvage case arises. Mr.Ince thinks that it would be well to have a supplementary statement made clearing up these points in both cases,though there is a chance of being too late. He does not think that any claim for the Consort's services will be recognized,but will keep the matter before him.

3. I took the opportunity of mentioning the position now taken up by the Receiver of Wrecks with regard to wrecked property, and he said that it was only with regard to unclaimed wreck that that official's services were required,or in assisting,if necessary,the representatives of the property in peril. When the Captain,or the authorized agent for the Owners is on the spot it is usual for the Receiver to stand aside,and only act if called upon. This was the view that I always took,and insisted on acting myself as Lloyd's Agent whenever I had any colourable pretext for doing so,and so it seemed to me to be a case of gross interference when the present Receiver took upon himself the management of the Cassard,and a precious mess he seems to have made of it. I think that you would do well to ask the Secretary of Lloyd's confidentially how their Agent and the Receiver stand in relation to one another,and to what extent the Captain if present or the Agent can protest against any interference that may be thought unwarrantable. I think that I had some correspondence on the subject myself at one time,but I have forgotten the details; at all events I was in the habit of dealing with wrecks without interference.

4. I have seen Mr.Mantle about Mr.Packe's telephone,and the plan he recommends is that Mount Pleasant should be made an exchange station,that the line should be normally"through"from Stanley to Darwin,a second wire should run back from Mount Pleasant to the junction for Fitzroy,which would be the nearest point to the latter,and carried to Mr.Packe's house,and this wire,M.P.to Fitzroy would be Mr.Packe's own; that Stanley,Darwin,Sulivan House, through the Stanley office,and Fitzroy can all call Mount Pleasant to be switched on to the station to be spoken to,and that

[illegible] Sullivan House to Fitzroy

the second line from Sulivan House to Fitzroy should be abandoned. This will clearly be to Mr.Packe's advantage,for he will be saved the cost of the difference between the proposed length of wire from Stanley to the junction and the length of that from Mount Pleasant to that point,and will be able to get into direct communication with Darwin if he wishes. There will be details to be settled of course,for instance it was proposed to cut out the bell at Mount Pleasant except at stated times; now it will always ring when a call is made even when the line is"through". This however can easily be arranged by having one bell disregarded,and two bells as the signal that the Exchange has to be used. It also means that an intelligent person capable ofoperating the switches must always be in the house,and for this some annual douceur will probably have to be given. You must settle with the Governor and Mr.Packe whether this proposal is to be carried out at all,or whether Mr.Packe is to drop out,and secondly,if he comes in you must arrange or rather re-arrange the terms,for probably the Governor will say,as I think we should too,that the convenience and saving to Mr.Packe will be great enough to warrant our asking him for something extra in the way of payment. Mr.Mantle is going to write fully to Homer,and when we hear what has been decided we can send out the necessary instruments; in the meanwhile the erection of the main line can proceed without interruption.

5. I have written to ask Capt.Pollard if he bought his charts home,but the answer will not come in till tomorrow. In such a case they should always be sent home,to be used on a future occasion, and I think they usually have. If they are here it will save our buying new ones for the Malvina.

6. I enclose the Weddell stock return received from Mrs.Williams,and you should ask Mr.W.Williams if he cannot give the information in a clearer manner,conforming as far as possible to the method on which our annual returns are given.

7. The latest news this morning is that the Malvina is tight in the bottom,and that she will load without further delay.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

B/L General Cargo per "Orissa"

Weymouth College Schooling Accounts for W.C.Girling.

Eills & Co.'s invoices

Price's Patent Candle Co's invoice

Barclay & Co's invoice

Invoice & Debit note for Vere Packe

Copy of Weddell Island Stock Return for 1906

General Invoice Goods per "Orissa"

Copy of Instructions sent to Council "Leon Bureau"

Letter for W.A.Harding.

London 19th January,1907

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 13th February, 1907.

Per Oropesa.

No. 1024.

Sir,

I have to acknowledge receipt of your despatches nos.304 and 305,which arrived on the 29th ult. Mr.Allan and family landed safely,the former in apparently good health.

2. 304-2. The only comment that can be made on your explanation of the "Consort" expedition is an expression of wonder why all this was not sent before. Under pressure from the Governor,Mr. Girling could not have refused to despatch her,but the voyage was a useless one in itself,and could have been predicted to be useless if the question had been calmly considered. The Governor in calling on Lloyd's Agent to act entirely misapprehended the position of the latter,and the instructions could have been quoted to show that the Agent was debarred from undertaking any expense without specific authority; it followed,therefore,that it would have been right,while declining as Lloyd's Agent to send the vessel,to offer to charter her to the Government. The Directors wish the incident to be considered closed,and I am only to add,for the purpose of preventing any misconception on the subject,that they have imputed no blame to Mr.Girling,as everyone is liable to an error of judgment,and that the Governor was right in saying that the Directors would consider saving life as of the first importance in any case in which it could ~~have~~ be considered reasonably practicable.

3. Par.4. We have received the extra payment on account of the Lighthouse work. Mr.Hood was here the day before yesterday, and promised to look into the question of the crane,which he said had not,to the best of his knowledge,been alluded to.

W.A.Harding,Esq.,

Manager,

Stanley.

4. Par.5. It is probable that we shall have to pay more for Masters for our schooners in future,but that will be better than having incompetent men. In the present day all the best men turn towards steam,and few are attracted by offers to command small coasting schooners in the Falklands. You seem to have got a good man in Osborne; but he must be an exceptional man,and as to the "Gwendolin",we cannot conceal from ourselves the risk we are running in keeping on Rowlands,a man of over 70,who lost the "Fortuna",as far as we can judge,through defective eyesight. Nothing can take away the appreciation we feel for his services in the past,but there comes a time in the life of all men when they become unequal to their duties,and he is no exception to this. Captain Finch seems promising,and I hope that he may be induced to remain. It must never be forgotten that in all departments,whether afloat or ashore,the Company desires to have and are ready to pay for the very best men who are to be got; we have a high position to maintain,and this is the only way to do it.

5. Par.6. The "Orita" did not report the "Hyndford" as being in a critical position; but it was not clear from the cable whether she was five miles from Port Stanley or from the settlement, and as the port extends,I believe,as far as Cape Pembroke,if she had been still to the S.W.of the Wolf Rock she could not have been considered in safety.

6. Par.9. If the flour shipped from Liverpool,which is Australian,is cheaper than what you can get from Chili or the Plate, you will,of course,continue ordering it. You say that some people prefer Chilian,but it must be remembered that it is as likely as not to be ground from Australian or Argentine wheat.

7. Par.10. I will talk with Mr.Allan about sausage skins.

8. Par.11. I will also speak about the coal question,but may remark here that you seem to exaggerate the number of handlings. If we ship North Wales coal from Liverpool it is inferior and wasteful; if Tyne or Wallsend the expense of bagging and railing such a small quantity would be prohibitive,and if shipped from London,as it used to be,it would be not only very dear,but have had an extra handling in the coasting collier. If we send a ship-

load direct from the Tyne, we buy the best coal in the cheapest manner, and it is delivered on board the ship in trucks, or rather out of trucks, direct from the pit's mouth, and the coal intended to be re-shipped from Stanley is, or ought to be received direct into a hulk, in which there ought to be no insuperable difficulty in bagging it for Darwin, thus entailing the minimum of handlings. It may be possible before long to charter a coal ship from the Tyne to go round the Islands, including a call at Darwin, and this, if a sufficiently large coal-shed is erected there, on which subject we have already talked to Mr. Allan, may prove to be the best and most economical solution of the question. We are not hide-bound to any system that can be proved to be inefficient and wasteful, but nothing that has been said causes us to alter our opinion that the practice of shipping admittedly inferior North Wales coal in bags from Liverpool is not the best to be adopted.

9. Par. 13. The smithy coal was sent from Liverpool as an experiment, and you are quite right to point out that it is not a success. I tried to get 20 tons of Brancepeth sent by this boat, but it could not be done in time, and the shipment is deferred until next month. I shall ask Lowdens how the Liverpool smiths, of whom there are of course many, manage to do their welding without Brancepeth coal; they asked me specially to report on the coal, and we may by enquiry get a solution of the puzzle.

10. Par. 14. Evidently Lawes's agent has made an incorrect statement to them. I have deferred ordering, partly because it was doubtful if it could be got off in time, and also because I wish to speak to Mr. Allan on the subject. It is, as you say, a matter of taste, and no doubt Mr. Allan is right in making his own; but when you say that you always send Lawes to those who do not specify what they want, it occurs to me to ask why you do not ship some of Pearson's, which I know to be genuine stuff and am interested in the manufacture. I have several times asked for a report on this, and have not as yet succeeded in getting one. I am going to take Mr. Allan up to their warehouse.

11. Par. 16. Mr. Allan and I have had a long conference with Mr. Mantle, at which we discussed the whole question of the Tele-

phone,and arrived at a conclusion that seems undoubtedly the best. According to the original proposal the main line was to be run by the Government and the Company direst from Stanley to Darwin, Mr.Packe being privileged to place an independent wire on the poles,running first on his own poles at the back of Sapper's Hill to the main line,thence to the head of Fitzroy,and from that spot again on his own poles to Fitzroy house. In discussing the matter originally with Mr.Mantle,he spoke of a certain amount of cross-talk to be expected,but did not give me to understand that it would be a costly matter to obviate it. Recently it has transpired that the expense would be very considerable,and the proposal has been made to divert the main line by a loop from the Fitzroy junction,passing through Mr.Packe's house,and rejoining the main line at the point of departure. Now there are several objections to this. In putting Mr.Packe on the line with a switch at Fitzroy,we should be departing from the original intention of running direct from Stanley to Darwin,we should virtually have a second exchange instead of the one at Mount Pleasant,and should be dependent for our communication with Darwin on persons in another employ,over whom we should have no control. For these and other reasons we were unanimous in thinking that the proposed loop should be abandoned. Another suggestion was discussed,which I will call number 2,that is to run the line direct to Mount Pleasant,where,as already decided,there must be an exchange,that from there a wire should run back to the junction formerly proposed,and be taken to Fitzroy house. Mr.Mantle,however,pointed out that there must be a metallic circuit on both lines as far as Mr.Packe's would run on the same poles as the main line,and to Fitzroy,that is to say that between the junction and Mount Pleasant there would be four wires, and from the junction to Fitzroy two,and as all this would have to be done for Mr.Packe's sole benefit,he would naturally be called upon to pay for three of the four wires between the junction and Mount Pleasant. The final proposal,no.3,is simple in the extreme,and the whole work can be carried out with a single wire and earth connections. It is to run the main line as originally proposed to the Mount Pleasant Exchange,and from that point let Mr.

Packe run his own line to Fitzroy. With this there would be no double wires,no chance of cross-talk,and communication would be easy. The drawback to Mr.Packe would be that he would have to put up about nine miles of poles instead of four as you say,but the measurement according to the spots marked by Mr.Allan comes to 5½. The wire in Stanley would not be longer than the one originally proposed behind Sapper's Hill,perhaps not so long. Let us see how this works out. If it had been done as first proposed,Mr. Packe would have paid for wires and insulators from Stanley to the Fitzroy junction; all this will be saved. The loop is ruled out as objectionable. No 2 would have cost him the value of nearly 27 miles of wire and insulators according to our measurement, and there is no saying when the rise in copper will end. If these alternatives are calculated out,probably Mr.Packe will be as well off as under any of them if he accepts no.3. We can then go on with the main line and finish it,and Mr.Packe will come in afterwars without disturbing us in the least. I hope that you and the Governor will see that this is the best course to take: there will be details to thrash out which you can decide on the spot. The Governor has already very rightly put forward some modifications of the agreement with Mr.Packe,and has called attention to the fact that the latter would gain by being in direct communication with Darwin and elsewhere,and naturally he ought to pay for the increased accommodation. I have only to add that one of the benefits we shall enjoy is in being able to get through the main work without reference to the other,and that if Mr.Packe decides not to accept,the only difference will be that we shall have to drag out the poles.

12. I am glad to be able to tell you that the Telephone agreement with the C.O.is settled. I was able after the mail to take it in hand,made out the fair copy,and sent it in with a letter,to which a reply came fairly promptly agreeing to the whole,with a trivial exception relating to the valuation,which the more precise terms finally adopted rendered unnecessary. If you have the pati-

ence to compare the final with the original draft, I think that you will say that the amendments are not on the whole unfavourable to us, and that you will see that I have slipped in one or two small ones to which I did not draw attention in the correspondence.

13. We have heard no more about the "Dora", and the owners have not answered my letter.

14. Par. 20. Probably Braun & Blanchard will not do any wool carrying, and we must do what we can to keep them out of the Islands, though they would be more formidable opponents than any we have had yet. Looking through the Manifest of the "Lovart", I do not see that they are doing any trade of importance with any of our clients, except in wood which is of no consequence. Proposals have been made by Williams for the sale to us of his business from time to time, but we have never regarded him as a serious opponent. B. & B. in his place would have to be reckoned with, and if they decided to establish a hulk in Stanley we could not prevent them as we have done Williams. The wonder is why these people with their large resources and immense business in the Straits want to meddle with the comparatively small trade of the Islands; it is difficult to hit them back, but is there any way of keeping them out?

366-38

15. Par. 21. The figures of Mrs. Bonner's Estate do not seem out of the way, but I am sorry to see the innovation adopted of differentiating between the values of the sheep. The old plan of so much a head all round was simpler, and who is the Government expert who can presume to judge the values of the various flocks?

16. Par. 22. There is no more to be said this mail about the "Leon Bureau", except that we enclose copy of Counsel's opinion and Statement of Claim.

17. Par. 23. The "Fifeshire"'s second bill has been paid.

18. Par. 24. The report about the "Samson"'s condenser tubes is not satisfactory, because if they are in as bad a condition as is now indicated it should have been sent in long since, and it shows great neglect on the part of someone, probably the Engineer. The Directors never have grudged any expenditure that is shown to be needed for the purpose of keeping the Company's property in

the highest state of efficiency,and why you should suggest that they would hesitate to send out a full set of tubes,which are needed to maintain the very life of the boiler, they are at a loss to understand. Here is a most expensive boiler,sent out only the year before last,and you tell us that through the leakage of the condenser it salts rapidly,which means in the near future pitting through oxidation,and rapid deterioration. A new set has been ordered to go out next boat,and until they arrive the tug should be as little used as possible,certainly none of those long trips which have been too frequent of late should be thought of. It is quite possible that in the course of time,if the tug is still a heavy burden on the establishment,her use will have to be abandoned altogether; but on this point more can be said when we know the result of the two salvage cases. It would be absurd to go on running a boat that up to the present,when depreciation,renewals,and interest are considered,has shown an annual loss. In connexion with this the Directors have grave doubts as to whether it is not time to supersede the Engineer. We have known all along that he has been a difficulty with the man in charge,and I understand that he gets on none too well with Capt.Thomas now. He knows nothing about oil engines evidently,for Mr.Allan tells us that while you were at home Harris,who happened to be in Stanley,got the Hornsby-Ackroyd to run perfectly,and no doubt like Noble he is too proud to learn. Harris,on the other hand,got his instructions from Priestman's man,and profited by it. It is worth while considering whether,on principle,we ought not to change our Engineer every five or six years. A man cooped up in the Islands can know no more practically than he did when he went out. I have sent Baseley to the Hornsby Works at Grantham,and enclose his report. If we can retain him I feel sure that he will prove to be far more intelligent and useful than the present man; he is of a higher class,and I am convinced would be more easy and pleasant to deal with.

19. Par.26. We have got most of the particulars needed for ordering a windlass for the "Lafonia",and it will be put in hand if the remainder can be obtained.

20. The P.S.N.Co.have again written about the "Ortega" matter,and you will see by the enclosed correspondence that Capt. Styer is to talk it over with you. I do not see that he has much to complain of,and I defended Mr.Girling's action of course. You will no doubt see that no cause is given in future for any complaints of inattention,for whether they are well founded or not, they are sure to be made if there is the slightest excuse.

21. The entry of 30/.as freight on some wool per "Orissa" led to an enquiry by the P.S.N.Co. As this rate was abolished some time ago it is strange that it was entered on the Bill of Lading.

22. I enclose copy of a long letter from Jacobs & Barringer about the "Samson",and you will see that they ridicule the length of time estimated for exchanging the crankshafts.

23. With reference to a remark you made lately about the loss of one of the "Lafonia"'s boats in a breeze outside,is it the custom now to carry them in the davits in all weathers? Rather than cripple the schooners by such losses it would be better when there is a chance of rough weather to swing them inboard,and you would do well to have this attended to.

24. On applying to John Hoare & Co.for the £2000 said to have been remitted by Greenshields,Mr.Ansdell told me that owing to some informality which will have to be corrected the money will not be available until the arrival of the mail after next. He said,however,that he thought the sum was £5000.

Yes. My mistake of £5000 as required

25. Fergusons are building the Navvy boat. The cost,with steer oar,will be £42,and this is less by several pounds than another quotation we got in Liverpool.

26. The Directors have been enquiring about the prospect of getting anything more out of the "Cassard". You cannot neglect the collection of wool of course,but it would be a pity to lose some of the valuable fittings,such as the steam winch and the steering gear. Is there any more wheat to be recovered,and are the hatches kept on? Would it be impossible to get either the "Gleam" or the "Richard Williams" to do a little salvage for us?

27. Mr.Allan goes into a nursing home today,and the operation for appendicitis will be performed by Dr.Watson Cheyne,who

is considered to be the first surgeon in London for this sort of case,now that Sir F.Treves has retired.

28. I hardly know how to write about the "Malvina",as the detention,which still continues,is mortifying in the extreme. Notwithstanding the repairs to the keel,she still made water when taken out of dock,and after a searching examination it was found that the stern tube was defective,as there were sandholes and a crack in it. This has been taken out,and the new one has been cast; but strange to say,she was still not watertight,and now it has been discovered that there were some defects for which Fergusons were responsible,and she had again to go into dock to have them remedied. She was out again yesterday,and we shall hear in the morning whether she is tight or not; Capt.Dougall said that if she had been his vessel he would have accepted her with such a slight leak,but Mc.Lauchlen,to whom they referred,said no,very wisely,and before we accept her she must be absolutely tight. It is a bad job for Fergusons,as a great part of the expense will fall on them.

29. Since writing about the Telephone,I have looked up my despatch of last mail,and find that the proposal recommended for adoption at that time by Mr.Mantel was detailed; but he did not say that the metallic circuit would be necessary,and of course we had not seen Mr.Allan. In view of the light now thrown on it, and seeing that Mr.Allan thoroughly concurs with the last proposal that an independent line should be run direct from Mount Pleasant to Fitzroy,with single wires throughout,there can be no question that this is the right one to adopt.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures vis Liverpool

Originals

Wool & Sheepskins Reports

Copy of Cablegrams sent

Copy of Cablegram received

Copy of letter to the Colonial Office dated 24th January & 1st February also draft agreement their reply 31/1/07

Copy of R.B.Baseley's report on Hornsby's Oil Engines &c.

Copy of letters from Jacob & Barringer dated 31st January and 4th Februaryre "Samson's Boiler

Copy of letter from Price's Patent Candle Co.,Ltd.dated 31st January & quotation

Clients' Reports,contracts & A/sales:-

	H & B	81	casks	Tallow	ex "Orissa"
	H G C	29	,,	,,	,,
	S	3	,,	,,	,,
	L	33	,,	,,	,,
	W P	20	casks	,,	,,
A/sales & reports only	△	15	,,	,,	"Duendes"
	H G C	1	bale	Wool	"Orissa" ? contract
	S & S	2	,,	,,	,,
Reports & contracts only	H & B	58	Salted	Hides	,,
	L	25	,,	,,	,,
	W P	4	,,	,,	,,
	S	24	,,	,,	,,
	S & S	3	bales	Sheepskins	,,
	W P	5	,,	,,	,,
	H G C	13	,,	,,	,,
	L	28	,,	,,	,,
	S	9	,,	,,	,,
	L	1	bundle	Hair	,,
no report	♡	1	bag	Hair	"Duendes"

Brokers' press copies

Copy of letters fron the P.S.N.Co.dated 22nd & 31st January and our reply of the 28th January.

Invoice for Vere Packe for goods shipped per "Orissa"

Particulars of freight home per "Orissa"

Debit note for Packe Brothers & Co.for £ 1 error in Tallow ex "Tuendes"

Statement of Claim "Leon Bureau and Council's opinion

Four one pound Falkland Islands Notes for collection.

London 13th February,1907

DUPLICATES

Despatches Nos.1022 and 1023

Ledger & Journal Entries

Remarks on Accounts.

Remarks on Stores

Replies to Remarks on Stores

List of Dutiable Goods per "Orissa"

List of Clients' Cargo per "Orissa"

General Invoice goods per "Duendes"

,, ,, ,, "Orissa"

List of Enclosures

List of Clients' A/sales

Heart	2	casks	Tallow	ex "Duendes"
J B	48	,,	,,	,,
△	68	,,	,,	,,
K	1	bale	Sheepskins	ex "~~Duendes~~ Ortega"
Heart △ D H	5	,,	,,	"Orita"
△ F B	6	,,	,,	,,
W E D	2	,,	,,	,,
H W	15	,,	,,	,,
R B C	12	,,	,,	,,
F	7	,,	,,	,,
AP	5	,,	,,	,,
T R	10	,,	,,	,,
Heart △ D H	6	,,	,,	"Duendes"
McG	32	Salted	Hides	ex "Duendes"
H W	38	,,	,,	,,
H W	17	,,	,,	,,
	18	,,	,,	,,
	248	Hair	Sealskins	ex "Duendes"

B/L General Cargo per "Orissa"

Enclosures per Supplementary Mail via Lisbon.

Originals

Ledger & Journal Entries.

Remarks on Accounts

Remarks on Stores

General Invoice goods per "Oropesa"

Corrected list of Dutiable goods per "Oropesa"

Clients Reports & Contracts:-

K	9 casks	Tallow ex	"Oropesa"
F	5	,,	,,
H B	63	,,	,,
B	11	,,	,,

Eills & Co's invoices goods per "Oropesa

Copy of letter from W.Lowden & Co.dated 14th February.

Copy of letter from Waring & Gillow dated 14th and our reply of the 15th February.

Debit note for Vere Packe error in insurance

Credit note for ,, freight on one Ram per "Oravia"

B/L General Cargo per "Oropesa"

Sight draft on J.Kirwan for £ 41 . 14 . 4 for collection B/L attached.

Clients' A/sales:-

H & B	58	Salted Hides ex	"Orissa"
W P	4	,,	,,
S	24	,,	,,
L	25	,,	,,

Letter for W.A.Harding & A.Moir.
(2)

Whitfield's invoice for Keys supplied

London 16th February,1907

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 13th March, 1907.

Per Oravia.

Vº 1025.

Sir,

I have to acknowledge receipt of your despatches nos.306 and 307 per Oravia,which arrived on the 28th ult.

2. 2. 306-4. A windlass has been ordered for this boat from Emerson Walker's for the Lafonia. It seems rather an extravagant purchase,costing £54,but we hope it will add to her safety. No deck plan can be found here,and although you have now supplied one you forgot to give us the size of the chain,which,however,we have ascertained from Liverpool.

3. Par.5. As we had cabled out that bail had been obtained for the Leon Bureau,it is odd that it did not occur to you that, whoever the sureties might be,they would not be the owners themselves,and that therefore it would be incorrect to draw on them. Negotiations are on foot,and arrangements may in time be made for acceptance; in any case we are protected by the bail,but the proper course would have been to send the account here for settlement.

4. Par.7. In saying that no claim could be made for goods totally lost because the vessel had not been stranded,sunk,or burnt,you are under a misconception; that is not the meaning of f.p.a.at all. No claim for <u>damage</u> can be made under a total loss policy except in the circumstances mentioned,but the policy expressly covers "all risks by land and/or water from warehouse.... "or wherever the assured's risk commences,and all risks whilst on "quay or elsewhere awaiting shipment" &c.,&c.,so that the cases of tobacco which went overboard ought to have been declared at the time,and a note made of the loss. As they were not so declared,it is too late now,and we have to suffer the loss. Our policies

W.A.Harding,Esq.,
Manager,
Stanley.

are now 15/.f.p.a.,as recent losses have made Underwriters shy, and no better terms can be obtained.

5. Par.11. The account for the crane has been sent in to Mr. Matthews,but I have not heard from him yet. It is not desirable to leave things of this sort to be settled in London; if the foreman had been told the price and that he could not have it for less he would have been bound to take it. Now,having had the use of it Mr.Matthews will,more suo,try to screw down the price,and I shall probably have to make some concession to get a settlement.

6. Par.12. After consultation with Mr.Mantle we have shipped 5 miles of no.8 bronze wire for the purpose of checkmating the geese. Mr.Mantle is writing Homer about this,as he tells me that it has to be carefully dealt with.

7. Par.13. The Admiralty account still remains unpaid,but I hope that Sir Alfred Paget's letter will bring about a settlement.

8. Par.17. The Board are glad to hear that the wire belonging to Waldron had not been shipped in one of our vessels; as Mr. Matthews in his report used the word "schooner",and the Richard Williams is a yawl,the blame for the misunderstanding belongs to him. As regards the loss,it is,to say the least of it,singular, that although it occurred on the 2nd October,and we had insured the goods,not a word of it reached us direct until the 28th of February,and then only in reply to a question arising out of a communication made to us here by the Secretary of Waldron Limited. When a loss takes place it should be reported at once,so that we may make the claim,and when we have recovered the insurance,and not till then,the amount should be credited to the owner. In this case I fear that you have been premature in making a settlement, for the copy of Waldron's account contains an item on the credit side that looks suspiciously like what Mr.Mathews has claimed,although we cannot be certain until the journal entries arrive. We shall put the papers before the Underwriters,but I fear that they will not submit to the 25% added for freight and expenses; all they usually allow is freight and insurance,and 10%. When the matter has been settled,you may have to claim a return from Mr.Mathews,and you must in future refuse to make any settlement until you get advice from here. In small claims of this sort a state-

ment about the occurrence and a certificate from yourself as Lloyd's Agent are usually sufficient,although it is prudent to have a protest noted,without taking a copy,for use in case of need. Since writing the foregoing I have seen the Secretary of Waldrons, and find that the mess is worse and more complicated than I thought. This wire was insured by him here from London to Port Howard,and therefore Mr.Mathews was in the wrong in asking us to do it. The claim has been paid here,subject to a possible adjustment in General Average,and you have paid it on your side as well; thus there has been a double insurance and a double claim, and in such cases it is usual to halve the risks. As we now know all the facts it will be unnecessary for you to waste any time over further explanations.

9. Par.18. The Directors hope that when you are once more properly equipped with schooners you will be able to collect our clients' produce quickly and promptly enough to keep foreign steamers out of the Colony. Those who took advantage of the Lovart can hardly be blamed for so doing,but you ought to make those of our clients who are not business people understand that it is due to us that their produce should be consigned to us. Mr. Bertrand did as we should have expected him to do; Mrs.Hansen on the other hand seems to have been persuaded to put her wool in Braun & Blanchard's hands,and when this happens it goes of course to John Hoare & Co.,and our Brokers feel aggrieved. Mrs.Hansen can hardly expect the Company to make advances to her if she treats us in this way. If this sort of thing increases,you should secure a legal as well as a moral hold on produce by taking a lien when accounts are on the wrong side.

10. Par.23. I have nothing further to report about the Dora. We had been asked to contract to coal two Peruvian cruisers leaving England shortly,and I got the offer of a cargo by steam,but at such a price that the Admiral decided not to go to the Islands. I tried afterwards to get him to coal from the Dora,having found out that we could buy at a price that would have left us a handsome profit at 40/.,but it was too late. The P.S.N.Co.have asked what we would charge for delivering the coal alongside their

steamers in the event of our buying the cargo,and I have told them that I cannot quote a price here,adding that it would be more to the point if they would make us an offer at per ton in case we bought it. This would be a repetition of the arrangement I made with the Kosmos when we had the Great Britain's coal on our hands,over 3000 tons,the result of which was that they got cheap coal,and we made a profit that gave us the hulk for nothing or thereabouts. At that time I had out a number of proper coal sacks,such as are used for coaling at many ports,which were filled between the arrivals of the mail boats,and put alongside in lighters.

11. Par.24. A new messenger chain is sent for the Great Britain; there must have been carelessness on the part of someone in allowing a chain that had been sent out for a specific purpose tobe sold or used.

12. Par.31. The P.S.N.Co.have written nothing about the Oranesa.

13. Par.32. We hope that the P.S.N.Co.will keep the hulk clear this season; it is not a good beginning to have shut so much out of the Oravia. They say that the Potosi is leaving about now for the next lot,but I fear she will as much too early for the sales as the Oravia has been too late,the wool not having been delivered in time for the opening of the sales. No doubt you will try to get the Ortega to clear all you have on hand after the Potosi has left.

14. We shall get a coal vessel as soon as possible. Sailing ships of small tonnage are so scarce now,that it is not always easy to pick them up.

15. Par.35. The Directors will be glad to hear what progress is made in the matter of peat compressing,for although similar schemes have up to the present had no result,it is possible that with improved machinery the industry might be made a success. If so there is a large field open to us,as we assume that the Government do not pretend to have any rights over our freeholds.

16. Par.37. In future please send by the same mail press copies of all accounts-current forwarded for and direct to clients

here. In most cases we have received cheques for the balances due, including one from Mr.Buckworth,whose account did not pass through this office as it should have done.

17. Par.38. The Directors have read your somewhat lengthy remarks on the West Falkland mail service. If it continues to hamper us to a serious extent we shall have to give it up and take the consequences. A new feeling seems to be showing itself in the Colony; until lately the West Falkland people whimpered for a steamer,but declined to put their hands in their pockets to make good the £1000 a year that your carefully compiled returns showed as a deficit on her working,to say nothing of profit. If before we bought the last two schooners the whole Colony had agreed to pay over a period of years,say three or five,⅝d.per lb. on wool,and the Government had increased the subsidy to £1000 a year,a revenue would have been created that would very possibly have enabled a steamer to live; but after the expenditure on the Gwendolin and Malvina of some £6000,the time for considering the question is past.

18. 307-5. The proceeds of CCW 8 bales Wool will be paid to Mr.Carpenter. I assume that we have no claim on Wesell for advances.

19. We have heard indirectly that there has been some dissatisfaction on the West over a rise in the price of flour from 14/9 to 17/6,presumably for the 100 lb.bag. The price of flour with which you have lately been supplied is not known here,except the lot lately shipped from Liverpool,and that cost with freight and insurance just about 10/.per bag. As any rise affects all the working people I always made a point of keeping flour as low as possible,and you should do the same,bearing in mind that a high price is a direct invitation to the people in Sandy Point to send a lot over. In quoting the Liverpool price I am,of course,calculating at per 100 lbs.

20. The Board have heard that a subscription is on foot in the Islands for a testimonial to Dean Brandon on his return to England after a residence of some 30 years in Stanley. I enquired last mail about the possibility of this,but have heard nothing

on the subject from yourself direct. During the whole of his stay in the Islands the Dean has devoted all his energies,without sparing himself,to the advancement of the moral and material welfare of the people,and the Directors do not wish the occasion of his departure to pass without joining in the tribute that is about to be paid to his zeal and unselfishness. I am to say therefore that you are authorized to contribute a sum of Fifty guineas to the list on behalf of the Company,and I enclose also a statement of sums promised here for the same purpose,which you can include in the amount available,to be drawn either here or in Stanley.

21. Mr.Allan tells me that no step has been taken yet to realize the shearing machinery and oil engine at North Arm,and that he thinks that if no buyer is to be found on the Coast a good price might be obtained in the Plate. It cannot be improving as it is,and the Board will be glad to hear that you have sent details to our agents at Montevideo,and will not lose sight of the matter.

22. I enclose copy of correspondence with the Board of Trade on the subject of two seamen ex Fortuna,alleged to be in distress after the wreck,and therefore sent home at our expense. You will see that I have refused to acknowledge the liability,on the ground that they were shipped on Articles which provided for their final discharge at Stanley,and that in returning them there after the wreck we had done all that was required of us. If the Colonial Secretary's view is correct,it must follow that any man,after getting his discharge from one of our vessels,whether wrecked or not, can call himself a distressed British subject,and demand a passage home,which is,of course,nonsense.

23. The P.S.N.Co.have asked that in view of the confusion caused at times by incorrect entries of freight it may be noted on each Bill of Lading whether produce is from near or distant ports. This is reasonable,and it may have the effect of preventing the mistakes which have been too frequent of late.

24. The leak in the Malvina which puzzled everyone in Liverpool from Lloyd's Surveyor downwards has at last been stopped,and she only makes a trifling amount of water now,due they say to the

planking having shrunk,so certain to take up as it swells. She left Liverpool on the 9th inst.,but her ill luck has not deserted her yet,for she had to put into Holyhead in a heavy gale,and with a leak that flooded the cabin,due it was discovered to a faulty joint in the W.C.pipe which has been put right. The crew,who had had a month's advance,naturally refused duty,and a new lot are being sent from Liverpool; that is a minor matter,and we are not likely to lose the money,the worst was that the Engineer,Baseley, wrote me that the fumes and the motion had been too much for him, and he enclosed a medical certificate to the effect that he was suffering from a severe attack of gastritis,and could not proceed in the ship. He was good enough to add that if we could send him out in a larger vessel he would still be glad to enter the service. After nursing him for more than three months this was the last straw,and I intimated pretty plainly to him through the Captain and Captain Dougall,who had gone down,that under no circumstances would I dream of sending him in any other way,and that I took his complaint to be a severe attack of seasickness,from which I had suffered myself on my first voyage in a small schooner,and which would pass away in a day or two. Fortunately I got the following wire from Lowdens yesterday:- "Baseley is going in ship "evidently recovered from seasickness",so all is well again. This is confirmed by letter this morning. He knows the engine thoroughly,and on the final trial last week the speed was not only improved but the consumption of oil was lessened. The report today is good: the vessel carried her canvas in the gale very well, sailed very fast,and is a good seaboat; but in a heavy seaway under a three reefed mainsail she cannot be trusted to stay,due Dougall writes to the large screw aperture into which the water gets before striking the rudder. This he says has always been a defect in auxiliary vessels; it is one that will have to be remembered,and I am afraid makes the schooner more of an experiment than ever.

I am,Sir,

your obedient servant,

Chas E Lobb

Managing Director.

Enclosures via Liverpool

Duplicates

Desptach No.1024

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

General Invoice goods per "Oropesa"

List of Dutiable Goods per "Oropesa"

List of Parcels

List of Enclosures

Second of Exchange & B/L attached.

List of Clients Cargo per "Oropesa"

Clients' A/sales & Reports & Contracts:-

S & S	2	bales Wool	ex "Orissa"
H G C	1	,,	,,
L	25	Salted Hides	,,
W P	4	,,	,,
S	24	,,	,,
S	3	casks Tallow	,,
H G C	29	,,	,,
L	33	,,	,,
W P	1	,,	,,
△	15	,,	"Duendes"
L	28	bales Sheepskins	ex "Orissa"
H G C	13	,,	,,
S	9	,,	,,
W P	5	,,	,,
S & S	3	,,	,,
L		Quantity Hair	ex "Oropesa"
B	11	casks Tallow	ex "Oropesa"
F	5	,,	,,

B/L General Cargo per "Oropesa"

Originals

Invoices for the following:-

Vere Packe, Darwin Telephone A/C & Alex. Redd

Letter for W.A. Harding.

Enclosures via Liverpool

Originals

Copy of Cablegram received

,, ,, sent

Original letter dated 25th February from Waring & Gillow,Ld.

Copy of letter from P.S.N.Co.dated 25th February re freights

Particulars of homeward freight per "Oropesa"

List of Cargo per "Malvina"

General Invoice goods per "Malvina"

Original letter from Emerson Walker dated 9th March with tracing attached.

Copy of letter to the Board of Trade dated 11th March.

Clients' A/sales:-

♡ 1 bag Tails ex "Duendes"

L Quantity Hair ex "Orissa"

B 11 casks Tallow ex "Oropesa"

F 5 ,, ,, ,,

K 9 ,, ,, ,,

H & B 63 ,, ,, ,,

W P 20 ,, ,, "Orissa"

H G C 13 bales Sheepskins ex "Orissa"

S 9 ,, ,, ,,

L 28 ,, ,, ,,

W P 5 ,, ,, ,,

S & S 3 ,, ,, ,,

Brokers' press copies Company's A/sales & Reports on Sheepskins ex"Orissa" & Wool ex "Oropesa"

Debit note for H.& G.Cobb for 8/11

Credit note for Vere Packe for £9 . 5 . 2

Clients reports:-

B 8 bales Wool ex "Oropesa"

J R 27 ,, ,,

F 15 ,, ,,

List of Subscriptions to Dean Brandon's Testimonial.

London 13th March,1907

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 15th March, 1907.

Per Supplementary Mail.

No. 1026.

Sir,

Since writing via Liverpool, we have been in communication with Waldron Limited, and have come to the conclusion that, although it has not been explicitly stated, the voyage on which the wire was lost was not a continuation of the outward one from England, but a subsequent one, presumably from Port Howard. In the statement of coasting insurance there was nothing to indicate this, and it was assumed to be the usual risk from Stanley to an outport. In future the nature of the voyage, if it differs from what is usual, should be clearly stated. If it is as we suppose, the claim recovered by their Secretary will have to be returned to the Underwriters, and we have given the papers to our Broker to make a claim on our own policy. I see that I may have misled you in my remarks the other day, I should have said that any loss should be reported at once, even if we are not in a position to make the claim at the time, as it is better to give notice at the earliest possible moment that a claim will follow.

2. The cablegram about the Dora requires explanation. H. Clarkson & Co. as agents for the Underwriters asked us to get from you the lowest terms on which we could contract to do the repairs exclusive of the gear proposed to be sent from England, and the question of condemnation or not hangs on your reply. Without items we do not understand, nor do Clarksons, why the figure is so high; we ought to do it as low as we can to avoid having to buy another hulk.

3. The iron indented for by cable is sent; we assume that this was ungently needed, and that the want could not have been foreseen; otherwise you would hardly have cabled, for it must be admitted that indents at 4/2d. a word are not economical, and that

W. A. Harding, Esq.,
Manager,
Stanley.

in this case the cost amounts to about 5/.a ton on the iron.

4. The woolsales,which opened at 5% rise for cross-breds,are still going strong.

5. There is a very good account of Mr.Allan this morning.

I am,Sir,

your obedient servant,

Thos. E. Lowe

Managing Director.

Enclosures per Supplementary Mail.

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Supplementary Remarks on Stores

B/L General Cargo per "Oravia"

Sight Draft on J.Kirwan for £34 . 7 . 7 B/L attached

Eills & Co's invoices goods shipped

General Invoice goods per "Oravia"

Contract for A N 1 cask Sealskins ex "Ortega

Letters for the following

W.A.Harding.

Vere Packe

G.A.Cobb

A.Reid

London 16th March,1907

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 10th April, 1907.

Per Oriana.

No 1027.

Sir,

I have to acknowledge receipt of your despatches nos.308/310, which arrived on the 27th ult.

2. Despatch 308. The Board are much pleased with the accounts enclosed in this despatch,they are so uniformly good that there is no room for criticism,and the only remark to be made at the present time is that we are glad that you have not taken any credit for salvage due to the Samson,as in such a bumper year it can well be spared,and will help to cover to a large extent the probable deficiency in Farm profits in 1907 arising from the shorter crop of wool. The accounts have not yet been before the Auditors, and when they have passed there may be something further to say about them.

3. 309-2. The amount received from Trinity House was credited out by the February mail.

4. Par.4. You pass over the question of the shipment of the crew of the "Gwendolin". Those on the "Malvina" have been engaged for two years,according to our recognized practice,not that there is any idea of their remaining as long,but to enable you to come to an arrangement with them to go on local articles at local pay as soon as they become discontented,a condition being that they abandon their right to discharge in England. If,as it seems,the "Gwendolin"'s men were shipped for the voyage only with a passage home,it was an expensive mistake.

5. Par.7. I enclose copy of correspondence with the P.S.N. Co.about hay,on which subject they decline to give way. In consequence of this refusal no order has been given.

W.A.Harding,Esq.,

Manager,

Stanley.

6. Par.12. Your remarks about the "Dora" are noted. We have not heard what is going to be done,but may get some information before this mail leaves. I am afraid that the price will frighten the Underwriters,and rather than let the vessel be condemned,some of the items look as if they could be lessened,for instance 3 spars ex "Glengowan" priced at £150.

7. Par.11. There was a bad mess over the "Oravia"'s shipment, caused solely by the miscalculation of tonnage left for Stanley, which was 877 tons only,viz:-820 Wool,43¾ Sheepskins,and 13¼ Sealskins.

8. Par.13. Mr.Ince has completed the draft of his instructions about salvage,and they will be enclosed in this despatch.

9. Par.17. Mr.A.E.Felton's balance of £586 appears to have been reduced by the sale of produce by £196,and he must be kept in hand until he is on the right side. It is only a small matter, but any attempt to overdraw must be carefully guarded against,as the Directors will never allow advances to be made again in the wholesale way they were formerly.

10. Par.20. It will be better to continue running the West mail as long as you find it convenient on the terms hitherto observed,firstly because you would be at liberty to withdraw at any time you wished,and secondly because it will show the Government that we reagrd it as no catch,and are willing to give it up if they can provide a substitute; it also has the advantage of showing that we do it to oblige them and the Colony generally. It would be interesting to know how much time is lost to the schooners through having to be in Stanley at definite times,and to wait in the event of a mail being late. The collection of wool seems to be progressing well,and I feel sure that we shall do better with three schooners of more or less equal size,rather than with one large and two small ones as formerly.

11. Par.21. The circular letter from the Royal Insurance Co. is not of special interest to us.

12. Par.23. The matter of the wire is no clearer than before,and before we can do anything we must know whether the risk on our coasting policy was a separate one subsequent to the de-

livery on the outward voyage to Port Howard,or whether it was on part of that voyage.

13. Pars.24 & 25. All the drafts advised have been paid or accepted.

14. 310-3. As the runners are sold we shall be able to inform the numerous applicants for them here that there will be no more available this season.

15. Par.4. As the order for Mr.Packe's telephone materials will have to be revised in view of the proposed alteration,it has not been sent out. I am sorry to see that I omitted to refer to the heavy bronze wire sent out last mail,no.8,the five miles costing £131 odd,but Mr.Mantle wrote fully to Homer. This is a heavy expense,but unavoidable I fear,if the line is to be of any use. Of course Homer will have to judge the best places for running this,and it is to be hoped that in time the birds will avoid it.

16. To the list of subscriptions to the Brandon testimonial you may add £10 each from Mrs.C.M.Dean and Mr.J.H.Dean,both of which sums are at our disposal here.

17. I have succeeded in settling with Trinity House with a reduction of £10 on the price of the crane,and we have received £92 in settlement of the account,which pays us handsomely.

18. We are compromising the "Hyndford" claim for £3000,which according to general opinion is fully what the service was worth. Details of the apportionment will go by Supplementary mail.

19. Your cable was received on the 2nd inst.reporting "Packes "sheepskins Orissa 14 not 9",and was referred to the P.S.N.Co.for explanation. They wired that four bales had been found on the quay,but have not confirmed this by letter,and I have written them. Both specification and Bill of Lading by "Orissa" gave nine bales,and how the mistake arose and why it took so long to explain will,in due time no doubt be made clear.

20. Mention was made while you were here last year of the condition of the Stanley Manager's house,and it was understood that it required pointing. Nothing has been heard of this since your return,and one of the Directors enquired at the last Board if I knew what was being done. If the pointing or any other part

of the house is in need of repair it should not be lost sight of. Pointing, of course, cannot be done in the winter, but arrangements should be made to have it done (if needed) as soon as the weather permits, for the house should always be kept in tip-top condition. This remark applies in fact to all the Company's buildings; if you have not heard it it is as well that you should know that remarks, anything but complimentary, have been made by passengers and others in the mail steamers on the poverty struck appearance of some of our property, as contrasted with the Government buildings. There was a time when if a building looked more than usually neglected and broken down it was safe to say that it belonged to the Government; if they have now reformed in this respect it behoves us to keep up to their level, for our resources are in every way superior to theirs.

21. ~~21.~~ No copies of accounts-current have arrived yet, and we are put to much inconvenience in consequence. It has been usual to send Mr. H. H. Cobb a copy of the Lively Island account, and this one, in consequence of his death and the winding-up of his Estate, is especially needed.

22. Mr. Bertrand's wool per "Istrar" from Sandy Point only reached London two days before the close of the sales, and is consequently held over. I found out the week before that Hoares had gone to the expense of having all that ship's wool sent down by rail, and consequently Mrs. Hansen's was sold; but if I had known it before I should have hesitated to follow their example: the railway carriage from Liverpool is 27/6 per ton, or about ½d. per lb. and this would have been on the top of the heavy freight of ⅝d. already incurred; but the most serious objection to putting it up lay, according to the Brokers, in the fact that it was accompanied by no specification, and consequently they would have been unable to do justice to it. Mrs. Hansen's best price was 8d., and on the whole this method of shipping is hardly likely to commend itself to our clients in the future. It has been suggested that Mr. Bertrand thought that the "Lovart" was going to take his wool to Stanley, and the fact that he stipulated that it should be delivered to the Company somwhat supports this idea.

23. At the last Board meeting it was decided to mark the best year in the Company's history by giving a bonus of ten per cent to all persons on the permanent working staff of the Company on salaries and wages earned during 1906, from yourself to the smallest boy. Presise details will follow next mail, but I may say now that the bonus is to be calculated on sums actually earned, applies to standing salaries excluding commissions, and in no case is to be given on extra labour or to persons not on the permanent staff. The Board also wish it to be clearly understood that they are in no sense creating a precedent. There can be no objection to your making the intention of the Directors known at once, perhaps by means of a judiciously worded circular.

24. I reported last mail that the "Malvina" had put into Holyhead in a gale, and this proved to be the longest one of the season, lasting nearly three weeks. However, she finally sailed on the 23rd ult., and was towed as far as the Tuskar rock off the coast of Ireland, whence she proceeded in a light wind under the engine, and we hope to hear no more of her until she gets to Stanley. I am sorry to say that the W.C. pipe was simply plugged up for the voyage, leaving the work of fitting a new apparatus and pipe on arrival. I should have liked to prevent this, and tried to do so, but communication with Holyhead was difficult, and there was a chance of the wind changing any moment, besides which they were unable to find a man in the place competent to do the job. I represented that if a ship's plumber was conspicuous by his absence in Holyhead, the case might be still worse in Stanley, but the idea seemed to prevail that Stanley being a port of repair some mechanic would be found capable of tackling it.

25. You will see by the catalogues that wool has been selling at very good prices.

I am, Sir,

your obedient servant,

Managing Director.

The Crew receive four pounds each month during the voyage out and third class passage back to England if they return at end

It is further agreed that the crew not shipped, if they remain out at the Falkland Islands for two years with the Employ of the Falkland Islands Co the wages then to be five pounds per month and third class passage back to England. At the expiration of the 2 years after mentioned

always provided their conduct is satisfactory.

Meade Mate, did not join

Mitchell Mate

Pentreath

Aldis

Channon

Caputer

Otto Cork

Lopes Steward

Paid off Dec 8th

Enclosures via L I V E R P O O L

ORIGINALS

Wool Reports

Copy of Cablegrams received

Copy of Cablegram sent

Copy of letter from The South American Missionary Society.

First of Exchange for £ 16 . 4 . 8 for collection

Boswell College Schooling Account for A.E.Felton

Copy of letter to the Director of Navy Contracts dated 19th March.

Copy of letter to the Account General dated 19th March.

,, ,, from ,, ,, ,, 18th March

Clients' A/sales ,Reports & contracts:-

H & B	30	bales	Wool	ex "Oravia"
F	15	,,	,,	"Oropesa"
S	160	,,	,,	"Oravia"
H	8	,,	,,	"Oropesa"
J R	27	,,	,,	,,
G	2	,,	Sheepskins	,,
J R	3	,,	,,	,,
AP	5	,,	,,	,,
B	10	,,	,,	,,
F	7	,,	,,	,,
H & B	52	,,	,,	,,
J B	83	Sheepskins		ex "Oravia
A N	1	cask	Sealskins	ex "Ortega"

B/L General Cargo per "Malvina"

Particulars of Company's Wool for 1906

Press copies Brokers' A/sales &c.Company's Wool & Skins ex "Oropesa" & "Oravia"

Copy of letter from Ince Colt & Ince dated 9th April & list of questions &c attached.

Copy of letter to the P.S.N.Co.dated 28th March & their reply of the 3rd April.

Copy of letter from the P.S.N.Co.dated 9th April .

Original Letter from Mrs Mcpherson dated 8th April.

Letter for E.J.Mathews.

London 10th April.

Enclosures via Liverpool

Duplicates

Despatches Nos.1025 & 1026

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Supplementary Remarks on Stores

List of Dutiable Goods per "Oravia"

List of Parcels

List of Clients' Cargo per "Oravia"

B/L General Cargo per "Oravia"

General Invoice Goods per "Oravia"

List of Enclosures

General Invoice Goods per "Malvina"

List of Cargo per "Malvina"

List of Enclosures per "Malvina"

Clients' A/sales:-

H G C	13	bales	Sheepskins	"Orissa"
S	9	,,	,,	,,
L	28	,,	,,	,,
W P	5	,,	,,	,,
S & S	3	,,	,,	,,
L	Quantity Hair			,,
♡	1	bag	Hair	"Duendes"
W P	20	casks	Tallow ex	"Orissa"
B	11	,,	,,	"Oropesa"
F	5	,,	,,	,,
K	9	,,	,,	,,

Clients' reports :-

F	15	bales	Wool ex	"Oropesa"
B	8	,,	,,	,,
J R	27	,,	,,	,,
A N	1	cask	Sealskins ex	"Ortega"

Sight Draft on J.Kirwan with B/L attached.

Enclosures via Lisbon.

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oriana"

B/L cargo per "Oriana"

List of Clients' Cargo per "Oriana"

Sight draft on J.Kirwan for £ 54 . 13 . 6 for collection B/L attached

Lamb Brothers invoice

Eills & Co's ,,

W.Bain & Co's ,,

Copy of letter from Duncan Fox & Co.dated 11th instant

General Invoice goods shipped per "Oriana"

Clients' Invoices &c.:-

Darwin Telephone A/c	£ 131 . 6 . -
Vere Packe	9 . 12 . 11
A.Reid	- . 1 . 9
W.A.Harding	- . 6 . 6

Letters for W.A.Harding & A.Reid.

Particulars of homeward freight per "Oravia"

London 13th April,1907

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 8th May, 1907.

Per Ortega.

No 1028.

Sir,

I have to acknowledge receipt of your despatches nos.311 and 312,which should have been delivered with the mail on the 22nd ult.,but owing to carelessness on the part of the housekeeper only came to hand on the 26th.

2. 311-2. If Captain Finch proves to be a useful and trustworthy man,the Board would not object to your paying him up to £13 or £14 per month. I should like to have chapter and verse in regard to my alleged statement to Mr.Baillon that £8 to £9 per month was considered good enough for a navigator,for whatever I may have said must have been strangely distorted if it implies that such pay would be good enough in the Islands. What I may have said may have been that there were many certificated masters work- as mates at those wages,and that was true no doubt at the time. The trouble is now that nearly all pushing young men go in for steam,and that consequently the class of men suitable for our work is a small one.

3. Par.3. You speak of the flour as if it were a Liverpool product flavoured with tar,and say that the taint may cause a prejudice against it. It was,as you know,South Australian which happened to have been landed in Liverpool,and it would surely be easy to make people understand that the taint came from proximity to dip in the "Duendes". I think that if the taint was strong you would have had good grounds for a claim on the P.S.N.for bad stowage.

4. Par.4. After a long wait we have chartered the Norwegian barque "Heroen" for house and smithy coals from the Tyne. She

W.A.Harding,Esq.,

Manager,

Stanley.

is to discharge at Stanley and Darwin,and we have also secured liberty to land at one other port in the Islands for an extra consideration,which is to be Fox Bay,with coals for both sides and perhaps Dr.Bolus. It has been more difficult to arrange than I had anticipated; I had rejected another vessel as being as much too large as this is too small,and I could not get in more than one port; these vessels are scarce now,and can command their own terms. Freight at 21/.is high,and coals are up as well,so that in contracting to deliver at 50/.per ton we are just about covering ourselves. It is not,however,in this case so much a question of profit,as of removing a grievance which might lead to the clients at that port taking up a small vessel for themselves,in fact it is a case of throwing away the proverbial sprat.

5. Par.5. As I have already mentioned,Mr.Allan thought that we might as well send out Pearson's dip.

6. Pars.6 & 7. The news about the breakage of wire which still goes on is disquieting,but the heavy gauge may set this right. If Homer has really stretched it too tightly he is much to blame,for he ought to know better. The Governor writes that the C.O.have sent out a form of agreement to which he understands our Company is agreeable,so they may not have ~~left~~ let him know of the prolonged wrangle we had about it,and if so,so much the better,and it will naturally be passed without amendment.

7. Par.8. The latest news about the "Dora" is that the owner has bought the hull from Underwriters for £250 and the cargo from the cargo Underwriters for £400,freeing them of all further claims. I got this news from Mr.Connell,who said that he had heard also that the idea was to sell about half the cargo in the Falklands,and take the vessel to Montevideo. He has reason to think,however,that ship and cargo might be bought for something under £1700,and we have come to an understanding that if we can get the property at that figure Lowden & Co.will take the coals at £1200 and we the hull at £500,or if £1500 then £1100 and £400, and proportionately for any other sum. The London Brokers for the ship,in blissful ignorance of the fact that we and Lowdens understand one another,seem to be trying to play us off against each other,and the game is still going on,so I cannot report progress. I think,how-

£510.7.6

ever,that the end will be either that the lot will be sold at our terms,or that repairs will be done in Stanley,and to us it does not much matter which. To tow away would be most expensive,and if she got to Montevideo repairs would be dearer there than at Stanley. So far,I have definitely refused to offer for the coals at any price,and have bid £1200 for the lot; the rest I leave to Lowdens. The P.S.N.are understood also to have made a small bid for the coals,but they are hardly likely to go on,as I have told them that it would be difficult to contract for delivery.

8. Par.9. The Directors have discussed the West Falkland mail question at some length,and have decided to defer sanctioning your porposal about the "Samson" until they have seen the Governor,and until you have had experience of the working of our own three schooners. For if with two schooners and a "wretched makeshift" you have done so well,it is reasonable to anticipate that our reinforced fleet will be able to play with the work,and the "Samson" may cease to be regarded as a possible despatch boat,and confined once more to the service for which she was originally sent out, and out of which it was never anticipated that she would be taken. As to Braun & Blanchard,perhaps too much alarm has been raised about them. They are capable of administering pin-pricks,and these are annoying of course; but if you look into the matter you will see that we command absolutely more than half the wool that leaves the Islands annually,and when you add to this the produce of firms who through old association or for favours received naturally give us the preference,what is left is not sufficient to tempt Braun & Blanchard to let themselves in for a contract entailing the perpetual presence of a steamer in the Islands,and consequently one that cannot possibly pay. They are strictly business men who are unlikely to come to the Islands for the sake of glory; they may be glad to make a few pounds by taking wool back to the Straits when a load of wood has come over,but that will be all,and by trying to pick up in anticipation any cargo likely to be so lifted you may prevent even that. I should think that a word or two to them explaining our position might be serviceable,as they may have an idea that it is possible to sweep the Islands.

9. Par.18. The reply to this,which covers two sheets,may be given very shortly. Any expenditure that would tend to preserve the life of a boiler or any part of the machinery should be incurred without hesitation; it would be true economy. Any neglect to incur such expenditure would be wasteful. If you will read the remarks made on this subject again,you will see that blame was not thrown on the Engineer; it was thrown on someone,and the Engineer was suggested,as it was inferred that he had not reported the bad state of the condenser tubes. You now report that in January,1906, he did ~~report~~ call your attention to the need of having more,and this you did not pass on,on the totally mistaken supposition that the Board would object to the expense. I can only repeat what I said,that the Directors have never grudged any necessary expenditure,a fact of which you were assumed to be aware,and now that you know it they hope that you will not again let a whole year elapse before asking to have any worn out portions of machinery replaced. If they neglect to supply any necessaries asked for, the responsibility will rest with them. As regards the rest,I gave you my authority for what I said about the oil engine,and I will make further enquiry. The responsibility for keeping or dismissing any member of your staff must rest with you; what was written was by way of indicating an easy way of making a change if you, on the spot,thought it desirable.

10. Par.14. No doubt you will hear direct from Mr.Allan. His recovery is now complete,and we hope to see him shortly.

11. Par.16. From what you say we judge that you will not get much more out of the "Dassard",but the gear saved is probably of much more value than what was paid for the wreck,and this you will probably take into the Store at low prices,and be able to close the account before the end of the year. You do not say anything about the possibility of recovering the boiler, - no,I am wrong, I had not read to the end of the paragraph. If you do,it may be of some service,as it cannot be more than eight years old.

12. Par.17. The Board are glad to hear of your trip to the Camp,and to find that the selection of Stirling as Overseer seems to have been a good one. It is satisfactory to hear from your

personal inspection that Camp matters are in such a satisfactory state.

13. Par.18. The accident in loading sheepskins is noted,and when these have been rebaled,please let us know marks and numbers and draw attention to them at the time they are shipped.

14. Par.19. It will be better to wait until we hear the result of your letter to Wilson Sons & Co.before approaching the head office. If we knew the average amounts you wanted to pay Wilsons,it might answer our purpose better to pay money in here at the London & River Plate Bank,and so freshen up the account from time to time,instead of selling your bills on us to the branch there.

15. Par.21. Mr.Oswald was here two days ago,and I told him that I should mention him to the Board next week. Circumstances have been against him,and I shall be sorry if he reaps no reward for the excellent work he has done during the last six years.

16. Par.23. I am not sure of the facts about the importation of silver without looking them up,but my recollection is that for a long time we were unrestricted in our dealings with the Mint,- we applied for a sum and they gave it in exchange for our cheque, paying the freight themselves. Then came a time when we had to get a requisition from the Crown Agents,at the instance I believe, of the Governor,but then the Mint paid the freight as before. How we were finally debarred from shipping silver at all I do not remember,but it was one of the meddlesome acts of Grey-Wilson. The common sense of the matter is that as we have the handling of the greater portion of the cash used in the Colony,we ought to be the best judges of what is wanted from time to time,and I shall suggest to the Governor that all restrictions ought to be removed. You were right on principle about the cost of the telegram,but it was not,as you say,worth splitting hairs about. We hope that the tonite,which is assumed to be a kind of dynamite,is used with due care and discretion.

17. Par.28. It is a pity that the question of Mr.Packe's sheepskins was not reported earlier. You know already that the P.S.N.Co.had four bales in the dock unclaimed,and why they did

not let us know about them until an enquiry was made has not been explained. From what you say it looks as if the "Orissa" really had the 10 bales on board brought by the"Killah"(?),although the Purser only signed for nine,and that the four you mention were those discovered in Liverpool. (I have transposed these,but you will understand.) One important point you have disregarded,that is why,if you felt sure they had 14 on board,you accepted a Bill of Lading for 9; there must have been some laxity in the case for this to have occurred.

18. Par.29. The trouble with the "Flora" has arisen through her being allowed to go beyond bounds,that is out of Choiseul Sound. If a little boat like this is used for purposes for which she was never intended,and is not fit,an accident will happen sooner or later. As the Choiseul Sound cutter the "Flora" should last until she is worn out: the Darwin cutter has never been lost in the last 40 years to my knowledge. This is a kind of boat which is now the most difficult to replace of all; she is too small to sail out,and freight by steamer would run into a large sum. When we shipped out and home by sailing vessel it was possible to get a fairly large boat out on deck,and the "Flora" came that way; but those days are past.

19. Par.16,(should be 30.) You will have to explain to Mr. Bertrand that his order for coal came just after we had signed the Charter-party of the "Heroen",but had we known of the order I doubt if she could have been got to go to such a remote place as Roy Cove. When the subject was first mentioned,I thought that it would be easy to charter a vessel on terms like the "Concord" for a round voyage,but it proved to be impracticable for several reasons. In the first place the Concord's freight worked out at more than 30/.per ton,(so Langridges tell me) and that would now be 40/.,with a round charter;then there is the scarcity of ships already mentioned,and the fact that if there is no home cargo they have to go thousands of miles for a cargo. It is unquestionable that if we got a vessel to go round with coal,the freight would be prohibitive,and that is all that can be said about it. The best plan probably in dealing with such an old and important client as

Mr.Bertrand would be to sacrifice another sprat,by foregoing our profit on the coals he asks for.

20. The news of C.Williams's death revives a question that has been occasionally mentioned at the Board,that is whether it would be worth while purchasing his business,and if so,what price is likely to be asked for it.

21. 311-27. Your conjecture about the NA wool per "~~Potosi~~" Tirana turns out to be correct,as the ship has delivered 126 bales against 125 per Bill of Lading,and we are claiming for the extra one,which is subject to the Shipbrokers' order. You will see by enclosed statement that 1862 bales have arrived in all,and also that the individual tallies have been irregular,for instance the "Oravia" brought of DH 4 short,of NA and WC 2 and 1 over respectively, while the "Potosi" has of DH 5 over and of NA 4 short.

22. The wool will be sold on the 14th,too late to report by this mail. Prices are somewhat down,they say from 5 to 7½%,but the demand is good,and cross-breds have hardened somewhat the last few days.

23. From correspondence enclosed you will see that the P.S.N. have agreed to take the Navvies' boat out free of freight.

24. We have received £1500 on account of the "Hyndford" salvage,and have been offered £1250 to settle the "Leon Bureau". I have seen Mr.Ince about this,and although the sum is in excess of what our Counsel thinks we should get in the Admiralty Court,we have decided to try for more,and have accordingly asked for £1750 to £2000,but shall be satisfied with £1500. I have not yet received from Mr.Ince a suggestion as to the apportionment of the salvage to the crew,but he is to let me have it,if possible,before the end of the week,and I will let you know,if I can,by Supplementary mail.

25. Since writing about Exchange on Montevideo I have ascertained from the London & River Plate Bank that at the present rate a payment of £200 here would be placed to our credit in Montevideo with a loss of less than £7.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Originals

Wool Reports

Copy of Cablegram received

Copy of Cablegram sent

Weymounth College Schooling Accounts for W.C.Girling

Charter-Party ship "Heroen"

Copy of letter to P.S.N.Co.dated 25th April and their reply of the 1st May.

Clients' Reports & contracts:-

J B	167	bales	Wool	ex "Oriana"
C C W	8	,,	,,	"Istrar"
L	54	,,	,,	,,
J B	28	,,	Skins	"Oravia"

Press copies Brokers' reports &c.Wool & Skins ex "Oravia"

Particulars freight home per "Oriana"

Harrison's receipted account for Dean Brandon

J.R.Robson's letter of 23rd March to W.H.Hindley & Co.

Invoices for the following:-

Vere Packe	15	5	2
Darwin Telephone	2	18	6
Dean Brandon		2	9

Out-turn Company's Wool for 1907

Letters for the following:-

W.A.Harding, A.Reid,

W.W.Bertrand & F.I.King.

London 8th May, 1907

Enclosures via Liverpool

Duplicates

Despatch No.1027

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oriana"

List of Clients' Cargo ,,

List of Dutiable Goods ,,

List of Enclosures

List of Parcels

Second of Exchange for £54 . 13 . 6 & B/L attached

,, ,, ,, £16 . 4 . 8 on J.Aldridge.

General Invoice goods per "Oriana"

Clients' A/sales:-

S.	160 bales Wool	ex	"Oravia"
F	15 ,,		"Oropesa"
B	8 ,,		,,
J R	27 ,,		,,
A N	11 cask Sealskins		"Ortega"
G	2 bales Sheepskins		"Oropesa"
J R	3 ,, ,,		,,
B	10 ,, ,,		,,
F	7 ,, ,,		,,
AP	5 ,, ,,		,,
J B	83 Sheepskins	ex	"Oravia"

Clients' Invoices goods per "Oravia"

A.Reid	1/9	
W.A.Harding	6/6	
Darwin Telephone A/c	131 . 6 . -	
Vere Packe	9 .12 .11	

B/L General Cargo per "Oriana"

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 10th May, 1907.

Per Supplementary Mail.

No 1029.

Sir,

I hoped to be able to give you the apportionment of the salvage by this opportunity,but on meeting Mr.Ince in the street just now he told me that it had better be postponed until both affairs are settled up,including the costs we have to bear,and that will take a little time. Since writing via Liverpool we have been negotiating in the matter of the "Leon Bureau",and got an offer of £1500,exclusive of costs,which we declined; but today I am glad to say that the other side have sprung to £1500 and costs, which we have accepted,and so the matter is at an end. Mr.Ince thinks that we have done even better than with the "Hyndford",considering the small values of ship and cargo.

2. With regard to the 10% bonus,I am now able to tell you how to proceed. It is to be given to the whole of the permanent staff on the books on the 31st December last,the Directors wishing it to be an encouragement to our people to stick to the employ,and it is to be calculated subject to the following directions. It is to be on salaries exclusive of commissions; it will be on pay actually earned,and in the case of carpenters who go off pay for ship work,the time they have earned ship pay must be deducted; on the same principle labourers who have been a portion of their time on contract will only receive it on the amount of their regular pay; it will not be given to labourers engaged by the day,or for the season's work in the Camp; the Masters of the Company's vessels will receive it,and the Mates also,if they have served during the whole year; lastly,though it is hardly necessary to mention it, as it is given to the working staff only,it does not apply to the payments for Medical and Ecclesiastical service. When you have

W.A.Harding,Esq.,

Manager,

Stanley.

settled the list the Board would like to have it.

3. I have just heard that the sheepskins have sold today at good prices, and the last news about the wool sales is that the opening fall has to an appreciable extent been recovered.

I am, Sir,

your obedient servant,

Ed. E. Lobb.

Managing Director.

Originals per Supplementary Mail

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Ortega"

~~Kisk~~ General Invoice goods per "Ortega"

B/L General Cargo per "Ortega"

Sight Draft on J.Kirwan for £ 48 . 17 . - B/L attached

Wool reports and Sheepskins

Clients Reports & Contracts.

H G C	1	cask	Skins	ex "Potosi"	report only
S	1	,,	,,	,,	report only
T R	3	bales	Sheepskins	ex "Ortega"	contract only
B B	4	,,	,,	ex "Potosi"	
R B C	2	,,	,,	,,	
S	4	,,	,,	"Orissa"	
L	3	,,	,,	"Ortega"	
McG	13	,,	,,	"Potosi"	
S & S	3	,,	,,	,,	
S	1	,,	,,	,,	
F B	4	,,	,,	"Ortega"	
H ~~M~~ B	78	,,	,,	"Potosi"	
B B	22	,,	Wool	,,	reports only
W E D	24	,,	,,	,,	reports only
F	157	,,	,,	,,	reports only
H & B	153	,,	,,	,,	reports only
S & S	122	,,	,,	,,	reports only
H G C	102	,,	,,	,,	reports only
S	111	,,	,,	,,	reports only
T R	135	,,	,,	,,	reports only
J B	167	,,	,,	"Oriana"	reports only
F B	97	,,	,,	,,	reports only
C C W	8	,,	,,	"Istrar"	reports only

W P 29 bales Wool ex "Ortega"

L 212 ,, ,, ex "Titania", Istrar" & "Ortega"

Brokers' Press Copies Company reports & contracts Wool & Skins ex above mentioned ships &c.

A/sales J B 28 bales Sheepskins ex "Orauma"

Barclay's invoice for F.I.King.

Letter for W.A.Harding.

London 11th May, 1907

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

Per Orita.

No 1030. London, E.C. 5th June, 1907.

Sir,

I have to acknowledge the receipt of your despatch no.313, which arrived on the 21st ult.

2. Par.2. The cost of the "Lafonia's" windlass was 10% higher than that of the "Gwendolin",Emerson Walker & Co.having given notice of a rise in all their manufactures to that extent.

3. Par.6. Mrs.Hansen evidently would be the better for a little instruction in the manner in which clients usually deal with their agents.

4. Par.7. It would seem after all that the owner of the Dora means to repair temporarily,as we have opened a credit in favour of the Captain with Fisher Alimonda & Co.for £700; this was cabled you via Montevideo last week.

5. Par.9. Your remarks on the price of flour have been carefully noted,and the profits stated on the Chilian flour are not exorbitant,though they range from 18 to about 26%. But with regard to the Australian flour,either you or we are in error,for if the figures given to me are correct,and there is no reason to suppose that they are not,this flour costs c.i.f.13/9d.per bag of 140 lbs.,and if you are selling it to farmers at 23/.per bag you are putting on a profit of more than 67%. This price certainly needs revision,if you find that you have made the mistake I think you have. It is worth noting that this works out at less than 10/. per 100 lbs.,so that you ought to be able to undersell those who import from Sandy Point.

6. Par.12. It is rather disappointing to find that the "Malvina" had not arrived when the "Oronsa" left,but she had only been

W.A.Harding,Esq.,

Manager,

Stanley.

out from Holyhead a little over 60 days, so there is no reason for alarm; in fact the probability of her having put into an intermediate port is lessened. I think you would do well to get the notice in Atherton's agreement reduced as you suggest; even two months, in fact two days, would afford an opportunity to an unscrupulous man to do untold mischief. With such a person it is far safer to pay wages in lieu of notice, and let him go. I did this in getting rid of Martin, the Engineer at Goose Green, at the end of 1883, going up myself in the Malvinas with a constable in case of trouble, having him watched until he embarked, and getting him off at about a day's notice. The circumstances were detailed in my despatch 368-12, of 3rd December, 1883. With regard to Baseley, as a Marine Engineer I suppose that he has got over sea sickness in ordinary circumstances; in the "Malvina" the catastrophe was probably caused as much by the intolerable fumes of paraffin as by the knocking-about.

7. Par.14. Mr. James called last week, and is to let us know when the peat question has assumed a definite shape.

8. Par.15. You have probably noticed that the freight on coal was reduced to 22/6 in full from 32/. & 10%. We do not get the Bills of Lading until after the steamers have sailed, and so I was unable to report the result of the protest which I made at once.

9. Par.16. The conditions proposed by the Government for the West Falkland mail service have been read to and fully considered by the Board, and the unanimous opinion is that they should be rejected. The letter from the Government would seem to suggest that they were conferring a favour on us by giving us the contract: the Directors prefer being in the position of conferring one themselves, by stepping into the breach, and enabling the mails to be carried. They consider ~~that~~ the present subsidy of £30 a trip to be quite inadequate, and will not hear of being bound by conditions for even £500 per annum. The best thing to say is that we will oblige them by running the mails and carrying passengers to the best of our ability, until they can make better arrangements, and as long as we can do it without serious inconvenience to ourselves. But we ought to get more money, and as to any conditions about rates of freight, we cannot even discuss them.

10. Par.17. It was fortunate that the "Samson" was able to render timely assistance to the "Flora",and it is to be hoped that this will be a warning not to let the latter go outside her proper bounds.

11. Par.19. In consideration of our being unable to offer any position to Mr.Oswald at present,and in recognition of his services in Stanley,the Board voted him a gratuity of £100,which has been paid to him,and he has also received the bonus of 10% on his salary for 1906.

12. Par.20. I am making a good deal of fuss about the freight on hay and other matters,and have put Lowdens on to it besides writing the P.S.N.Co. The latter have not yet replied,but I hear they are going into the question,and Lowdens will have something to say about the mouldy hay. I may be able further to write on the subject by the Supplementary mail.

13. Par.21. On receiving the despatch I commissioned Langridges at once to charter a vessel out,and they are looking for one; but as usual they are scarce. Whether the P.S.N.meet us on the "Duendes" complaints or not,it will in any case do them good to see this vessel go out,as they do not give us,I consider,rates by cargo boats at all on a level with those by sail,especially when the extortionate charges for oil,gunpowder,cartridges,&c., which they will not reduce,are considered. When the vessel has gone,if Mr.Lamb likes to climb down,we can listen to him. I have not cabled,as no charter has been made at present,but the word you give shall be sent as soon as it has been arranged.

14. Par.23. It is gratifying to see that the collection of produce has been carried out so well,and if before the beginning of next season you can ascertain the wishes of any farmers who have their wool ready early,and can make special efforts to satisfy them,you ought to take the wind out of Braun & Blanchard's sails completely.

15. Par.24. The Yost Co.say that they only received the machine last Saturday,the 1st inst.,so that there will be no time to send it by this boat. I think that you had better not have things sent direct in this way,for if it had been addressed to us

we could have hurried it up,and the Yost cycle carts are in the City every day. Are you able to use all three machines in the office,or would it do to let Mr.Allan have one of them? The Darwin one can hardly be worth much now. Did you not say that you had bought,or were in treaty for one from Weddell Island?

16. Par.27. We will send the tanks you ask for by the sailing vessel.

17. Par.28. The report of diphtheria is serious,and we hope that isolation will prevent it from spreading. If it reached Stanley the mortality would most likely be enormous.

18. Par.29. The arrangement with Wilson Sons & Co.is noted.

19. We have paid,as requested,the proceeds of Wesell's wool to Mr.Carpenter,but should like to know the terms on which we do his business,as he has a debit balance,and we have no apparent security but the wool.

20. Mr.Allardyce called on Monday,but only for a short time; he has been busy with the Education Conference,and is now off to Germany to see an oculist. He was not here long enough to go into any questions of interest,but we are to meet again on his return from the Continent.

22. I do not know whether you will be more amused or annoyed to see the enclosed extract from a letter from the P.S.N.Agent at Sandy Point, containing a lot of ludicrous rubbish about shipping matters at the Islands. If he had taken the trouble to inform himself in the slightest degree about facts,he would not have penned such nonsense; I rather took it that he was officiously trying to make the P.S.N.think that we were neglecting their interests,and I took the trouble to enlighten them as clearly as I could.

23. Enclosed is a copy of the Annual Report,and you will be glad to see that we are paying a dividend of 35%,after placing £20,000 to a Dividend Reserve fund.

24. The wool did not sell so well at the last sales,and there will apparently be a shortage in the value of our own to the amount of £6000 to £7000.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Originals

Wool Reports

Copies of Cablegrams sent

Copy of Cablegram received

Debit note for J.Robson for £ 3 . 8 . 2

,, ,, C.Williams for £ 2 . 1 . -

Copy of Trinity House Amended account £182 . 8 . 2

Letter from Eley Brothers dated 21st May with enclosures

Extract from Sandy Point Agent's letter to Pacific and our reply dated 13th May also P.S.N.Co.acknowledgment.

Copy of letter to W.Lowden & Co.dated 24th May re freights

Brokers' copies Company's A/sales Wool & Skins ex"Oriana"&"Potosi"

Clients' A/sales :-

B B	22	bales Wool	ex "Potosi"
H & B	153	,,	,,
J B	167	,,	"Oriana"
F B	97	,,	"Ortega"
F	157	,,	"Potosi"
W E D	24	,,	,,
S	111	,,	,,
W P	29	,,	"Ortega"
L	150	,,	,,
C C W	8	,,	"Estrar"
L	8	,,	"Titania"
L	54	,,	"Istrar"
H G C	102	,,	"Potosi"
T R	135	,,	"Ortega"
S & S	122	,,	"Potosi"
	1	,,	"Otrga"
F B	4	bales Sheepskins	ex "Ortega"
H & B	78	,, ,,	"Potosi"
T R	3	,, ,,	"Ortega"

S	4	bales	Sheepskins	ex "Orissa"
R B C	2	,,	,,	"Potosi"
McG	13	,,	,,	,,
S & S	3	,,	,,	,,
S	1	,,	,,	,,
L	3	,,	,,	"Ortega"
B B	4	,,	,,	"Potosi"
H G C	1	cask	Sheepskins	,,
S	1	,,	,,	,,
R B C (reports only)	10	casks	Tallow	ex "Potosi"
H W (reports only)	16	,,	,,	,,
H W (reports and contracts)	10	casks	Seal Oil	,,
M c B (reports and contracts)	30		Salted Hides	,,
L (reports and contracts)	40	,,	,,	,,

Credit notes for the following:-

J.R. Claim recovered on damaged Wool per "Oropesa"

S ,, ,, ,, "Oravia"

N A) ,, ,, ,, ,,
W C)

Copy of letter from Ince Colt & Ince dated 5th June also original apportionment of Salvage "Hyndford"

Copy of letter from R.C.Watson dated 4th June.

Invoice for goods shipped per "Ortega" for Vere Packe.

Particulars of homeward freight per Potosi & Ortega"

Letters for the following:-

W.W.Bertrand & W.A.Harding.

London,5th June,1907

Enclosures via Liverpool

Duplicates

Despatches Nos.1028 & 1029

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Cargo per "Ortega"

General Invoice goods per "Ortega"

List of Clients' Cargo per"Ortega"

List of Dutiable goods per "Ortega"

List of Parcels

List of Enclosures

Second of Exchange for £48 . 17/- & B/L attached.

B/L General Cargo eper "Ortega"

Clients' Reports & Contracts:-

S	1 cask	Sheepskins	ex	"Potosi"
McG	13 bales	,,		,,
S & S	3 ,,	,,		,,
R B C	2 ,,	,,		,,
L	3 ,,	,,		"Ortega"
△ F B	4 ,,	,,		,,
S	4 ,,	,,		"Orissa"
T R	3 ,,	,,		"Ortega"
S	1 cask	,,		"Potosi"
H G C	1 ,,	,,		,,
W E D	24 bales	Wool		,,
S & S	122 ,,			,,
H G C	102 ,,			,,
S	111 ,,			,,
T R	135 ,,			,,
F	157 ,,			,,
W P	29 ,,			"Ortega"

L △	212	bales Wool ex	"Sundry Ships"
F B	97	,,	"Ortega"
J B	167	,,	"Orissa"
C C W	8	,,	"Istrar

A/sale H.B.28 bales Sheepskins ex "Orissa".

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 8th June, 1907.

Per Supplementary Mail.

Vo 1031.

Sir,

Since writing via Liverpool Messrs. Ince Colt & Ince have sent in a final cheque for the "Hyndford" salvage with an explanatory letter, and a statement of the apportionment of the proceeds which they consider suitable. The latter document I send in original, and a copy of the letter. In paying the several amounts to the crew you will have to take a receipt from each, and it should state that it is in full satisfaction of their respective shares. Messrs. Ince have an experience in these matters that is unrivalled in the City, and the division may be accepted implicitly as what would have been awarded by the Court if the case had been fought out. I think that all concerned will be as pleased as we are with the result, and Captain Thomas is to be congratulated on the handsome sum that falls to his share.

2. Arrangements have been made for providing a passage for Mr. Ellis to Malaga by the steamer leaving on the 17th of July, and precise instructions as to ways and means will be found in the enclosed letter from Mr. R. C. Watson. It would seem that Mr. Ellis's backers are diffident about giving him ready cash to handle.

3. I enclose a copy of letter from Messrs. Lowden on the subject of your complaints about freight and hay, and an original one from the suppliers of the hay, as well as copy of my reply.

4. The Brokers have asked us to mention that small shipments of sheepskins should be avoided, as the cost of lighterage on a few bales adds much to the charges, the lighter having to be paid for whether full or not.

I am, Sir,

your obedient servant,

Chas. E. Lobb.

Managing Director.

W. A. Harding, Esq.,

Manager,

Stanley.

Enclosures via Lisbon.

Originals

Ledger & Journal Entries.

Remarks on Accounts

Remarks on Stores & Supplementary remarks

Replies to Remarks on Stores

General Invoice goods per "Orita"

List of General Cargo per "Orita"

Clients' contracts:-

R.B.C. 11 casks Tallow ex "Potosi"

H.W. 16 ,, ,,

Corrected Balance Sheet for 1906

,, Profit & Loss Statement for 1906

Copy of letter from W.Lowden & Co.dated 5th with enclosure and our reply of 6th June.

B/L of General Cargo per "Orita".

Debit note for freight &c.for A.Bonner.

Corrected out-turn Co.'s Wool for 1907

Letter for Capt.Henry Thomas

,, W.A.Harding.

London 8th June,1907

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 3rd July, 1907.

Per Oronsa.

Vo 1032.

Sir,

I have to acknowledge the receipt of your despatches nos. 314 and 315, which arrived on the 19th ult., the former purporting to have been sent by "Corcovado", which is not in yet. Your letter of the 20th May on Camp matters is also to hand.

153-6
154-35

2. Par. 2. We should like to know to which Ordinance of 1901 you refer with regard to getting the men out of the Colony who may be discharged from a schooner. A passage home is guaranteed by the ordinary terms of foreign shipping articles, if the men serve their term, but it gives us the advantage of being able to make terms; however, this has already been explained.

3. Par. 5. Mr. Mantle does not understand how it is that extra wire was required to complete the main line of telephone, as he considered that a sufficient length was sent to allow for all contingencies, including breakages, as they could be repaired without shortening to any great extent. Search has been made for this order, but at present without result, and it may possibly turn out that it has been in a communication from Homer to Mr. Mantle. With regard to Mr. Packe's line, we have been expecting that you would send an amended order for the materials on hearing from him that he agreed to the new arrangement. Without measurements taken on the spot it would obviously be impossible for us to decide precisely what should be sent. In 311-6, replying to the despatch announcing the decision Messrs. Allan, Mantle, and I had arrived at, you said that you would be seeing Mr. Packe and the Governor, and would report further; but nothing has reached us since, and as it

W. A. Harding, Esq.,
Manager,
Stanley.

has not been stated yet whether Mr.Packe is willing to fall in with the proposal, or not the next move obviously rests with you.

4. Par.6. It is gratifying to hear that the testimonial to the Dean has reached such a handsome sum. We are collecting the subscriptions on this side.

5. Par.8. A bricklayer is the man wanted to point the Manager's house,but a stone mason might do as a makeshift. Your remarks on buildings generally show that you fail to understand what the Board's wishes are as regards the care that should be exercised with regard to the Company's property,and you would seem to think that the object of painting is to make buildings look pretty and ~~smart~~ smart,and that it does not come under the head of "necessary maintenance". Can you mention any instance,either within your own knowledge or from hearsay,of objection having been taken to the use of paint,laid on for the preservation of wood or iron? It is surely hardly necessary to say that red oxide of iron is a preservative of galvanized roofs when rust begins to show,and that wood perishes when it is not kept properly painted. In the worst of times the free use of paint has been considered an economy,and if red oxide looks pretty,so much the better,but it is not laid on with any idea of the picturesque. The Board have minuted their desire that all the Company's buildings and fencing are to be kept in proper order,and the best way of doing this will be to put a man on the job,or as many as can be spared, until the work is finished,that is to say,as soon as the weather allows. As regards the Store,regarding it as a piece of architecture it is not beautiful; but if kept whitewashed,as it was when erected,I suppose,more than 50 years ago,no one could mistake it for a cowshed. Sufficient size mixed with the whiting is all you want,and this should be renewed from time to time before the cowshed stage comes on. How carpenters and ship work came in is not clear,as you would not employ the former for painting.

Untrue

Why did not former managers prevent this?

6. 6. Par.9. The remark about accounts-current arose from the fact that some of these accounts had arrived in England direct from you,but without copies for our information,and questions on them came in which we were unable to answer. Mr.Buckworth,for in-

stance received Packe Bros.' account,and my late brother that of Speedwell Island,but the copies were kept back until the whole bunch was sent. We do not expect to get them all with the annual accounts,but it is convenient to have those first which are paid in cash on arrival,and copies at the same time. While on the subject of accounts I must point out that the middle of June is rather too late to receive the Stanley Cash book and Journal for February only,and that copies of these should be made as soon as they are completed,as the want of them is inconvenient.

7. Par.11. The amount of the bonus was clearly stated at the time you were informed of it,and further directions followed next mail,so that you have probably experienced no difficulty.

8. Par.16. Messrs.Langridge are still looking for a ship,and wrote round to various ports again last week,but there is the utmost difficulty now in finding one of the right size,and I have no progress to report. With regard to hay,Mr.Lamb happened to look in last week,and I had it out with him. He promised that the first shipment should be taken at the rate of 40/.weight,but this is a salve to our injured feelings,and after that it is to be 20/.measurement;at the same time the exceptional rate conceded to the Government in error is to cease.

9. Par.17. Messrs.Stubenrauch & Co. write a good deal of nonsense,both to you and the P.S.N.Co. Even if steamers do carry wool across to secure the low ocean freight,it can be no catch to our clients,for I assume that,if the steamers are to pay,the rates they will have to charge will overbalance the other advantage.

10. Par.18. The various remarks from this office on the subject of Mr.J.Dean's wool are not as inconsistent as you would think,except perhaps the last,when I tell you that it is always insured,but that we have nothing to do with it. He does his insurance through Messrs.Langridge. They say that they do not think that a protest was necessary,as the wool was carried in his own vessel; but there was no harm in taking the precaution.

11. Par.20. A Blacksmith named Husband,who has worked in Dundee yards and has good testimonials,has been engaged,and goes out by this boat.

12. Your letter on Farm matters has been read with interest, but calls for no special reply,except the paragraph relating to steam pressing at Darwin. Mr.Allan is quite opposed to doing anything in this way until he is on the spot,and it has yet to be shown that the outlay is warranted,as Darwin is on a different footing to North Arm,and circumstances which rendered it necessary at the latter place do not exist. It must be borne in mind that, although we have had a year of unusual prosperity,we must not for that reason launch out into expenditure that is not warranted by necessity.

13. On looking through the Stanley wages list I have been struck by the large amount of extra pay credited to the Engineer, amounting to £89.12.8 in 1906,which on his pay of £16 per month comes to about 46 per cent. It would seem right to endeavour to make some arrangement by which this large over payment might be avoided. Probably he is getting more than he ought when away from Stanley,notwithstanding that on those occasions he is fed at the Company's expense as well. It is also singular that Dick,the Blacksmith,although ship work has been fairly constant,seems to have made very little extra,the total for the year being less than £5. When he was engaged I was able to point out from the Stanley wages return how well Ogilvie had done,but this time I had no figures that were of any use.

14. In a private letter you have brought up the subject of Eills's provisions,and I will refer to the subject here. If things are as bad as you say it is a pity that you have been reticent so long,for we cannot lose custom and have their supplies condemned as rubbish on all hands,just because they have dealt with us exclusively. Remarks unflattering to them have been received from time to time,but you have never until now written plain facts. Our object is always to get the best,regardless of anyother consideration,and nothing that is inferior ought to be passed without complaint. I took the matter up at once,and opened negotiations with Mortons. Mr.C.Morton came over,and it has been arranged to transfer Eills's orders to his firm. He stated,and we have no means of testing his statement,that they cut prices so fine,that

to deliver most of their articles in Liverpool would turn a profit into a loss,and the terms I was able to make were not as good as I could have wished. They are as follows:- certain goods,mostly proprietary,they deliver either f.o.b.or free Liverpool; in invoicing quantities they will charge in each invoice the rates as stated on their list,but at the end of the year will add these quantities all together,and credit us with the differences; and in a bonus letter which they mark private they undertake to give us a bonus of 2½% on goods bearing their own label,if during 12 months we have done a minimum business with them of £2500,proprietary goods, - Sardines,Peas,&c. - all to be included to make up the total of our trade with them,but no bonus to be paid on these. For the second half of this year,the business is to reach £1250, and after that we start from the 1st of January. On hearing that our orders would cease,Mr.Smith of Eills & Co.came up to see me, and I had to explain the whole matter. He was,of course,full of regrets,and thought that they had not had sufficient notice of our dissatisfaction,in which I was somewhat inclined to agree with him,as the few complaints made from time to time have been no indication of the real state of things. He said that he had spent two days in looking up the business they had done with us, and divided our purchases into three classes; proprietary goods, bearing other firms' labels,for which they could not be held responsible,bulk goods,such as oatmeal,bacon,rum, &c.,which they did not manufacture themselves,and in this class he included raw coffee,which they buy of course in the open market,and of which he had heard no complaint,and thirdly,those goods bearing their own label. I told him that we regretted both here and in Stanley having to put an end to the business,and that we recognized the loyal way in which they had dealt with us in refusing all orders from outsiders. We shall see how we get on with Mortons,and you must remember that to get cargo round by water at 12/6 per ton,(not 15/.,as stated by Mortons) you should gauge your requirements,and send your orders a mail in advance. This time we are shipping all, but as soon as we can we must send only those goods that are ready for the boat leaving on the Wednesday week before the mail leaves.

As for trying any other Liverpool house, I fear it would be useless. Eills & Co. are called the "Mortons of Liverpool," and if they are so far behind others would probably be worse.

15. The Board of Trade have asked if we keep Methylated Spirit, as they will want a few gallons annually for the Lighthouse, and I have replied that I believe that it is always in stock, but that we will see that it is in future.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Lisbon

Originals

Remarks on Stores

Replies to Remarks on Stores

Supplementary Remarks on Stores

List of General Cargo per "Oronsa"

B/L Cargo per "Oronsa"

Sight Draft on J.Kirwan for £33 . 6 . 7 for collection B/L attached

A/sale ◇H◇ 1 cask Seal Skins ex "St.Leonards"

Morton's invoices goods per "Oronsa"

Kirkland Cope's account for £3 . 6 . 6

Copy of Cablegram received today

Original Copy of Apportionment of Salvage "Leon Bureau"

General Invoice goods per "Oronsa"

Supplementary Ledger Entries

Clients' reports:-

W P	11	bales	Wool	ex "Orita"
H & B	128	,,	,,	,,
△ D H	133	,,	,,	,,
S I	133	,,	,,	,,
△ P H	72	,,	,,	"Oronsa"
△ F B	2	,,	,,	"Corcovado"
Club	145	,,	,,	,,
S I	1	,,	,,	,,
A P	82	,,	,,	,,
◇H◇	31	,,	,,	,,

Letters for the following:-

W.A.Harding,A.Reid & G.A.Cobb

Press copy Broker's report Co's Wool per "Oronsa"

London 6th July,1907

Enclosures via Liverpool

Duplicates

Despatches Nos.1030 & 1031

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Supplementary Remarks on Stores

General Invoice goods per "Orita"

List of General Cargo per "Orita"

List of Parcels

List of Dutiable goods per "Orita"

List of Clients' Cargo per "Orita"

List of Enclosures

Invoice for Vere Packe goods shipped per "Orita"

Clients' A/sales :-

H G C	1	cask	Sheepskins	ex "Potosi"
S	1	,,	,,	,,
F B	4	bales	Sheepskins	ex "Ortega"
L	3	,,	,,	,,
S	1	,,	,,	"Potosi"
S & S	3	,,	,,	,,
McG	13	,,	,,	,,
R B C	2	,,	,,	,,
T R	3	,,	,,	"Ortega"
S	4	,,	,,	"Orissa"
♡	1	bales	Wool	"Ortega"
J B	167	,,	,,	Oriana"
F B	97	,,		Ortega
H G C	102	,,		Potosi
L	54	,,		Istrar
L	8	,,		Titania

L	150	bales Wool ex	"Ortega"
W P	29	,,	,,
W E D	24	,,	"Potosi"
F	157	,,	"Potosi"
S	111	,,	"Potosi"
S & S	122	,,	"Potosi"
T R	135	,,	"Ortega"
H W	16	casks Tallow ex	"Potosi"
R B C	11	,,	,,
MdG	30	Salted Hides ex	"Titania"
H W	10	casks Seal Oil	"Potosi"
L	40	Salted Hides ex	"Titania"

reports & contracts

B/L General Cargo per "Orita"

Enclosures via Liverpool

Originals

Copy of Cablegram sent

Anning & Cobb's Sheepskins Report

Clients' A/sales:-

McG	30	Salted Hides	ex "Potosi"
H W	10	casks Seal Oil	,,
L	40	Salted Hides	"Iitania"
H W	16	casks Tallow	"Potosi"
R B C	11	,, ,,	,,

Particulars of freight homeward per "Orita"

B/L & Invoices coals per "Heroen"

Invoice for Vere Packe goods per "Orita"

Husband's Agreement & ~~xxx~~ ~~xxx~~ Doctor's certificate

Mrs Foley's cheque for £5 on Stanley(see remarks)

Clients' reports & contracts

D H	4	bales Sheepskins	ex "Orita"
S 1	11	,, ,,	,,
W P	1	,, ,,	,,

contract only (H) 1 cask Seal Skins ex "St.Leonards"

Brokers' press copies of above reports & contracts

Credit note error in Dock Charges (W C) 120 bales Wool

Ledger & Journal Entries.

Copies of letters from C.& E.Morton dated 20th & 21st June and marked catalogue.

Remarks on Accounts

London 3rd July,1907

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 28th August, 1907.

Per Oropesa.

No 1033.

Sir,

I have now to reply to your despatches nos.316/319. The arrival of the first two has already been reported,and the others only came in two days ago,leaving little time for their consideration. A special Board was held yesterday,however,at which they were discussed.

2. 316-4. As it is evident that the quantity of coal shipped in the Heroen will be insufficient to meet requirements for any length of time,we shall endeavour to send a substantial quantity in the sailing ship.

3. Par.6. The question of binding ourselves to a mail contract with the Government for the West was considered,and it was decided that we should still agree to run the mail as formerly. If the Government wish to know why we decline to bind ourselves, the Directors think that you should frankly point out the following facts. There are three large shippers from the West,Waldrons, Dean & Sons,and Dean & Anson,not one of whom at present would contribute one halfpenny in the way of freight on wool. It may be a secret,but it is known to us,that while Mr.Mathews would like to ship through us,Mrs.Waldron has put her foot down,and has expresher objection to abandoning the shipment by sail through Spearing and Waldron during her lifetime. The secession of the other two firms has reduced the freight we could earn from the West very largely. Now look back at what happened in 1900,when overtures were first made to the P.S.N.Co. Before they would give the Post Office any answer,Mr.Alcock came up here,and secured the promise of our good will; on the strength of that they agreed to take up

W.A.Harding,Esq.,

Manager,

Stanley.

of Lading unti[illegible] [illegible]ers have sailed, and so I was [illegible] able to report the result of the protest which I made at once. 84

9. Par.16. The conditions proposed by the Government for the West Falkland mail service have been read to and fully considered by the Board, and the unanimous opinion is that they should be rejected. The letter from the Government would seem to suggest that they were conferring a favour on us by giving us the contract: the Directors prefer being in the position of conferring one themselves, by stepping into the breach, and enabling the mails to be carried. They consider the present subsidy of £50 a trip to be quite inadequate, and will not hear of being bound by conditions for even £500 per annum. The best thing to say is that we will oblige them by running the mails and carrying passengers to the best of our ability, until they can make better arrangements, and as long as we can do it without serious inconvenience to ourselves. But we ought to get more money, and as to any conditions about rates of freight, we cannot even discuss them.

the service. But suppose we had said that we should be much pleased to have an improved service,but should continue to ship our produce in the old way,is there a sane man living who does not know that the P.S.N.Co.would have left the Islands severely alone? It is the old story that I have insisted on more than once,the mails follow trade,and not the reverse,and if the West Falkland people will not do as we did with a view to improving the service, we are not going to help them at our own expense. I do not think that any fault can be found with this argument,as the cases seem exactly parallel,and I may add that the position the three stations think it right to maintain ought to debar them from any right to clamour for improved communication. For the benefit of our own clients on the West we will do what we can to serve them, and that is all we can say at present. Whether if the three outsiders came into line the Directors would try the experiment of a steamer,it is premature to say; more strange things than that have happened. If it could be shown that a steamer could be made to pay,there would be no doubt about it,but up to the present no one has been able to prove this,either to ourselves or the P.S.N.

4. Par.9. The Brokers report that the dried sheepskins show no sign of damage,and the price will not be affected,therefore the Underwriters will only have to pay the expenses incurred in drying and rebaling,which is satisfactory.

5. Par.10. We have not yet been able to reconcile the discrepancy in the wool tallies,and it has just been made worse than before by an intimation from the P.S.N.that they have 7 bales on hand marked F I C in diamond,which were neither on the specification nor the Bill of Lading of the "Orissa". We have now got back the specifications from the Brokers,and are going into them as soon as we can; it occurs to me that the practice of marking the Camp wool in the off season from 1 upwards,and then again starting from 1 when shearing begins,may lead to confusion,and this should be discontinued. It cannot make any difference in the returns of shorn wool,as we keep a sharp look out for all "Camp", and have more than once returned a/sales for correction when such wool has been included with the fleeces.

6. Par.16. The Directors have very fully considered your remarks on the subject of the bonus,and I am to say that it is to be paid as instructed. When it was first considered,the salaries and Stanley and Darwin wages lists were examined,and a decision was arrived at,based on the amounts shown,which only differ actually by a few pounds. It is considered that unless a sharp line is drawn between those on the permanent staff and those paid by the hour endless discussion and dissatisfaction may arise. As a matter of fact,the Camp people as a body are really the people who deserve the most consideration,as it is to the Farm that the success of the year's operations is mainly due,and with few exceptions they are not in the way of making money as the Stanley men are by way of overtime,salvage,&c. As to carpenters,it is strange that you should have misunderstood the allusion to them, which referred to Biggs and T.Smith,and not to those paid by the hour. Biggs and Smith worked on ships apparently for more than half the year,off our pay,and received £1 and 16/8d.per day respectively,as compared with their shore pay of £10.16.8 and £8. It is manifest that they cannot have the advantage both ways,and their bonus must be calculated on the pay earned from the Company. Biggs only earned,as you say,about £23 from us during the year, but how many months was he receiving £6 a week from ships? As regards the calculation of the bonus,it was to be on pay earned during the year,not the <u>whole</u> year,and therefore is due to permanent hands who came on the books during the year; this also applies to those who had been on the staff and left during the year; to this extent the mention of 31st December was a slip. In a matter of this kind there must be no deviation from the instructions to meet special cases,and therefore the bonus to Mc. Call is only due on the amount he earned; but the £60 is of course included. This £60 has been misunderstood more than once,so it will be well to explain it. At one time all three overseers received £140. per annum,but as North Arm grew,and the sheep far outnumbered those on the other sections,I decided to give Mc.Call £200 a year. This,if known,was likely to dissatisfy the others,and as the Darwin Storekeeper had a tongue that wagged a good deal,I ad-

How about carpenters? Fellow Farming

By whom?

opted the expedient of paying the extra £60 through Stanley, and Mc.Call's wages went through the Darwin books at £140 per annum like the others. That is the simple explanation of the matter, and all others are incorrect guesses. With regard to Jesse Phillips and others noted on the list, the bonuses must be paid if the men can be found, and I will settle with Phillips here. I have to add that when the Directors decided on this bonus they were prepared to render explanations if the instructions, which seemed clear enough, were not ~~clearly~~ understood, but they neither invited nor expected criticism of their scheme, and if what was intended as an entirely gratuitous recognition of the services of their staff has been the cause of any unpleasantness, they may not be inclined to repeat it on another occasion.

7. Par.18. Mr.Andrews has been here, and has given his opinion that we are undoubtedly liable for the accident to Clifton; you will, therefore, have to do whatever may seem best. This, no doubt, is under the old act, as the new one has not, unless I am mistaken, been passed in the Islands yet. Probably it will be, and the Board will then have to consider whether it would be prudent or not to insure the whole staff. Up to the present injuries to our men have been so few in number that the premiums, had we been insured, would have exceeded the claims we have met, even including the compensation to Fleuret; but a serious accident to a number might happen any day.

8. Par.22. Mr.Allan and I have talked over the question of casings, and have had an interview with a would-be buyer, but we cannot see yet that what we should get would be sufficient recompense for the inconvenience the business would cause. We shall look into it further, for Brinkman must either be losing a lot, or making it worth his while. As soon as we get a report on the tongues you shall have it.

9. Par.17. You were instructed by the mail before last - no, I am wrong, the question of the Islands was before the Board just after that date. After discussing the subject with Mr.Allan, who thinks that they are too small to be worth running on the Company's account, as attention to them would occupy time that might be better spent, the Board decided that you should be in-

structed to renew the leases to the best advantage as they fall in. You had,therefore,better let us know what rent should be asked for Bleaker,and whether the Fell now on the Island is the man to whom it should be let. The question of buildings and fixtures will not arise now; but there is no question that they belong to the place under the terms of the lease,as do those on Lively and Speedwell,a fact that was unfortunately overlooked when instructions for Probate of Mr.H.H.Cobb's will went out. If Fell,as I understand,paid probate on the Bleaker buildings and plant,the value of the Estate was over-estimated,and it is rather a nice question whether a return of the amount overpaid can be obtained or not. I think that the lease of Great Island has run out also,and if so we should know what rent we ought to ask for a renewal.

10. Par.23, and 318-10. The report on the Malvina is melancholy reading,and there can be no doubt that as she is at present she is a total failure,for which we are all profoundly sorry. Of course it has always been recognized that we were working in the dark,and that she was more or less of an experiment; at the same time pains were taken here to make the experiment a success,and it is lamentable that they were not of more avail. The first idea was to get a Nova Scotia schooner,and plans and drawings were sent over; the price asked seemed too high and building there was abandoned,but we had a model got out from the plans,and all the experts who saw it pronounced in its favour,as one that could not help sailing well. That is shattered by the fact that she will not even stay in a seaway. Then as builders we got the little firm at Connah's Quay,and a reference to Lloyd's Register shows that small vessels are their speciality; moreover we had a good account of them,as turning out excellent work. Lloyd's Surveyor, under whose inspection she was built,spoke most highly of the work done throughout,and to make sure that it was not scamped in his absence,we had Lowden's trusted Overseer,Capt.Dougall,in almost daily attendance. After all this it seems that the caulking was not good,and that the work in other respects was not what it should have been,but what further precautions could have been taken by us I am at a loss to know. As to fittings,the cabin did not please me at all,and the first companion put in was so mons-

strously bad that I would not have it,and the present one was substituted; I disliked that also,but it was too late to remedy it. As to the rest,Mc.Lauchlen was frequently on board,and took no exception to any of the arrangements or fittings; he too,like the others,took a fancy to the model. As for your detailed report, I need not go into it in detail; no doubt your statements are accurate,and your criticisms correct,and all that can be said is that with the best intentions we have sent out a lamentable failure. Converting an old schooner,as you know fortunately from personal experience last year,is an unsatisfactory job at the best, and I did hope that with the care taken over this schooner we should get something better; the result to me personally is a great disappointment. No doubt the critics are unsparing in their condemnation,and rightly so; but I should like someone else to take a similar job in hand,and he would find out that it was easier to criticize than to construct. As for the future,you will have to do what you can,and at whatever cost,to remedy the defects; if by bringing the foremast aft she can be made to stay, that will be one good thing done,and if she can be made watertight,and the interior arrangements altered,she may yet prove of use. If all attempts fail,probably the best thing will be to take the engine out of her,and send her home to be sold,but we had better not talk about that yet.

11. Par.25. Mr.Mantle has been to see me twice about the telephone,and is somewhat upset at the reports received from Homer. The situation is not clear to either of us,for although you say that the last two miles into Stanley cannot be put up,you mention in the same paragraph that Homer had put up about that length of the heavy wire,and why he did not have the lighter wire that it displaced sent on to complete the length into Stanley is a puzzle. Mr.Mantle's last call was after the Oropesa's mail came in,and this is partially explained,but Mr.Mantle is not satisfied, and thinks that there has been a blunder,over which Homer is making excuses. The latter says that in his absence someone was sent to clear away the light wire,and that it was wrapped round posts, cut in some places,and otherwise damaged. But it was his duty to

see that it was properly handled,and though a shepherd might think that it was of no more value than a lot of old string,as a fact it will fetch nearly as much as it cost,and every yard should be saved and sent home. This,however,is not the point; Mr.Mantle says that having been up so short a time most of it would have been fit for use again,and every length of 25 yards and upwards should be worked in. Your cable asking for 6 cwt.wire by mail arrived on Monday,and is another puzzle; the length sent originally was considered ample,if the measurement of the line was correct, and why four miles more are wanted in addition to the five miles (I think) of heavy wire,making in all 60 miles,to cover 50 miles of ground we cannot understand. Possibly it may partly be wanted for Stanley,and it will be sent,as everything must be done to get the job out of hand and the expenses stopped; but copper is a ruinous price,and we hope that no more has been asked for than is absolutely wanted. With regard to Sir W.Grey Wilson's letter, I showed the connectors to Mr.Mantle,who said at once that they were American before I had time to tell him,that they had been under the consideration of the National Telephone Co.,who had not up to the present seen their way to using them,and that,although they would probably be efficacious on short lengths of wire,they were unfit for trunk lines,as the jointing could not be equal to that secured by soldering,and if exposed to damp air,especially with any salt in it,there would be almost a certainty of corrosion or oxidation,or whatever may be the term,that would affect the conductivity.

12. 318-4. We shall not send out the old type-writer for Darwin,but sell it to the makers we buy a new one from,giving Mr. Allan the choice between a Yost and a Smith Premier,the latter firm having agreed to give us as much as we should get from the others.

13. Par.7. Your mention of Mr.Ellis's debts reminds me that we warned you not to let him incur any with us,which no doubt you have kept before you. When arrangements were being made for his voyage to Malaga,I had calls both from Mr.Watson and Mr.Albert Ellis,whom I took to be a brother. On debts being mentioned by

the latter I said that I did not think that there could be any, as a warning not to give credit had been sent out with a request that it might be made known. His only reply was,"I know the gentleman!"

14. Par.8. If sheepskins are baled dry I have been unable to find out that they suffer in any way by being kept pressed. I was referring to driblets of five or ten bales; there would be no objection to 20 or 30.

15. Par.9. If the "Malvina" proves to be unfit for the work, you might do worse than making an arrangement in the height of the season with a Sandy Point steamer to lift wool,provided it can be done at the local rate of freight,and with a promise of so many hundred bales ready to be picked up without loss of time the offer might be attractive,especially if there is a glut of steamers in the Straits,as someone suggested was likely to be the case. We are quite agreed that collecting ourselves on the West is no catch for us,and by doing this you might please the clients,and at the same time keep the wool in our own hands. Our rate with constant work all the year round would pay a steamer,but this,as you and I know,and the farmers generally do not or will not know,is an impossibility.

16. In writing on the Telephone I omitted to comment on Mr. Packe's withdrawal,which your cable evidently means. For us it is perhaps as well,for our people will not be troubled with his calls; for him it seems a pity,as I think the last arrangement would have been cheaper than the first. If at any time he wishes to be connected with Mount Pleasant it can be done without trouble.

17. Par.10. You mention that the crew of the "Malvina" on the trial trip has been made up of local men,but you have not said a word about the hands who were engaged for a long period; what has become of them ?

18. Par.11. It seems after all that all the Hornsby-Ackroyd engine wanted was the attention of a skilled mechanic who understood it,and previous remarks on its want of power are understood to be cancelled. I cannot say who was responsible for the state-

ment that "Rock Light" was American oil; not I certainly,for I knew from the first that it was Russian.

19. Par.12. With regard to Baseley's proposed engagement at £20 per month,although it is gratifying to find that you are as well impressed with his appearance,pleasant manner,and undoubted capabilities as I was,and agree with me that he would be a change for the better,it seems at first sight that he is opening his mouth rather wide,and that £20 per month is pay that many an Engineer of equal qualifications would jump at. But as it is coupled with the proviso that this is to cover overtime,and you do not mention what Atherton's overtime has been,we cannot judge until you have answered the question about his extra pay last year, which,with wages,brings up his total to £281.12.8 for the year, or at the rate of more than £23 per month. If the extra was all overtime,it looks as if we should gain by the change,but is it not also necessary to consider what effect this may have on others in the service,Capt.Thomas for instance? For an Engineer to have higher wages than a Captain is,I believe,an anomaly. The Directors think that it would have been more economical to arrange that the passage home and out,costing £45,should be dispensed with,and that his wife,in the event of his engagement should go out to him. I am going to Liverpool tonight,and shall make enquiries about the usual pay of Engineers,and find out whether their pay is expected to bear any relation to Captains under whom they serve. The incident at Holyhead and his change of mind at Stanley rather point to his being somewhat of an undecided character,but this may not be of much consequence. You may consider that the principle of his engagement is approved,and details must be worked out later. 20. Par.14. The Directors have considered your remarks about Mr.Packe's complaints,and agree that we must purchase in future for clients at 2½%. I need not refer to the discontinuance some years ago of this kind of business,beyond saying that it is quite a different matter when clients have money in hand to what it was when the amounts of their invoices only served to swell their debts. We really must draw the line somewhere,for when people send home as they used to do for a gross of pins or a pound of copper nails,every order,it must be remembered,has to be writ-

ten out,and the amount of clerical work involved in a small office is inconvenient. Orders should,as far as possible,be restricted to fairly large supplies,that is of a wholesale nature. You might look at some of the invoices you mention,and ascertain if the cash discount is allowed or not. It is usual to charge commission on the gross amount of the cash actually expended,including freight and charges,and to allow all trade and cash discounts. In discussing the subject at the Board an opinion was given that to withhold the cash discount would be contrary to the Act that came in force on the 1st of January. With regard to the charge of interest on freight,the Board are willing to forego this in cases where the shipper has a credit balance,and think the principle is fair enough,as we make the payment out of cash in our hands belonging to him. But in other cases we are actually out of pocket,for it is the usual practice here to send a cheque for the estimated amount of freight the day the ship comes in,in order to get a release. You should,therefore,let us know on each consignment whether interest on freight is to be charged or not. In connexion with these questions,I may remark that in taking the commission business up again,we are naturally departing from our business as Storekeepers,and damaging our Store trade. Again, where a large commission business is done,2½% is a charge that pays,while on the orders from the Islands,retail in character in many cases,and limited in value as a whole,we find at the end of the year that,after all our trouble,our commissions have only amounted to a few hundred pounds. It is a most unsatisfactory position,but if others do it,we must,if we are to retain our position as the leading firm in the Colony. We cannot conceal from ourselves the fact that as a Company we should make equally good profits if we confined ourselves to our business as sheepfarmers, and let the whole body of our clients look after themselves. For what are the facts in the history of the last ten years? In the very bad times,dating back not as far as that,we practically saved the bulk of the sheepfarmers from ruin by making advances to them to keep them afloat,saddling ourselves in perpetuity with no less than £1650 per annum in dividends on Preference shares, which we were obliged to issue to find the money to cover the ad-

vances we had made and were continuing to make. The sheepfarmers as a body know little of business,and it would probably be useless to tell them that if they had not had us to deal with they would not have been as tenderly treated by any other firm in the commercial world. Mr.Packe's case is,perhaps,the most prominent instance of help freely given,and now apparently forgotten,for it is on record that at one time he stood on our books to the amount of something like £8000.,totally without security,beyond the confidence we had in him as an honourable man. I do not know whether you ever rub in a remainder of this sort in conversation with any of our friends,but it might be useful.

21. Par.13. I have just received a letter from a man named W.J.Crawley,offering his services as shipmaster; he says that he knows the Islands,having been in the sealing trade,and that he came home as chief officer in the ship that brought Mr.Dean and family,which Mr.Dean he does not say. As Captain Finch is evidently not going to be of use we shall probably have to look for another,as we ought not to go down to the level of Ennenga again.

22. Par.16. On applying to Edw.Carr Sons for a credit,they replied that they had already arranged it with Mr.G.Moeller of Montevideo. On a former occasion in my time the same thing occurred,and Moeller sent the money down in sovereigns. As you will doubtless hear from him I have not cabled. Your application for a further credit up to £1250. has been sent on,but there has been no time for reply.

319-

23. Par.1. The intention when the arrangement was made with Mr.Waldron and others about commission certainly was that it should be paid on all cash without deduction,and if this has not been done it was a mistake in your office to make any allowance for cash paid in. The principle is that as they make a convenience of us for obtaining cash,for which mere interest at 5% is not sufficient recompense,considering the trouble of making the entries,and that the Store account is restricted,while we do not handle their produce,this charge has to be made,and if you will imagine their paying in cash sufficient to cover all the half year's cheques,you will find yourself without any commission at all,which would be absurd. The same principle,I have noticed,has

been followed in making up ships' accounts,when through sales of cargo or for some other reason cash has been received. This is wrong; the commission charged should be on the gross amount of disbursements,and represents our remuneration for attending to the business. In confirmation of this I can refer you to accounts received at times from Montevideo,when for some reason or other cash has appeared to our credit. You will find,if you care to look the matter up,that our agent has charged us commission on the gross,and simply given credit for the cash on the other side. When a large amount of cash is paid it would be right to reduce the commission below the usual one charged,because the element of risk is to that extent excluded; but we must have something for handling the business and keeping the account.

24. In par.20 I should have remarked that the commission of 1¼% on the sale of produce is a finely cut one,and that most of the shippers are unaware that it covers a guarantee. With our present Brokers the risk may be said to be a negligable quantity, but I may refer once more to the case of Captain Packe,who many years ago consigned his wool to Brokers who failed,and he lost his money.

25. Par.6. It will be right to send another steam winch for the Great Britain,but I am inclined to think that one of sufficient power to lift any package usually handled ought to be sufficient,especially as the hulk is 67 years old,and,as you have remarked,might break out at any time. The messenger to the windlass was a useful adjunct when the ship was performing voyages; but we have had her since,I think,December,1886,nearly 21 years, and how many times has it been necessary to raise the anchor in that time? If this has to be done,there are brake handles on the windlass,and with these,and tackles if necessary,I think that Captain Thomas may be trusted to get the anchors up,and that this would be better than spending perhaps three or four times as much on a winch powerful enough to be of any use.

26. In connexion with this,I send you a photograph and copy of a letter from some barge builders,who sent us an illustrated list lately. You wrote quite lately that a lighter of fair capacity would,in many ways,be handier than the hulk for dealing

with produce for shipment. You will see that one of 250 tons capacity could be prepared here ready to put together on your side for £1140,and this does not seem out of the way,although the freight and the cost of building would probably double the figure. It is not a matter that requires dealing with at once,but the information is useful,and it is worth considering that the winch now proposed to be sent would be useful on such a craft,where a larger one would probably be out of place.

27. In consequence of the rise in the price of steam coal,both here and at Coronel,Mr.Connell has been asking whether anything could be done with the Admiralty coal at Stanley,and I have written to ask the lowest price they would take for the lot. If they are willing to sell at a price anything in proportion to what they have accepted for other property in the abandoned Naval Works,a deal may be brought about,and in anticipation of their reply,Mr.Connell would like to know the approximate cost of getting the coal afloat in hulks,ready to be placed alongside his firm's steamers in quantities of 300 tons or so. If he sees that the business would pay him,he would send out bags to facilitate the despatch,and let his line call,both outward and homeward I understand until the supply is exhausted. He remarks that as they are cargo boats,and consequently not bound to time,he would not mind a little delay. I told him,in fact,that despatch such as is given in other ports,would be an impossibility with us.

28. I have left to the last a reply to your 318-6,as Mr.Ince's letter has only just come in. You will see that he is vexed that Rowlands' presence on board the "Hyndford" was not mentioned when the statement giving the crew's names was sent,as he would have made capital out of it. It is true that Mr.Girling did mention that Rowlands had gone to act as pilot if required,and this must have been communicated to him at the time,as he had extracts from all the despatches; but there was an end of it,and the fact that he had so acted,was,as far as I know,not mentioned afterwards in any letter or despatch. There is no Solicitor in London better up in Admiralty work than Mr.Ince,and as he has a large practice it is necessary to render statements to him that embrace all facts,or he is likely to overlook them,especially if brought be-

fore him in a disconnected manner. As to the award,he is of opinion that the figures he has put down would not be upset in any Admiralty Court,and unless the fact about Rowlands had been brought forward,he would not have disturbed them. But he considers that in the circumstances they may be slightly altered,and you will find the amended ones in his letter.

29. I am extremely sorry to say that we have not got a ship yet,notwithstanding that Langridges are watching the lists closely,and have the matter also in the hands of their agents at various ports. The estimated tonnage of the order is about 700,and if we can get a ship to take 400 or 500 tons of coal in addition that is what would,I think,be the best. But ships are either too large or too small,and most scarce of all sizes,so there is nothing for it but patience. When shipping coal I shall add a small quantity of Smithy,as there is no saying when the next chance of shipping may turn up.

30. This despatch has run to unusual length owing to two mails having to be answered; I do not think that I have overlooked any subject of interest,but if I have,it will have to wait until next month.

I am,Sir,

your obedient servant,

Tait & Sons

Managing Director.

Enclosures via Liverpool

Duplicates

Ledger & Journal Entries

Remarks on Accounts

Replies to Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Orissa"

List of Parcels

General Invoice goods per "Orissa"

List of Clients' Cargo per "Orissa"

List of Enclosures

Copy of letter dated 3rd August to W.A.Harding.

Second of Exchange on J.Kirwan for £ 54 . 4 . 1

Clients A/sales :-

♡	157	bales	Wool	ex "Corcovado"
♡	6	,,		"Oronsa"
♡	22	,,		"Orita"
♡	54	,,		"Ortega"
△ D H	133	,,		"Orita"
W P	11	,,		,,
♧	145	,,		"Corcovado"
◇ H	31	,,		,,
S I	1	,,		,,
△ P H	2	,,		,,
AP	82	,,		,,
S I	132	,,		"Orita"
△ P H	71	,,		"Oronsa"
S I	11	,,	Skins	"Orita"
W P	1	,,	,,	,,
△ D H	4	,,	,,	,,

B/L General Cargo per "Orissa"

2 casks Tallow ex "Oronsa

12 Salted Hides ex "Corcovado"

S&S 28 ,,

,,

,,

Enclosures via Liverpool

Originals

Copies of Cablegrams received.

Copies of Cablegrams sent

Weymouth College Account for W.C.Girling.

Xaverian Brothers' receipted account for Dr.Foley

Copy of letter from W.Lowden & Co.dated 24th August. re coal at Stanley.

Copy of letter from Lamb Brothers dated 16th July re Timber.

Invoice for Swivels shipped per "Orissa" for Darwin Telephone Account.

Particulars of homeward freights per "Oronsa" & "Corcovado

Clients' Reports & Contracts:-

H	3	bales	Sheepskins ex	"Corcovado"
♡	7	,,	,,	"Oronsa"
♧	15	,,	,,	"Corcovado"

Brokers' press copies of above

Anning & Cobb's Sheepskins reports

Brokers' press copies Company's Skins & Tallow ex "Oronsa" & "Orissa"

Clients' credit notes for claim recovered on damaged Wool.

C C W	3	bales Wool ex	"Istrar"
L	2	,,	,,
S	23	,,	"Potosi"
F	7	,,	,,
Co.	6	,,	,,
J B	1	,,	"Oriana"
L	3	,,	"Titania"

Copy of letter from Joseph W.Watson dated 27th August be decked lighters.

Copy of letter from Ince Colt & Ince dated 27th August re "Hyndford" Salvage.

Particulars of Company's Wool for 1907

London 28th August,1907

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice goods per "Oropesa"

List of General Cargo per "Oropesa"

Mackenzie's Certificate re Whisky per "Oropesa"

B/L general Cargo per "Oropesa"

Credit note for A.Bonner for 10/-

Clients' A/sales:-

H	3 bales	Sheepskins	ex	"Corcovado"
♣	15 ,,	,,		,,
♡	7 ,,	,,		"Oronsa"

Letter for W.A.Harding .
A/sales
Brokers' copies Company's Sheepskins ex "Oronsa"

London 31st August,1907

Tel. Galecia 1173 Waterna Acortais Forefort 101

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 25th September, 1907.

Per Oravia.

No. 1034.

Sir,

Your despatches 321 and 322 per Oravia arrived on the 16th inst.;no.320 per Tropea was kept on board and only arrived a few days ago.

2. 321-2. Probably in nine cases out of ten,or even less,a man discharged out of a ship would not be thrown upon us at the end of six months,and no passage should be given to anticipate a claim by the Government.

3. Par.3 and 322-1. It seems that no serious delay will have taken place through the order for Mr.Packe's revised list of materials not having been sent; but you will readily see that without the result of the chaining reported in the last despatch it would have been impossible to make out the list here. Copper wire at the present price is not an article to be ordered loosely. As regards your saying that you explained why Homer thought it desirable to wait for new wire,no doubt you did,but it would have been better if you had mentioned ~~wire~~ where. On this point it seems that Homer's opinion is contrary to what Mr.Mantle told us,as reported in the last despatch,for the National Telephone Co.use up all pieces over 25 yards in length. I have only just found out that through an oversight,which I cannot account for,but for which this office is certainly responsible,the 6 cwt.wire has not been sent by this boat; it will go by the first opportunity,but I would suggest that you should take immediate steps to see if it is not possible,by collecting the used wire,to make up a sufficient length to complete the line. If out of the 56 miles already shipped you cannot find enough to cover 50 miles,there must,

W.A.Harding,Esq.,

Manager,

Stanley.

as we are advised,have been carelessness and waste on Homer's part. It is a great pity about the 6 cwt.of wire,but the way the order was sent in the first instance was certainly misleading,as it was put under the head of materials for Mr.Packe.

4. 321-4. If you do not express yourself clearly you are liable to be misunderstood. You gave the Board the impression that the use of red paint was to make buildings look pretty,and that you had feared that if you used paint for the purpose of preserving wood or iron you might have been censured. With regard to your question why your predecessors did not paint the roofs,as I was one of them I reply that it was because they were not rusty in my time. Galvanized iron,if in sound condition,will not rust for a long time; to the best of my recollection,but I am speaking of more than 16 years ago,the rust used to appear first in the wake of peat smoke on Camp houses,and it was to arrest this rust that we found that red oxide of iron paint was the best to use. The statement of paint used over a number of years is not very valuable,for it is not using a certain quantity per annum but to use it where required that should be aimed at. There was not a sheet of galvanized iron in the Islands when I went there, all thr roofs being covered with shingles.

5. Par.7. We shall earn the 2½% from Mortons with the greatest ease,for if we are at all near the line we can buy Anglo-Swiss milk and other goods through them on exactly the same terms as if dealing direct. They get a very small turn,which cannot be obtained by small consumers like ourselves. I do not think that we had better open with Eills again.

Letter from McNaye

6. Par.8. The P.S.N.Co.have raised no objection to the freight charged Brinckman as yet.

7. Par.9. Mr.Allan got the name of a carpenter in Sussex, but nothing seems likely to come of it,and I made an enquiry of Fleming & Haxton; but their reply was not promising. They said that the Canadian Pacific Railway had been trying to get carpenters in Scotland without result,the wages there being 9d.an hour, but they thought that if we offered £11 per month to start with we might be successful. If I can hear of anyone suitable I will en-

gage him. If the shortage of navvy labour continues,it may be necessary in time to have more hands on the permanent staff.

8. Par.10. You are well rid of Finch; enquiries made of Baseley have elicited the fact that he was drinking from the time he left,and Baseley was going to report him in Holyhead,but refrained on his promising not to touch another drop. As soon as Capt.Dougall left he began again. Baseley was wrong altogether, for the man ought to have been dismissed on the spot. To show you how people are taken in by misleading testimonials,I send you those on which Finch was engaged; it may be mistaken kindness on the part of those who give them,but it is entirely wrong. Finch asked me for a certificate,and I sent him one to the effect that he had sailed with the "Malvina" on some day in March,and had returned by mail steamer,after spending about two months in the Islands.

9. Par.11. Baseley is going to Gardner's this week,and Mr. Cumming has taken up the matter of the failure to start. It seems almost incredible that the engine would have been sent out improperly equipped,and there must be some small detail that has been beyond Baseley's knowledge; however,we shall see that he goes out with whatever may be necessary. As regards the sailing of the schooner,and her failure in stays,I have received a most valuable letter from Mr.Cumming,on which I acted immediately. A copy is enclosed,and you will see that he is firmly of opinion that the failure is due to the improper stepping of the masts, and that if they are shifted,and the sails altered,she will ~~skill~~ after all turn out a useful vessel. He has spoken to G.L.Watson & Co.of Glasgow,the designers of some of the fastest yachts afloat, and through his introduction I am commissioning them to look into the matter,and diagnose what is wrong. All experts agree that the hull is one that cannot help sailing,and the fact that she works so well under the engine power alone,while she is comparatively useless under sail,serves to show that the mischief is due to the sails. The leak is a formidable matter,and about this all concerned are sorry. Mr.Connell,who was here last week,reminded me that I stood out for along time against accepting her until she was as tight as a bottle,which as a matter of fact I did,and it

was not until all experts had concurred in assuring me,and LLoyd's Surveyor was one of them,that a wooden vessel,long on the stocks, often leaked until she got watersoaked,and that the leak having been substantially reduced,the rest would follow,that I gave way, and that I did so against my better judgment I am as sorry for as the rest; but at the time it seemed right to put a stop to the hideous waste of time that was going on. As regards the sail locker,although there is one in the converted yachts,it does not seem to me to be an absolute essential on the coast. Spare sails are wanted on an ocean voyage of course,but how often has it been necessary to shift sails on a trip round the Islands? In an English coaster,no room would be allowed for such a purpose.

10. Par.14. Baseley will go out next mail I hope,but not later than the following one. I have already said that the Board considered that the expense of his double passage might have been avoided,especially as he was told before leaving that if he stayed his wife would have been sent out,and I suggested that as he had come for his own convenience he ought to pay it himself. However he represents that you wished him out of the way while Atherton was still with you,and I could not enforce it. Why you did not give him a return ticket is not understood,as if he had not decided to go,we could easily have transferred it to another Engineer,and you knew that as Atherton was leaving one would have to go out in any case.

11. 322-3. Mr.Allan is not disturbed about the want of labour,and says it will be all right. Seven men go out this mail, eight were engaged,but one has been unable to get ready in time, and will go,I hope,in the "Oriana".

12. Having answered the despatches,I shall send this via Liverpool,and write another despatch for the Supplementary mail.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1033

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies Remarks on Stores

List of Dutiable goods per "Oropesa"

List of Parcels

List of Clients' Cargo per "Oropesa"

List of Enclosures

B/L general Cargo per "Oropesa"

Clients' A/sales;report & contracts:-

H	3 bales	Sheepskins	ex	"Corcovado"
♣	15 ,,	,,		,,
♡	7 ,,	,,		"Oronsa"

General Invoice goods per "Oropesa"

Enclosures via Liverpool

Originals

Copies of Cablegrams sent

Copy of Cablegram received

Labourers' Agreements:-

Donald Fraser, William D. Carnie, James Mitchell,

Charles Reid, Alexander Bremner, David F. Kenny,

Donald Mackintosh.

Copies of letters to Pilkington Bros. dated 10th & 12th and their replies of 11th & 13th September re glass.

Copy of letter from Anning & Cobb of 9th September re Sheeps' tongues.

Copy of quotation for Steam Winch from Clarke, Chapman & Co. to Jacobs & Barringer dated 10th September.

Copy of letter to P.S.N.Co. dated 5th September re Oil damaged Wool per "Potosi"

List of Household Linen in Manager's House (returned)

Clients' reports :-

W. Fell 42 bales Wool ex "Orissa"

H & B 1 bag Hair ex "Corcovado"

Brokers' press copies A/sale, report & contracts Co's tallow ex "Orissa"

Copy of letter from T. Sharp dated 19th September.

Corrected General Invoice goods per "Oropesa"

Copy of letter from W.B. Cumming dated 23rd September re Malvina Wool Reports

Copy of letter from R.C. Watson dated 24th September re L. Ellis

Copy of letter from Somervell Brothers dated 24th September.

Capt. Finch's testimonials

London 25th September, 1907

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

Limited.

REGISTERED 1902.

61, Gracechurch Street,

London E.C. 27th September, 1907.

Per Supplementary mail.

No 1035.

Sir,

I wrote via Liverpool, and have now to add a few lines.

2. A steam winch for the "Great Britain", selected by Mr. Barringer, goes by this boat; it is of a stock size, approximating as nearly as possible to the one you suggested. To have had it made to the exact size would have involved delay and expense.

3. Copy of a letter from Mr. T. Sharp is enclosed, and I hope that you will be able to get him the information he wants about his firm's accounts.

4. Mr. Allan goes by this mail, and has agreed with the Board for another five years at £800. per annum and the same commission on dividend as before, viz: ½ per cent, to commence on arrival at the Islands, full pay during his term of leave having been granted.

5. Six labourers only have gone, Donald Fraser having missed the train for Liverpool, and the eighth not having yet signed his agreement. As D. Fraser's baggage has gone forward in the "Oravia" it will have to be claimed for him.

6. The wool sales for next year have been fixed to commence on the 21st January, 17th March, 12th May, 14th July, 29th September, and 24th November. The P.S.N.Co. have been advised of these dates.

7. The chronometer and charts used to take the "Malvina" out should have been returned in Capt. Finch's care.

8. Please investigate and report on the alleged failure to deliver some press parts of which Mr. James Felton complains.

I am, Sir,

your obedient servant,

Managing Director.

W. A. Harding, Esq.,
Manager,
Stanley.

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Sight Draft for £77 . 16 . 1 on J.Kirwan for collection

Sheep Skins market Report

List of General Cargo per "Oravia"

General Invoice goods per "Oravia"

Copy of letter from J.J.Felton dated 23rd & 27th Sept.07

B/L general Cargo per "Oravia"

Defries invoice for Chimneys per "Oravia

Copy of letter from Mc.Ivor & Sons dated 25th Sept.re Bricks

Credit note for Old Yost Typewriter from the Smith Premier Co.

Clients' Invoice for goods per "Oropesa"

Vere Packe	78	7	6
Darwin Telephome A/C	1	12	-
Robert Blake	1	11	3

Clients Reports & contracts:-

T R	6 bales	Sheepskins	ex "Orissa"
W Fell	3 ,,	,,	,,

Brokers' press copies Co's Sheepskins per "Orissa"

Letters for the following:-

A.Reid,Vere Packe,W.A.Harding.

London 28th September,1907

The Falkland Islands Company, Limited.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

LETTERS SHOULD BE ADDRESSED TO
THE MANAGING DIRECTOR.
TELEGRAMS TO "FLEETWING" LONDON.
TELEPHONE No. AVENUE 443.

61, Gracechurch Street,
London, E.C.

3rd August, 1907

per Supplementary Mail

W.A.Harding,Esq.,
Stanley.

Dear Sir,

I have to acknowledge the receipt on the 26th ulto.of your Despatches Nos.816 & 817,also your Cable received 6th July, copy of which I enclose.

In Mr.Cobb's absence I can only acknowledge your Desptaches briefly.

The Timber,Flour & Hay ~~was~~ have been sent off as requested. I submitted samples of the latter to Mr.Allan and he selected the French and I shall also send 50 bales of some similar for Mr. Packe by the next steamer and hope same will be approved of.

With reference to paragraph No.12 I have gone into the question fully with our Brokers and find we have only got specifications for 1870 bales of Wool and this corresponds with the number sold. Taking the 13 bales into consideration,arrived per "Orissa", it gives a total of 1883 bales,against 1882 bales of your Overseers' numbers, making one bale in excess and we must therefore leave you to explain this.

I am in correspondence with the Pacific Steam Navigation Co. respecting Mr.Packe's missing bale of Sheepskins and hope to get a settlement for same.

With respect to the broken Filters there is no claim as we were only able to insure these under F.P.A.terms and Underwriters will not take any breakable goods under other terms except at prohibitive rates.

Mr.Cobb wishes we to say that the Royal Insurance Co. place no restrictions on flash light photography and with regard to the use of Acetylene Gas their rule runs as follows:-
"A portable Acetylene Gas Apparatus having a maximum capacity of not exceeding 2 pounds of Calcium Carbide is allowed within any insured Building" They add that the greatest damage from this is to bystanders caused by an inexperienced or careless operator.

I am,Dear Sir,

yours faithfully,

For The Falkland Islands Co.,Ltd.

Walter Cofer

For Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1032

Ledger & Journal Entries.

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Supplementary Remarks on Stores

List of General Cargo per "Oronsa"

List of Clients' Cargo per "Oronsa"

List of Dutiable Goods per "Oronsa"

List of Parcels.

List of Enclosures

Sight Draft on J.Kirwan & B/L attached

General Invoice goods per "Oronsa"

B/L General Cargo per "Oronsa"

B/L Coals per "Heroen"

Clients' reports:-

F B	2 bales	Wool	ex	"Corcovado"
P H	72	,,	,,	"Oronsa"
S I	1	,,	,,	"Corcovado"
A P	82	,,	,,	"Corcovado"
H	31 bales		,,	"Corcovado"
D H	4	,,	,,	"Orita"
S I	11	,,	Sheepskins	"Orita" } & contracts
W P	1	,,	,,	,, } & contracts
S I	133	,,	Wool	,,
D H	133	,,	,,	,,
W P	11	,,	,,	,,

Clients' A/sales:-

W W	16 casks	Tallow	ex	"Potosi"
R B C	11	,,	,,	,,

McG	30	Salted Hides ex "Potosi"
H W	10	casks Seal Oil ,,
L	40.	Salted Hides "Titania"
H	1	cask Fur Sealskins ex "St.Leonards"

Enclosures via Liverpool

Originals

Copy of Cablegram received

Copy of Cablegram sent

Wool reports

Clients' A/Sales:-

♡	157	bales Wool	"Corcovado"
♡	54	,,	"Ortega"
♡	22	,,	"Orita"
♡	6	,,	"Oronsa"
◇H	31	,,	"Corcovado"
AP	82	,,	,,
W P	11	,,	"Orita"
H & B	128	,,	,,
S I	132	,,	,,
♣	145	,,	"Corcovado"
△ D H	133	,,	"Orita"
S I	1	,,	"Corcovado"
△ F B	2	,,	,,
△ P H	71	,,	"Oronsa"
△	12	Salted Hides	"Corcovado"
S & S	28	,,	,,
♡	2	casks Tallow	"Oronsa"
W P	1	bale Sheepskins	"Orita"
S I	11	,, ,,	,,
△ D H	4	,, ,,	,,

Brokers' press copies Company's A/sales Wool & Tallow "Oronsa"

Eley's notice re rise in prices of Cartridges.

Fleuret's receipt for Vere Packe.

Trinity House Notices re Pembroke Light House.

Busk's account for Stickney Brothers.

Copy of letter from R.C.Watson dated 30th July re Mr.L.Ellis.

London 31st July,1907

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Replies to Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Orissa".

General Invoice goods per "Orissa",

Messrs Stickney Brothers,Baillon & Stickney & Speedwell
Account Currents.

Sight Draft on J.Kirwan for £54 . 4 . 1 for collection
B/L attached

B/L general Cargo per "Orissa"

Debit note for 2/9 for A.Reid,Esq.

Letter & Circular for W.A.Harding,Esq.

London 3rd August,1907

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

Limited.

REGISTERED 1902.

61, Gracechurch Street.

London, E.C. 17th October, 1907.

Per Galicia.

V° 1036.

Sir,

The present serves to forward a few invoices which were not in time to be despatched to Liverpool last night, and there are still one or two more which we shall endeavour to get forward in time. Bills of Lading and measurement slips will go direct from Liverpool as usual, and remarks on the cargo will follow by the mail, which may possibly anticipate this boat.

I am, Sir,

your obedient servant,

Managing Director.

W. A. Harding, Esq.,

Manager,

Stanley.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

REGISTERED 1902.

Limited.

61, Gracechurch Street,

London, E.C. 23rd October, 1907.

Per Oriana.

No. 1037.

Sir,

I have to acknowledge the receipt of your despatch no.323, which arrived on the 8th inst.together with your letter of the 13th ult.

2. Par.2. The error in the freight account on hay was discovered and rectified; these accounts are sent to you direct from Liverpool at the last moment,and do not reach us in time to be dealt with until after the mail has gone.

3. Par.4. No doubt an extension to the Manager's room can be added to the telephone; but would it not be better to wait until you have had some experience of the working of the line? You may find that the demand for telephone facilities by the public may be so small,that a sound tight box in the outer office may meet all requirements. From our experience here I should say that the fewer complications you have the better; if a battery goes wrong or the line in any way gets out of order,we send to the N.T.Co., and an Electrician comes to put it right; but in the matter of repairs or adjustments you will be at a disadvantage,as soon as Homer has gone.

4. Par.5. I have taken up the matter of the "Oravia",and enclose copy of correspondence; you will see that the P.S.N.Co.promise an investigation.

5. Par.6. We have received 139 bales Wool of the WED mark.

6. Par.7. The Board have no hesitation in approving your proposal to roof in the "Egeria",and hope that you will get it done quickly,and as economically as possible.

7. Par.8. Your engagement of Captain Indricksen meets with approval. It is a pity that we always have to employ foreigners as Masters,but seamen are not bred in the Islands,and Scandinavi-

W.A.Harding,Esq.,
Stanley.

ans and Russians have been our mainstay for years. As regards his recommendations,the galley on deck is good; it was the usual place formerly,before old yachts were bought for the coast. As to the sail locker I remarked last mail; do you seriously think that room for a couple of sails is not enough for a coasting trip? The other matters mentioned,barring the piece on the forefoot,can be taken in hand when and if considered desirable. I am sending some correspondence with G.L.Watson & Co.,whom I mentioned last mail,and the advice they give will,we all hope,remedy the defect in staying from which the schooner suffers. Probably you know who they are,but I may mention that they are about the first yacht designers in the Kingdom,being the architects of one of the Shamrocks,besides the King's yacht "Britannia",and a host of others. They attribute the fault to the sail power not having been properly balanced,and give directions for cutting down the foremast and the head sails,which they expect will cure it. I am very glad to see that they consider the model good,as this absolves us from any blame for adopting it. One important point you will notice is that they disapprove of the proposal to add to the forefoot. When at Gosport last year you no doubt noticed that all the new crack yachts are very shallow in this respect; the idea is new in the Falklands no doubt,but it explodes the old one about a "grip" on the water,held by people with no scientific knowledge of the subject. In running the trial trip it was noticed how rapidly the boat spun round when the helm was put down,and it was this that led Mr.Cumming to think that the fault lay wholly with the sails. The plan is sent herewith,and you will have to arrange with Captain Thomas what to do. No doubt he can alter the sails, but it is a pity that she has that suit made by Ratseys,for no one could put in work like theirs. You will see in their last letter that they would go even farther,in restepping the foremast and giving both more rake,but they do not regard this as essential,and the alteration first recommended should be tried first. As regards the leak,we do not know what steps you are taking just now; but the general opinion seems to be that it is abaft the mainmast,and if she is hove down that part should be stripped first.

8. It is satisfactory to see that the copies of the Journal and Cash Book have been brought fairly up to date,as it enables us to answer questions put by the numerous clients who live on this side.

9. In the annual return of sheep farms the spelling and misdescriptions given are inexcusably careless for a Government publication!

10. Your cable about the Esmeraldas' cargo seems to point to a quantity having been left behind again.

11. Baseley will go by the November boat,being unable to get ready in time for this. The Board have agreed to give him £20 per month,inclusive of overtime,but we could not agree to a number of small extra concessions he asked for. He tells me that in case of need there is someone who will be able to drive the "Samson",and I hope that this may be so. It will,in other respects,be somewhat convenient to have the Athertons out of the way before Baseley's arrival. As Atherton has given notice himself,it will rest with you whether to part with him on the 18th of November precisely or not; that is to say you are by no means obliged to pay him wages up to the date of the next steamer's departure,unless you have work you wish him to do,and he is willing to do it. I forget what arrangement we have with him about a passage to England,but I have an idea that his wife was allowed to anticipate this. You must adhere to the strict letter of the agreement,and not agree to any equivalent,in case he wishes to go elsewhere.

12. The four rams bought by Mr.Allan have gone in the "Galicia",and the man in charge has received £1 as gratuity from Mr. Hobbs,with a promise of a further £1 if they arrive in good condition. I left it to Mr.Hobbs to arrange this,but if I had known what he was going to do should have preferred his putting so much a head on each.

13. The Galicia has taken a very large cargo,the principal items being timber,Hay,Bricks,and Smithy Coal,the four aggregating over 800 tons. The Timber has run into more than £2000,and ought to keep you going for a long time. Mr.Hobbs is extremely confident about the Hay,and I hope that we have struck the right thing this time.

14. Feeling sure that the trouble with the engine of the Malvina was due to inexperience and nothing else, I wrote to Camper & Nicholsons to ask if they had had to supply that twin screw yacht we saw at Gosport with any auxiliary arrangement for starting, and their reply, a copy of which I enclose, is quite satisfactory. I have sent it to Mr. Cumming, who will take the matter up with Baseley, and he will probably advise that we should have, as a stand-by, another magneto.

15. I cabled out to catch the "Oravia" "Do not alter forefoot", which I hope may have arrived in time to stop any work on it.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatches Nos.1034 & 1035

Ledger & Journal Entries

Remarks on Stores

Replies to Remarks on Stores

Remarks on Accounts

List of Clients' Cargo per "Oravia"

List of Dutiable Goods per "Oravia

List of Parcels

List of Cargo per "Oravia"

List of Enclosures

Second of Exchange for £77 . 16 . 1

General Invoice goods per "Oravia

Clients' reports & contracts:-
W Fell 42 bales Wool ex "Orissa" (report only)
W.Fell 3 bales Sheepskins ex "Orissa"

T.R. 6 ,, ,, ,,

B/L general Cargo per "Oravia

London 23rd October,1907

Enclosures via Liverpool

Originals

Wool Reports

Cablegrams sent

,, received

B/L Cargo per "Galicia" (2)

General Invoice goods per "Galicia"

Remarks on Cargo per "Galicia"

First of Exchange for £15 . 6 . 5 on John Aldridge.

Remarks on Store Debtors

Correspondence with with Lowden,Watson & ourselves re"Malvina"

Copy of letter to P.S.N.Co.of 11th & 16th & their reply of 15th October.

Clients' A/sales,reports & contracts:-

W.Fell	3	bales	Sheepskins	e x"Orissa"
T R	6	,,	,,	,,
H & B	12	casks	Tallow	ex "Tropea"
H	4	,,	,,	,,
W P	31	,,	,,	,,
L	48	,,	,,	,,
AP	109	bales	Wool,	,,
W Fell	41	,,	,,	"Orissa"
J R	30	,,	,,	"Tropea"
AP	45	,,	,,	"Oravia"
H W	45	,,	,,	,,
B	5	,,	,,	,,
H	34	,,	,,	"Tropea"
T R	2	,,	,,	"Orissa"
H & B	31	,,	,,	"Tropea"
F	119	,,	,,	"Oravia"
J B	156	,,	,,	"Tropea"
D S G I	110	,,	,,	,,

G
Bluff 31 bales Wool ex "Tropea"

W E D 139 ,, ,, "Oravia"

Copies Brokers' A/sales Company's Wool, Skins & Hides ex "Orissa" &"Tropea"

Copy of letter from Langdon dated 22nd October, re shipment of order

Copy of Camper & Nicholson's Foreman Engine Fitter's Reoprt

Credit notes for the following:-

Mrs Hansen - 16 . 6

Stickney Bros. 7 . 7 . 5

London 23rd October, 1907

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Cargo per "Oriana"

General Invoice goods per "Oriana"

First of Exchange for £106 . 14 . 8 with B/L attached

B/L General Cargo per "Oriana"

Dewar's certificate of Strength of Whisky per "Oriana"

A/sale for 7 casks Tallow ex "Tropea" for Bertrand & Felton

Brokers' Copy of A/sale Hides ex "Tropea"

Morton's invoice goods per "Oriana"

Contract for Rams per ~~"Oriana"~~ "Galicia"

Yeatman's invoice for goods per "Oriana"

Clients' invoices goods per "Oravia"

Stickney Brothers	349 .	8 .	9
Vere Packe	17	6	7
A.L.Allan	4	3	11
Holmested & Blake,Ld.	9	3	3

Letters for the following:-

W.A.Harding,~~Reid~~ A.Reid,R.Blake & A.L.Allan (3)

Duplicates of Enclosures per "Galicia" direct.

London 26th October,1907

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 20th November, 1907.

Per Ortega.

No. 1038.

Sir,

I have to acknowledge the receipt of your despatches nos. 324 and 325, together with letter of the 13th ult., which arrived on the 7th inst.

2. 324-4. The Directors have read your remarks on the bonus with pleasure, and approve of the circular letter and of the manner in which the gratuity was conveyed to the staff. It now only remains for you to send a complete list of the payments made or credited. The amount must not be passed to the London Office, but distributed over the various departments concerned, as it is in fact an addition to the wages; but independently of this, an addition of something like £1200 to the London Office expenditure would infallibly cause at least queries, if not trouble, with the Surveyor of Income Tax, and we do not wish to find the Company saddled with an additional £60 under this head.

3. Par. 5. I may have some further information as to our liability in Clifton's case before the mail closes, as I have written again to Mr. Andrews; but I may mention here that the Accident Manager of the Royal has provided us with a useful case, in which a Dock labourer, who had been receiving compensation, brought an action against his employers for discontinuing it, and their reply was that he had refused to undergo an operation for a tumour, the removal of which would render him sound. The Judge decided that an operation could not be insisted upon under the Act; but as an inducement to the man to undergo it, he reduced the compensation to a penny a week, to be increased after an operation if unsuccessful. You have not told us whether Clifton is incapacitated from working or not, and

W. A. Harding, Esq.,

Manager,

Stanley.

this is important.

4. Par.11. Baseley goes by this boat,and will,I believe,turn out a useful man and a conscientious servant; but he seems to me to be one who asks,on principle,for more than he expects to get, and is not disappointed when he meets with a refusal. There are plenty of people of that sort. He was very faddy and particular about his agreement,but in the end signed the one I put before him without any alteration.

5. Par.12. Your remarks about business with the farmers are noted and meet with approval; you must bear in mind that we can only buy on commission for those whose balances are on the right side,that is,those who have the money to buy through others if we were to refuse to do it for them. The plan we followed for some years,of buying for 2½%,and charging the invoice to an account already terribly overdrawn,must not be adopted again.

6. Par.14. I cabled out last week that we had not received a remittance on account of the "Bali",but yesterday morning the London & River Plate Bank sent us a cheque for £1262.10/.,which seems to represent the £1250 with 1% profit on exchange. What has been done with the overdraft on G.Moeller we shall hear later.

7. Par.19. Our experience with the "Thetis" does not encourage us to become the owners of a sailing vessel again,that is,one large enough to run between London and the Colony. There was not a voyage on which we did not lose heavily,taking into consideration depreciation and interest on the purchase money.

8. Par.23. I have written to the Colonial Office as to the doubt about which Laws are in force in the Colony,and as to whether the Ordinance you quote is retrospective only,but no reply has been received as yet. I have also asked the Royal to give us a rate for insuring against accidents to our men,and they have referred to Liverpool,promising to give us an answer as soon as they can. The feeling of the Board is that,for our own protection, we must insure without loss of time.

9. Par.24. The Board approve of your covering the Store building with stucco,and hope that the man you mention understands such work.

10. Par.25. The "Esmeraldas" arrived at Liverpool yesterday.

11. 325-5. It is satisfactory to hear that you have been able to warm the feed water for the Smithy boiler. Whether the oil that passes into the water or any other impurities are likely to affect the boiler or not,is a question for experts,but it would be well to enquire about this.

12. Par.6. The end of the telephone work is in sight; you do not say how clearly you can hear from Darwin. While on this subject I must ask why the Government,after making a payment in July last year,have contributed nothing further towards the expenses, but have left it to us to finance the undertaking,and whether they are likely to raise any objection to a request for interest on their share,which we certainly ought to make.

13. Captain J.K.Thomas died a few weeks ago,and his son,who is looking after the affairs,has been here,asking questions,some of which I have been unable to answer. He wants to know where the fire insurance policies on the Stanley property are,and to whom the receipts for the yearly premiums have been sent; however,I think that he will write to you himself,and will convey a request that the interest in the policies may be assigned to the widow. I have posted him,as far as I have been able,as to the proper steps to be taken in the matter of probate.

14. I have had further correspondence with the P.S.N.Co.about tallow damage to wool,and am not satisfied with the result,as they repudiate responsibility on the ground of bill of lading clauses and a certificate of stowage. They nevertheless,in consideration of our friendly relations,have agreed to pay half the claim,and with that we have at present to be content. One of their contentions is that the so-called tallow damage is not a fact,but is simply a stain caused by the greasy condition of the wool. I have had a long talk with Mr.Du Croz over this question, and he has promised personally to investigate the next case that turns up. Tallow,I understand,does no damage to wool,but of course adds to the weight. When the price is affected to the extent of 1d.or 1½d.throughout a 6 cwt.bale,it follows that the buyer,in many cases,is likely to scobe heavily,and Mr.Du Croz thinks that

the bales can often be made merchantable here. The matter must not be allowed to rest as it is; but before proceeding further, there are one or two points on which you can supply information I think. Mr. Lamb says that there is a flaw in their case, inasmuch as clean receipts were given at Stanley; but are we quite on sure ground ourselves? Was there any stain on the bales when shipped? You gave me a shock some mails ago in reporting that you had hoped to get the whole of some consignment away by a steamer then in port, but had been unable, as the wool in a schooner alongside was <u>under the tallow</u>, and I remarked, I think, that the mode of stowage was unusual, and should be prohibited. Now if it was any of that wool, we could not say that we had not contributed to the damage it had sustained, unless you are able to assert that it came out of the schooner and went on board the steamer unstained. Then as to the stowage, I infer that the certificate is given in Liverpool before the ship breaks bulk. But it has been rumoured, and whether it is true or not you may be able to say, that the cargo is taken on board in a hurry anyhow, and stowed after the ship gets to sea. If this is the case, I can tell Mr. Lamb that his stowage certificate is worthless, for the damage may take place in the process of stowing. The trouble over this question of tallow damage points to a change in our shipping arrangements that will not be beneficial to the P.S.N.Co. I should like to try the experiment next year of chartering a small vessel out with coals, to finish her discharge at Darwin, landing there the year's supply, and then loading all the tallow at Goose Green, returning to Stanley to fill up. It would have to be timed so as to take in all the tallow made in the Islands, which, with the exception of that from Goose Green, would be brought in by schooners, and therefore the vessel might be unable to leave before August or September. Looking at the last complete year, 1906, the weight of tallow received was 300 tons, and the measurement 450. 300 tons at 45/. and 5% would be over £700, and there would be room for a quantity of sheepskins as well, in a vessel of say 300 to 400 tons register, which would be a useful size for coals out. I do not say that this would be practicable, for it would all depend on the possibility of chartering, but the subject is worth considering. Remembering that the gentle pressure brought

to bear on the P.S.N.by our declared intention of chartering out, even although that charter never came off,resulted in our getting better terms out of them than we ever had before,it is quite likely that the threat to ship all tallow by sail may bring them into a more reasonable frame of mind on the subject of damage. This damage has been small up to now,but it is always possible that a much larger proportion might be shown at any time when tallow has been shipped,and it is a loss against which we must take precautions.

15. Some correspondence is enclosed on the subject of the meat shipped by Brincmann or Brinckman,whose agents have protested against the rate of freight from Stanley,and threaten to have the casks sent to Sandy Point in their own vessels for shipment by the Kosmos. We do not know whether this would be practicable or not,and as far as I know there is only one vessel we have heard of,the "Margaret",and what her size is is unknown,as she does not appear in the Shipping lists. Believing that we do not store the meat in the hulk,and only take it off from the shore,I told the P.S.N.Co.that they might,until I could hear from you,reserve us 5/.a ton,and do what they liked as to the rest. If,however,this will not pay us you must say so. We do not seem to have heard much about this business,and should like to know more,for it seems to be done on a somewhat large scale,and it ought to pay us,if Brinckman can make money out of it after paying for his meat.

16. You have not said anything about house coal,but I suppose that,in view of the small quantity available out of the "Heroen" after Darwin and the West were satisfied,we should do right to ship 500 or 600 tons from the Tyne,if we had an opportunity.

17. In replying to despatch 1033 you passed over par.15,in which a suggestion was made that you might arrange to ship some of the earlier wool from the outports to Stanley by one of the Sandy Point steamers,and we should like to know if you have taken any steps in that direction. Perhaps you see your way to satisfying the farmers without doing so,but we should not like again to hear of wool being taken away from us.

18. Your cable asking for a credit for the "Belford" arrived

last week,and I am sorry to have once more to point out the extreme inconvenience caused through your not giving any indication of the amount of credit required. You may say that as she is a British ship the owners are responsible,and so they are; but they happen to be the "Belford Sailing Ship Company,Limited",and with such owners we do not deal. With the Managing Owners,F.Briggs & Co. it is another matter,but they will not,or would not,pledge themselves without knowing the sum required,and I was obliged to cable that credit could not be obtained and that we must have cash. At a venture I asked for a credit of £500,which could have been extended if needful,and you should always,even if you are quite unable to make an estimate,ask for something,never mind what. F. Briggs & Co.have now agreed to accept the Master's drafts at three months' sight,and name no amount; this is an unusually long date, but they wish to collect their freight as well as the insurance. The credit will be cabled via Sandy Point.

19. At the request of Mr.John Cameron we cabled you a message to be given to Mr.Louis Williams about some papers connected with his father's Estate.

20. I have been carefully into the apparent discrepancy in our Wool this last season,and find that the number of bales we have received agrees with the specifications,but that according to the Bills of Lading we are one over; we may therefore assume that the out-turn is correct. You will see by the enclosed account how very inaccurate the tally has been throughout the season,and as there has never been anything like it the presumption is that some new man has been put on the job,and has made a mess of it. Up to the present year the tallies,as a whole,have been wonderfully correct,and so this falling off has been the more remarkable.

I am,Sir,

your obedient servant,

Managing Director.

Discrepancies in WOOL Shipments, 1907.

	D H		W C		N A	
Specifications:-						
Fleece	624		502		735	
Camp	7		4		13	
	631		506		748	
	B/L	Received	B/L	Received	B/L	Received
Orissa	2	2				
Oropesa	120	120	121	121		
Oravia	286	282	260	261	398	400
Oriana					125	126
Potosi	212	217	125	124	214	211
Oronsa	8	8				
Orissa	2	2			11	11
	630	631	506	506	748	748

Other discrepancies.

			B/L	Received
Dec.10,'06	Orissa	S Sheepskins	9	13
April 24,'07	Orita	SI Wool	132	133
"	"	"	133	132
July 1, "	Orissa	DH W Fell Wool	42	41
" "	"	F S Sheepskins	None	7
Aug.17 "	Oravia	F Wool	120	119
" "	"	WED Wool	138	139

Also Oronsa 1 case taken in error of NA

Enclosures via Liverpool

Duplicates

Despatch No.1037

Ledger & Journal Entries

Remarks on Accounts

Replies to Remarks on Stores

Remarks on Stores

List of Enclosures

General Invoice Goods per "Oriana"

List of General Cargo per "Oriana"

List of Clients' Cargo per "Oriana"

List of Parcels

List of Dutiable Goods per "Oriana"

Clients' A/sales,reoprts & contracts:-

L	48	casks	Tallow	ex "Tropea"
H & B	12	,,	,,	,,
◇H	4	,,	,,	,,
W P	31	,,	,,	,,
T R	2	bales	Wool	ex "Orissa"
W.Fell	41	,,		,,
AP	45	,,		"Oravia"
F	119	,,		,,
H W	45	,,		,,
W E D	139	,,		,,
◇B	5	,,		,,
H & B	31	,,		"Tropea"
J B	156	,,		,,
AP	109	,,		,,
◇H	34	,,		,,
D S	110	,,		,,
J R	30	,,		,,
G	31	,,		,,
W.Fell	3	bales	Sheepskins	ex "Orissa"

T.R. 6 bales Sheepskins ex "Orissa"

Second of Exchange for £ 106 . 14 . 8

ditto 15 . 6 . 5

B/L general cargo per "Oriana"

,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,

Enclosures via Liverpool

Originals

Copies of Cablegrams sent

Copy of Cablegram received

Particulars of homeward freights per Oriss, Oravia, Tropea

Baseley's agreement

Corrected General Invoice goods per "Galicia"

Copy of letter to the Colonial Office dated 13th inst.

Copy of letter to F.E.Andrews dated 18th instant

Copy of letter from Royal Insurance Co. dated 14th inst.

Copy of letter from P.S.N.Co. dated 2nd inst.

Copy of letter from F.Briggs & Co. dated 14th & our reply of the 15th November. re Belford.

Copy of letter to Gramophone Co. of 13th & their reply of the 14th November re Motor Spring

Discrepancies in Wool shipments in 1907

Baseley's receipt for £ 50 advanced

~~Copy of letter from Langstaff &c. to PS.N.Co. dated 11th Nov. re shipment of Meats~~

Copy of letter from the Gramophone Co. dated 29th October

Clients' Reports & Contracts:-

D S G I	4	bales	Sheepskins	ex "Tropea"
J B	15	,,	,,	,,
H & B	3	,,	,,	,,
H	2	,,	,,	,,
J R	1	,,	,,	,,
AP	5	,,	,,	,,
W P	13	,,	,,	,,

Brokers' press copies of above reports & contracts.

Copy of letter from the P.S.N.Co. of 12th covering letter from Langstaff and our reply 13th Nov.

Clients' Invoices goods per "Oriana" & "Galicia"

Holmested & Blake,Ltd.	81	-	2
Vere Packe	95	1	5
J.J.Felton	12	12	2
Dr.Foley		12	9
Darwin Telephone A/C	27	12	10
A.L.Allan	8	-	-
Vere Packe	216	1	3
Stickney Brothers	59	17	9

London 20th November,1907

The Falkland Islands Company.
(INCORPORATED BY ROYAL CHARTER 1851.) Limited.
REGISTERED 1902.
61, Gracechurch Street,
London, E.C.

Per Supplementary Mail.
No 1039.

22nd November, 1907.

Sir,

In continuation of the remarks on Clifton's case in despatch 1038-3, I have to say that Mr. Andrews has been good enough to call here this week to give his opinion. He thinks that as the accident happened two years ago, the claim may be barred by the six months-notice not having been given; at the same time he gathers from your letter to him that you may have virtually admitted it by granting some allowance. As you have not said a word about this to us, we do not know how the matter stands. I understood him to say that if you had continued him on pay, that would have been a compassionate allowance, and no admission of liability; but that anything smaller, given for the purpose of enabling him to live, would have been an admission; a distinction which is somewhat subtle and difficult to comprehend. With no information as to his present ability to work, it is impossible to give precise directions; but Mr. Andrews is of opinion that if you can get out of it by paying a year's wages, which you estimate at £85, it will be the safer course to take, and that you might even stretch this to £100. At the same time he says that you should make the offer entirely without prejudice, and accompanied by an intimation that he must not, in any circumstances, look for further employment from the Company. You will also let it be clearly understood that we admit no liability in making this offer. I am bound to say that this advice is somewhat discounted by Mr. Andrews's assumption that the man would go to a lawyer, and that a bill of costs would be run up in any case, which we should eventually have to pay, our own that is to say. You must do what you think best in the Company's

W. A. Harding, Esq.,
Manager,
Stanley.

interest,and perhaps the best thing to do would be still to press the offer to send him to hospital in Buenos Ayres. If he refuses to take this certain means of being permanently cured,and persists in making an extravagant demand,it may be necessary to let the case go into Court,and fight it on every ground you can bring forward.

2. Baseley takes out with him a spare magneto for the "Malvina",and from what we have been able to learn here,especially from the report sent up from Gosport,if it is properly managed there should be no trouble about starting up the engine.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures per Supplementary Mail

Originals

Newspaper cutting re Workmen's compensation

Ledger & Journal Entries

Remarks on Accounts & Replies to Remarks

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Ortega"

General Invoice goods per "Ortega"

Copies of letters received from W.B.Cummings dated 22nd Oct & 4th Nov.and from Lowden of 7th Nov.re "Malvina"

Debit note for Vere Packe for 2/9

Sight Draft on J.Kirwan for £58 . 12 . 7 for collection

Clients' A/sales :-

H & B	3 bales	Sheepskins	ex	"Tropea"
J B	13	,,	,,	,,
D S	4	,,	,,	,,
G I				
J R	1	,,	,,	,,
W P	13	,,	,,	,,
H	2	,,	,,	,,
AP	3	,,	,,	,,

Credit notes for the following:-

Mrs Bonner's Estate	2 . 12 . 3
Mr.A.Pitaluga"	1 . 18 . -
Farm Account	1 . 8 . 8
Mr.W.Fell	4 . 15 . 8
Mrs Williams	8.. 15 . 3

B/L General Cargo per "Ortega"

Letter for the following :-

? A.L.Allan,(2)W.A.Harding(2) Alex.Reid.

Book per post Law Relating to Compensation for Injuries to Workmen.

London 23rd November,1908

POST, THURSDAY, NOVE

WORKMEN'S COMPENSATION.*

Mr. Knowles has written a meritorious little book on a difficult subject. He summarises the radical differences between the principle of the Acts of 1897 and 1906, and suggests the obvious inference that the ultimate goal of this particular class of legislation is compulsory insurance. This may be all very well, but the present Act boldly lays down that a workman is not to forfeit his claim for compensation, even by his own "serious and wilful misconduct," when the injury results in death or permanent disablement. Hence a workman who absolutely declines to obey his employer's order to use mechanical safeguards in the course of his work, and thereby jeopardises the safety of himself and his fellow workmen, is to be allowed compensation. Nothing could be better calculated to des[illegible] whatever se[illegible] individual responsibility may exist in the we[illegible] man under present legislation, and cases are no[illegible] unknown where a workman, with a taste for leisure, has courted the risk of disablement so as to obtain compensation. This is a distinct exaggeration of the principle already admitted that a workman can claim compensation although he ignores printed rules posted up to warn him of danger, and it is difficult to see where this lop-sided legislation will end. Having regard to the state of our marriage law, it is difficult to criticise the admission of illegitimate dependants to compensation, but it certainly introduces grave danger of fraud.

Mr. Knowles is very cautious in what he says about the application of the Act to clerks and domestic servants. Nothing is fairer than that the "black-coated tribe" should have the same privileges as the workman, but in the public interest Acts might with advantage be drafted in an intelligible manner.

To use the words "employment of a casual nature" without any further definition does little more than impress upon the anxious reader the casual habits of State draughtsmanship. The perusal of any dictionary would certainly lead to the notion that "casual" meant "occasional." Mr. Knowles is not very illuminating. We have all the old rigmarole of "reasonable" and the "circumstances of each case." The test of "a reasonable expectation of being further employed at reasonable intervals by the same employer" is applied. If the "reasonable expectation" exists, "there are elements present which will enable the arbitrator to regard the employment as not being purely casual in its nature, but one which is not excluded from the scope of the Act." The author leaves us at this point, and shirks arriving at any definition at all.

Mr. Ruegg at least had the courage to define "casual employment" as "employment necessitated by chance circumstances," and gave, as an example, "a job in the garden which may or may not recur." He also argued that no contract of service exists "if the contract in question only specifies the end to be arrived at, and leaves to the person who has to execute it both the manner and periods of work by which it is to be effectuated." This *dictum* excludes a number of persons like curates, organists, piano tuners, and window cleaners, where the contract does not constitute the relation of master and servant. However, Mr. Knowles, perhaps wisely, considers discretion the better part of valour, and all the layman can do is to find a reputable insurance office, insure each servant, and take out an extra policy at a small premium to cover "occasional and casual lab[illegible]ur" in the hope that the "circumstances of each case" and the "reasonableness" of everything connected with them may be investigated at the cost of the insurance office.

The cases are well set out, but the index is little better than in most law books. At least the word "casual" might have been expected to occur under the headings either of Contract, Contractor, Employment, Employer, or Workman, but it does not, nor does it appear anywhere else in the index.

It would indeed b[illegible] to assess the an[illegible] loss of time and m[illegible] money inc[illegible]ed in Engla[illegible] bad draughtsmans[illegible]ip, slipsh[illegible] habits of [illegible]ation, and unsys[illegible]ematic methods. But [illegible] really be a serious [illegible] item, and should n[illegible] regarded.

* The Law Relatin[illegible] to Compensati[illegible] Workmen. By C. M[illegible]. Sons, Limited.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 18th December, 1907.

Per Orita.

No 1040.

Sir,

I have to acknowledge the receipt of your despatches nos.326 and 327,which arrived on the 2nd instant.

2. Par.6. We shall be interested to hear what can be done to the "Malvina" in the way of carrying out G.L.Watson & Co.'s recommendations. I have no copy of the draft sail plan,but from my recollection I should say that,with the exception of unstepping the mast for the purpose of shortening it,the other work necessary for reducing the sails forward might be done with no great loss of time; but you will see to this of course,and I can see that there may be some difficulty in getting the correct hoist.

3. Par.7. Baseley has profited by his visit to England,and we can understand that it was infinitely better in most ways not to have two Engineers in Stanley at the same time.

4. Par.10. Your reply about the press parts for Mr.Felton is a complete answer to the complaint sent home by his son that he had not received them,and as they are both in the Islands now you will be able to find out how the mistake was made. According to Mr.Felton's request a duplicate set was sent in October.

5. Par.11. I shall not lose sight of what you say about the passages of the Port Stephens men,and shall make it the ground in course of time for asking for a 15% reduction all round; but at the present moment I am engaged in a correspondence about the more serious question of the shortcomings of the "Oravia",and it is not politic to have too many complaints going at one time. There is an impression in the P.S.N.office that I am always complaining.

W.A.Harding,Esq.,

Manager,

Stanley.

6. Par.12. The Minutes of the Legislative Council are most interesting,and the Unofficial Members seem to be doing their duty in resisting unnecessary expenditure. I think that you might be able,from your experience of the cost of running the "Plym", to show that the expenses are underestimated,and 3% depreciation, interest I should have said,for there is no depreciation allowed at all,is too low. The scheme looks all very well on paper,but such a service as suggested must be regular,and not dependent on the weather,and how can this be secured except by the purchase and employment of a launch of such capacity and power that the estimated cost of working her is ridiculously small? The Governor expects to get revenue from the charter and hire of the launch; but is it usual in Colonies for the Government to enter into trade of this kind,naturally in opposition to the owners of existing craft?

7. Par.13. The tubes for the Goose Green boiler have been ordered,and will go next mail. I do not know whether you have been in the habit of sending the Engineer out to inspect periodically, but I would suggest that Baseley should superintend the retubing and have a general look round. Harris is,no doubt,very efficientin his own way, but after all he is only a "handy man",not a certificated Engineer,and there are even some Engineers who know nothing about retubing. For instance our first man,Martin,had no idea of it,and at his instance I had to send more than one boiler home to get it done,as he assured me that it was impossible to do it on the spot,and at the time I knew no better.

8. Par.14. I had forgotten the code arranged for reporting steamers when late,but I did think of cabling about the accident to the "Oravia",and decided that as the detention was so long it was sure to have been reported to Sandy Point. I am sorry to hear that the news had not arrived.

9. Par.15. The arrangements about the drafts on account of the "Bali" were quite satisfactory.

10. Par.17. Captain Oakley has sent a certificate relating to the loss of rams on board the "Oravia",which has been forwarded to Mr.Buckworth.

11. Par.18. Your further cable about the "Balford" asking for a credit for £1500 was duly received; this is evidently a heavier job than the owners expected,and you will have received advice to draw on them in plenty of time. Although in their letter,a copy of which was forwarded,they authorized you to draw,you will of course take the Captain's draft,as in the event of any trouble this would give us a security that your draft would not afford,that is to say a claim on the ship herself.

12. Par.19. The Directors were all sorry to hear of Mr.Allan's illness on arrival,but trust that he has long since recovered.

13. 327-2. It is good news to hear that you have the telephone line completed to Darwin,and we suppose that Homer is now on his way home. We hope to have the total cost of the line shortly,and to hear that the Government have paid their share. There are likely to be a good many spare parts and materials left over, and if these run into large figures I suppose that the Government, provided that their maximum contribution has not been exceeded, will take them on joint account with us,for the purpose of renewals and repairs,for it would not be fair to us to keep the stock,and only charge it as used. From other reports we hear that the telephone is singularly clear and distinct,and Mr.Mantle says that this is due to the absence of disturbing influences, and can only be got in a place where there are no other electrical currents.

14. Baseley wrote from La Pallice that he had had an interview with the makers of the "Malvina"'s engine before leaving,and that they had decided that it was the magneto that was at fault. He has every hope of setting it right.

15. It would be convenient if another edition of the Ordinances of the Colony up to date could be published. We have had copies from time to time,but many of them have been borrowed or otherwise disposed of,and I should be glad if you could get a complete set from the date of the last in the bound volume. I could then have them bound up,and they would be convenient for reference.

16. In the specification of cargo per "Esmeraldas" 44 casks Tallow marked Z were entered to our consignment,but claimed by John Hoare & Co.on behalf of Dean & Anson. Was there any understanding that this should have come to us,or was the specification incorrect?

17. One of Baseley's first duties should be to inspect and report on the "Samson"'s machinery,and a copy of his statement should be sent home. It is the only chance for some years of getting one that will not be biassed in favour of the man in charge, except by putting some outside Engineer on the job,and there are now no opportunities for a lengthy examination,as you seldom have a man of war or other steamer in harbour for any time.

18. I wrote to Mrs.Dean that we had discontinued business with Eills & Co.,and she replied that she was glad to hear it,as she had thought of taking all provisions for her own consumption out with her.

19. I enclose copy of some correspondence with the P.S.N.Co. on the subject of the cargo left behind by the "Oravia" on two occasions. As nearly as I can calculate,the loss on the first voyage was £250,and on the second £350.,or £600 in all,due to falling markets. They have promised an enquiry on the arrival of the ship.

20. You will see that the Colonial Office say that the Judge only can say whether the Employers' Liability Act is in force in the Colony or not,neither the Secretary of State himself nor the Colonial Government having the legal power to construe an Ordinance. Thus in this singular system of Pooh Bah Government the Governor as Governor is unable to decide a question,but when he dons the mantle of Chief Justice he is at once able to lay down the law. Fortunately the Secretary of State is good enough to add that he has under consideration the question of amending Ordinance no.3 of 1900,with a view to making it more definite,and with this we have to be content. In the meantime we are enquiring about insurance against accidents,but the Royal are not taking it up in the Colonies yet,and others still have it under consideration.

21. A letter from P.Mc.Pherson's mother is enclosed for your attention.

22. With reference to an account against Morrison & Grant in the Ledger amounting to £718.5/.,which you remark will be reduced by produce,but still be on the wrong side,the value of this produce is £397.18.5,and you should let the Board know if there is money behind this farm,or if the capital of the firm has all been invested in it. No one has yet made Bluff Cove pay expenses,and unless the partners are prepared to make up the deficiency,the sooner the account is closed up the better. In 1906 they started with a credit balance of £36.16.4,but at the same date this year the balance was £570.5.3 on the wrong side. You may also explain why one of the partners has been allowed to draw £100.14.7 on the firm's account in cash,and place it to his own credit in our Deposit account. Very likely your explanation will be simple and satisfactory,but the Board would like to have it. There is also the old question of Bender's account,which even in a year of inflated prices for wool is still far behind. We want to know whether the time has not come when this hopeless venture must be abandoned as far as we are concerned,and the place sold up to meet the debt. Why should we go on year after year advancing stores and cash,especially now,when prices have fallen to a lower level? A.E.Felton's account is also one that wants watching,in fact the very small farmers are the ones who will default first. It is necessary to remark in a general way now,before it is too late,that prices for wool are not to be depended on,and so you must check at once any attempt on the part of the clients to get too deep into our books,or we may have a recurrence of the undesirable condition of affairs that led us into such financial trouble five or six years ago.

23. At the late sales the Brokers put what F.I.wool was sold 15% down as compared with September prices.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Duplicates

Despatches Nos. 1038 and 1039

Remarks on Stores

Ledger & Journal Entries

General Invoice goods per "Ortega"

Clients' Cargo per "Ortega"

List of Enclosures

List of Dutiable Goods per "Ortega"

List of Parcels

List of General Cargo per "Ortega"

Discrepancies in Wool Shipments for 1907

Clients A/sales, reports & contracts

H & B	3	bales	Sheepskins	ex "Tropea"
J B	15	,,	,,	,,
W P	13	,,	,,	,,
D S	4	,,	,,	,,
AP	3	,,	,,	,,
H	2	,,	,,	,,
J R	1	,,	,,	,,

Remarks on Accounts

Second of Exchange for £58 . 12 . 7

Clients' Invoices goods per "Oriana" & "Galicia"

Vere Packe	95	1	5
J.J.Felton	12	12	2
Vere Packe	215	17	-
Stickney Bros.	59	17	9
A.L.Allan	6	-	-
Darwin A/C	27	12	10

B/L General Cargo per "Ortega"

Enclosures via Liverpool

Originals

- Wool Reports
- Cablegram sent 29th November.
- Copy of letter from the Colonial Office dated 29th Nov.
- Original letter from Mrs John McPherson dated 12th Dec.
- Copy of letter from the Gramophone Co. dated 6th Dec.
- Baseley's receipt for £12
- Copy of letter to the P.S.N.Co. dated 16th December.

Clients' A/sales, reports & contracts:-

AP	40	bales	Wool	ex "Orita"
S	12	,,	,,	,,
F	6	,,	,,	,,
K	33	,,	,,	,,
W E D	4	,,	,,	,,
B B	18	,,	,,	"Esmeraldas"
M V	11	,,	,,	,,
R B C	25	,,	,,	,,
B	67	,,	,,	,,

Clients' reports & contracts:-

B	9	Salted Hides	ex "Esmeraldas"	
McG	39	,,	,,	,,
B	4	casks Tallow		,,
H W	11	,,	,,	,,
M V	2	,,	,,	,,
H G C	29	,,	,,	,,
McG	8	,,	,,	,,
J F	33	,,	,,	,,
H & B	30	,,	,,	,,
J B	59	,,	,,	,,
	25	,,	,,	,,
H & B	1	bale Hair	ex "Corcovado"	

Brokers' press copy report on Company's Tallow ex "Esmeralda"

Original Letter from Kearley & Tonge,Ltd.dated 31st December,and circular attached

Clients' Invoice goods shipped per "Ortega"

Greenshields Brothers	49	13	8
Darwin Telephone Account	2	10	-
Vere Packe	21	17	11
Bertrand & Felton	23	17	11

Copy of letter from the P.S.N.Co.dated 2nd.and our reply of 3rd Dec.

Clients' Reports & contracts:-

K 3 casks Tallow ex "Orita"

J F 4 ,, ,, ,,

T R 1 ,, ,, ,,

London 18th December,1907

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Genral Cargo per "Orita"

General Invoice goods per "Orita"

Carter's invoice goods by post for Vere Packe

Anning & Cobb's Sheepskin reports

Moule's Original letter dated 20th instant & catalogue

Clients' reports &-

M V	4	bales	Sheepskins	"Esmeraldas"
B	2	,,	,,	,,
F	1	,,	,,	,,
L	16	,,	,,	,,
McG	13	,,	,,	,,
W E D	25	,,	,,	,,
H & B	43	,,	,,	,,
W E D	16	,,	,,	"Orita"
F	9	,,	,,	,,

A/sale H & B 1 bale Hair ex "Corcovado"

B/L general Cargo per "Orita"

Letters for the following:-

W.A.Harding (2) A.Reid,A.L.Allan Mrs Allan

London 21st December,1907

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 15th January, 1908

Per Oronsa.

No. 1041.

Sir,

I have to acknowledge the receipt of your despatches nos. 328 and 329, which arrived on the 30th ult., and of no. 330, to hand on the 13th inst.

2. 328-2. It is most satisfactory to hear that the telephone is such a success. Homer was here and met Mr. Mantle last week. They say that the Darwin trunk line must not on any account be joined up with or connected with any of the local lines, or the efficiency of the whole may be imperilled. Homer says that the local Exchange is a failure, through the man in charge knowing nothing about it. It is a pity that Homer was not put on to this while waiting for the mail, but I understand that it is in the Governor's hands, and that he was not prepared to pay. We hope to have the accounts relating to the telephone by the incoming mail.

3. Par. 6. We note the decision you have arrived at with Mr. Allan about the rent of Bleaker Island, and shall be glad to hear if Fell decides to keep it.

4. Par. 8. As mentioned in a previous despatch, we shall be glad to hear more of Messrs. Brinckman's venture. What is the "Margaret"?

5. Par. 9. The Board are of opinion that you should not have assented to the license given to Mr. G. Cobb for sealing on Lively and Speedwell Islands. We are of opinion that in granting these licenses the Governor, inadvertently no doubt, has exceeded his authority, and we cannot assent to permission being given to anyone, not the lessee, to trespass on our freeholds for the purpose of sealing, or in fact any other. The fact that the Government are now

W. A. Harding, Esq.,

Manager,

Stanley.

reserving the right of sealing on land sold by them shows that they know that freehold land not subject to this reservation cannot be included in a sealing license. Seals are "ferae naturae", and as such, are the property of any person on whose land they are for the time being. Well on for fifty years ago the Government assumed the ownership of the wild cattle on Government leased lands, and came into conflict with my immediate predecessor, Mr. Lane, who disputed their right, and had cattle killed in defiance of the proclamation. The upshot was a law suit, in which we of course came off second best locally; but it went on appeal to the Privy Council, who gave judgment in our favour, and just as I arrived in the Islands the last payments were being made by the Government in restitution of what they had taken from us. These were known as the "cattle killing claims"; being before my time I am not acquainted with the details, but any old settler like Biggs or Short can tell you all about them. The cattle were declared to be ferae naturae, and therefore the property of the Company who were the lessees, not the owners of the land. How much more, then, are we the owners of wild animals on our own freeholds. The Directors do not wish to act hastily by going forthwith to the Colonial Office, but wish you diplomatically to get the Governor to withdraw from a position he has evidently taken up under a misapprehension. We might hear of licenses being given to trespass on the Sea Lions or even on Lafonia itself. Mr. G. Cobb might have saved himself the trouble, and possibly expense of taking out a license, as he is free under the leases of Lively and Speedwell Islands to take seals without going to the Government at all. Since you say that it is open to question whether the Government have the right to issue licenses in respect of our freehold lands at all, which is precisely the view we take here, the Board are quite unable to understand why you so cheerfully told the Governor that you had no objection.

6. 329-3. We shall be interested to hear about the Duc D'Aumale, and still hope that the "Samson" may have been able to render service. A ship of 2000 odd tons should not be allowed to be abandoned as a total loss in a land-locked place like Roy Cove without an effort to save her.

7. 330-3. We had had an enquiry before the arrival of the mail about one of the remittances overlooked,and as this is a somewhat common occurrence,I would suggest your making some office rule that will save inconvenience to those who have money advised and fail to get it. In the list of enclosures an indent for a Cargo boat was noted,but not found; possibly for "boat" we should read "book". A draft for £30.0.6d was entered as £30.6/.

8. 329-3. G.L.Watson & Co.write that they approve of your restepping the foremast of the "Malvina" three feet further aft. Copy of their letter is enclosed,and I have asked them to clear up two points,(1) whether restepping,as suggested,is to take the place of shortening the head sails,and (2) whether,in agreeing that the alteration would entail no more work,they have considered the fact that the channel plates will have to be shifted also. In shortening the mast of course the rigging will have to be shortened also; but it will not be a serious job to cut it and turn the shortened ends in afresh on the dead eyes. As regards the first point,placing the mast further aft would seem to give more hoist to the head sails,though it would reduce the area of the foresail. A further letter from Watsons may be expected in time for the supplementary mail. Please report each mail on the behaviour of the schooner. It is not a bad thing in one way that she has had to make her way entirely under sail for some months,for it will remove any idea,if such existed,that she was dependent on her engine,and there will be more chance of its being used strictly as an auxiliary,and only when actually needed.

9. The Board of Trade have reiterated their demand for the cost of sending home two sailors wrecked in the "Fortuna",and I have replied in a letter,copy enclosed,which,as the subject is an important one,has been submitted to and revised by Mr.Ince,who quite agrees with my view of the claim. The correspondence explains itself,and the principal point to which I have to direct your attention is the statement by the Shipping Master that there was no record or recollection of a suggestion made by our Manager at the time that he was exceeding his authority,or that there was reason to suspect that the men had been prompted at the Shipping Office.

In despatch 289-~~15~~ 12 of the 11th June,1906,Mr.Girling reported with reference to these passages that he had disputed our liability,but that the Colonial Secretary said that he so read the law,and that it was open to us to raise the point with the Board of Trade. He added that both men were prepared to pay for their passages,and that it was only after an interview with the Shipping Master that they applied to be sent home as D.B.S. The Shipping Master now states that in reply to his enquiry the Company's Manager has stated that he had no recollection of having made such a suggestion. Unless the Shipping Master has been amusing himself by asking you a question that he should have addressed to Mr.Girling,who was acting Manager at the time of the wreck,here are two statements directly at variance with one another,and we naturally accept Mr. Girling's. In writing to the Board of Trade,I had to guess at some of the circumstances for want of fuller information; but what I gathered was that the men intended to go home in any case,probably feeling rather sick at having been shipwrecked twice in eight months,and then made this application, - whether prompted or not does not matter - which the Colonial Secretary and the Shipping Master,misreading the law,accepted. Then,having heard so much of the shortage of labour in Stanley,I have ventured to guess that had they elected to remain in the Colony Mr.Girling would gladly have found work for them on the jetty. If Mr.Girling can say this,well and good; if he cannot,then one of my six reasons for not paying the claim falls to the ground,but five still remain equally good. Please enquire into this matter and report fully.

10. A copy of a letter from the P.S.N.Co.enclosing Capt.Oakley's reply to our complaints will be found enclosed. They suggest that we should adopt Captain Oakley's suggestion as to the shipping of the cargo,that is to say that a portion should be ~~put~~ placed in lighters,so as to enable steamers to work more than one hatch. The idea is an excellent one,and I am going to write that we shall have the greatest pleasure in adopting it,on the condition that as it will be solely for their benefit they must bear the whole of the additional expense. Seeing that what we make on

receiving,storing and shipping has been cut down to a point that scarcely pays us,we cannot think of incurring the cost of lighterage as well,especially as we must bear in mind that the quicker despatch could not benefit us,and that the advantage would be all on the side of the P.S.N.Co.

11. We are not hurrying forward the skins that came by the "Oronsa",as we are advised that prices are unlikely to move in our favour at the forthcoming sales,while the prospects later on are considered better.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool

Originals

Wool Reports.

Copy of Cablegram sent on 24th December.

Copy of letter from T.C.Williams Co.dated 19th December.

Copy of letter from the P.S.N.Co.dated 24th December
& Capt.Oakley's report attached.& reply of 14thJan
Particulars of homeward freight per "Esmeraldas" & "Orita"

Clients' A/sales:-

H W	11 casks	Tallow	ex "Esmeraldas"
△	5	,,	,,
M V	2	,,	,,
B	4	,,	,,
McG	8	,,	,,
F	4	,,	"Orita"
T R	1	,,	,,
H & B	12	,,	"Esmeraldas"
K	3	,,	"Orita"
J B	5	,,	"Esmeraldas"
F	2	,,	,,
H G C	4	,,	,,

Brokers' press copies A/sale Co's.Hides ex "Esmeraldas"

Clients' reports & contracts:-

B	8	Salted Hides	ex "Esmeraldas"
W E D	22	,,	,,
MoG	39	,,	,,

Clients' Debit notes :-

R.B.C.	2.	8 .	8	credit notes
B	11	10	-	
B B	4	2	3	
S	2	17	1	debit notes
F	1	4	6	
W E D		11/-		
AP	6	9	11	

Copy of letter from the Board of Trade dated 24th.& our

our reply of the 6th January.

Copy of letter from G.L.Watson & Co.dated 12th & our reply of 14th Jany.

Copy of letter from T.A.Homer dated 14th January.

Clients' Invoices goods per "Orita"

Holmested & Blake,Ltd.	33	12	-
Bertrand & Felton	6	1	5
Vere Packe	21	17	10
Greenshields Brothers	121	9	11
W.C.Girling	-	1	6

Letters for the following:-

W.A.Harding,A.L.Allan,W.C.Girling

London 15th January,1908

Enclosures per Supplementary Mail via Lisbon

"Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oronsa"

General Invoice goods shipped per "Oronsa"

B/L cargo per "Oronsa"

Copy of letter from G.L.Watson & Co.dated 16th January.

Clients' contracts:-

W E D	pt.16	bales	Sheepskins ex "Orita"	
W E D	pt.25	,,	"Esmeraldas"	
H & B	43	,,	,,	
T R	3	,,	"Orita"	& report
K	6	,,	,,	& report
F	9	,,	,,	
F	1	,,	"Esmeraldas"	
B	8	,,	,,	
M V	4	,,	,,	
B B	5	,,	,,	
McG	13	,,	,,	
L	16	,,	,,	
H G C	5 casks Tallow (pt.25 cks.)	,,		

Brokers' press copies of above contracts.

Brokers' press copy contract 48 casks tallow ex "Esmeraldas" FIC

Letters for the following:-

W.A.Harding & Alex.Reid.

London 18th January,1908

Enclosures via Liverpool

Duplicates

Despatch No.1040 dated 18th December.

Ledger & Journal Entries

Remarks on Stores

Replies to Remarks on Stores

Remarks on Accounts

List of General Cargo per "Orita"

List of Dutiable Goods per "Orita"

List of Parcels

List of Enclosures

General Invoice goods per "Orita"

List of Clients' Cargo per "Orita"

Clients' Invoice goods shipped per "Orita"

Greenshields Brothers	49	13	8
Darwin Telephone A/c	2	10	-
Bertrand & Felton	23	18	-
Vere Packe	21	17	11

Clients' A/sales,reports & contracts:-

H & B	1	bale Hair	ex "Corcovado"
K	33	bales Wool	ex "Orita"
S	12	,,	,,
F	6	,,	,,
AP	40	,,	,,
B	67	,,	"Esmeraldas"
M V	11	,,	,,
R B C	25	,,	,,
B B	18	,,	,,
H & B	30	casks Tallow	ex "Esmeraldas"
B	4	,,	,,
M V	2	,,	,,

H W	11	casks Tallow Ex "Esmeraldas"		
H G C	29	,,	,,	
F	33	,,	,,	
M c G	8	,,	,,	
△	25	,,	,,	
T R	1	,,	"Orita"	reports & contracts only
F	4	,,	,,	
K	3	,,	,,	
McG	39	Salted Hides ex "Esmeraldas"		
B	9	,,	,,	
B B	5	bales Sheepskins ex "Esmeraldas"		
M V	4	,,	,,	
B	2	,,	,,	
F	1	,,	,,	
W E D	16	,,	"Orita"	reports
F	9	,,	,,	
H & B	43	,,	"Esmeraldas"	
W E D	25	,,	,,	
L	16	,,	,,	
McG	13	,,	,,	

B/L general Cargo per "Orita"

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 12th February, 1908.

Per ORISSA.

No. 1042.

Sir,

I have to acknowledge the receipt on the 27th ult. of your despatch no. 331 and letter of the 31st December. On the 10th inst. your cable reporting 1800 bales of Wool and 164 of Sheepskins per "Huanchaco" arrived, which is very satisfactory. The Directors will also be glad to hear that Mr. Blake is on board the "Oropesa".

2. 331-5. The Board has decided to insure against risks under the Workmen's Compensation Act, feeling sure that if it is not actually in force in the Colony it will soon be so. There has been much difficulty in getting any Company to take it on; but with the kind assistance of Messrs. Dalgety & Co. we have received an offer from the Phoenix Assurance Co., which we are accepting, to insure all ordinary risks in Stanley and the Camp at 15/.%, and Marine risks, that is to say the crews of our vessels, at 40/.%. We understand that the latter is a very favourable offer, as many shipowners are insured in their Clubs, and pay 7 or 8%. A copy of Messrs. Dalgety's letter is enclosed for your guidance, and I may mention that the amounts proposed to be insured, subject to correction, are £1800 on the Stanley staff, Stanley casual labour £3000, Farm risks £9000, and Marine risks £1800. These figures are approximate, and an accurate account of all wages paid must be kept, as they will be adjusted at the end of the year. In addition to this, the Board have decided to set aside £200 per annum for the present to start an Accident Insurance Fund, and if the claims do not prove to be large after some years' experience, we may run the risk altogether.

3. Par. 7. Although your statement in which you bear testimony to the accommodating spirit shown by the Government in matters of

W. A. Harding, Esq.,

Manager,

Stanley.

finance is not expressed in terms of crystalline clearness,especially that portion relating to clients who are overdrawn,it is evident that we must not suggest their paying interest on the telephone contribution. As you say that they will pay the full £600, it seems to follow that the line has cost the full amount estimated or more; but we cannot see this in the accounts sent home up to the present,and should have liked,long before this,to know the actual cost. It is naturally the best telephone in the Colony,because every care has been taken from the beginning to ensure its success,and it has been erected by a professional electrician instead of an amateur or handy man. It is unfortunate that Homer's services were not utilized by the Government in Stanley before he left,as I understand from him that the service is all wrong,and he knows where the fault lies.

4. Par.9. The difficulty,as I understand it,with Brinckman & Co.is that they think that they can do better by sending their casks across to Punta Arenas,unless the P.S.N.Co.will allow a substantial reduction from the freight charged from Stanley. I do not see that this is a matter in which we are called upon to intervene,if you think that the proportion of the rate allotted to us will pay us for our trouble.

5. Par.10. In anticipation of what you say about shipping House coal from the Tyne,we have chartered the "Hans",376 tons regr.for 600 tons from Blyth,to include 50 tons Brancepeth. We had no orders or suggestions that coals would be wanted,but it seemed hardly likely that the small quantity per "Heroen" would last over the winter. You now suggest 50,000 bricks,but it is just too late unfortunately. Had we known that they would have been wanted we might have chartered a larger vessel some months ago,when one was offered. Small sailing vessels are now so scarce that they are difficult to get when wanted,as I think you have been told already,and they are actually able to command higher freights than steamers. If you could let us know earlier what goods you are likely to want it would be advantageous,and you would save indenting in a hurry by cable,as in the case of the cement wanted lately.

6. Par.11. I have been myself into a mass of figures relating

to wool freights,but have been unable to complete my researches in consequence of the confused way in which entries of returns are now made. If you will look back to the Journals of ten years ago,and possibly later,you will see that the practice of giving the returns separately for each line of produce was still kept up; but now,on trying to find the amounts credited to the schooners and Company's Shipping respectively,I am met by entries "for local freight on produce per -",and this sometimes includes a jumble of all sorts,so that it is practically impossible,until these entries are dissected,to get at any details. In most cases of clients' produce we are able to calculate the gross freight per lb., and this has been done,but in trying to arrive at the same on the Company's wool,all attempts to reconcile the amounts credited with the supposed scale of charges have ended in failure,and it really looks as if sums had been written in hap-hazard. To give one instance of what I mean,I refer to the returns for 241 bales wool per "Oropesa",measuring 6870 ft.,and giving £43.0.0.and £17.4/.to Schooners and Co's Shipping respectively. No known rate will bring this about,and we must give it up. All entries should be given clearly in future. As far as I can see,the through freight per lb.is much as you say; you put it at 7/16d.per lb.,and I should call it 0.45d.exclusive of the Company's. Of course the offer to take wool to Stanley for $\frac{5}{8}$d.per lb.could not be entertained for a moment. I will enclose my figures if I can complete them in time, and you can fill up the blanks. You will see that the cost of shipping through to London from outports runs from 0.35d.on Packe Bros.'Port Howard wool to 0.69d. which is the result achieved by Mr.Henry Waldron. With such a range a scheme of freights based on weight will be hard to devise,for we cannot expect people to press hard when there is nothing to be gained by it.

7. Par.12. F.Briggs & Co.have accepted the draft on them without remark.

8. Par.13. I have passed on your remarks about tallying produce to the P.S.N.Co. With regard to the suggestion I made to them that they should bear the cost of putting wool into lighters,I enclose copy of another letter enquiring what this would be,which

I am unable to answer,and must refer to you. We cannot and will not spend a penny more than we do already in handling produce,and the end may be that we shall have to make advances to some other line. It has occurred to me,however,that there may be a way of quickening the despatch without extra cost,though as I do not know your arrangements I can only suggest. I assume that you have the four lighters ready to receive cargo by the outward boat,and that you discharge them,or some of them at once. After one or more of them have been emptied,is there any reason why,if the decks are tight,they should not receive,as far as their capacity extends,all the wool coming into Stanley between the departure of the outward boat and the arrival of the homeward one,by which the produce is to be shipped,instead of housing it in the "Great Britain"? You would then be able to put the lighters alongside several hatches at once,and discharge the "Great Britain" at the same time.

9. Par.16. It is evident that Mortons give the bonus all round,but why they sent it to you is not clear,the notice I mean, not the bonus. We have had a cheque from them,but do not think it is enough,and have asked for particulars.

10. Par.17. We have heard nothing here about the Duc d'Aumale,but hope that we may yet have a go at her with the "Samson". She is evidently one of those insufficiently rivetted French ships, and the Captain,as is usual with French ones,having got into a mess,thinks of nothing but getting the ship condemned.

11. The "Hans" will be free on discharge,and I wonder whether you could manage to scrape up a cargo for her. On this side it would be impossible to talk of a homeward charter,because we do not know what quantity of tallow is being boiled down in the Islands this autumn,nor do we know where it will be,nor how long it would take you to get it in. But if you had time to pick up and could secure all the make round the Islands,including possibly Port Howard,you might getenough to fill the ship,including with the tallow enough sheepskins to fill up. I am afraid she is too large,but it would be a practical reply to the refusal of the P. S.N.Co to acknowledge tallow damage to wool,and one that they would not like,believing as they do that we cannot go past them.

Ans 841-10

In connexion with this question of shipping tallow by sail, I wrote at some length in paragraph 14 of my despatch 1038 about tallow damage, and should have been glad to have a reply; but you have passed it over without remark. I should add now that it would not do to ship any wool in the vessel, but you might revert to our arrangement in the early days, when we floored the tallow ship over the necessary ballast with casks, leaving space for any hides there might be, and then covered the casks with a layer two or three deep of loose sheepskins, filling up with skins in bales. By keeping these bales separated from the tallow in this way, there was never, to my knowledge, any question of tallow damage. To carry this out, you would, of course, have to keep back sheepskins from shipment by the steamers, and unless you feel sure of having a full cargo it would be better not to attempt it. One thing more I may say; if the casks are seen on board by the Cooper, and the hoops hardened up the last thing, the loss of tallow in a sailing vessel is much smaller than by steam.

12. The complete list of the bonus payment, asked for in 1038-2, has not been received.

13. Referring to par. 1, I see that I stated the number of bales of wool per "Huanchaco" as 1800 instead of 1850. I have since looked back at the shipments up to the same date for the last two years, and shall be able to report to the Board that the collection is a very creditable one, showing that notwithstanding the crippled condition at present of the "Malvina" she must have contributed substantially to the result, unless the performances of the other two have been extraordinarily good.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool -:

Duplicates

Despatch No.1041

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oronsa"

List of Dutiable Goods per "Oronsa"

List of Parcels

List of Enclosures

List of Clients' Cargo per "Oronsa"

Gerenal Invoice goods ~~per~~ "Oronsa ---

Clients' Invoices goods per "Orita"

Bertrand & Felton	£ 6 . 1 . 5
Vere Packe	21 .17 .10
Greenshields Bros.	121 . 9 .
W.C.Girling	1 . 6 . 6

Clients' Contracts&-

H G C	5	casks Tallow	ex "Esmeraldas"
W E D	22	salted Hides	,,
McG	39	,,	,,
B	8	,,	,,
T R	3	bales Sheepskins	ex "Orita"
B B	5	,,	"Esmeraldas
H & B	43	,,	,,
W E D	25	,,	,,
L	16	,,	,,
McG	13	,,	,,
M V	4	,,	,,
W E D	16	,,	"Orita"
F	9	,,	,,
B	2	,,	"Esmeraldas
F	1	,,	,,

Clients' A/sales:-

F	4 casks Tallow ex "Orita"		
T R	1	,,	,,
H & B	12	,,	"Esmeraldas"
J B	5	,,	,,
B	4	,,	,,
M V	2	,,	,,
H W	11	,,	,,
McG	8	,,	,,
J F	8	,,	,,
H G C	4	,,	,,

B/L General Cargo per "Oronsa"

Enclosures via Liverpool

Originals

Wool & Sheepskins Market Reports

Copy of Cablegram sent 24th January.

Copy of Cablegram received 7th February.

Original letter received from P.O.Whitty dated 21st Jany.

Charty Party,Coal per "Hans"

Clients' A/sales &c.

△	20 casks Tallow ex "Esmeraldas"		
J F	31	,,	,,
H G C	5	,,	,,
W E D	25 bales Sheepskins		,,
W E D	16	,,	"Orita"
M V	4	,,	"Esmeraldas"
McG	13	,,	,,
F	1	,,	,,
L	16	,,	,,
B	2	,,	,,
F	9	,,	"Orita"
T R	3	,,	,,
K	6	,,	,,
H & B	33	,,	"Esmeraldas"
B B	5	,,	,,
McG	39 Salted Hides		,,
W E D	22	,,	"Orita"
B	8	,,	"Esmeraldas"

Copy of Brokers' A/sales Company's Tallow & Hides ex "Esmeraldas

Copy of letter from Moser & Edward's dated 4th February re Casin

Copy of letter from P.S.N.Co.dated 5th & our reply of the 6th February re error in freights

Copies of letters from W.H.Samuel & Co.dated 3rd,6th,8th & 11th & our replies of 5th & 7th Febry.re Pitch.

Copy of letter from the S.A.M.Society dated 7th February.

Copy of letters from the P.S.N.Co.dated 18th Jany.& 11th Febry. re shipment of produce.

over

North Eastern Railway Co's report for W.A.Harding.

Letter from Falk Stadelmann & Co.,Ltd.of 10th Febry.& illustrations of Lamps attached.

Copy of letter from Dalgety & Co.,Ltd.dated 31st January,re insurance against risks under the Workmen's Compensation Act.

Freight on Wool ,1907 (Company's & Clients')

London 12th February,1908

Enclosures per Supplementary Mail via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Orissa"

Corrected List of Clients' Cargo per "Orissa"

B/L general Cargo per "Orissa"

Particulars of homeward freight per "Oronsa"

Sight Draft on J.Kirwan for £ 35 . 8 . 11 B/L attached

General Invoice goods per "Orissa"

Particulars of Wool shipped by Outsiders in 1907

A/sale S 61 Salted Hides ex "Oronsa"

Clients' reports & contracts:-

S	3 casks	Tallow ex	"Oronsa"
H & B	13	,,	"Esmeraldas"
H G C	20.	,,	,,

Clients' invoices goods shipped per "Oronsa"

A.Reid	19/5
Stickney Bros.	5.14.6
Mrs Reid	2. 9.9
Vere Packe	3.16.6

Letters for the following:-

A.L.Allan,W.A.Harding,A.Reid.

Pattern of Medal from J.W.Carroll

London 15th February,1908

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 11th March, 1908.

Per Oropesa.

V° 1043.

Sir,

I have to acknowledge the receipt of your despatch no.332, which with your letter of the 28th January arrived on the 25th ult.

2. Par.2. It is satisfactory to hear that Clifton's case has been settled.

3. Par.4. Whatever may be the truth about the so-called "tallow-damage",it is an unfortunate fact that,when wool is returned by the Docks as having suffered,it fetches from 1d.to 2d.less on the whole bale. It is also a fact that no tallow damage is returned if there has been no tallow in the ship. But I am disposed to think that the conclusion may often be jumped at erroneously, and the Brokers have arranged to scrutinize carefully the next case. If you will note,as you suggest,any stained bales as they come out of the shed,where contact with tallow is impossible,and these bales are eventually declared damaged,we may feel sure that an error has been committed,and in such a case Mr.Du Croz suggested that they might be made merchantable.

4. Par.6. It was fortunate that the "Malvina" got a calm day for going to Walker Creek,as it shows that she is capable of making a passage under her engine when she would otherwise have had to remain in harbour. It will be better to leave her at this,rather than try to get more speed than she was intended to possess. The consumption of oil would be much greater for each knot gained, and the wear and tear with more revolutions would be far more. The original idea was to make her an auxiliary boat only,mainly depending on wind; but to do 5 knots in a calm,and be able to get

W.A.Harding,Esq.,

Manager,

Stanley.

in and out of narrow places. With an eight knot boat there would be temptation,hard to withstand,to use the engine constantly,even against a head wind,which would lead to unprofitable working. The old magneto,being useless as it is,should have been returned without waiting for instructions,and should now come by the first mail consigned to Lowdens,who will forward it to Patricroft.

5. Par.7. It is to be hoped that the C.O. will veto the steam launch. It would save trouble and expense,and relieve us from the imputation of personal motives in objecting to it.

6. Par.8. The burial of the Patent Medicine Ordinance is also to be desired.

7. Par.10. What I wrote about the spare materials for the telephone was on the assumption that the whole of the £2400 had not been expended. From what you write it seems to have been,but until the accounts arrive we naturally know nothing about the matter. At the same time,if we have to keep the materials at our own expense,and lose interest,we ought not to supply them when wanted strictly at cost price.

8. Par.11. As soon as I can I will make a list of the Ordinances we have. They have only just been returned by our Solicitors after settling the Bonner business.

9. Par.12. Outsiders should certainly pay more freight when they make a convenience of us; but do you carry this out in the case of Waldrons,for instance? And if not,how are you going to differentiate between the Chartres and Port Howard?

10. Par.16. Weber & Steinle have written about consigning Nitrate ships to us,and we have agreed to return them one-third of the commission. It is not of much consequence,as they could not get anyone else to do the work; but having our name on their Charter-parties may possibly induce some Captains to put in to Stanley. Weber & Co.of Valparaiso are,I believe,large people inthe trade.

11. Par.17. The Board have taken into consideration your remarks on Rowlands,and regret to hear your report about his health: you are wrong as to the date when he joined us,as he took charge of the "Genesta" in 1887,and although possibly he went back to

his own vessel when the "Genesta" was sent away for home but lost before leaving the Islands in May,1888,it was only pending the purchase and arrival of the "Castalia",of which he took charge at the end of that year. If my memory serves me,Jones then took the "Fair Rosamond"unBil her purchase by the Company. Rowlands has served us in a most exemplary way,and we may never see his equal for pushing the work of a schooner,for which reason the Board wish to treat him exceptionally well. He was over 50 when he joined us, and the Board cannot make an exception to the rule that to qualify for a pension a man must have spent his best years in our service; but it was unanimously decided to grant him a gratuity of £200 when he leaves the service,and when the time arrives for presenting this to him you must convey to him the Directors' appreciation of his long and faithful services.

12. Par.20. We have been unfortunate about the "Duc d'Aumale. Writing last mail,I hazarded the opinion that if we had been more in touch,or if I had had sufficient details to go on,we might have had a look in with the "Samson". My reason was that,on your report that the tide rose and fell outside but not inside,the leak was not heavy enough to be uncontrollable,and that if the ship's pumps were out of order they were probably choked,and could have been made serviceable,so that if the "Samson" got to work with her salvage pumps the probability was that she could be floated. We now hear by cable that she has arrived in Stanley in tow of the "Lovart",and what I anticipated has come to pass, except that the wrong steamer has got hold of her. It was deplorable that the stranding should have come to your knowledge just in the fortnight between Atherton's departure and Baseley's arrival,so that you were without an engineer,and of course when you went out with Captain Thomas by schooner the Captain was away,and you could do nothing. Although no blame can be attached to either yourself or Capt.Thomas in the circumstances,it is not the less humiliating that with a salvage steamer of our own Braun & Blanchard should have been able to wipe our eye.

13. The Bonner mortgage has been completed,and I am asking our Solicitors to send you the papers for registration. We have

made an advance of £12,500 on the property,and it is one of the conditions that steps are to be taken to acquire the freehold. The firm has been registered as George Bonner & Co.,Limited,and we are to account to them as from the 1st of July last,closing with the Estate of the late Mrs.Bonner on the 30th of June.

14. Several cases of incorrect freights have come under our notice lately. Besides the one mentioned last mail,the rate on Canadian sealskins has been stated at 55/.and 5% weight per "Oropesa",with a return to us of 5/.,but up to now it has always been 65/.in full with 10/.to us. There may have been an alteration,but it has not been reported,and the P.S.N.Co.are unable to explain. I need not point out that in these freights the utmost accuracy is desirable,or I should say imperative; I think that every rate has been fully laid down and explained,but if we can make them any plainer on this side we will do so,if you will point out any about which there is any doubt.

15. Mr.Blake arrived by the "Oropesa",and the Board have had the advantage of discussing numerous important questions with him relating to affairs both in Stanley and the Camp,about which the first-hand information he has been able to bring has been of the greatest interest and value.

16. The Board have decided to send out a bricklayer or stonemason,for the purpose mainly of attending to the buildings in Stanley,but also to hire out of others who may need his services, Mr.Blake being of opinion that so much work in his line would be done by outsiders if they could get a good man,that we need not fear having him idle on our hands. He should be stationed in Stanley,and therefore his wages would be higher than if in the Camp, as he would have to find his own meat and fuel. He ought not to be out until after the winter,and I shall have plenty of time to see what I can get a man for,and may have your views before he is despatched. As regards working for others,what I write now is only preliminary; but as he will be on the regular list,and there may be some waste time,we must make such a charge for outside work as they would have to pay for engaging a temporary man on the spot,and whether we should give him a portion of the difference

or not when we hire him out is a matter of detail for your consideration. Mr.Blake confirms the impression we had received unasked from outside sources that sufficient attention has not been given in the past to the upkeep of the buildings; it is hardly necessary to repeat the Directors' desire that in future everything must be kept in apple-pie order,as it has already been laid down distinctly; but I may repeat that it is the unanimous opinion of the Board that neglect of property for the purpose of saving temporarily something in wages is false economy. A distinction must,however,be drawn between what is necessary and what is extravagant, and this must be left in your hands. Mr.Blake is also strong on the subject of drains for carrying away dirty water from the houses,which he considers should be open,so that they can be cleaned with a brush,those boxed in places being nothing more or less than stink traps. For this purpose he advocates a U shaped half pipe set in brickwork,which he considers would meet the case. This is a matter that will have to wait probably until the bricklayer arrives.

17. The subject of the Store is one that requires a good deal of consideration. When we bought the Deans out nearly 20 years ago,it was not desirable to alter the system of having two Stores,mainly because each had its own customers,and the feeling of "Company v.Dean" was still strong among them. But that has passed,and the inconvenience of having the two and delivering and shipping from each must be great,and lead to a lot of extra work. Mr.Blake suggests,therefore,and the Board concur with him,that as soon as convenient all retail work should be done at the West Store building,and that the East should be kept for wholesale and shipping orders. This,however,cannot be carried out for the present, as the West building is more or less rotten and beyond repair,and it is proposed to construct in brick a new Store entirely,properly fitted up,with departments for the various classes of goods,and with the means of showing them properly,both internally,and by large windows. Mr.Blake thinks that the newer part of the West building might be converted into a dwelling house,but this must be left for further consideration. If the old Carpenter's shop

and the present Storekeeper's house were taken down,there would be a corner space left of 45 by 25 yards,which would provide two frontages. It does not follow that the whole of the ground would be needed,and the whole plan will have to be carefully thought out. Probably the best way of proceeding will be to get an architect to design the building,and go to a firm of shopfitters for the interior; but this will not be taken in hand so hurriedly that time will not be afforded for you to make any suggestions that may occur to you. It has been suggested that business might be drawn to other Stores if the East one were closed; but there is probably not much in that,and it could be got over to a great extent by establishing a system of receiving orders at the East Store to be executed by telephone. Whatever loss there might be would be more than counteracted by the better facilities for showing and selling goods at the new building,and after all the retail trade in Stanley cannot amount to much as compared with the sales and deliveries to the Farm and clients. I do not think that any statistics on this point have ever been collected,and you might,when you can find time,make an analysis of the sales for a year under the three heads of Stanley retail,Clients,and shipping,in fact a fourth might be useful,the sales to publicans, which could not be affected by the alteration.

18. The arrangement made for supervision of the buildings and premises belonging to the Company by Captain Thomas seems excellent,and meets with the Directors' approval,as does the suggestion that our carter should periodically remove rubbish as the dustmen do in a town at home.

19. Mr.Blake has mentioned the "Glengowan" and the "Sabino", both of which seem to be quite useless,and eyesores in the harbour. He recommends that anything useful should be removed from the former,and that she should then be taken out to sea and sunk. I will go one better on that,by suggesting that when you have a man of war in harbour you should tell the Captain that if he will do the necessary stripping he may take her out and use her as a floating target for his big guns. I feel sure that such an offer would be jumped at. With regard to the "Sabino",the precedent of

the "Leon Crespo" and I think one of Dean's worn-out hulks might be followed. I remember that Hallett bought one or both of them for a small sum,after he had retired from work as a carpenter,got them on the beach by permission of the Government,and broke them up at his leisure. In such a vessel as the Sabino there would be a good deal of useful fencing and firewood,as well as copper and metal,and although it would hardly pay us to put on carpenters at 1/.an hour,it ought to pay a man working for himself to pay us £50 or £100 for the hulk,and break her up at his leisure. It is, in fact,such a job as should suit old Biggs. You should see if you can get an offer for her.

20. Facilities for handling cargo seem to vary much at the outports,and Mr.Blake points out that at Dunnose Head there are none at all,while at Weddell Island they are very defective. At the first place there is no jetty and there are no men,consequently all the shore work,which is expected to be done by the farmers, has to be carried out by the crew of a schooner calling there, and serious delay is the result. At Weddell Island the jetty is defective,and cargo cannot be worked at all states of the tide; this could be remedied by lengthening the jetty,and with the wreck of the "Castalia" to draw from this ought not to be an expensive job. At Punta Arenas the facilities afforded to vessels at the various ports are considered in the freights,and Mr.Blake instances the case of Cabo Curioso,where the rate is double that charged to San Julian,although the distance is less. Is there anyone representing Packe Bros.of sufficient authority to remedy this shortcoming,and provide better facilities,if asked to do so? Such matters are always better settled locally; but if necessary I must tackle Mr.Buckworth,although he is,as you know,a somewhat explosive personage. About Weddell you had better write to Mr. Williams,and I will also say something to Mrs.Williams on this side.

21. I must take the opportunity shortly of tackling Mr.Carpenter about the Port Stephens business,and it will be a good thing to do so while Mrs.George Dean is in England. It seems that you have given them a good deal of assistance lately,far more

than they had any right to expect,over the arbitration case and their land purchase. This is all very well; but we must know as soon as we can whether this is going to bear fruit,or whether they intend to use us when convenient,and let all business out of which a profit can be got go past us. Although under the agreement for purchase I believe that we have no legal claim on them,there was so much in it about doing all they could to promote the Company's interests that we certainly have a moral one,and Mr.J.M.Dean recognized this to the end of his life,and was one of our staunchest supporters. There have been two obstacles in the way of pushing our claims hitherto; we ceased to buy goods on commission some time ago,and they then employed Spearing & Waldron,and we have not,as a matter of fact,been in a position until this year to give them proper shipping facilities,this disability dating from the first of our schooner losses. But we have resumed buying again, and while we have three schooners afloat there seems no reason why we should not be able to serve them better than they have been by the more or less crazy sailing ships chartered in Leadenhall Street.

22. A request has reached us from W.Biggs through Mr.Blake with regard to his pension,which ceases when he is at work. It is very proper that it should be so when he is earning full pay from ships or from us; but the Board are willing to adopt the suggestion that you have made that the pension should run on when he works for outsiders,especially as he is only able to put in a few hours usually. It can hardly pay us to employ him at full pay,and to put him on a ship is scarcely fair. Possibly the suggestion I have made about the "Sabino" may be taken up,and the pension question will not be raised.

23. Since beginning this despatch the "Huanchaco" has arrived in the Thames,and your despatch 333 and letter of the 5th February have been delivered.

24. 333-2. I doubt if a copy of the lease of the Admiralty land would be of any use to you. It gives us grazing rights only at £15 per annum; that is the substance of it,but it is a lengthy document. In 1906 the Admiralty offered us a lease of the whole

property,including the buildings,a condition being that we were to be responsible for the maintenance of the latter. This was declined with thanks.

25. Par.3. Correspondence with reference to Mrs.Hansen's hides had already been prepared for transmission. There has been a mistake,but wholly through the fault of Braun & Blanchard themselves,who shipped the hides and advised us that they were under the mark L,that is to say Roy Cove. They were duly sold and accounted for,the a/sales having gone out on the 5th June last year to the credit of Bertrand & Felton. A singular feature of the episode is that although presumably they reached Mr.Bertrand,he has allowed half a year to elapse without repudiating the ownership. The moral of this is,and it should be rubbed into Mrs.Hansen,that she should transact her business solely with the Falkland Islands Company.

26. Par.4. The report of the "Malvina"'s second voyage under oil is satisfactory as regards consumption,but it raises doubts as to whether too free a use is being made of the engine or not, as you do not say what the weather was ,and it was hardly likely to have been a dead calm again. Of course if it was,it shows the usefulness of the boat once more,but the reference to the return trip from Lively Island indicates that it would have been used if the lubrication had not failed,and yet the voyage was performed, rather suggesting that the engine would have been unnecessary. It rests solely with you to see that economy is duly observed,and if the Captain feels that he has a new and pleasing toy under him to be played with on all occasions,this tendency should be repressed. It is gnerally known that on railways engine drivers have a premium for coal saving,and though a scheme of this sort would be difficult to work out without more experience,I commend the suggestion to you as one that might be useful. You will,of course, scrutinize the log book,and see that oil is only used when the occasion warrants it,and if the Captain sees that you are watching his mode of working he will understand what is expected of him.

27. Par.6. You should charge the compensation for the labourer's accident to the P.S.N.Co.,and see what they say. I have not yet got the policy against accidents,although I have asked for it.

28. The "Huanchaco"'s cargo is an excellent one,and as large as we have any right to expect,the order having been for 2000 bales. It is,perhaps,as well that 199 bales were shut out,as the prospects of the approaching sales are not bright. We will send you the exact weight and measurement of the total shipment as requested.

29. There are no fewer than 8 bales Wool of our own in dispute,but Captain Bindley tells me that owing to working at night it has been impossible to avoid the discrepancy. Of the clients' Wool,the specification gives 429 and the Bills of Lading 414,and yet there is no note that there are 15 in dispute. Whatever the errors may be,the specification and the Bills of Lading should agree,and until this time any discrepancy has been noted on the former. There is a serious error over the wool and skins from Baillon & Stickney,which are consigned to Hoares,and how this blunder arose must be explained,for the instructions sent out in 1901 have never been rescinded. In addition to the trouble given in having to rectify the error with the P.S.N.Co.in the matter of freight,it caused the skins to get into the wrong hands,as all consigned to us go to Anning & Cobb; fortunately Mr.Ansdell telephoned to me when he got the Bill of Lading,and offered at once to give them up,which I thought very good of him,as he had a perfect right to stick to them. The greatest accuracy is needful in matters of this sort,and more care should be taken in future in making up specifications.

30. A large parcel of documents with a covering letter has just arrived from Messrs.Bischoff & Co.,and these will be despatched separately. I think that the execution of the preferable lien will have to wait until Mr.Bonner's return to the Islands.

I am,Sir,

your obedient servant,

Managing Director.

Enclosure per Supplementary Mail via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oropesa"

General Invoice goods per "Oropesa"

B/L Cargo per "Oropesa"

Rippingille's Invoice for Tobacco Cutters

Clients Reports & contracts:-

H G C	10	bales	Sheepskins	ex "Oronsa"
J B	32	,,	,,	,,
△ F B	4	,,	,,	,,
△	12	,,	,,	,,
S	8	,,	,,	,,
AP	8	,,	,,	,,
J F	16	,,	,,	,,

(contracts) only W E D Quantity Sheepskins ex "Esmeraldas"

Clients' Invoices :-

Bertrand & Felton	goods per	"Orissa"
H.& G.Cobb	,,	,,
Henry Waldron	,,	,,
Stickney Brothers	,,	,,
Darwin Telephone A/c		,,
Henry Waldron	,,	"Oropesa"
Bertrand & Felton	,,	,,
Dr.Foley	,,	,,

J.& R.Tennent's letter of the 13th March.

Anning & Cobb's market reports

Press copies Brokers' reports & contracts.

London 14th March,1908

Enclosures via Liverpool

Duplicates

Desptach No.1048 dated 12th February.

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice goods per "Orissa"

List of General Cargo per "Orissa"

List of Clients' Cargo per "Orissa"

List of Dutiable goods per "Orissa"

List of Parcels

B/L General Cargo per "Orissa"

Second of Exchange for £ 35 . 8 . 11

Clients' A/sales & contracts:-

△	20	casks Tallow	ex "Esmeraldas"
J F	31	,,	,,
W E D	22	Salted Hides	ex "Orita"
McG	30	Salted Hides	"Esmeraldas"
◇B◇	8	,,	,,
S	61	,,	"Orissa"
H & B	43	bales Sheepskins	"Esmeraldas"
K	6	,,	"Orita"
F	9	,,	,,
◇B◇	2	,,	"Esmeraldas"
T R	3	,,	"Orita"
L	16	,,	"Esmeraldas"
F	1	,,	,,
McG	13	,,	,,
M V	4	,,	,,
B B	5	,,	,,
W E D	25	,,	,,
W E D	16	,,	,,

S	3 casks Tallow ex "Oronsa"	)	
H G C	20 casks ,, "Esmeraldas"	)	contracts only
H & B	13 ,, ,, ,,	)	

Clients' Invoices goods per "Oronsa"

A.Reid	17/10		
Vere Packe	3	16	6
Mrs Reid	2	19	9
Stickney Bros.	5	14	6

Charter-Party ship "Hans"

London 11th March, 1908

Enclosures via Liverpool

Originals

Copy of Cablegram sent

Copy of Cablegram received

Particulars of Company's Wool for 1907

Copy of letter from Braun & Blanchard of 25th February,1907 re consignment of Hides ex "Titania"

Copy of letter from T.Sharp of 25th & copies of Smith's of 25th & 28th January & our reply of 27th February.

Clients' A/sales :-

	H & B	13	casks	Tallow	ex "Esmeraldas"
	H G C	20	,,	,,	,,
	S	3	,,	,,	"Oronsa"
	H & B	5	,,	,,	"Esmeraldas"
contracts only	J B	54	,,	,,	,,

Corrected General Invoice goods per "Orissa"

B/L Coals &c.per "Hans"

Suppliers Invoices Coals &c.

General Invoice Coal &c.per "Hans

x Letter from Bischoff & Co.of 11th March with enclosures re Bonner Estate.

,, ,, 10th March with enclosure re Insurance .

Letter for A.L. Allan.

X under separate cover.

London 11th March,1908

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 8th April, 1908.

Per Oravia.

V° 1044.

Sir,

I have to acknowledge the receipt of despatches as follows:- no.333 on the 10th,334 on the 16th,335 and 336 on the 23rd ult., and 337 on the 6th inst.,also of letters of the 25th and 26th of February.

2. I see that no.333 has already been acknowledged. 335-2.The breaks are a great nuisance for the time being; but has not the Lighthouse line been left alone by the birds for some years now, and is it not likely that the same will be the case with the new one? Telegraphs are run all over Scotland,protected only with discs on the wires,and it is understood that in a comparatively short time the instinct of the birds keeps them off the line. Perhaps the worst time has been just after the young birds were fledged,and it is to be hoped so,for the cost of replacing the wire throughout with the heavier gauge will be a heavy additionto the expense.

3. Par.3. I will see our Solicitors about drafting a lease of Bleaker Island.

4. Par.5. You should not pay more to the master of the "Gwendolin" than to any other of our skippers. Because the owners of the "Margaret" chose to pay absurdly high wages to their Captain is no reason for ~~their~~ our following suit. If the man has a certificate it might warrant your giving him 10/.or 20/.more per month than the usual pay; but as you say the profits made by the schooners are low,and do not warrant high wages. Your report of Ennenga shows an improvement in his ways which we must hope will last.

5. Par.6. The explanation afforded by the correspondence with

W.A.Harding,Esq.,

Manager,

Stanley.

the Governor about the sealing licenses is somewhat vague,and I have not had an opportunity yet of getting an explanation from Mr.G.A.Cobb. It is satisfactory to hear that the matter can be settled without difficulty or friction; but we must not submit to any licenses being granted under which a stranger would have the right to land on any of our freeholds in search of seals,and sooner or later,I am inclined to say,we must come to a decision on the ferae naturae question. My belief is that in the open season we have the right to kill any seal found on our land above high water-mark: I say the open season,because I think that the Ordinance establishing a close time would apply to land of any kind.

6. Par.7. What you say about the engine of the "Malvina" being used only when absolutely necessary is excellent reading,as it shows that both you and the Captain are alive to the necessity of running it economically,and you have answered in anticipation some remarks made on this subject last mail. I took a copy of Baseley's letter to Gardners,and sent it to Norris & Henty,a copy of whose reply will be found enclosed. I mentioned what Mr.Blake told me about the long time it takes to get the engine going,and you will see what they say about this,and the steps they recommend to be taken to overcome the fault.

7. Par.8. Your explanation of the distressed seamen affair is quite clear; we have not heard anything yet from the Board of Trade,and if they have to climb down probably they will do it in silence.

8. Par.10. There is not much more to be said about the "Duc d'Aumale". It was remarked last mail that the fact that your hands were tied through the want of an Engineer was unfortunate. The "Samson" has been out about eight years,and this is the first time that the want of more powerful pumps has been suggested. As a matter of fact,I suppose that there is little doubt that her own salvage pumps,which earned the salvage on the "Leon Bureau", would have done the trick on this occasion too,but naturally in a longer time. In the Straits of Magellan wrecks are so frequent that it answers to keep elaborate appliances for dealing with them, but this does not apply to us unfortunately. With regard to the

Duc d"Aumale,one is almost inclined to suspect that there has been no leak at all that has not been under the control of someone,and that the safe arrival of the vessel in Stanley must have been a profound disappointment. Most people know that when a Frenchman gets into difficulties his sole idea is to get rid of the vessel, either by condemnation or otherwise.

9. Par.17. I have not seen Mr.Barringer,or would have asked him about a Richardson's Indicator. Is it suggested that it would be of any practical use to us? From what you say it would appear to indicate the horse-power,but would the knowledge be of value to us - would it add to her power,for instance? Bear in mind that during his first half-year every new Engineer is continually asking for something to play with,useful or the reverse: I have had experience of this in the Islands,and you too,I dare say.

10. 336-3. Even allowing for the late arrival of stores by "Galicia" the increase in the stock is rather appalling; you will, of course,see that orders are not sent which are likely to raise the amount locked up in dead stock.

11. Par.6. The increase in insurance seems large,but it must not be forgotten that the "Hornet" and "Fair Rosamond" were of little value,and were correspondingly insured,while the cost of those lately sent out must be covered. The result of the working is so poor,that we shall have before long to consider whether we can continue to run at the present rates.

12. 337-2. We shall probably recover the value of the boat lost out of the "Malvina"'s davits,but it is not the less annoying,and you ought to insist on boats being got in-board,as I wrote not so very long ago in reference to a similar mishap with the "Lafonia". It takes a little longer to get them in and out, but when on deck they are safe,which they certainly are not in the davits.

13. Par.3. I shall take an opportunity of speaking or writing about the small profit shown on keeping Dean & Anson's account.

14. Par.5. There has been no time to confer with Mr.Blake as to Morrison's financial standing - in Patagonia. From a cursory glance at Mc.Kay's account I should say that it does not afford

evidence that he made Bluff Cove pay; for,although all produce sold appears to his credit,there are no payments sufficiently large to represent £100 for rent,and the Stores purchased during the year are insignificant in amount. It is true that Bender's account,thanks to the unusually high price of wool in the last two years,has been reduced,but wool has come down with a run,and the probability is that unless great care is taken this account will go up again. With regard to A.E.Felton's account,the reason for drawing attention to it was given at the time; the value of his produce had fallen very short of what he owed us. 1906 opened with a debit of £276.12.7,and in 1907 this had increased to £536.10.6, but through good prices the debit fell to £28.14.1 at the end of last year,as you say.

15. Wool has fallen in a disastrous way,and we are just now back to the prices of five years ago. The reduction in the value of the Company's wool this year,if prices remain the same,is likely to exceed £20,000. With this knowledge,you will need no warning not to make over advances.

16. As the South American Missionary account came in before the end of March,they gave us a cheque for the amount,subject to any error that may be pointed out by Mr.Whaits. If,therefore,you have drawn we shall cancel the bill. You understand that,in future, you are to draw as Dean Brandon did,when the account has been certified by Mr.Whaits. Details of Store accounts are,I believe, required,but the bare summary of amounts sent this time is of no use whatever,in fact it is only repeating what is already in the account.

I am,Sir,

your obedient servant,

Alex Lowe

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1043

Ledger & Journal Entries

Remarks on Accounts

General Invoice goods per "Oropesa"

List of Dutiable Goods per "Oropesa"

List of Parcels

List of Clients' Cargo per "Oropesa"

General Invoice Coal &c. per "Hans"

B/L General Cargo per "Oropesa"

Remarks on Stores

Replies to Remarks on Stores

List of Enclosures

Clients' Reports & Contracts:-

H G C	10 bales	Sheepskins	ex	"Oronsa"
J F	16 ,,	,,		,,
AP	8 ,,	,,		,,
S △	8 ,,	,,		,,
F B	4 ,,	,,		,,
△	12 ,,	,,		,,
W E D	Quantity	Sheepskins	ex	"Esmeraldas"
J B	54 casks	Tallow	ex	"Esmeraldas"

A/sales S 5 casks Tallow ex "Oronsa"

Clients' Invoices goods per "Oropesa"

Bertrand& Felton	6	5	7
H.Waldron	12	1	8
H.& G.Cobb	16	14	-
Stickney Brothers	33	1	10
Darwin Telephone Ø&c	2	4	4

London 8th April,1908

Enclosures via Liverpool

"Originals

Copy of Cablegram sent

Copy of Phoenix Assurance Co's policy No.2827

Wool reports

Copy of letter from R.C.Watson

Clients A/sales,reports & contracts:-

	J B	171	bales Wool	ex "Huanchaco"
	S I	1	,,	,,
	H	60	,,	,,
	F B	10	,,	,,
	B	23	,,	,,
	L	41	,,	,,
	S	140	,,	,,
	H & B	108	,,	,,
	W E D	Quantity	Sheepskins	ex "Esmeraldas"
	W E D		,,	,,
	AP	8	bales Sheepskins	ex "Oronsa"
		12	,,	,,
	H G C	10	,,	,,
A/sales only	J B	32	,,	,,
	J F	16	,,	,,
	S	8	,,	,,
	F B	4	,,	,,
	J B	54	casks Tallow	"Esmeraldas"
	H & B	5	,,	,,
Report only	A N	1	cask Sealskins	,,

Brokers' copies A/sales &c.Co's Wool & Skins ex "Oronsa"& "Huanchaco"

Copy of letter from Norris & Henty of 25th March with illustrations &c.

Copy of letter from Moser & Edwards dated 31st March. re casings.

Copy of letter from H.Clarkson & Co.dated 8th April re "Helene Blum"

Letters for the following:-

W.A.Harding.

A.L.Allan

E.J.Mathews

London 8th April,1908

Enclosures per Supplementary Mail

Originals

- Ledger & Journal Entries
- Remarks on Accounts
- Remarks on Stores
- Replies to Remarks on Stores
- List of General Cargo per "Oravia"
- General Invoice goods per "Oravia"
- Report on Baillon & Stickney's Wool ex "Huanchaco"
- Austin's incoice goods per "Oravia"
- Nautilus Co's.invoice goods per "Oravia
- Sight Draft on J.Kirwan for 18 . 17 . 9 for collection B/L attached.
- A/sale A N 1 cask Sealskins ex"Esmeraldas"
- Copy of Cablegram received.
- Particulars of Cargo per "Huanchaco"
- B/L general Cargo per "Oravia"

Clients' Invoices goods per "Oravia"

Bertrand & Felton	1 . 16 . 3
W.Fell's Estate	21 . 13 . 9

Letters for the following:-

A.L.Allan & W.A.Harding.

London 11th April,1908

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.) Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 6th May, 1908.

Per Oriana.

No. 1045.

Sir,

I have to acknowledge the receipt of your despatch no.338, which arrived on the 21st ult.together with your letter of the 24th of March.

2. Par.2. I have had a conversation with Messrs.Dalgety & Co.'s Insurance Manager,and his opinion seems to be that when an accident occurs we should make compensation in conformity with the endorsements on the policy,and this would give Stanley men one-half of their average weekly wages,not exceeding £1. In the case of Campmen,whose wages usually run on,we should put in the claim in the name of an injured man,and this would come to us. Any case sent forward should be substantiated by a medical certificate. The first one would be a test case,but I think that it would be paid. As regards marine risks,if we did not insure the others,it is doubtful if we could get them taken except at an enormous premium.

3. Par.3. We will have the forms for telephone messages printed,but I must again point out that using the line as a telegraph one is contrary to the usage here,and everywhere else,I believe,the universal custom being to charge for each conversation by time.

4.Par.5. If the extension of details of freights on produce causes so much extra labour,it had better be dropped.

5. Par.8. It is good news that the "Malvina" is being so well pushed,and if you can get the new master to temper his zeal with discretion,he will prove to be a valuable man. I regret to say that there is no claim to be recovered for the boat,as it amounts to less than 3%. I hope that you are insisting on boats being car-

W.A.Harding,Esq.,

Manager,

Stanley.

ried in board for the future.

6. Par.9. I felt sure that when Baseley settled down he would prove to be a man above the average. Mr.Cumming from personal knowledge spoke most highly both of his ability and conscientiousness.

7. Par.10. We have got through something like half of the Governor's term of office without having had to appeal to the Colonial Office against any proceeding of his,and our relations up to the present have been harmonious beyond precedent; it seems therefore a pity to have to invoke the aid of Downing Street against him,and it may yet be avoided if he can be got to listen to reason. But our case about sealing on our lands is so clear,that we shall be unable to help ourselves if he maintains his present position. I have laid the matter before our Solicitors,Messrs. Bischoff & Co.,and their opinion has only reached us this week. It is contained in a letter dated the 2nd inst.,and it would be advisable to let the Governor see this,as it is a convincing exposition of the law of the case. He seems to have an idea that because sealing rights are not included in the Lafonia Grant we and our tenants are debarred from the privilege of getting free licenses; the very reverse of this is the case,for free licenses are given to those lessees of the Crown in whose leases sealing rights are not reserved by the Government,and consequently freeholders,whose Grants are silent on the subject,are,if anything, still more entitled to the same. Messrs.Bischoff's second or covering letter of the same date is for your own information and guidance,and is not intended for the Governor's eye. They raise the curious point that the Ordinance requires <u>every</u> person who kills seals to have a license,and suggest that strictly servants or agents employed by a licensee would require them also. This, however,is a subtlety not likely to have occurred to the Government mind,and the point arises probably through imperfect drafting of the Ordinance. I have replied that in practice the issue of a license to an individual carries with it the right of using as much help as may be needful; sealing is not a single-handed job, and we know that Mrs.Hansen among others possesses one for the

Jason Islands,and does not take out a separate license for each of her half dozen or more sealers. The idea of our venerable friend climbing over the rocks,with a rifle in one hand and a club in the other,intent on the destruction of seals,is one that cannot be thought of withoub emotion. As to the rules issued by the Governor in Council,they say that these might materially affect our Common Law rights,and as we have no copy of them you should send them by return mail: they add that it should be seen that they do not oppressively affect our interests. The reference to a sealing license granted to an individual to kill seals along the south coast,including numerous islands of ours,suggests that it is still in existence; but they have misunderstood me; this license was for last year only and has expired. Mr.G.Cobb tells me that it included Lively and Speedwell Islands,and that the holder had actually asked you to land him on the former,but that he was unable to make use of it as you very properly declined. If you can get this license,or a copy,it may be useful to us; I believe that Gledall was the holder.

The question of payment or non-payment for a license is a small one compared with that of the right apparently assumed by the Governor to allow strangers to land on islands and other places belonging to or occupied by others without the leave of the latter; if this were maintained it is impossible to say what injury might not be done to stock,or what robberies might not take place,and you will see that you are advised at once to protest to the Governor against the granting of such licenses,should he persist in that course. Messrs.Bischoff have sent you a copy of the Privy Council judgment in 1864 in the cattle killing case,in which our contention on the subject of ferae naturae was upheld. I may add,though it it perhaps unnecessary,that although the seals on our land belong to us we must observe the close time,just as the occupier of a moor in Scotland cannot shoot grouse before the 12th of August. I am sorry that Messrs.Bischoff's letter arrived too late to send the cable you suggested; but it will not matter much,as if the license has been paid for the money will have to be returned,or any other license affecting our rights cancelled.

8. Par.11. The Board have considered your remarks about the increase of work in your office,and the present insufficiency of the staff to cope with it. The first three months in the year are naturally the busiest,and you may find yourself less pushed as time goes on. It is not desired that you should always be working at the highest possible pressure,and the Board are already considering what will be the best steps to take to relieve you.

9. Your letter of the 30th March containing the "Kenuta"'s Bills of Lading arrived on the 4th inst.from Montevideo,and the ship was at Las Palmas a few days ago. There was a reference to an accident to the "Gwendolin",likely to delay her a fortnight, which is bad news. Some other letter or despatch must be on the way,as no report of this has reached us. The Bills of Lading were sent in an irregular manner,as all three copies of the one for 254 hides and sundries arrived,and those for outsiders were not the usual copies,but were signed.

10. Prospects in the wool market are worse than ever,and we have decided in common with a number of Australian merchants not to offer more than half our consignment at the approaching sales. A further drop of 15% is expected,and we are now within measurable distance of the prices of 1901.

11. I thought lately that a suitable time had arrived for remonstrating with the P.S.N.Co.on the subject of the concession made to Dean & Co.on the passages for labourers for Port Stephens, which you reported had been granted at less than the special terms conceded to us,and on the strength of it I asked them to give us 15% rebate all round. To my surprise they have replied that the rate you mentioned had been given to no one in 1906,but that they issued a large number of tickets at £12.10/.to one firm who were sending men both to the Islands and Patagonia by the same steamer. It now rests with you to substantiate your statement,which,in view of the positive manner in which you made it,I have no doubt you can do.

12. I regret to say that the draft on account of the "Belford" has been returned unpaid. The Managers asked us to renew it, which was clearly out of the question,as we could not get the

Master's signature,and any other substituted for it would at once deprive us of our maritime lien on the ship. The matter is in the hands of Messrs.Ince Colt & Ince,and we have insured our interest in the ship to cover the risk. The General Average statement has not yet been completed,and when the Underwriters pay up we expect to get our money.

13. The account current with Mrs.Bonner's Estate to 31st December has not arrived,although press copies have been received here,and the want of it has caused some inconvenience. It should have been sent to Mr.George Bonner through us,and I am inclined to think that you must have despatched it to him direct,and that it has been lost in the post.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice goods per "Oriana"

List of General Cargo per "Oriana"

Shorter's invoice goods shipped "Oriana"

Sight Draft on J.Kirwan £57 . 13 . 3 B/L attached

Particulars of Ordinanace on hand

B/L general Cargo per "Oriana"

Copy of Cablegram received 9th instant

Credits for the following:-

Vere Packe	1	12	10
Isld.Admn.	14	2	3
,, ,,	2	5	9

Clients' reports & contracts:-

H & B	34	bales	Sheepskins	ex "Huanchaco"
	5	,,	,,	,,
S I	8	,,	,,	,,
F B	2	,,	,,	,,
J B	6	,,	,,	,,
S	6	,,	,,	,,
S & S	5	,,	,,	,,
R B C	4	,,	,,	,,
H	5	,,	,,	,,
H W	10	,,	,,	,,
L	35	,,	,,	,,
B	5	,,	,,	,,
T R	2	,,	,,	,,

Brokers' press copies of above & Co's.Skins per "Huanchaco

Letters for :- W.A.Harding,A.L.Allan,A.Reid.
(2)

London 9th May,1908

Duck

Total cost of Billiard Table & Sundries per Oravia & Orizaba Invoices for the following:-

Bertrand & Felton	35 . 17 . 7
Dr.Born	4 . 2 . 6

Enclosures via Liverpool

Duplicates

Despatch No.1044 dated 8th April

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Particulars of Cargo per "Huanchaco"

General Invoice goods per "Oravia"

List of General Cargo per "Oravia"

Second of Exchange for £ 18 . 17 . 9 on J.Kirwan B/L attached

List of Parcels

List of Clients' Cargo per "Oravia"

List of Dutiable Goods per "Oravia"

List of Enclosures

Clients' A/sales,reports & contracts

A N	1 casks	Sealskins	ex "Esmeraldas"
L	41 bales	Wool	ex "Huanchaco"
B	23	,,	,,
F B	10	,,	,,
S	140	,,	,,
J B	171	,,	,,
H	60	,,	,,
S I	1	,,	,,
△	12 bales	Sheepskins	ex "Oronsa"
J B	32	,,	,,
W E D	Quantity	Sheepskins	ex "Esmeraldas"
W E E		,,	"Orita"
AP	8 bales	Sheepskins	ex "Oronsa"
H G C	10 bales	,,	,,
F B	4 ,,	,,	,,

J F	16 bales Sheepskins ex "Oronsa"	
S	8 ,, ,,	
J B	54 casks Tallow ex "Esmeraldas"	
H B	5 ,, ,,	

Clients' Invoices goods per "Oravia"

Bertrand & Felton	1 . 16 . 3
W.Fell's Estate	21 . 13 . 9

B/L General Cargo per "Oravia"

London 7th May,1908

Enclosures via Liverpool

Originals

Copy of Cablegram received

Copy of Cablegram sent 16/4/08
" " " 17/5/08

Particulars of homeward freight per "Huanchaco"

Corrected General Invoice goods per "Oravia"

Copy of letter to the S.A.M.Society dated 27th April.re account

Copy of letter from Ratsey & Lapthorn,Ltd.dated 28th April re Cotton Canvas.

Copies of letters to P.S.N.Co.dated 1st & 4th and their reply of 2nd May.re fares out.

Copy of letter to Bischoff & Co.with enclosures on the subject of sealing licenses.

Credit notes for the following:-

Bertrand & Felton	2	13	5
George Bonner & Co.,Ld	3	8	7
Packe Brothers & Co.	2	7	6
Mrs Hansen	15	13	9
Island Admstn.	42	2	11

Letters for the following:-

A.L.Allan (2)

W.C.Girling

London 6th May,1908

Ans. Friday 27/28 May 1908 Para 7-8.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 3rd June, 1908.

Per Ortega.

No 1046.

Sir,

I have to acknowledge the receipt of your despatches 339 and 340., which arrived on the 11th and 16th ult. respectively, also of your letter of the 21st April per "Ortega".

2. 339-3. The accident to the "Gwendolin" is now explained; it is a pity that you did not send a duplicate of the "Kenuta" despatch to Montevideo. We expect to make our claim good, but it is uncertain as yet, and may hinge on the question whether there was cargo on board or not, a statement as to which should always be sent in case of a claim for damage.

3. 340-2. The "Malvina"'s magneto will be repaired and returned.

4. Par. 4. You are quite right about freight, and in future will have to charge Dean & Anson at a higher rate.

5. Par. 6. The owners of the Duc d'Aumale have accepted the draft for disbursements, and have also sent us a small cheque, to which reference is made in Remarks on Accounts.

6. Par. 8. No more need be said about freight on sealskins, unless the P.S.N.Co. raise the question.

7. Par. 9. I shall try to get a mason or bricklayer from Scotland at the end of the summer.

8. Par. 10. We have been discussing the Store building, and I hope that we may get our ideas in shape before long. Any information you can give about levels will be valuable.

9. Same par. The Directors think that you have probably acted wisely in giving Gorton notice to leave; but would have liked something more explicit than a colourless statement that "he has

W.A. Harding, Esq.,

Manager,

Stanley.

"not for some time past given the Company the full advantage of "his abilities". If you did not like to set out your reasons in full in the despatch,you might have mentioned them privately. As regards the passage home,he is,of course,entitled to what his agreement provides; but the Board are much against enlarging the scope of the passage arrangements that we are obliged to undertake. Practically what we do,in consideration of the isolated position of the Islands,is to return those of our employees to England who are, from the nature of their service,unable to get other work of the same kind. Thus we do not pay the passages home of shepherds or labourers,but officials,engineers,schoolmasters,and the like we send home. But although we do this for a man and his family,the privilege does not extend to his sisters and his cousins and his aunts. In Gorton's case you tell us that he has been guilty of some unnamed misconduct justifying dismissal,and ask us to reward him for it by making him a present of £45. The Directors do not see their way to adopting your suggestion. We shall have shortly to look out for a suitable successor.

10. Par.11. What you say about removing rubbish is reasonable; the idea of removing it was suggested by Mr.Blake,I think, as the best means of insuring proper sanitation; but you might, perhaps,be able to insist through Capt.Thomas on back premises being kept in order,with an intimation that if neglected it will be done at the expense of the occupiers themselves.

11. Par.16. Perhaps it will be just as well for you to have a copy of the Admiralty Lease in view of the Governor's action about the keys,and I am having one made,though it will not give you much information. The only buildings referred to are connected with the rifle range,the use of which they reserve to themselves. As the Governor has sent you the keys,I would suggest that you should intimate to him that you will,if he wishes,put them in your safe,but that the Company cannot accept any responsibility for the maintenance of the buildings,or for any damage that may happen to them,and you might add that we do not intend to use them in any way,or even to enter them.

12. Par.21. The Directors have fully considered your remarks on the office work,and have alreay intimated that steps will be

taken to relieve the pressure. We hope to hear that this step will not be pressing for some little time,for the work in the winter cannot be as arduous as during the time you are making up the annual accounts. There are three in the office,and your position must surely be better than it has been on several occasions when one of the staff has been at home for the summer. With an even distribution of work it ought to be possible to carry on until the strain of the accounts comes on again. We shall be glad to hear what you have to say as to this,for the Directors would be the last people to wish the office to be overworked.

13.Par.22. It is absurd of the Governor to say that no local enterprise exists; we have often said that if we could see our way we would take up the question of a steamer; but it always comes back to the same point,that you cannot meet a certain expenditure of £5000 with a revenue of £4000,and the Sandy Point people know this as well as we do. They are pretty hard hit themselves with the fall in wool,and are unlikely to go in for a losing business for the sake of glory. Get the farmers to consent to a payable rate of freight,and the thing will be more than half done. But we know that Waldrons are pledged to sailing vessels, and that Anson will not look at the P.S.N.Co. If these and the Deans would come in at the rates you suggested some time ago,a steamer might be within reach; but they will not do it. Even if the Governor makes a contract with an outside owner,we command enough wool to make it too hot for him to keep up. You will,of course,keep your eyes and your ears open,and see that no paying contract is offered without our having a chance of tendering for it. But I cannot see that less than £1500 to £2000 a year as subsidy would be worth taking up,unles freights were revised also, for we must look for a gross revenue of not less than £6000 a year,before the matter can be seriously considered. £5000 might clear us; but we want a profit as well,and something to compensate us for the loss in laying up or disposing of the schooners.

13. Par.25. The Directors have considered Captain Thomas's request for consideration in the matter of his holiday,and they

have decided that,while they cannot depart from their decision on the question of passages,they will stretch a point in his favour by allowing him half pay during his absence,which should certainly not exceed six months. You have not mentioned how long you propose to let him be away,but we assume that that would be the maximum. Mr.Blake reported very favourably on the energy shown by Thomas in the discharge of his duties,and for that reason the Board have decided to make this concession. It is true that he has not received extra pay for overtime,but that,we understand,was part of his agreement,and on the other hand he has profited to a large extent by his share of the two salvages,and we hope that he may have other opportunities of the same kind.

14. Par.26. Your cable showing that the wool for us per "Lima" is some 500 bales short of the quantity you mention probably means that you have a fair quantity for outsiders,or it may be that the steamer had not sufficient room. At the present time we are not in a hurry for wool,and if there has been a shortage it will not be of much consequence.

15. Par.27. The experiment with rats is very interesting,and we are sending out a supply of Ratin,all of no.2 quality,as the other will not keep nearly as long,and is not recommended for export. This,if successful,may be of the greatest use in protecting sheepskins,and we hope that you will try it thoroughly.

16. Par.28. We have seen Messrs.Steves about the "Simla",and the Master will draw on them as usual. They are sending out a new Master for the ship. With regard to the "Samson",I put all Baseley's reports into the hands of Messrs.Jacobs & Barringer,and enclose copy of their remarks in reply. You can communicate as much of what they say as you think advisable,but you will see that it is not entirely pleasant reading,as it suggests a want of knowledge on several points. Perhaps you can talk it over with some Engineer on one of the steamers,and if you have anything to say in reply I will see Mr.Barringer again. You know that the firm are consulting Engineers to some large lines of steamers in London,and whatever they say may be depended upon.

17. As mentioned last month,we held back some 900 bales of

the "Kenuta"'s shipment,including our own,and that of clients whom we were unable to consult. The latter were not entirely of one mind,and with the varying opinions expressed by experts as to the future course of the market,we did not venture to reserve any of which the shippers are at present in the Islands. Should there be a further drop in July,such a course would produce great dissatisfaction,and it was better,therefore,in the absence of instructions,to follow the market as usual,and sell if there was good competition. The sales opened with a severe drop,but this was partially recovered before ours came up,and at the close the fall seems to be estimated at about 5%. At the lower values there was spirited competition,and it is quite possible that we may see better prices in July. The valuations of our wool put it about ¾d. per lb.below March.

18. In anticipation of the General Meeting on the 22nd inst. I may tell you that it has been decided to recommend a dividend of 30% for the year,and the placing of a further sum of £10,000 to the Special Reserve Fund.

19. The "Belford"'s bill still remains unpaid,and we may have to wait until we can put our hands on the ship.

I am,Sir,

yours faithfully,

Alex Low

Managing Director.

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Stores

Replies to Remarks on Stores

Remarks on Accounts

General Invoice goods per "Ortega"

Langdon's invoice goods supplied

McIvor's ,, ,,

Clients' A/sale :-

W P	4	Salted Hides ex	"Kenuta"
W	25	,,	,,
J B L	31	,,	,,
F B	62	,,	,,
HB	58	,,	,,

List of General Cargo per "Ortega"

B/L General Cargo per "Ortega"

Sight Draft for £54 . 7 . 2 for collection B/L attached

Clients' Invoices for goods per "Ortega"

Vere Packe, Bertrand & Felton

Holmested & Blake, Ld., W. Fell

Stanley A.R.Co., Ltd. H. & G. Cobb

Darwin Telephone Account

Handbook on Boiler Enamel for Engineer

London 6th June, 1908

Enclosures via Liverpool

"Duplicates

Despatch No.1045 dated 6th May.

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oriana"

List of Enclosures

List of Dutiable Goods per "Oriana"

List of Clients' Cargo per "Oriana"

List of Parcels

General Invoice goods per "Oriana"

Clients' ~~Assxxxx~~ Reports & contracts:-

T R	2 bales	Sheepskins	ex "Huanchaco"	
△ FbB	2	,,	,,	,,
◇ B	5	,,	,,	,,
S I	8	,,	,,	,,
S	6	,,	,,	,,
S & S	5	,,	,,	,,
R B C	4	,,	,,	,,
◇ H	5	,,	,,	,,
J B	6	,,	,,	,,
H W	10	,,	,,	,,
♡	5	,,	,,	,,
L	35	,,	,,	,,

Second of Exchange £ 57 . 13 . 3 B/L attached

Invoices for the following:-

Dr Born	4 .	2 .	-
Bertrand & Felton	35	17	7

B/L general cargo per "Oriana"

London 4th June,1908

Enclosures via Liverpool

Originals

Wool Reports

Copies of Cablegrams sent

Copy of Cablegram received

Copies of letter from Montgomery Jones & Co. of 20th & 23rd. May re flour.

Copy of letter to the Admiralty dated 22nd May re coal

Copy of letter to Jacobs & Barringer dated 18th and their reply of 19th May. re Samson

Clients' A/sales :-

S & S	5	bales Sheepskins	ex "Huanchaco"
◇H	5	,,	,,
S	6	,,	,,
L	35	,,	,,
H W	10	,,	,,
R B C	4	,,	,,
T R	2	,,	,,
◇B	5	,,	,,
♡	5	,,	,,
H & B	34	,,	,,
J B	6	,,	,,
△ F B	2	,,	,,
S I	8	,,	,,
♡	4	bales Wool	,,
L	7	casks Tallow	ex "Kenuta"
J B	4	,,	,,
M V	1	,,	,,
R B C	2	,,	,,
H & B	58	Salted Hides	,,
△ F B	62	,,	,,
J B L	31	,,	,,
W P	4	,,	,,
W	25	,,	,,

} per Supplementary Mail

FIC	5 casks Casings ex "Huanchaco & Oronsa"		
S1	61 bales Wool ex "Kenuta"		
H & C	96	,,	,,
J B	135	,,	,,
S	120	,,	,,
AP	222	,,	,,
F	97	,,	,,
J B L	9	,,	,,
M V	13	,,	,,
L	160	,,	,,
P H	77	,,	,,
F B	79	,,	,,
S & S	130	,,	,,
H & B	162	,,	,,

Brokers' copies A/sales Company's Sheepskins ex "Huanchaco" & Wool Reports ex "Kenuta"

Credit note Claim recovered on Typewriter ex "Ortega"

Wilson's Account for Dr.Foley

Envelope sent to us with Mr.Cobb's remark on back

Letters for the following:-

A.L.Allan,W.A.Harding,A.Reid.

Copy of Admiralty's Lease of Land at Stanley

London 3rd June,1908

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851. Limited.

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 1st July, 1908.

Per Orita.

No. 1047.

Sir,

I have to acknowledge the receipt of your despatch no.341, and of letters of 11th and 19th May,all of which came per "Orita", but the despatch was delivered on the 13th ult.,the others arriving on the 15th.

2. 341-4. Messrs.Norris & Henty have considered Baseley's remarks and sketches,and have written fully on the subject,a copy of their letter being enclosed herewith.

3. Par.5. In the matter of a Richardson's Indicator,we really must be guided by the opinion of our Consulting Engineer. Personally I know nothing about it; but,while we have Baseley on the one hand saying that it is indispensable,Mr.Barringer on the other tells us that it is not,and gives some advice as to obtaining the information that the Indicator is supposed to afford. We must remember that Baseley is to Barringer as a very junior Doctor to the President of the Royal College of Surgeons,and accept the fact that our Engineer is not infallible,and may ask for things that are unnecessary.

4. Par.6. It is satisfactory to hear that precautions are being taken against the loss of boats in heavy weather.

5. Par.8. It has always been the practice to deal most tenderly with the Missionaries,and to do things for them that are not prompted by strict commercial considerations. We do not ask for their wool as security for their account,which is always met promptly as soon as the vouchers are in order. I believe,in fact,that to sue them for a debt would be an advertisement that would be right into their hands,for the rush of sympathisers with subscriptions would be so enormous,that they would get the money many

W.A.Harding,Esq.,

Manager,

Stanley.

times over.

6. Par.9. The charter of the "Hans" seems out of the question,as 650 casks would not be much more than half a cargo.

7. Par.10. I am glad that you have been able to complete the freight account on wool,as it is very interesting. You know the whole history of the freight question as well as I do,I think,and you will remember that when we had to come down from our through rate of 40/.& 5% all round to 35/.&5%,for the purpose of meeting the competition of people in London who offered to carry wool from any port in the Islands at the latter rate,we had to approach the Kosmos Co.for a reduction,which eventually,after some hard bargaining,resulted in a compromise,the steamship Company agreeing to come down 5/.on wool from distant ports,while we reduced 5/. ouselves on that from the near ones. The result is as shown; we pay (as farmers) 27/6 to the P.S.N.Co.,while the distant clients contribute only 23/8,but we give our schooners 7/.against 10/6 paid by the farmers. Our ports are much nearer than those of the majority of our clients,and the voyages occupy less time; the net result is that we carry wool from all ports at 35/.& 5% through to London,and by doing that we broke down the competition that was becoming alarming,and drove the outsiders out of the field. In considering this question,it all depends on whether you look upon yourself as a sheepfarmer or a shipowner; if the latter,it is not altogether pleasing; but the thing has to be looked upon as a whole; by retaining the shipment of the greater part of the wool in our own hands,we occupy a position with the P.S.N.Co.that is certainly of value to us,and were we to let the handling of their produce out of our own hands,it is more than possible that their business would slip way from us altogether,that is,the business of the clients. If you can suggest any better way of dealing with this question,the Directors will be glad to consider it. Personally,I think that if we can avoid loss on our schooners,it is about all we can look for. If the farmers,in consideration of a better coasting service,would agree to pay a steamer ⅝d.coasting freight per lb.weight,probably the P.S.N.Co.would agree to reconsider the question of putting on a steamer,and this would be pre-

ferable to running one of our own; but with the wide range of cost,to which you allude,the result of so much unequal pressing, it is,as you say,almost impossible to devise a scheme of charges by weight; and yet that system of freights is in use between Punta Arenas and London,and it might only mean that some half dozen of the smaller farmers would have to supply themselves with better presses for the protection of their own pockets. Of course the present is an extremely bad time to suggest any increase in the cost of shipping wool.

8. Par.11. The table classifying stations according to the facilities given for shipping is useful; I shall have an opportunity of speaking to Mr.Buckworth in a few days.

9. Par.12. I think that,as you will hold the policy on Mr. Bonner's property,and that the payment of a claim would come through your hands,it may not be necessary to have a formal assignment at present; but are not all policies already assigned under the mortgage deed?

10. Par.13. As a successor to Blyth I think we have got a man in whom are concentrated all the virtues that it is possible to focus in a single Blacksmith. His name is Mc.Nicoll; he is 34 years of age,a total abstainer,trained in the country,and a good horse-shoer. About 12 years ago he went to Dundee,where he has been employed in various Engineering and Shipbuilding Establishments. The foreman Blacksmith of the Caledon Shipbuilding and Engineering Co.gives him a splendid character as a tradesman and a man,and the Secretary of the Blacksmiths' Association cannot say too much for him. He has had experience in tempering tools,and all his references confirm the fact of his being a total abstainer. I have engaged him on the same terms as Blyth,but I forget whether the higher wages cover all or any portion of the extra pay that used to be given on shipwork; on this point you will have to come to an understanding,for if we give him high pay all the year round,we ought to retain a portion of this. He will leave by the boat at the end of this month.

11. Par.14. The "Lima" has arrived,and has discharged her cargo.

12. Par.16. Although the mail has been in for some little time I have had no communication from Mrs.Dean about her account,and must write to her. It seems singular that she should have imagined that she gave us a cheque for £473.12.5,there seems something so definite about it,and yet you say that it never reached you,and it has certainly never passed through this office. Possibly she drew it and forgot to send it.

Letter Book p.25

13. You cabled that Mr.Bertrand was on board the "Orita" and we informed his friends,but he came by the "Lima",which left some days before the message could have been sent. I cannot attempt to explain this puzzle.

14. Mr.Moore,formerly chief butcher in the "Slembria called lately to ask,on behalf of the Swift Beef Co.,if there was any chance of getting a regular supply of wethers in the Islands,and if so,what quantity. I told him that it was extremely unlikely that a sufficient supply could be provided annually to make it worth their while; they would freeze on board,as formerly,but send smaller and lighter draught steamers. With all the farmers it would necessitate a re-arrangement of the breeding system,and the enquiries that would have to be made would involve a vast amount of work,that would probably be thrown away. Unless they can make a definite proposal to take so many sheep at so much a pound,I do not think that we need go into it.

15. Lloyd's Register have written about a survey now due on the "Samson",but have agreed to refer the matter to you,as I told them that we could not possibly do it without sending to Montevideo,and that rather than do that we would put up with the loss of class. Our Insurance Broker tells me that he does not think it would make any appreciable difference in the premium,and we should simply have to keep the vessel up in the best possibly manner,both as regards hull and machinery,for our own protection.

16. Enquiries are being made with a view to the engagement of a capable Storekeeper,and until his arrival it will be better to defer considering the question of the new building. We are likely in the course of a week or two to get applications from men who have been in some of the principal Stores in London,such

	1907		Chinese
	550	16 20 0	57 17 2
	3328	16 10 0	9 7 6
a	562	16 10 0	25 8 0
	1288	15 10 0	141 7 2
c	1426	11 0 0	16 6 5
	1437	39 0 0	135 16 2
A	1984	11 18 0	24 6 5
	2517	56 0 0	23 18 9
t	954	11 10 0	79 19 6
	1[illegible]5		380 2 6
u	22[illegible]	192 10	311 11 10
	1433		159 6 6
g	2597		97 19 6
	2[illegible]		1498 7 5
	6870		
	1867		
	1145		
	33023		
	1498		
	32521	120	

Advance
from p. 2180

goods exceed £2300. These

as the Army & Navy and John Barker's and we hope that if we get a capable man the Store will be set on a new footing altogether. Although the goods that arrived at the end of last year exceeded those similarly delivered the year before by over £6500, the figures are sufficiently alarming to call for enquiry. The value of goods shipped out in 1907 was £34,156, or £7,000 more than the previous highest, £27,095 in 1890, the year after we had bought the Deans' business. The lowest since that time was in 1899, when the total was only £16,084. An unsatisfactory feature is that although the shipments have increased so enormously, the sales and deliveries for the year were practically stationary, while the profits were less. In some of the items the increase is remarkable; for instance there are Boots and Shoes to the amount of nearly £1600 against £676 in 1903, Groceries over £5600, and the "Millinery" goods exceed £2300. These figures attracted the attention of the Auditors, and Mr. Sawyer asked me to enquire of you how the Stock was taken and by whom, whether due allowance was made in cases of depreciation, and whether useless and obsolete goods were got rid of. This enquiry may be extended to the Indents, and it should be stated whether they were made out by the Storekeeper unchecked, or whether there has been any supervision. They used to be scrutinized and cut down in London at one time, too much so I used to think, for we were often out of necessaries; but of late it has been assumed that those on the spot must know best what was wanted, and the orders have been executed as they have come forward. But when we see the shipments of one year amounting to £34,000, or £14,000 more than those of the previous one, the feeling naturally arises that they must have been compiled somewhat recklessly. However it may be, it is clear that in the most favourable circumstances the interest on a stock of over £30,000 is an item to be reckoned with where the profits are so comparatively small, and if the amount of the Stock, which is the basis of that profit, is in any way inflated, through incorrect stocktaking or the overvaluation of damaged goods, the position becomes worse. It is not suggested that such irregularities have taken place, and you will understand that this is an enquiry only as to facts; but as we know

that the Storekeeper has not for some time past given the Company the full advantage of his abilities,we want,somewhat naturally,to learn from you in what way his duties have been neglected,and make suggestions on this,that,and the other point,with a view to improvement in the future. The question has been raised whether,in the face of competition by numerous small people,we really make anything at all out of the Drapery Store; we send out a lot of things,no doubt,and there may be a good many sales when the things are new; but what about the residue? Such things we hear rapidly deteriorate,and the great London shops have their periodical sales to clear them,and no doubt do very well. You also had a rummage sale,and cleared £98,but this can hardly represent the amount of stuff that ought to be got rid of,and the question again arises, is all the remainder,saleable or unsaleable,taken into stock at cost price? It is quite possible that the man we select may have a wife who has been in a she-shop,and can take on that department; but if in the end it cannot be proved to be a paying concern,I think that the Directors would give up that class of business altogether. There is another point to be considered at this time with reference to all goods; the fall in wool is reducing the cash that comes into our hands by many thousands of pounds,and it is desirable so to curtail the indents as not to ask us for more than you actually want. This would be right at al l times,but the desirability of it comes home just now.

17. There seems at last to be some hope that the fall in wool has come to an end,and that prices may be higher at this month's sales. At the Sheepskin sales last week there was an all round rise,reckoned at from 5 to 15%; our skins were held over,but buyers in the room were enquiring for them,and we hope to get improved prices at the end of the month. The Americans are buying again,which is a hopeful sign. But whatever the rise,if any,may be,we have to look forward to a bad result for the year.

I am,Sir,

your obedient servant,

Mary Low.

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1046 dated 3rd June.

Ledger & Journal Entries

Remarks on Account

Remarks on Stores

Replies to Remarks on Stores

List of Clients' Cargo per "Ortega"

List of General Cargo per "Ortega"

List of Parcels

List of Dutiable Goods per "Ortega"

General Invoice goods per "Ortega"

List of Enclosures

Clients' A/sales,reports & contracts:-

F	97	bales Wool	ex "Kenuta"
H G C	96	,,	,,
S	120	,,	,,
J B L	9	,,	,,
M V	13	,,	,,
AP	222	,,	,,
L	160	,,	,,
J B	135	,,	,,
R B C	2	casks Tallow	ex "Kenuta"
J B	4	,,	,,
L	7	,,	,,
M V	1	,,	,,
W P	4	Salted Hides	ex "Kenuta"
J B L	31	,,	,,
F B	62	,,	,,
W	25	,,	,,
	4	bales Wool	"Huanchaco"
F I C	5	casks Casings	ex "Huanchaco" & "Oronsa"

Clients' Reports only:-

△ P.H.	77	bales	Wool	ex "Kenuta"
△ F B	79	,,	,,	
S & S	130	,,	,,	

Clients' A/sales only:-

L	35	bales	Sheepskins	ex "Huanchaco"
J B	6	,,	,,	,,
△ F B	2	,,	,,	,,
S	6	,,	,,	,,
H	5	,,	,,	,,
H W	10	,,	,,	,,
R B C	4	,,	,,	,,
◇ B	5	,,	,,	,,
S & S	5	,,	,,	,,
♡	5	,,	,,	,,
T R	2	,,	,,	,,

Clients' Invoices goods per "Ortega":-

Bertrand & Felton	2	13	-
Vere Packe	46	14	-
H.& G.Cobb	1	11	8
Darwin Telephone A/C	1	3	-
W.Fell	2	11	-
Stanley A.F.Co.Ltd.	28	11	-
Holmested & Blake,Ld.	13	18	2

Sight Draft on J.Kirwan for 54 . 7 . 2 for collection

B/L General Cargo per "Ortega"

Enclosures via Liverpool

Originals

Anning's Market Report.

Copy of Cablegram sent

Copy of Cablegram received

Copy of letter from Norris & Henty dated 17th June

Statistics of Company's Produce &c.from 1877 to 1907

Copy of letter from Twining & Co.dated 25th June re Coffee

Copy of 56th Annual Report.

Copy of letter from R.C.Watson dated 25th June.

Copy of letter from Fleming & Haxton dated 24th June.

Copy of letter from R.Davies,Ltd.dated 16th June.re sacks

Sewing Machine Needles from Foster Porter & Co.,Ltd.

Copy of letter from Lloyd's dated 17th June re "Samson" survey.

Letters for the following:-

W.A.Harding & AL.Allan.

Copy of letter from F.J.Mantle dated 30th June.re telephone.

London 1st July,1908

Enclosures per Supplementary Mail

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Repli es to Remarks on Stores

List of General Cargo per "Orita"

General Invoice goods per "Orita

Sight Draft on J.Kirwan for £21 . 1. 0 for collection

B/L general Cargo per "Orita"

Clients' Invoices goods per "Orita"

Fell Brothers

Baillon & Stickney

Stickney Brothers

Bertrand & Felton

Henry Waldron

Mrs Hansen

Clients Reports :-

D H	118 bales	Wool	ex "Lima"
D S	62	,,	,,
T R	64	,,	,,
M & G	35	,,	,,
B	52	,,	,,
W Fell	38	,,	,,
W P	33	,,	,,
H	10	,,	,,
S	41	,,	,,
S 1	59	,,	,,
H & B	65	,,	,,

Bokers' press copy Co's Report on Wool ex "Orita" & Lima

London 4th July,1908

Meet Solicitors. Wool & Tallow Enquiries. Horse fear from Mr.

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 29th July, 1908.

Per Oronsa.

No. 1048.

Sir,

I have to acknowledge the receipt of your despatch no.342 of the 15th ult.,and of your letter of the 17th id.

2. Par.5. It will be interesting to hear what Mr.Hennah says about the passages of the men for Port Stephens,and to learn if they were the party of labourers to which the P.S.N.Co.referred in their explanation.

3. Par.7. I do not think that the anchors of the "Great Britain" had been down for over 20 years,for they were certainly raised at least once between December,1886,and the early part of 1891, when I left Stanley,and I think my memory is clear as to the fact that on that occasion some of the lengths were shifted. Captain Thomas said last week that of course they had been down too long, and that all the moorings ought to be more frequently examined. He has certainly carried out the work with credit to himself.

4. Par.10. The documents relating to G.Bonner & Co.have been sent to our Solicitors for safe keeping.

5. Par.11. The Board have considered the case of Bissett,and have come to a very definite conclusion on the subject. If the man had become disabled through any accident in our service,we should naturally have admitted our liability at once; but since the illness has arisen in no way in the course of his employment,the Directors,while regretting very much that such a serious misfortune should have overtaken him,feel that if we admitted any responsibility we should create a precedent that might be most injurious,especially having regard to the many liabilities to which we are subjected according to law. Mr.Blake says that the Governor must

W.A.Harding,Esq.,

Manager,

Stanley.

have mistaken what he said in conversation,for he would not have pledged the Company on such a subject,and all he could have said would have been that he would recommend it for the Board's consideration. His opinion was,but this you need not pass on,that the Governor having established the Home was anxious for a patient to show the need of it,and rather jumped at Bissett in consequence. Now the view of the Board is,firstly,that we must not acknowledge liability,and,secondly,although if the Home had been an institution supported by voluntary contributions the Company would have been among the first to subscribe,that being a Government one,paid for out of Colonial Revenue,it would be manifestly unsuitable and out of place that we,being already taxpayers,shoulf offer to supplement that Revenue by a private subscription. It may be thought by some who take a superficial view of the case that the Company are taking a hard line; but we are not a charitable institution, and on this point we must take a stand. The Board are,however,willing,while denying liability,to go the length of paying for a homeward passage for Bissett,and if he can by any possibility be sent home this will probably be the best solution of the question. I hope that I have expressed the position the Board are taking up sufficiently clearly.

6. Par.12. Messrs.G.M.Steves & Co.have accepted the draft on account of the "Simla".

7. Par.13. I am obliged for the Ordinances,which will be useful. I suppose that there is no chance of all those now in force being published in book form,as was done in the early seventies.

8. Par.15. I enclose copy of a letter I have written to the Colonial Office on sealing,to which up to the time of writing no reply has been received. I am afraid that you have shown the covering letter from Messrs.Bischoff & Co.,which,as I said in May, was intended for your own information,for you mention that Mr. Grant takes the view that the license was not intended to be a personal one,and this,if you gave the Government a lead,might cause them to raise the technical point,which otherwise might not have occurred to them. I understand that Mr.G.A.Cobb may wish to take some seals this season,but his main object is to prevent

trespass on any of the Islands.

9. Par.16. The analysis of Store sales is interesting,and will be more so when it is carried back. I thought that the percentage of Stanley sales would have been smaller.

10. Par.17. I had intended to make enquiries about the French Consulate as also with regard to the German one. For many years after the Franco-Prussian war no individual could hold both,and I believe that the objection would be held on both sides. Whether the feeling has subsided or not,I do not know; I am sorry I have overlooked the subject,but I will give it my attention.

11. The casings you mention in your letter have been sent to Messrs.Moser & Edwards,but we have no report yet.

12. Mc.Nicoll the Blacksmith goes by this boat. I cannot find out whether we gave Blyth a return passage or not,and as the former has not asked for it it has been omitted. We have engaged a Stonemason named Deprato who has unusually favourable credentials; he has a knowledge of bricklaying,and a smattering of carpentering and slatelaying,in addition to which he is a life long abstainer. He is a Scotchman,son of an Italian who settled in Scotland before our man was born. He will go by next month's boat.

13. At the wool sales now in progress we are getting rather better prices,as you will see by the catalogue. Sheepskins are practically certain to go better at the next sales in our Brokers' opinion. At the same time the falling off from last year's results is lamentable.

14. Captain Thomas arrived by the "Oronsa",and has been here to report himself. He seems to take much interest in his work,and looks like a man capable of making himself useful. The Board's decision with regard to his passage has been communicated to him, and he appears to be satisfied. His wife is going to San Francisco,but he proposes to return to Stanley before very long.

15.A new grate has been bought for Mr.Girling's house,and it will go next mail at the same time as the mason. Wallpapers have been selected by Mrs.Girling,and these have already been sent to Liverpool.

16. 342-2. Since beginning this despatch, I have been into the question of the claims you have put forward under our Accident policy. It has been pointed out that there is no evidence in the papers forwarded that the accidents occurred during the course of the men's occupation, but the Phoenix have passed the claim on the assumption that this point is in order. In making future claims, care should be taken to make the cause of the accident clear. Under our policy we have no claim for medical charges, and compensation is limited to one half the amount of the weekly wages, but not exceeding £1 per week, and excluding the first week. As wages and maintenance in the case of sailors exceeds £2 per week, the claims are passed for the full £1 per week. We have been asked why wages have not been paid in the cases of two of the men, but have to pass the question on to you. Forms for future claims are enclosed herewith. You will, of course, not forget to send us the correct and complete return of wages paid up to the 31st December, and you will have to bear in mind that in the case of sailors wages and maintenance must be included. How you will calculate this I do not know, but you will have to put it on the basis of the cost of food, say 9d. or 1/. per head per day. You will observe that our policy in no way indemnifies us against all expenses, the main object of insuring at all being to cover ourselves against the cost of fatal accidents. One more matter I have to mention; the charges made by the Doctor are considered excessive, and we should like to know if they are on the scale allowed by the Government, whether they are such as would be exacted if the men had to pay them themselves, or whether they were written up because it was expected that they would be borne by the Company or by the Phoenix?

I am, Sir,

your obedient servant,

Managing Director.

Enclosures vis Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores-:

Replies to Remarks on Stores

List of Cargo per "Oronsa"

General Invoice goods per "Oronsa"

B/L general cargo per "Oronsa"

Defries invoice goods shipped per "Oronsa"

Copy of letter from Jacobs & Barringer dated 31st July and Blue Print.

Wool reports

Colonial Annual Reports (2)

Clients' Invoices goods per "Oronsa"

David Smith	£ 12 . 12 . 3
Baillon & Stickney	£ 92 . 9 . 9
Holmested & Blake, Ltd.	£ 1 . 4 . 6
Vere Packe	£ 105 . 1 . -
Pitaluga Brothers	£ 47 . - . 8

Sight Draft on J. Kirwan for £ 40 . 18 . 10 for collection B/L attached

Clients' A/sales

AP	1	bale Wool	ex "Kenuta"
H	11	,,	"Lima"
W, Fell	38	,,	,,
S & S	130	,,	"Kenuta
T R	64	,,	"Lima"
S	40	,,	,,
B	52	,,	,,
W P	33	,,	,,
McG	35	,,	,,
S I	59	,,	,,
D S	62	,,	,,
F B	79	,,	"Kenuta"

P H	76	bales Wool ex	"Kenuta"
P H	1	,,	"Lima"
D H	118	,,	,,
H & B	162	,,	"Kenuta"
♡	247	,,	"Lima"
H & B	65	,,	"Lima"

Clients' Reports & Contracts:-

H G C	2	bales Sheepskins	ex "Kenuta"	
F	3	,,	,,	
P H	1	,,	,,	
L	3	,,	,,	
H & B	4	,,	"Lima"	
♡	3	,,	,,	(report only)
H G C	1 cask	,,	,,	
D H	6 bales	,,	,,	
D S	3	,,	,,	
McG	11	,,	,,	
W.Fell	4	,,	,,	
G	4	,,	,,	
H	2	,,	,,	
B	1	,,	,,	
M V	2	,,	"Kenuta"	
S & S	2	,,	,,	
W P	2	,,	"Lima"	

Brokers' press copies for the above

Letter for W.A.Harding.

London 1st August,1908

Enclosures via Liverpool

Duplicates

Despatch No.1047 dated 1st July

Ledger & Journal Entires

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoices goods per "Orita"

List of General Cargo per "Orita"

List of Dutiable Goods per "Orita"

List of Parcels

List of Clients' Cargo per "Orita"

List of Enclosures

Second of Exchange for £ 21 . 1/- -

Clients Reports:-

S	41	bales Wool	ex "Lima"
H	10	,,	,,
W P	33	,,	,,
D S	62	,,	,,
W Fell	38	,,	,,
S I	59	,,	,,
B	52	,,	,,
D H	118	,,	,,
M & G	35	,,	,,

Clients' Invoices goods per "Orita"

Mrs Hansen	12 . 1 . 3
Bertrand & Felton	85 . 12 . 11
Stickney Bros.	6 . - . 7
Fell Bros.	11 . 10 . 2
Baillon & Stickney	11.13. 8
H.Waldron	50 . 17 . 11

B/L General Cargo per "Orita"

London 29th July,1908

Enclosures via Liverpool

Originals.

Copy of Cablegram sent

Copy of letter to the Colonial Office dated 16th July.

Wool Reports.

First of Exchange for £ 16 . 1 . 1 on J.Aldridge.

Clients' A/sales &c.-

AP	39	Salted Hides	ex "Lima"
♡	12	,,	,,
F	1	bag Hair	ex "Kenuta"
W	1	,,	,,
J B L	1	,,	,,

James McNicoll's agreement.

Copy of letter from Fleming & Haxton dated 11th July.

Copy of letter dated 26th June from T.C.Williams Co.

Clients' contracts :-

♡	247	bales Wool	ex "Lima"	
H & B	227	,,	,,	& "Kenuta"
△ P H	77	,,		,,
△ F B	79	,,		,,
△ D H	118	,,	,,	
D S	62	,,	,,	
S I	59	,,	,,	
S	41	,,	,,	
T R	64	,,	,,	
McG	35	,,	,,	
W.P	33	,,	,,	
S & S	130	,,		,,
W.Fell	38	,,	,,	
◇ H	11	,,	,,	
AP	1	,,		,,

Particulars of freights homeward per "Kenuta" & "Orita"

Particulars of claim recovered from Phoenix Co.

Brokers' Copies Company's A/sales Wool per "Kenuta" "Orita" & "Lima"

Letters for :- W.A.Harding & A.L.Allan (2)

London 29th July,1908

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 26th August, 1908.

Per Orcoma.

No. 1049.

Sir,

I have to acknowledge the receipt of your despatch no.343, which arrived on the 10th inst.,together with your letter of the 14th ult.

2. Par.4. Your explanation of Mr.Gorton's dismissal is noted; it is evident that a change was necessary.

3. Par.9. I have only returned today from a holiday,and have not seen Captain Thomas since he came up shortly after his arrival in Liverpool.

4. Par.11. I quite agree with you that Baseley is an intelligent man,and Mr.Cumming has a high opinion of him. The report on the Samson was sent to Mr.Barringer for his opinion,and he was asked to make any observations that might occur to him,but no suggestion was conveyed to him that he was expected to find any fault.

5. Par.13. I have not had an opportunity of conferring with Mr.Blake about the reservoir proposed to be constructed; is this work commenced? You do not say why,having specially asked for tanks of a certain capacity,you were tempted to sell them at a profit as soon as they arrived.

6. Par.16. I forget the date when we ceased to execute orders for clients; but it must have been since 1898,and this would account for the higher percentage in 1906 and 1907. Probably through the resumption forced upon us of purchasing on commission,the percentage of these sales will again decrease. You do not say under which head the sales to ships are entered,and this is rather an important omission.

7. The P.S.N.Co.are sending the "Bogota" to Stanley with the

W.A.Harding,Esq.,

Manager,

Stanley.

Government launch,and asked us what we could do in the way of cargo. They had previously sounded us on the subject,but as we had not much to offer it fell through for the time. However,some pressure seems to have been brought to bear on them,and the last intimation was that a cargo boat would go in any case. I thought that this would be too good an opportunity to be lost,and offered to send a good quantity of rough goods,in consideration of which they have repeated the favourable rates we got by the "Galicia" last year. I hoped that the mail would have brought a sailing ship indent,but there was nothing of the kind except the large wood order,and I have made up with 30,000 bricks,5,000 fire bricks,Hay, Paraffin,both for burning and for the "Malvina",Salt,Cement,Lime, and miscellaneous goods taken from your indents,all of which no doubt will be wanted before long,especially the building materials, in view of the sailing of the Mason by this boat. The steamer leaves on the 3rd prox.

8. I enclose a copy of the C.O.reply to my letter about the sealing question,from which you will see that we have anticipated the Governor. This is better than being too late,but it is a pity that his despatch,which I concluded had been sent,has been delayed.

9. This is an unusually short despatch,but yours contained little that required answering,and the arrangements for the "Bogota" exhaust the information that it is necessary to convey from this side.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures per "Orcoma" via Liverpool

Originals

Anning & Cobb's monthly report

Copies of Cablegrams sent

Copy of Cablegram received

Thomas R.Daprato's agreement & testimonals

Particulars of homeward freight per"Lima"

Clients' A/sales :-

△ D H	6 bales	Sheepskins	ex"Lima"
S & S	2	,,	"Kenuta"
◇ H	2	,,	"Lima"
McG	11	,,	,,
W.Fell	4	,,	,,
♡	3	,,	,,
D S G I	3	,,	,,
◇ B	1	,,	,,
H G C	2	,,	"Kenuta"
L	3	,,	,,
W P	2	,,	"Lima"
H & B	4	,,	,,
G	4	,,	,,
△ P H	1	,,	"Kenuta"
M V	2	,,	,,
F	3	,,	,,

Brokers' press copies/Co's A/sales Skins ex "Orita" & "Kenuta"

North Eastern Railway Co's report for W.A.Harding

Copy of letter received from the Colonial Office dated 6th August,re sealing question.

Letters for :-

A.L.Allan & W.C.Girling.

Enclosures via Liverpool

Duplicates

Despatch No.1058 dated29th July.

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oronsa"

List of Clients' Cargo per "Oronsa"

List of Dutiable Goods per "Oronsa"

List of Parcels

List of Enclosures

Second of Exchange on J.Aldridge for £16 . 1 .1

B/L general Cargo per "Oronsa"

General Invoice goods per "Oronsa"

Second of Exchange on J.Kirwan for £40 . 18 . 10 B/L attached

Clients' A/sales,reports & contracts:-

J.B.L.	1	bales Hair	ex "Kenuta"
F	1	,,	,,
W	1	,,	,,
♡	12	Salted Hides	ex "Lima"
McB	39	,,	,,
AP	1	bales Wool	ex "Kenuta"
△ P H	76	,,	,,
△ F B	79	,,	,,
△ D H	118	,,	"Lima"
△ P H	1	,,	,,
D S	62	,,	,,
S & S	130	,,	"Kenuta"
◇ H	11	,,	"Lima"
W.Fell	38	,,	,,
T R	64	,,	,,

S	40 bales	Wool	ex Lima"
B	52	,,	,,
W P	33	,,	,,
McG	35	,,	,,
♡	247	,,	"Lima"

Clients reports & contracts:-

H	2 bales	Sheepskins	ex "Lima"
W P	2	,,	,,
D S	3	,,	,,
△ D H	6	,,	,,
J McG	11	,,	,,
H G C	1 cask	,,	,, (report only)
♡	3 bales	Sheepskins	,,
W Fell	4	,,	,,
G	4	,,	,,
B	1	,,	,,
L	3	,,	"Kenuta"
S & S	2	,,	,,
△ P H	1	,,	,,
M V	2	,,	,,
F	2	,,	,,
H G C	2	,,	,,

Clients' Invoices goods per "Oronsa"

Baillon & Stickney	
Pitaluga Brothers	
Vere Packe	
Holmested & Blake,Ltd.	
Davis Smith	

Enclosures per Supplementary Mail via Lisbon.

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

Supplementary Remarks on Stores

List of General Cargo per "Orcoma"

General Invoice goods per "Orcoma"

B/L cargo per "Orcoma"

Corrected list of ~~Goods~~ Dutiable Goods per "Orcoma"

Corrected list of Clients' Cargo per "Orcoma"

B/L Goods shipped by G.Bonner & specification of Bungalow

Sight Draft on J.Kirwan for £ 71 . 5 . 6 for collection
B/L attached.

Bain & Read's invoices goods shipped per "Orcoma"

Letters for the following:-

A.L.Allan & W.A.Harding.

Clients' Invoices goods shipped per "Orcoma"

Bertrand & Felton,A.Pitaluga & Bennet's Estate.

Reynolds corrected invoice goods per "Orcoma"

London 29th August,1908

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 23rd September, 1908.

Per Ortega.

No. 1050.

Sir,

I have to acknowledge the receipt of your despatch no.344 and of your letter of the 11th of August,both of which arrived on the 7th inst.

2. 344-2. The Directors have carefully considered your remarks on the mail service,and have decided that in the event of a proposal being made to work it by cargo boats they would not offer any opposition. In some ways it might be an improvement; the handling of cargo might be more tenderly done,and the calling at Fox Bay,if it formed part of the scheme,would,as you say,silence the outcry for a coasting steamer. There are two details that would have to be dealt with if the service is to be made a perfect one, the question of punctuality for one,for it is important at both ends to know when the mails are likely to arrive and leave,and the passenger accommodation. The P.S.N.Co.would have to fit their boats specially for this,for it cannot be denied that there is a class of third class passenger who would be even more unfit for the second than the second would be for the first. Even in the "Foam" and the "Black Hawk" there were two classes,and I do not see how this difficulty is to be got over unless proper provision is made. As the call at Fox Bay would be in the outer harbour only I assume that no attempt would be made to deliver or receive cargo there, but if they cared to call at Port Stephens for wool it would do us no harm,and might be the means of inducing Dean & Co.to put their business in our hands again.

3. Par.6. You are right about the cable re Bertrand; we read "Bertrand Orita",without noticing the final word.

W.A.Harding,Esq.,

Manager,

Stanley.

4. Par.7. As far as we can see no scheme for freezing in the Islands could be carried out with success,but people here are constantly calling with suggestions.

5. Par.9.Due note has been taken of your remarks on the Store questionand as it is a matter the details of which must necessarily be so much better known to you than to the London office,the ~~xxxxxx~~ regulation of the business must be left in your hands. Generally speaking,it should be your aim to keep the stock as low as possible,to see that prices at Stocktaking are not inflated,so that the figures show the actual value in hand,to get rid of unsaleable and useless stock at any price,and to order only such goods as may be reasonably be expected to meet with a ready sale. As a new Storekeeper is going out,who will we hope prove to be as good a man as we have ever had,if not a better,he may take out new ideas with him,and give the Store a fresh start. As to the Drapery department,you and he should closely watch this,and if it is a fact that it has been killed by the Parcels Post,it might be advisable in the course of time to drop it altogether.

6. Par.10. In the case of the labourer Thompson,we cannot be expected to pay him more than he would be entitled to by law if the accident had occurred here,and this amount we shall get from the Phoenix. In future cases you should regulate the payments in this way,and you will observe that we are not liable,and must not pay for medical attendance. On this point your reply to enquiries made some time ago are shortly due. I think that there may be a difference if the injured man is on articles; but you can find this out from the Merchant Shipping Act.

7. Par.12. The Board approve of your having let Mr.Gorton go before his time was up,and they have agreed to pay him the difference between the fares by mail steamer and cargo boat

8. Par.13. I send copy of correspondence with the P.S.N.Co. about the Port Stephens labourers as far as it goes,but you will see that I have renewed the suggestion that they should give us 15% all round,and on this point I am awaiting their reply. It is very unlike the firm of Dean to have presented each labourer with ten shillings each.

9. Par.14. We are quite safe in having the drafton account of the "Henriette" guaranteed by the London City & Midland Bank.

10. Par.15. The short shipment of Tallow by the "Corcovado" is disgusting,and particularly so as the market for our class,the edible one,is good just now. I have written to the P.S.N.Co.complaining strongly of our treatment,and they have expressed their usual regrets and promises of enquiry. I think that it is time we showed our teeth a little,since complaints of the short allowance of space seem to be useless,and I am going to suggest that we should make a determined effort to get a sailing ship next year to carry the whole of the tallow made in the Islands. You know that it is difficult to do this through the dearth of small vessels of the size we want; but if we know long enough beforehand,we may be able to bring it off. In this we should have the cooperation of Mr.Mathews,whose tallow is never in time for the wool vessel. Can you state roughly how many casks there would be,their probable measurement,and give a date by which it may safely be expected to be in Stanley? How about the end of August? The ship should carry out a rough cargo,with coals for Darwin to be delivered there over the side,thus saving trans-shipment in Stanley,and all our own tallow would go on board at Goose Green. If the ship were a little larger than necessary,perhaps some of the small shippers,such as Browning,Bender,and the like,would in consideration of a lower freight send their wool in the ship,and in any case you might reserve a sufficient number of bales of sheepskins. This is well worth thinking over,and I should be glad to have it brought about.

11. In Hoare's Skin catalogue of the 10th September I have noticed AP 17 bales from Sandy Point. Is the mark a coincidence,or has any of Petaluga's produce gone across? I can hardly think so.

12. The Bogota carried a fairly large cargo,and should be at Stanley before you get this.

12. Mr.E.G.Creece goes out as Storekeeper by this boat; he is well recommended by John Barker & Co.of Kensington,in whose service he was for some years,and he has made a good impression on both Mr.Blake and myself. We have never had a man in the Store with as good a training,and I shall be much disappointed if the selection

does not prove to be a success. He has signed an agreement for five years,beginning at £220 per annum,rising £10 per annum up to a maximum of £250. I have gone very little into detail with him, and have told him that he is to place himself under your orders, and assume control of the whole Store staff and business as directed by you. Probably as a new comer accustomed to shop work in England he may have a number of useful ideas,and these no doubt you will get him to communicate freely. It is specially desirable that you and he should come to an understanding as to the general arrangement of the new building,and the future management of all branches of the Store business when it has been erected.

13. The time before the opening of the Liverpool Exhibition is too short for collecting any of the Falkland products,if any could have been got of sufficient interest to warrant our showing them. Samples of wool are not very attractive,and it would have been the wrong season in the Islands for putting them up when the Exhibition was first brought before your notice. Perhaps a collection of stuffed birds,eggs,and other natural history specimens would have pleased the public as much as anything,but these would have had to be prepared some time beforehand,and sufficient space engaged.

14. I enclose a correspondence as far as it goes with Mr.W. Carpenter on the subject of the Dean business. It seemed to me that an opportune time had arrived for bringing the subject forward,and I sent copies of my letters to Mrs.George Dean. She called here last week,and I am satisfied that she is quite on our side; but the decision does not rest with her,although her influence and wishes would carry some weight. Perhaps they attach exaggerated importance to the value of the business to us,for beyond the handling of the wool there is not much in it. Mr.Carpenter may or may not write again,but you are sure to hear something about it either from Mrs.Dean or Mr.Hennah. Should they decide to go on as before, it must rest with you entirely to say whether they are to be allowed to make use of us financially or not in the future,or whether they are to get their money elsewhere. In this you will guide yourself by the value of their Store custom to us.

15. Mr. Oswald called this week to say that he wishes to return to Stanley, and he will leave by next month's boat.

16. Your cable reporting the "Lodore" arrived on the 14th inst., and in view of your urgent request for the 150 bolts Canvas already ordered and for flexible wire rope, we have got both hurried forward, though not without some difficulty, coupled with uneasiness about the quality of the canvas. This order for canvas coming on the top of another for 90 bolts makes by far the largest we have ever shipped, and we can only hope that you have not asked for more than was necessary.

I am, Sir,

your obedient servant,

Thos. E. Lobb.

Managing Director.

Enclosures via Liverpool

Duplicates

Despatch No.1049

Remarks on Accounts

Ledger & Journal Entries

Remarks on Stores & Supplementary remarks

Replies to Remarks

General Invoice goods per "Orcoma"

List of Dutiable Goods per "Orcoma"

List of Clients' Cargo per "Orcoma"

List of Enclosures

List of Cargo per "Orcoma"

List of Parcels

Second of Exchange for £ 71 . 5 . 6 on J.Kirwan

Clients' A/sales:-

♡	3 bales	Sheepskins	ex "Dima"
D H	6	,,	,,
G	4	,,	,,
W P	2	,,	,,
M V	2	,,	"Keputa"
F	3	,,	,,
H G C	2	,,	,,
S & S	2	,,	,,
W.Fell	4	,,	"Lima"
B	1	,,	,,
H	2	,,	,,
D S	3	,,	,,
McG	11	,,	,,

Clients' Invoices goods per "Orcoma"

Holmested & Blake,Ltd.,W.D.Benney's Estate,

Bertrand & Felton,Pitaluga Brothers.

B/L general Cargo per "Orcoma"

Duplicates (Originals per "Bogota"

B/L general cargo per "Bogota"

List of Enclosures

List of Dutiable goods per "Bogota"

List of Clients' Cargo per "Bogota"

List of Cargo per "Bogota"

General Invoice goods per "Bogota"

Clients Invoice goods shipped

Vere Packe .

London 4th September, 1908

Enclosures via Liverpool

Originals

Copies of Cablegrams received

Copies of Cablegrams sent

E.G.Creece's agreement

Oetzmann & Co.'s account for H.Clement.

Duplicate receipts for £ £25 & £15 money advanced to Mr.Creece.

Copy of letter to the PS.N.Co.dated 9th September re cargo per "Corcovado"

Copy of Correspondence with W.Carpenter & Mrs Dean re Port Stephens Account.

Copy of Correspondence with P.S.N.Co.re passages.

Copy of letter from J.Barker & Co.dated 20th July.

Anning & Cobb's Sheepskins market report.

Brokers' press copy report & contract F I C 120 casks Tallow ex "Corcovado"

Letters for the following:-

W.A.Harding (2)

A.Reid

A.L.Allan.

London 23rd September,1908

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 25th September, 1908.

Per Supplementary Mail.

No. 1051.

Sir,

In my despatch via Liverpool I omitted to refer to the question of water storage, about which you wrote in your 343-13. The Board think that unless the ground near the Store is very rocky, it will be better to construct the reservoir there, rather than at the head of the jetty, as the latter position, being low, would not give a sufficient head of water through the pipe running to the end. But before coming to a decision as to building a reservoir at all, it is desirable that you should establish a prima facie case for storing such a large quantity as 20,000 gallons, and go very closely into the cost. It is assumed that the water would be required for the Company's schooners, and for supplying ships putting into the port. As regards the schooners, it will not be difficult to calculate approximately the number of gallons taken during the year, and under the head of schooners you will have to include the quantity of frsh water required by the "Samson" and the "Plym". The water taken by outside vessels over the last few years would be a guide to their requirements, and then you will probably add something for the needs of the engine in the Blacksmith's shop on occasions of drought, which are not very frequent. Making a liberal allowance for all these, and remembering that as rain falls on about 260 days in the year, and that the storage is consequently being frequently refreshed, it seems at least open to question whether 20,000 gallons is not at least twice as much as would be needed. As to cost, a 1000 gallon tank can be supplied here for £9, tanks for 10,000 gals. would come to £90, and for 20,000 £180. 100 gallons measure 16 cubic feet, therefore 20,000 gallons would require a reservoir of 3200 c.ft., which would be represented by 20 x 20 x 8 ft. You would re-

W.A.Harding, Esq.,

Manager,

Stanley.

quire a brick bottom probably,,that is to say 400. square feet,and with these measurements you ought to be able to get out an approximate estimate of materials and labour. It will be interesting to see how it would compare with the cost of tanks. One advantage of the latter would be that they need not all be in one place,whereas you could not dot brick reservoirs all round the building. It should also be borne in mind that digging deep near the Store walls might have the unfortunate effect of unsettling the foundations and producing cracks. We must have water,and plenty of it, that goes without saying; but the provision of storage would be remunerative only to a limited extent,and therefore the less it costs the better it will be.

I am,Sir,

your obedient servant,

Chas. E. Lobb.

Managing Director.

Enclosures vis Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

General Invoice goods per "Ortega"

List of Cargo per "Ortega"

B/L general Cargo per "Ortega"

Morton,Norris,Bain's invoices goods shipped per "Ortega"

Clients' Invoices goods per "Ortega"

Holmested & Blake,Ltd

Vere Packe

Sight Draft on J.Kirwan for £30 . 16 . - B/L attached

Credit notes for the following :-

Farm Account	106	3	11
Packe Bros.& Co.	10	7	-
do.	25	3	10
Smith & Sharp	3	11	6
Baillon & Stickney	8	11	1
Speedwell Island A/c	10	4	-
Fell Bros.	12	8	-
W.D.Benney's Estate		11	7
Morrison & Grant		13	3
Vere Packe	2	13	7

Letters for the following:-

E.G.Creece,~~xxxx~~

A.L.Allan.

W.A.Harding.

London 26th September,1908

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 21st October, 1908.

Per Orita.

No. 1052.

Sir,

I have to acknowledge the receipt of your despatch no.345, and of your letter of the 7th ult.,which arrived on the 5th inst.

2. 345-2. I have looked up the correspondence about the proposal to put up a "Diamond Jubilee Cottage" at Darwin,all of which had,I think,passed out of the recollection of the Board. I see that Mr.Mathews objected to the erection of another cottage at Darwin, and the project seems to have been allowed to drop,without any alternative proposal having been made from the Islands. If you have any suggestion to make on the subject you had better let us have it. Is there any need for a house for a travelling schoolmaster,or is he always away from Darwin? As to Bisset,we have heard nothing of him,and assume that he has gone to Scotland. It is a pity that he was not sent away before,unless he was unfit to travel.

3. Par.4. I will let you know in future about families going out. You may take it as a rule that anyone sent for the Stanley staff will be married. Your report on the Blacksmith is promising, and I hope that the Mason will make an equally good impression.

4. Par.16. I was under the impression until now that one of the Workmen's Compensation Acts had been specially applied to the Colony,but you are no doubt right in what you say. The Directors have discussed this question at some length,and agree that it will be politic on our part to do something in the way of voluntary compensation,in order to avert legislation which would sooner or later be brought forward. It does not seem to them that we could reasonably be called upon to do more than is provided for in the last Act here,and in that there is no provision made for the payment of medical attendance. We have insured accident risks this year at a

W.A.Harding,Esq.,

Manager,

Stanley.

high premium,and we have had forward three claims I think,but in each case the heaviest items,medical attendance and maintenance, have been ruled out,as not coming under the policy. If the accidents had occurred in England,the utmost compensation would have been half pay,not exceeding £1 per week,and nothing for the first week,under the Act of 1906. It seems clear already that it will not pay us to renew the policy when it expires,except for nautical risks,and for these we shall probably have to pay an increased premium. We have to consider three classes of accident,(1) Camp, (2) Stanley,and (3) Schooners. In the Camp I believe that no stoppage of pay takes place when a man is laid up,unless an accident or illness has occurred through his own fault,and as regards medical attendance,the men are understood all to be subscribers to the Doctor,who is also paid a standing salary by the Company. You might say whether what I have written is a fact or not; if so we can leave the Camp out of the question. In Stanley,how about the monthly men who are at times laid up; is there ever any deduction from their pay? If not,we pass to the men paid by the hour,and about them we want information from you,as it is their case that wants most consideration. Have any of them,when laid up,received pay? What about the Doctor? Unless his fees are guaranteed and paid by the Company,his prospects of getting his money must be shaky in many cases. Notwithstanding the scale laid down by the Government, do you think that in cases like those we have had he gets from £5 to £10 from working men? Would he,like the Camp doctors,be prepared to contract with us at a certain sum per annum for attendance on our casual labour? Does the payment of a subscription to the Stanley Benefit Club entitle the members to medical attendance? Would the Doctor agree to contract with Stanley men on the same terms as in the Camp,that is £1.1/.for single and £2.2/.for married men? If he would,then we might see our way to paying him a fee ourselves that would have to bear some proportion to our own doctor's salary,taking into account the numbers employed in Stanley and the Camp respectively. As to the marine risk,that I think must stand. Under the Merchant Shipping Act an Owner is liable for medical attendance in case of accident,and also for maintenance if it is necessary to bring the seaman ashore; but in

most or all cases of illness the cost of medical attendance may be deducted from the wages. The Act of 1906 applies to seamen on articles,and local articles would probably be brought in under it; thus it is probable,if not certain,that any accident on board one of our schooners resulting in serious injury or death would render us liable under the Act if the injured man was on the Articles at the time,although we should have no responsibility with regard to a day labourer who might be working alongside him,rather a curious distinction. We cannot afford to run the risk of claims for fatal accidents,and so shall have to insure the crews. As to the others, I have indicated the main points on which we want information,and in sending it you might make any suggestion that may occur to you as to the best way of making compensation,which ought to be fully provided for for a less sum than the £145 we are paying the Phoenix. One word more with regard to the Benefit Club; we do not think that a man should receive full pay from us and at the same time draw £1 per week from the Club. If this were so,the temptation to make a profit out of illness would be too much for human nature,and much malingering would be the result. If we made good the balance of what the patient would have earned it is all that could be looked for.

5. Par.7. I wrote to the P.S.N.Co.about Mr.Gorton's tickets, and they were satisfied to await a remittance from Stanley.

6. Par.8. A note was made when the Ratin was sent out to renew the supply periodically.

7. Par.9. There was a tradition in my early days,which has probably died out long since,that at one time there was a project on foot for making a dock at the Carenage,and it was said that one of my predecessors promptly bought the ten acres so as to be on the spot. If you asked Biggs or George Short you might learn something about this; I do not think that there was any thought of growing vegetables at such a distance from Stanley. The Board would not object to your leasing it,if it could be done without prejudice to the Company's interests. The lessee might have to fight the question of a right of way to the lighthouse,but that would be no business of ours.

8. Par.10. Mr.Packe has sent in a protest to the C.O.against

the proposed Government expenditure,and is to call there when next in town. I suggested that he mighB ask the Secretary of State to delay sanctioning the Estimates until after the interview. The jetty proposal seems to be a revival in a modified form of the one that we succeeded in squashing 11 years ago.

9. Par.13. After we heard of the intended despatch of the "BBgota" there would hardly have been time to enquire by cable what goods you wanted. Paraffin we sent as you know,and hay too,and I am sorry to see that there is still room for complaint about the freight on the latter,I thought that when they gave us preferential terms the matter was settled satisfactorily. I am going to Liverpool this week,and shall discuss the question with Mr.Lamb as well as other subjects. We did not send shooks for ourselves, though we did for Holmested & Blake. You had better keep us posted from time to time about rough goods that should be shipped when there is an opportunity; in the case of the "Bogota" there was no possibility of postponing the despatch of a cargo boat until we could get an indent home,as it was decided to send her anyhow with the launch,whether there was other cargo or not,probably through pressure brought to bear on the P.S.N.by the Crown Agents.

10. Par.15. We are glad to hear of the "Lodore",and especially that she will want sails,as it seems from your remarks in this paragraph that you had overlooked,as I feared,the order for 90 bolts of canvas dated 16th June and shipped by "Ortega". You refer to the <u>last</u> order sent in April,but not shipped until July,so it is clear that the other one was ignored,no doubt through the trouble with the Storekeeper,though it is not the less regrettable, as it lands us with a large overstock. By the bye,the suggestion conveyed in your remark that canvas ordered in April was not shipped until July is not quite correct; the order was dated 21st April,received 16th May,and sent out for execution by the boat sailing on the 4th of June,but the makers could not get it ready,and it was actually shipped on the 2nd of July,having reached Liverpool six weeks after the receipt of the order.

11. The Belford has been ordered from Queenstown to Liverpool, and our Solicitors have served a writ on the Captain,the result

of which has been that judgment has been given against him,and the next step,to be taken immediately,will be to make him a Bankrupt,when the Maritime Lien which he has on the ship,taking precedence of the Mortgagees,will be enforced,and we shall get our money. The Captain is not inclined to help us,or the matter would have been settled before now. He might just as well do so,as the enforcement of the lien is inevitable,whatever he may do.

12. A reference to the "Sissie" in the Magazine gives us the first information,unless I have overlooked it,that she has been sold,and we should like this confirmed. She appears as an asset in the London Balance Sheet,and the price obtained must be credited to this office.

13. The Crown Agents have asked us if we are prepared to make certain payments on account of A.Petaluga,and have been told that we will do so on receiving authority from the Islands.

14. Two cables have arrived reporting the "Gladova" and the "Metropolis" as having put in for repairs,and in both cases we have secured the necessary credits. Capt.Thomas happened to be here when the latter was reported,and it seems that he has a share in her himself. I had several conferences with Mr.R.J.Thomas,who represents the firm in their London office,ans was able to get from him in Capt.Thomas's presence a statement of the feeling of the Underwriters about the Falkland Islands,which is worth noting. He told me that there was a growing feeling of dissatisfaction at the expenses to which ships were put in the Islands,and said,in reply to a suggestion of mine that they were as high in the Plate and Rio,that that was unfortunately not a fact,they could bring forward many instances to prove the contrary. Their Underwriters had told him with reference to this last casualty that they thought of stipulating in their policies that ships were on no account whatever to go into Stanley. I told him that we did not pretend to work cheaply,as ships were too scarce to enable us to keep the stock we do without exacting high prices for any goods that might be wanted after being in stock for years; but I said that we did not wish to be unreasonable,and would try to meet the wishes of Owners and Underwriters as far as possible. Mr.Thomas told me that

the Underwriters had decided to send out all masts,spars,rigging, sails,and all gear connected therewith,but that there were other repairs for which the Underwriters would be glad to get a price, as one of their principal complaints was that they were always working in the dark with vessels in the Islands. I said that I could not pretend to quote a price or make a contract here,but that I would cable you to see if such a thing could be done,and I submitted the following which was afterwards sent:- "Metropolis masts,spars,rigging,sails,gear will be sent as soon as possible,at what do you estimate remainder,can you contract,important to carry it through well". He saw the Underwriters,and told me afterwards that they were much pleased and mollified by his report of our interview. If you can tender it is most desirable that you should do so,as something really must be done to get Underwriters into a better frame of mind as regards ourselves.

15. I enclose copies of two letters from the P.S.N.Co.on the subject of the Dean passages and the short shipment per "Corcovado",which should have gone last mail.

16. Mr.Oswald goes out by this boat on an agreement for five years at £260 rising to £300 per annum. Capt.Thomas also returns, and the Board have agreed to increase his pay by £25 per annum.

17. We have not received the Weddell stock returns for this year,and should like to have them as soon as possible. The outturn of the wool does not look satisfactory,and there is a progressive decline in weight which is not re-assuring.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures via Liverpool per "Orita"

Duplicates

Despatch No.1050

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of Enclosures

List of Cargo per "Ortega"

List of Dutiable Goods per "Ortega"

List of Clients' Cargo per "Ortega"

List of Parcels

General Invoice Goods per "Ortega"

Invoice for Vere Packe goods per "Ortega"

Second of Exchange for £ 30 . 16/- on J.Kirwan

B/L General Cargo per "Ortega"

Enclosures per "Orita" via Liverpool

"Originals

Wool Reports

Copies of Cablegrams ~~xxxxxxxx~~ sent

Copy of Cablegram received

Particulars of freight homeward per "Corcovado"& "Oropesa"

Copy of letter from the P.S.N.Co.of 14th Sept.re passages

Clients' A/sales,reports & contracts:-

H & B	28	casks Tallow	ex "Corcovado"
H G C	28	,,	,,
J B	50	,,	,,
W P	5	,,	,,
J R	30	bales Wool	ex "Corcovado"
AP	5	,,	"Oropesa"
J B	27	,,	,,
F B	1	,,	"Corcovado"
H G C	2	,,	,,
W E D	153	,,	,,
F	154	,,	,,
B B	20	,,	,,
♣	149	,,	,,
F	11	,,	,,

Copies of letters to Moule's Patent Earth Closet Co.of 13th & 16th & theirs of the 13th October.

Copy of letter from the Colonial Office of 14th & our reply of 16th October re"Pitaluga"

Debit note for E.G.Creece.

Copy of Brokers' A/sales,~~xxxxxx~~ reports & contracts Company's Wool and Tallow ex "Corcovado"

L.V.Oswald's Agreement

Copy of letter from the P.S.N.Co.dated 10th September.

Letters for the following:-

W.A.Harding (2) A.L.Allan (2)

A.Reid Mrs Foley

London 21st October,1908

Enclosures per Supplementary Mail via Lisbon

Originals

Ledger & Journal Entries

Remarks on Accounts

Remarks & Replies to remarks on Stores

General Invoice goods per "Orita"

List of General Cargo per "Orita"

Sight Draft for £24 . 18 . 4 on J.Kirwan for Collection B/L attached

Copy of letter from Du Croz Doxat & Co.of 21st October re Weddell Wool

Invoices for the following

Bertrand & Felton	£ 10 . 6 . 5
W.C.Girling	55 . 5 . 3
Holmested & Blake,Ld	3 .16 . 1

Anning & Cobb's Sheepskin Market Reports

Clients' A/sales,reports & contracts:-

F B	49	Salted Hides	ex "Corcovado"
S & S	28	,,	,,
J B	2	bales Sheepskins	ex "Oropesa"
AP	2	,,	,,
W E D	10	,,	ex "Corcovado"
J R	2	,,	,,
♧	13	,,	,,
B B	2	,,	,,

Reports & Contracts only

Brokers' press copies of above reports & contracts

Invoice for Bulbs sent by Parcel Post to Mr.Waddup (Carters)

B/L General Cargo per "Orita"

Contract note for Rams shipped per "Orita"

Contract for J.B.25 casks Tallow ex "Corcovado"

London 24th October,1908

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 18th November, 1908.

Per Oronsa.

No. 1053.

Sir,

I have to acknowledge the receipt of your despatch no.346 and of your letter of the 6th ult.,which arrived on the 31st ult.

2. 346-2. I shall be able to give you the Board's decision on the Reservoir question when we have your reply to my despatch no.1051. If the cost in bricks is not prohibitive that method of storage would seem to be preferable to tanks. Regarding the "Great Britain",I thought that sufficient water was collected from the forecastle and deck houses to supply the boiler.

3. Par.6. The "Jumin" arrived a few days before the mail.

4. Par.7. The question of a slip is important,and I have been expecting to meet the dry dock proprietor who gave me information when it was raised before,but have not come across him yet.From my recollection of what he said I think that the main difficulty will be found in the small rise and fall at Stanley. Since I wrote in 1904 you have seen the working of a slip at Gosport,and are therefore better able to deal with the subject. At Gosport,to the best of my belief,the slip is laid down to low water mark,but the tide there gives plenty of depth at high water,which would not be the case at Stanley. You must have the slip deep enough at high water to float on any vessel you want to haul up,and although it would be a comparatively easy job to run it to low water mark,it becomes a different matter when it comes to laying the rails under water, in fact until I enquire I am not sure that it can be done except at a cost that we could not afford. Then again,although the beach is ours as far as low water spring tides,beyond that we could not go without the sanction of the Government,and whether this would

W.A.Harding,Esq.,

Manager,

Stanley.

be easily obtained or not who can say? I will make a point of getting information before next mail goes.

5. Pars.9 to 11. Shipping business is looking up,and we ought to do better than usual this year,notwithstanding that a large shipment of materials for the "Metropolis" has just gone from Liverpool. It is most satisfactory to see that Baseley is getting such good results from the "Samson"'s engines.

6. Pars.12 and 13. I am much relieved to hear that the Blacksmith and Mason are shaping so well; do not omit to report further on them later on.

7.Par.15. We are sending a grass line for a spring for the tow line,opinion here being unanimous that it is better than Manila,and it has been bought from the Edinburgh Roperie Co.,who quoted considerably less than Frost Bros.

8. Par.16. I wrote to Camper & Nicholsons to ask if they could suggest where to look for the fault in the Gwendolin's steering gear,and enclose a copy of their reply. If it is in the gear itself,no doubt Baseley can remedy it; but if in the rudder, is it impossible to unship it afloat?

9. Par.18. The price obtained for the "Sissie is a good one, and you have anticipated the question put to you lately,though it seems a little irregular to get information of this kind from the local newspaper.

10. Par.21. We are unfortunately without a copy of Mr.Moir's agreement,and it would have been better if you had given sufficient information to enable us to understand his letter. We want to know what the arrangement was for giving him an additional £10 per annum after 2½ years,and what there was about passages that caused this to be waived. Assuming that he is entitled to return passages at the end of his service,he will of course get them,and the Board are willing in consideration of your report to allow him six months absence with passages out again; but there can be no question of pay while he is away,as this would be establishing a new and expensive precedent,and unless he alludes to it himself you had better say nothing about it.

11. So many enquiries are now being made about peat,that we should like you to send a small box of dried sods of a good quality.

12. When I got to Liverpool last month I found that the P.S. N.Co.were sending the "Huanchaco" to Stanley with the Government launch,and would be glad of cargo. We are accordingly sending some half pipes for drains,as recommended by Mr.Blake,a quantity of shooks,a large number of bricks,cement,and 50 more barrels of Paraffin oil for lamps,besides sundries. There was no time to ask you if you wanted anything else,and I was doubtful about the oil,but as Mr.Lamb agreed to take it I thought it better to take the opportunity of the cheap freight. I am wrong,by the bye,in giving the launch as the reason for this despatch; it is for the purpose of getting the spars,sails,and other necessaries for the "Metropolis",and the freight they are getting is enormous. This unexpected departure is another reason for our always having a list of rough goods that can be despatched at short notice.

13. When I was in Liverpool I was told that Mr.R.R.Douglas, representative of the principal Underwriters there on sailing ships,wanted to see me,and I called with Mr.Connell. Look at his name in the list of Liverpool agencies in Lloyd's Register,and you will see what an important man he is. He jumped on me at once on the subject of bribes or commissions to Captains,of which he said they had complete proof,instancing a bill for £1740,on which the Captain confessed to having received £174. I told him that he was entirely wrong,and that I should be only too happy to prove it as soon as I got to London,but that without the figures before me I could say nothing,except that the commission of 5% formerly given had been stopped by order of the Board. We talked for quite an hour and a half,and when I left he had entirely changed his tone,and remarked privately to Mr.Connell that he was much pleased with the interview. The rest of the story is told in the enclosed correspondence,after reading which you will say that the time was not wasted. I want you now to go into the matter of the "Rhuddlan Castle",and supply all the facts that I was unable to give. What he said about their idea of warning ships not to go to Stanley tallies with what I had heard previously from Mr.Thomas here,and it will be a great thing if I have completely turned Underwriters round,and induced them to give us their benevolent blessing,in

place of the maledictions they have lavished on us for so many years. I found that Mr.Douglas was greatly in favour of work being done as much as possible by contract,and our foreman carpenter certainly ought to be au fait in the matter of preparing tenders.

14. Since I last wrote two cablegrams have arrived,the first advising the arrival of the "Gulf Stream",for which a credit has been advised,while the second is so important that I will give its translation in full:- "Send at earliest opportunity 3600 feet each "nought one Reliance canvas Hindley's of no use whatever,six steel "plates (quarter (¼") 180. 60 Metropolis cost of repairs will be "about £1900 we can contract for the greater part". This is serious news about Hindley's canvas,and I have given them notice that we shall expect to be reimbursed in the event of its not being up to standard. This,however,can only apply to the second lot of 150 bolts,as the first must have been the usual "Crown Royal" you ordered. I think that I have more than once expressed doubts about this canvas,and we must put it on our black list in future. With regard to the ¼" steel plates,no size was given; but as we had an order already for the same quantity 13.6 by 4.6,I understood that you wished it doubled,and this has been done. What the meaning of "180 60" is we cannot make out,it might have been inches,equal to 15 ft.by 5 ft.,but then you would have expressed it so in code words,or again,it might refer to cargo shipped,but in that case you would have given the words denoting bales or casks,and prefixed the name of the ship. After twisting the figures about in every way the mystery has to be given up until the arrival of the mail. Something may have been left out which would render the meaning clear,but if sent as received I must point out the desirability of making sure that your messages are in all cases intelligible. As to contracting for the greater part,we are left in doubt as to whether you have contracted with the Captain,or are sending details by mail; in any case we can do nothing until we get them. This part of the message has been communicated to W.Thomas Sons & Co.,Ltd.

15. The Managers of the Liverpool Colonial Products Exhibition sent in a debit note for £25 for space,and I at once counter-

manded the despatch of the two venerable penguins that ornament our Board Room,explaining that it was only proposed to lend them as curiosities,more by way of obliging the Governor than anything. The Managers replied that the account had been sent in error,as it was for the space engaged by the Government,and I then allowed them to go. It is somewhat of a fraud,for anyone might search the Islands for weeks without encountering a King penguin,the species being,I believe,almost extinct in the Colony.

16. The reference to prices in my letter to Mr.Connell calls for some remark. We have taken out those of some of the principal materials supplied to ships,and it is difficult to see upon what principle they are based. Taking the c.i.f.cost to us,canvas is sold at a profit of 65 to 70%,Manila Rope 148%,and while the profit on wire rigging is only 107%,on flexible wire rope it is 262%. Again,the price of iron plates shows a profit of 402%,while angle iron only yields 165%. On the other hand,the profit on bolts and nuts in not quite 29%. It is,of course,a fact,or used to be,that the price of iron is the finished article,and that there is at times a good deal scrapped,while there is loss in passing through the fire,but this is not sufficient to account for the discrepancies that are shown. After taking into account waste and loss,it looks as if there were room for a reduction in many cases,and it will be well to draw the new Storekeeper's attention to the subject,as he will probably be able to bring more intelligence to bear on it than the late one. The old Falkland idea expressed in the words,"here is a ship,let us plunder her",was one that I always tried to combat,and if we can get our subordinates to understand that the cheaper we can work the better it will be for ourselves in the long run it will be much to our advantage.

17. There is a discrepancy in the wool per "Lima" which we cannot understand notwithstanding your explanation. According to the Bill of Lading there should have been 41 marked S and 10 H in diamond. The outturn was 40 S and 11H; the total number of bales delivered having been correct we have no claim on the ship. But as between Mr.Packe and ourselves we have only accounted for 40 bales,

and have one to make up. We have the specification,and it is quite clear that no.165,a bale of locks,is missing. There is no specification of the H mark,but the landing account gives numbers 21 to 31 inclusive,and it is impossible that any of these can be the missing one. We are therefore in the position of having to account to Mrs.Hansen for one bale more than shown on the B/L,while we have to pay Mr.Packe for the short delivery,unless on your side you can see where the error lies.

18. We are on the point of getting the "Belford" money,our Solicitors having arrested the ship through the Captain,whom we sued for the amount. There are two mortgages held by the Clydesdale Bank,but the Captain's claim takes precedence of them. The Captain,although threatened with bankruptcy,refused to act with us for some time,but eventually had to get Messrs.Ince to include his wages in the amount of the claim,as he could get no settlement.

19. The demand for Tallow has quite fallen off,and we still have the greater part of the "Junin"'s on hand,another loss sustained through your requirements not having received proper attention at Valparaiso.

20. One of the Directors has complained that he cannot read the copies of despatches and Mr.Allan's letters,and I had a good deal of difficulty myself. The carbon sheets are being used too long,or possibly they are of a bad quality. We are sending out a supply of both foolscap and quarto of a kind that we find good enough here.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures per Supplementary Mail

Originals

- Ledger & Journal Entries
- Remarks on Accounts
- Replies to Remarks on Stores
- List of General Cargo per "Oronsa"
- General Invoice goods per "Oronsa"
- List of Clients' Cargo per "Oronsa"

Clients' reports & contracts:-

J B 46 Salted Hides ex "Junin"
McG 22 ,, ,,

report only:
T R 73 bales Wool ex "Junin"
K 33 ,, ,,
R B C 26 ,, ,,
H W 42 ,, ,,

contract only:
H B 9 casks Tallow ,,
McG 8 ,, ,, ,,

Invoices for the following:-

Hommested & Blake,Ltd. goods per "Oronsa"
Vere Packe ,, ,,
ditto ,, "Huanchaco"

- Cartersinvoice for goods sent to Vere Packe
- Credit note for Mrs Williams £ 2 . 19 . 8
  ,, ,, Stickney Brothers 5 4 10
- A/sale H B 16 casks Tallow ex "Junin"
- Brokers' press copies Company's A/sales reports & contracts Hides,Tallow & Wool ex"Junin"
- B/L General Cargo per "Oronsa"

London 21st November,1908

Enclosures via Liverpool

Originals

Copies of Cablegrams sent.

Copy ,, received

Copy of letter from Moule's P.E.C.Co.,Ltd dated 2nd October.

Copy of letter from Camper & Nicholson,Ltd dated 11th Nov.

Copy of letter to Mr Connell of 28th his reply of 30th Mr. Douglas to Mr Connell of 29th & his reply of 30th Oct.

Kirkland Cope's Account for F.I.King

,, ,, W.A.Harding

Alfred Wilson's Account for G.A.Cobb

Clients' A/sales:-

B B	2 bales Sheepskins	ex	"Corcovado"
W E D	10 ,,	,,	,,
A P	Quantity	,,	"Oropesa"
J B	2 bales	,,	,,
J R	2 ,,	,,	,,
Club	Quantity	,,	"Corcovado"
J B	25 casks Tallow		,,
H B	4 ,,		,,

Clients' reports & contracts:-

W P	5 casks Tallow	ex	"Junin"
J B	9	,,	,,
H G C	6	,,	,,
L	54	,,	,,
D S	2	,,	,,
F	15	,,	,,
H W	12	,,	,,
McG	8	,,	,,

Brokers' press copies of above reports & contracts

Copy of letter to the Liverpool Colonial Products Exhibition dated 6th November.

Corrected particulars of homeward freight per "Corcovado"

Debit note for A.Reid.

Corrected Invoice for W.C.Girling.

Letters for the following:-

A.L.Allan (2) W.A.Harding, W.C.Girling,

Governor Allardyce, Mrs Girling.

London 18th November, 1908

Enclosures via Liverpool

Duplicates

Despatch No.1052 dated 21st October.

Ledger & Journal Entries

Remarks on Accounts

Remarks & replies to Remarks on Stores

List of Enclosures

List of Clients' Cargo per "Orita"

List of General Cargo per "Orita

List of Dutiable Goods per "Orita"

List of Parcels

General Invoice goods shipped per "Orita"

Clients A/sales &c.:-

F.B.	49	Salted Hides	ex "Corcovado"
S & S	28	,,	,,
J R	27	bales Wool	ex "Oropesa"
B B	20	,,	"Corcovado"
F	154	,,	,,
F	11	,,	"Oropesa"
♧	149	,,	"Corcovado"
J R	30	,,	,,
AP	5	,,	"Oropesa"
W E D	153	,,	"Corcovado"
△ F B	1	,,	,,
W P	5	casks Tallow	,,
J B	6	,,	,,

Second of Exchange for £ 24 . 18 . 4 & B/L attached

Contract for the carrying of Animals per "Orita"

Clients' Reports & contracts:-

AP	2	bales Sheepskins	ex "Oropesa"
J B	2	,,	,,
W E D	10	,,	"Corcovado"
♧	13	,,	,,
B B	2	,,	,,
J R	2	,,	,,

Clienst' Invoices for goods per "Orita"

Bertrand & Felton	10	6	5
W.C.Girling	55	5	3

B/L Cargo per "Orita"

London 18th November,1908

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

61, Gracechurch Street,

London, E.C. 16th December, 1908.

Per Oriana.

No. 1054.

Sir,

I have to acknowledge the receipt of your despatch no.347 and of letters of the 2nd and 4th of November,which arrived on the 30th ult.

2. Par.4. Your surmise that Deans paid only £12 for the labourers seems correct,but as the P.S.N.Co.have denied it,it would be difficult to tell them in so many words that they are liars. The case of the family you mention I cannot work out for certain from Mr.Hennah's letter,but if he means that there were four full fares at £14 and two at half price,it would have cost us £63,and if they were really taken for £52 we shall have to write most seriously to Liverpool.

3. Par.5. Statistics of Tallow have been taken out,and a statement is enclosed. As soon as you can make out an approximate account of what to expect for the proposed sailing vessel,you must let us have it. In deciding on the freight to be charged,we must not overlook the fact that although,according to the custom of the trade,it must be on the gross weight,the measurement will be considerably more,and adding to this the large amount of broken stowage,the tonnage of tallow that a vessel may be able to carry is quite likely to be no more than her register,if as much. I do not think that anything less than 40/.would cover us,unless we are able to charter much cheaper than I expect. If the vessel is decided on,all hides and a sufficiency of sheepskins should be kept back for her,so that she may have a full cargo. In the old sailing days we always filled up in this way,and at times shipped a lot of wool. Regarding the P.S.N.Co.,the case is not quite as bad as you make out,because through an oversight here in checking the Bogo-

W.A.Harding,Esq.,

Manager,

Stanley.

ta's freight account it was not noticed that primage had been charged. On pointing this out we have received credit for the overcharge,both on the Bogota and the Huanchaco. You are under a little misapprehension about the former,for the fact was that under pressure from the Government they had decided to send her whether they got any cargo from us or not. We did not ship bricks and hay for the purpose of making up weight,but because we thought you would be ready for them,and I may point out that on the bricks I took another 2/6d.out of them,the freight being 20/.net against 22/6d.by the Galicia. Then again,the Government launch was taken out for $325,which you call a very moderate figure; but how about the Plym, which they carried for us for $225,the last $25 being in consideration of the engines and boiler being left in her,making the lift some 27 tons? They had asked $400 for the Penguin,but the Crown Agents made such a fuss about it that they came down. You will see that the devils are not as black as they are painted; but at the same time you were quite right to call attention to the subject, which is one that I have ever before me,rather to Mr.Lamb's annoyance.

4. Par.9. I was not aware until now that Mr.W.M.Dean had any personal prejudice against the Company. It is inexplicable,except on the theory that it was born in him,and is in his blood,for nothing has ever been done by us to create it. Mrs.George Dean quite seemed to see that they had fallen away from the line the old gentleman always adhered to,and if it were in her power to return once more to the understanding laid down in the agreement for sale,I am convinced that she would do so. As regards charging 7½% interest all round,what effect do you think it would have on our clients generally? Do you not think that there might be an approach made by the bulk of them to John Hoare & Co.,who in consideration of getting their wool and other produce would finance them,say through Williams,and send out coin if necessary to meet their local disbursements? Such a step would have to be taken with the utmost caution,after feeling our way most carefully. As to the Deans,if in the end they still refuse to do more with us than they do now,

that is,make use of our money,while they buy but little from us and give our vessels no freight,we may cast them off altogether, and tell them to get someone else to finance them; but we should not do this hurriedly or without your concurrence,and we may as well go on for the present as we have been doing,trusting to the influence of the local partners,Mrs.Dean and Mr.Hennah,both of whom seem to be well disposed.

5. Pars.10 and 22. The matter of the canvas has been taken up promptly,and Mr.Woods has agreed to take it all back with expenses, of which an account has been sent him.We have had the opinion of several experts,and there is only one opinion on the subject,that the shipment of the 19th September is inferior to any that has been shipped before as "Crown Royal". As regards "repairing canvas,you share the opinion which I admit I have held,for want of knowing better,that the expression denotes an inferior quality. It is nothing of the sort; sails are repaired with precisely the same quality canvas as that of which they are made,but of a lighter number,this being for the purpose of matching that which is already half worn,and therefore thinner. For confirmation of this, see Ratsey's letter of the 28th April last,of which a copy was sent you by the May mail. You will see therefore that the repairing canvas,of which you have sent cuttings,proves nothing,except that it is of the same brand as Hindley's last,and I learn from Mr.Woods that they bought it from Haywards of Crewkerne,one of the best makers in the West of England. With regard to Smith's complaint about wool bales,the invoice seems to show that they were of the size ordered,and Mr.Woods cannot find out that there was any deviation from the order,so you will have to send one home to enable us to substantiate the complaint.

6. Par.11. We shall hear from you as to the cost of a brick reservoir,which the Board are inclined to favour in preference to tanks on receiving your explanation; but we think that it might be better to make it deeper,and,unless large rocks crop up,put it up with the top on a level with the ground. You will no doubt report as to the thickness desirable,probably 14 inches will be sufficient,or a brick and a half.

7. Par.13. I have been into the question of a slip since last

mail,and have consulted Mr.Kenneth Brown,a dry dock owner,who at one time owned a slip himself. What he tells me is,I fear fatal to our establishing one in Stanley; if there were more rise and fall,so that at low water the railway could be laid to a sufficient depth,it would be a simple matter; but as we could only get six feet,the rest of the piles would have to be driven through water and the fixing of the ways done by divers,which would add so enormously to the cost that it could not be thought of. He has suggested as an alternative a small pontoon dock,and I am in correspondence with Swan Hunter & Wigham Richardson as to this, Mr. Brown is also writing to another firm in the North. I fear it will be beyond us,but I will let you know the result.

8. The Board assent to the purchase of the Weddell freehold, and you can go on with it. This may add perhaps to the amount at which the mortgage now stands.

9. Par.15. The return on the subject of the West Falkland mail shows that complaints have been much exaggerated,and the Government ought to acknowledge the service done them and the public by the liberal use of the "Samson".

10. Par.23. It would have been interesting to see a copy of the contract for the repairs to the Metropolis,as the cable intimated that it could embrace the greater part,and we do not know what has been left out. You say that it takes in all that was mentioned in the Report of Survey,so probably what remains is of little account.

11. Par.16. We have only recovered a small sum on account of Porter,although we claimed to be indemnified against claims under the Merchant Shipping Act,and we are liable for medical attendance and board. We shall not renew under the old conditions,but must cover ourselves against marine risks.

12. Further on par.23,the owners of the Metropolis have not written,and you do not say what your original claim was,nor what the Captain considers sufficient. These matters should always be settled on the spot. I will try to see Mr.Thomas in their London office.

13. Your partial translation of the telegram about steel plat-

ing now shows what the figures meant,but why you used them instead of the words denoting dimensions,linear,in feet and inches,beginning on page 1130 of the Code book passes comprehension. As the plates may be necessary for some special work you have in hand,I have thought it better to send them,and those that went last mail will come in on some future occasion we must hope.

14. I enclose copy of a letter from Mr.H.H.Schmidt,owner of the "Henriette",which explains itself. I do not think that you would be justified in putting in a bill for the crew's wages except in the way I have suggested to him,and I hope that he will be satisfied with it.

15. I am pleased to be able to report that we have received £1450 from our Solicitors on account of the Belford's bill,and that our taxed costs are to be paid. Messrs.Ince have got us out of this very well.

16. A Camp carpenter named Jay has been engaged at Brighton, and will go next mail. I have a very good account of him from Steele,who used to work at Roy Cove,and he comes from good stock, his father being a builder in Hove. He is a lifelong abstainer.

17. Wool was decidedly better at the sales just closed,and prospects for the first half of next year are fairly encouraging, though it is impossible to say from month to month how the market is likely to go.

I am,Sir,

your obedient servant,

Managing Director.

Enclosures per Supplementary Mail via Lisbon.

Originals.

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oriana" in duplicate

B/L general Cargo per "Oriana"

General Invoice goods shipped per "Oriana" in duplicate

Copy of P.S.N.Co's debit note for Potatoes supplied ex "Orissa"

Copestake's invoice for transfers supplied.

Jacobs & Barringer's invoice for goods shipped per "Orissa"

Copy of letter from H.H.Schmidt dated 16th instant.

Particulars of West Falkland Mail Service returned as requested

Summary of Shipments of Skins,Hides & Tallow from Stanley

Clients' reports & contracts:-

K	3 bales	Sheepskins	ex "Junin"
McG	9	,,	,,
R B C	2	,,	,,
T R	4	,,	,,
S I	14	,,	"Orissa"
B B	2	,,	"Oriana"
AP	2	,,	"Oropesa" (remainder)
	13	,,	"Corcovado" ,,

Day's certicicate of strength Gin per "Oriana"

Samples of Canvas teased out to show length of fibre used

Press copies of Sundry Broker's reports & contracts.

Clients' Invoices goods shipped per "Oriana"

Vere Packe,George Bonner & Bertrand & Felton.

A/sale for L 21 casks Tallow ex "Junin"

Brokers' press copy A/sale Company's Tallow ex "Junin"

Letters-for the following:-

W.A.Harding,A.L.Allan,(2) Reid A

Anning & Cobb's Skin reports.

London 19th December,1908

Enclosures via Liverpool

Duplicates

Despatch No.1053 dated 18th November.

Ledger & Journal Entries

Remarks on Accounts

Remarks on Stores

Replies to Remarks on Stores

List of General Cargo per "Oronsa"

List of Dutiable Goods per"Oronsa"

List of Clients' Cargo per "Oronsa

List of Parcels

List of Enclosures

General Invoice Goods per "Oronsa"

Clients' Reports & Contracts:-

reports only	H W	49	bales Wool ex "Junin"	
	K	33	,,	,,
	T R	73	,,	,,
	R B C	26	,,	,,
	J B	46	Salted Hides	,,
	McG	22	,,	,,
	H W	12	casks Tallow	,,
	W P	5	,,	,,
	J B	9	,,	,,
	F	12	,,	,,
	H G C	6	,,	,,
	McG	8	,,	,,
	L	54	,,	,,
	D S	2	,,	,,

Invoices for the following:-

Vere Packe 197 . 4 . 7

Holmested & Blake,Ltd. 6 . 10 . 4

Clients' A/sales :-

W E D	10 bales ~~Wax~~ Sheepskins	ex	"Coroovado
♣	Quantity	,,	,,
B B	2 bales	,,	,,
T R	2 ,,	,,	"Oropesa"
J B	2 ,,	,,	,,
AP	Quantity	,,	,,
J B	25 casks Tallow		"Corcovado"

B/L general Cargo per "Oronsa"

Duplicates relating to "Huanchaco"s" Cargo

B/L general Cargo per above

Contract note for Wild Ducks

List of General Cargo

General Invoice goods shipped

List of Clients' Cargo.

London. 21st November,1908

Enclosures via Liverpool

Originals

Wool market reports

Copies of Cablegrams sent

Copy ,, received

Copy of letter from H.H.Schmidt of 12th & our reply of 11th December re "Henriette"

Clients' A/sales :-

McG	22	Salted Hides	ex "Junin"
J B	46	,,	,,
McG	8	casks Tallow	,,
H G C	6	,,	,,
W P	5	,,	,,
J B	9	,,	,,
H W	12	,,	,,
H & B	17	,,	"Corcovado"
F	2	,,	"Junin"
H & B	52	,,	,,
L	22	,,	,,
H W	42	bales Wool	ex "Junin"
K	33	,,	,,
T R	73	,,	,,
R B C	26	,,	,,

Brokers' press copies Co's A/sales Wool,Hides & Tallow ex "Junin"

Clients' contracts:-

S I	2	bales Wool	ex "Orissa"
F	13	casks Tallow	ex "Junin"
D S	2	,,	,,
L	11	,,	,,
J B	19	,,	,,
L	21	,,	,,

Anning & Cobb's list of Sales for 1909

Letter from C.Mackinlay & Co.dated 1st December re Whisky

London 16th December,1908