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Sir,

My last despatch left per Guansa on the 28th ultimo and we received per Orita on the 29th ultimo your despatch No. 1155 and letter dated September 29th.

2. 1155-3. When Mr Evans was in Stanley he was unwilling to discuss the question of selling sheep except outright, and if we had offered him 2½d after having made tentative arrangements with others at 2d, the fact would have leaked out and we should, naturally have received complaints. Besides, you will recollect that you wrote in July last, 1152-16, that an extract was down from 5/3 to 4/- the Board "hoped that it would be found possible to buy on better terms than 2½d a b."

3. Par. 6. After the explanation given in my last despatch as to the J. J. Smith the Directors will, I am sure, withdraw the censure upon Captain Thomas. So far as I can make out the fact that coal does not deteriorate by immersion in salt water is not a recent discovery; if you will refer to Mr Cobb's despatch No. 842 of December 1896, written nearly 19 years ago, you will see that it was considered that even if coal had been on fire, saturation with salt water did not lessen its value. Mr Houston informs me that it was their regular practice in the Philippines to douse coal with salt water.

4. Par. 14. Father Migone desires me to convey to the Directors his grateful acknowledgment for their donation.

The Secretary,

London.
of £25 and his appreciation of your assistance in purchasing and shipping out the material in connection with his cinematograph.

5. Par. 18. The Government desired that the laying of the cable from Montevideo here should be kept dark, and I did not therefore mention the matter. The Western Telegraph officials are not allowed to accept any messages unless initialled by the Governor — wireless messages have to be passed by the censor. At present there are four telegraph officials, all of whom will remain during the continuance of the war — after that, I am told, there will be a permanent staff of two, so presumably the cable will be available for public use.

6. Par. 20. I am glad to learn that all island leases will be renewed as they fall in, and note the new rentals. Apropos of land, I was glad to receive letters from the Colonial Secretary offering renewals for 3 years of the Darwin Harbour and Port Sussex reserves. Copy of correspondence is enclosed.

7. The second steel lighter was launched on October 22nd and finished afloat last week. The riveters all return by this mail — statement of payments to them will be found with the Remarks on Accounts.

8. Mr. Allan returned from the coast by the last homeward mail and I went to Darwin with him returning via the Wet Falklands and North Arm on the 5th instant. I had the advantage of discussing with him the plans of the woolsheds for Darwin Harbour and Walker Creek and going over the ground with him; Mr. Allan’s plans are now in Stanley for Mills to draw out to scale and these will be forwarded to you by next mail.

9. We went to Bodie Creek to ascertain whether it would be possible for the telephone line to cross the salt water near Choisoul Sound, but found that this would be impracticable;
consequently Mr Allen will, I believe, recommend running the line from Darwin Harbour to Orqueta, making a sort of exchange at that point. From Orqueta, one line would go almost direct to North Arm linking up the house at Adventure Sound – almost the whole of this line will run parallel with fences; by running the line over the fence we shall be able to save one length of angle iron post for a number of miles. Another line should run from Orqueta to Walker Creek linking up Arrow Harbour house on the way, and a third line should run to Egg Harbour. The new Orqueta house is not as marked on the chart, but is situated between the two forks of Bodie Inlet – the Walker Creek line will pass over the Southern land arm without any difficulty. The new jetty at North Arm is progressing well – to enable the Falkland to go alongside it has to be considerably longer than the old one, and longer than Mr Allen originally contemplated. Whilst I was at Darwin we obtained an exact specification of the additional material required and had the proper lengths sawn at Stanley. This was all shipped out in the Falkland which called at North Arm on her return from the West Falkland trip. The piping for the water supply there is on the ground, but cannot be laid before shearing owing to lack of labour.

11. Mr Allan was very glad to learn that you had secured two extra carpenters as there is so much work required in the Camp. You will have seen that Dr Wace animadverted strongly on the insanitary condition of the North Arm Cookhouse, and there is no question that this should be taken in hand without delay. The only serious cases of beriberi have occurred there. If new eating and dwelling houses are built midway between the woolshed and the existing cookhouse a lot of time will be saved by the shorter distance the men will have to walk for their meals.

12. Whilst at Darwin your telegram reporting the securing
of contracts for the surplus West Falkland sheep arrived--
Mr Allen had already contemplated going across to Port
Howard to see the new Shaw press there, and when your tele-
gram was reported from Stanley at once decided to go. We
left Brenton Loch in the Falkland on the 2nd and had about 
9 hours at Port Howard. This enabled us to talk over with
Mr Evans the question of shipping the sheep, see the new
press etc., but the most important question was that of
supplying the Falkland with water during the time the trans-
porting of sheep will be going on. She will require daily
anything from 600 to 1000 gallons of fresh water, and this
is an absolute necessity that has to be met. Mr Evans was
good enough to undertake to assist as much as possible. So
far as we could see the only way to get the water is to
make use of the reservoir at the Tallow works where the
jetty has been extended about 16 feet at low water. This
reservoir is raised a good height like ours at Goose Green--
the water supply is obtained from a stream dammed up and is
pumped up by steam when boiling down is being carried on.
We cannot obtain the use of this steam pump, as naturally
they could not raise steam on a large boiler for such a
subsidiary purpose, and I am writing by this mail to Buenos
Aires for quotations for a small windmill similar to that
which is used at Port Howard for pumping water up to their
dockhouse at the upper settlement. Mr Evans is measuring
the distance from the reservoir to the end of the jetty
for piping to convey the water down to the steamer, and will
also let me know what further piping will be required for
the pumping into the reservoir. He hopes to be able to
send these measurements over in the course of a few days
by Mr Smith's cutter--if the mail has left I must cable
for the necessary piping as there is no time to lose in the
matter. All this means a fair expense, but it is inevitable,
as the Falkland cannot run without fresh water. On the
501 per Oriana (9.11.15) 5.

3rd we proceeded to Fox Bay, and had a talk with Mr. Mackworth as to his surplus sheep. We were also able to inform Messrs. Daillon & Stickney's Manager that we would take any of his sheep on the same terms. The Falkland arrived at North Arm that night, and next day discharged shearing material, timber and stores, especially a fresh supply of flour. Mr. Allan returned to Darwin the day after.

13. As soon as Mr. Weiss learned that you had secured the extra sheep he wanted men to start tin making, but with lambmarking on and shearing only three weeks ahead Mr. Allan cannot possibly spare any. We have therefore telegraphed to Punta Arenas to try and get 20 men over in four weeks' time to start on this work. Labour is short here and whilst at Darwin three of our men asked Mr. Allan to release them at once to enable them to proceed home by this mail for the front. About three weeks ago the Governor published a circular telegram from the King asking for men from the Colonies, and as some of ours have relations fighting they wish to join them. We could not place any obstacle in their way, and one for certain will go by this mail - the other two who applied have not yet come to Stanley and in view of the shortage of labour here we cannot help hoping that they will remain until after the end of the season.

14. This shortage of labour makes it all the more necessary to consider how we can make more use of what we have, and impels me to refer to my 419-12, written some three years ago, in which I mentioned the question of roads which would render mechanical traction and transport possible. The motor barge for use in Choiseul Sound is a step in the right direction, and I feel sure that the time has come when this should be extended to land transport. With the motor barge one day will suffice to go to Walker Creek and back, whereas with the cutter the best you can hope for is to be able to make the return journey from Walker Creek alone.
Mr Allan and I were 12 hours coming back. Another time when the cutter was down there she was hung up for three days waiting for a wind, and the services of three men were lost for that time. On land, if Mr Allan had to send men from Darwin to North Arm or vice versa, horses have to be caught, gear provided and a whole day is required for the journey, and moreover there is dissatisfaction if the men cannot take clothing with them. If we had a road and a motor, the journey could be made in a couple of hours and the men become interchangeable and could be shifted if necessary every day. Then take the matter of peat carting from North Arm settlement - about 700 loads are required annually; the peat bogs are a good distance away and a day's work for the cart, one man and two horses, is 9 loads; that is to say, that during the busy season one man with 4 horses is occupied for from 2 to 3 months, or 2 men with 8 horses for 6 weeks, on this work alone. Mr Allan considers that with a suitable plough we could in about two months make a track from Darwin to North Arm on which a motor could run during the Summer months. During the Winter months transport is not required so much. Such a road could be extended to Mount Pleasant without any difficulty, thus reducing the journey from Darwin to Stanley to one easy day. Another point, if the Falkland were lost we might manage to tow a hulk as far as Darwin, and with a road from there to North Arm, provisions could be supplied for all parts of our Camp, and you would also be able, if necessary, to run wool from North Arm back to Darwin. It would not be possible to tow a hulk so far as North Arm.

16. The old cookhouse at Darwin is now being used as a carpenters' shop, and in view of the amount of work pending in the Camp and the fact that you are sending two extra carpenters there it struck me that some labour-saving tools there would be an advantage. I had a talk with Nichols and
601 per Oriana (9.11.15)

Sir,

I am ordering some cramps for him. He thinks too that a mortising machine, similar to that sent out to Stanley in 1909, would be a valuable addition to the shop, but I will ascertain whether a smaller machine, not quite so expensive, would suffice, and will refer to this again by next mail.

16. I enclose copy of corres. with Lowden & Company in which you will find various points to be settled with them.

I am,

Your obedient servant,

[signature]

ENCL.

Duplication

Despatch No. 0.2.04.

Journal

Specification of disc.

Return of Products

Statement on Account

Receivables on Account

Store Indents No.

Remarks on Stores

"Kelp". Account

Letter to Secre.
ENCLOSURES.

Duplicates: (Originals per Uronsa, Oct. 11th 1915)

Despatch No. 500,
Cash Book for August,
Journal
Specification of shipment, "Kelp",
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Letter to Secretary, Oct. 13th.

ORIGINALS.

1. Copy of Journal for September,
2. " Cash Book "
3. Cash Voucher, West Store,
4. Dr Henry's Indent for Stores etc.
5. Telegram recorders,
6. Coasting Insurances,
7. Stanley Wages Return to 30th September,
8. Copy of Holmested & Blake's account current, June 30th 1915,
9. Stanley Ledger Balances, 30th September,
10. Copy of correspondence with Col. Secretary re DH and Port Sussex Reserves,
11. ditto.
12. Mr Allan's letters (2) to Secretary,
13. Mr Allan's letter to Mr Blake,
14. Remarks on Accounts,
15. Statement on Accounts,

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The Secretary,
London.
I received a wireless message this morning that the Oriana will arrive at midday.

2. With reference to par.12 of my despatch No.501 by this mail, Mr. Allan fortunately received last night from Wharton Harbour a letter from Mr. Evans which he read by telephone, giving measurements and details of piping required for supplying fresh water to the Falkland at Port Howard. A copy of this is sent herewith. I have not time to write to Messrs. Spearing & Waldron as suggested, or to add anything to any letter to Messrs. Lowden & Company, and should be glad if you would discuss the question with them, if necessary. It is hardly likely that Messrs. J.L. Waldron Ltd. will defray the cost of the work on the chance of re-imburseing themselves eventually by charging for the water. It is very essential that the piping should be shipped without fail by the mail leaving England on December 23rd. I enclose copy of a letter to our Agents at Montevideo asking them to obtain quotations for a windmill similar to that in use at Port Howard. Mr. Evans informed me that as this had to be obtained from the U.S.A. it was months before the order was executed. It seemed to us therefore that we had better get one from the Plate. The cost was only about £10, but we must expect to pay more than that in Buenos Aires.

3. Mr. Allan and I have discussed the question of the disposal of the casings this season; I enclose copy of a letter

The Secretary,

London.
to a firm in Buenos Aires, a similar letter has been sent to a man whom Weiss met in Montevideo, but I think it would be preferable to dispose of these, if possible, to some firm who would ship the product to the U.K., in order to avoid any complications with the Government. We have had various proclamations prohibiting the export of certain products to any foreign country, and sheep casings might be added at any time. Might I suggest therefore that you should communicate with Mr. H.M. Panting's firm? I enclose letters from him which refer to his having called upon you in 1913 - you probably have some record and might be able to come to terms in London. In any case I will not close with any offer until I hear from you by cable - if you do not make any arrangements at home would you kindly cable "Casings adhaesum (you must arrange)"? I trust that you will cable something before the end of the year.

I am,

Sir,

Your obedient servant,
502 per Oriana (10.11.15)

ENCLOSURES.

1. Store Indents No 606,

2. Remarks on Stores,

3. Statement on Account,

4. Copy of PSNC account with copy of letter,

5. Shipping Report,

6. Copies of correspondence:-

- From Mr Evans, (two copies),
- To E. Main & Son,
  "Fisher, Almonda & Co. Ltd.,
  "E. Pinto Beato & Co.,
  "Maclean & Stapledon,
  "International Importing Company,
  "H.M. Panton.

3. Par A. I fail to see how you can arrive at such a conclusion as in order to arrive at the quantities shipped we rely upon counting the balance remaining on hand; for there is no justification whatever for such a suggestion. You must be aware that the shipping of produce has been attended with the greatest difficulty here owing to various reasons. From the commencement of the season only a part of the different marks has been taken leaving balances, the ships' tallymen never agree with our own although we are always nearer the mark, and we have never had enough men or lighters to do the work. The Directors are also aware that I asked for a tally clerk - do you think it likely that if there had been a sufficiently suitable man here I should have

The Secretary,

London.
December 6th

Sir,

My last despatch left per Oriana on the 10th ultimo, and I received on November 27th your despatch 1156.

2. 1156-3. You will have learned from my late despatches that although the Admiralty cable is not technically open for public use we have been able to send all our messages over it when initialled by the Governor. We have had no difficulty at all in getting the telegrams passed; the meaning must not be obscure, and code words have been allowed provided that the translation is appended. The cable rate is 3/1l per word, which is twopence more than by wireless, but the certainty of getting the telegrams home without delays is worth this extra cost.

3. Par. 4. I fail to see how you can arrive at such a conclusion that in order to arrive at the quantities shipped we rely upon counting the balance remaining on hand; for there is no justification whatever for such a suggestion. You must be aware that the shipping of produce has been attended with the greatest difficulty here owing to various reasons. From the commencement of the season only a part of the different marks has been taken, leaving balances, the ships' tallies never agree with our own although we are always nearer the mark, and we have never had enough men or lighters to do the work. The Directors are also aware that I asked for a tally clerk - do you think it likely that if there had been a sufficiently suitable man here I should have

The Secretary,

London.
asked for one from home? We know perfectly well that tallying is done accurately at home all over the country, and so it ought to be with all the facilities provided in the shape of plenty of room and light - no doubt electric light at night, but when you have to employ men who are not used to the work on a dark hulk with a candle or smoky lamp at night, dealing frequently with bales stained with grease or dirt on which the marks are partly obliterated, how can you expect the same results as are obtained in England? What I reported was that our tallies differed from those on the ship, and that we could not reconcile the numbers until the balance left in the hulk had been counted. The steamer's men can hardly be expected to tally correctly when the bales are so covered with marks, weights and descriptions, and it was this that prompted me to suggest that the shipping mark and number should be branded on both ends of the bale.

When stewards pass in tallies of so many bales E.W.E. and H.O.C.C. what can one make of it? I think that it will be admitted that until the war broke out the tallying and shipment of produce was carried on efficiently, I have reported before that our foreman labourer was very accurate, being unfortunately a German by birth, was interned, and we therefore lost his services. In addition to this, labour was scarce, and it is one of the inconveniences occasioned by the war which we have to put up with. The Company's business has not been very seriously interfered with by the war, and compared with others we are not by any means badly off; we can scarcely expect everything to go off as in normal times.

4. Par.5. We are glad to have Mr Ince's opinion as to claims on the PSNC. No doubt the best course for us will be to try on all the claims we can as hitherto, and trust to their passing some of them.

5. Par.8. We sincerely hope that you will have succeeded in arranging that the Falkland may take the Chilians back to Punta Arenas direct from Goose Green - judging from Mr
Connell's letter to you dated April last the PSNC evidently consider that we are bound by contract not to send any passengers except by their steamers; hence my suggestion that you might offer the PSNC something per head by way of compensation.

6. Par.9. The Inca arrived on the 25th November and sailed on the 2nd instant. Capt. Mander informed me that the PSNC expected us to take delivery up to 100 tons per day — seeing that during the time the Inca was here we took delivery of about 200 tons from the Orissa as well, we assume that they will be satisfied with the despatching of both steamers.

7. Par.12. Griffiths and Craig arrived by the Orissa, and proceeded to Darwin via Brenton Loch on the Falkland, arriving there on the 1st instant.

8. Par.13. I beg to tender to the Directors my sincere thanks for their spontaneous permission to retain any fees which the Executors of the late E.P. Baillon may pay for work in connection with Probate here.

9. Par.16. Mr Gresham arrived by the Orissa and has entered on his duties. We are very glad indeed to be fully staffed in this office again before the press of work at the end of the year in connection with stocktaking and annual accounts.

10. Par.19. I beg at the outset to express great regret the error in making out the Bills of Lading per Orissa, for frankly it was a clerical error and the omission of London as the port of delivery was not in reality occasioned by the instruction from Valparaiso. As a matter of fact, when those instructions were received we did not regard them as being binding absolutely in respect of our produce — we felt that as we had a definite contract with the PSNC, the validity of which had been admitted beyond question by your corres. in May, it was really not of vital importance how the Bills of Lading were worded. That is to say, we considered that the carriage of produce was determined entirely by the contract, the Bills of Lading being an adjunct necessitated by commercial usance.
60s per Orita (6.12.16)

and for proof in case of loss, I do not mean to say that we regard them lightly, but that the contract dominated everything; the essence of it being that the PSNC deliver the produce in London. We noticed the mistake the day after the Orissa had left, and thought of telegraphing, but it seemed to me that this might be construed as an admission that we had made ourselves liable for payment for the coasting freight, and it would be better to rely upon the contract.

When the Bogota Bills of Lading were taken on board for signature the Captain at first declined to sign them as made out as it was contrary to his definite instructions. Mr Oswald informed him of the agreement, and he consulted his purser, who is a Solicitor. The latter at once said that if there was an over-riding contract, providing for delivery of the goods in London, it would hold good in law, and he advised that they should be signed accordingly on Mr Oswald giving him a written statement vouching for the existence of the contract, which would cover him in case of any trouble in Liverpool. The PSNC have printed a special Bill of Lading for our produce homeward and I think it would have been better if this had been worded and printed in accordance with the contract. At any rate it would seem doubtful whether an inadvertence on the part of a subordinate in an action pertaining to the contract could be held to invalidate the agreement between the principals of the same.

11. Par. 20. The sheep contracts have been noted. Mr James Boy arrived here by the Orissa with a view to purchasing sheep, but was informed by the Colonial Secretary that the export of live sheep to countries other than the U.K. would be prohibited; I cannot make out how this can be done under the Proclamations that have been issued up to now, but do not intend to question the validity of the prohibition, as it plays into our hands.

12. Par. 21. An increase of the export taxes decided upon
by the Secretary of State for the Colonies some time back, and the Governor had no option but to pass legislation accordingly. He had to find some £3,000 extra revenue, and was instructed to increase the existing export taxes and to impose new ones on canned meats, meat extracts, tallow and guano—furthermore, the C.O. have approved the tax being graduated. Seeing that it was inevitable that the taxation would be on exports, it was useless to do more than convey your views, and I devoted all my energies towards getting these taxes levied in the simplest form possible. I am very glad to report that the idea of a graduated tax has been dropped. The original proposals were two separate rates on wool and extract of meat according to the prices realised; on wool realising over 1/- per lb the tax would be higher and on meat extracts they proposed to impose a higher rate if the value was above a certain figure that would be fixed by the Governor-in-Council. I said that that was equivalent to imposing a specific tax at once, and urged that the taxes should be specific in every case instead of ad valorem, adding that it would be months before the value of the wool was known. The desirability of collecting the taxes quickly was so obvious that the Governor agreed to make them specific. I suggested that the taxation would be further simplified if they abandoned taxing tallow and meat extract and confined it to canned meat, and this was eventually agreed to. Tax on live sheep has been fixed at 2d, but I asked that this should be made higher and other rates proportionately reduced, as it would not be right to let off an exporter of live sheep more lightly than those who canned the meat and kept the industry in the Colony. The tax was therefore fixed at threepence and other rates slightly reduced. The new tax on whale guano is estimated to produce £900. When the Ordinance was passed through by the Legislative Council I asked that it might be regarded as temporary only for one year, in order that the sheepfarmers might have an opportunity of laying
their views before the Government. The Governor could not course give any guarantee, but will consider any representation that may be made. Since the meeting of the Council I asked for an interview to talk over the question of weights etc. — he is quite agreeable to accepting the weights declared on the specifications as hitherto, and is anxious not to hamper us in any way. I showed him some account sales and proved that the weights on which export tax had been paid were substantially correct, in fact rather more than the nett weights shown on the account sale. I also asked what he thought of a poll tax on sheep depasturing — it seemed to me that this would meet your objections to penalising the farmer who improved his stock and increased the weight of his wool — the Governor replied that he had thought of it, but did not see how they could ensure accurate returns, and that if a dishonest farmer understated his numbers it would be grossly unfair to the honest farmers. In spite of this, however, I think the idea well worth considering — the Stock Inspector should keep his eyes open; if such a tax were decided upon, he would compare the dip tallies of years past, and if there were a suspicious decrease the matter should be investigated.

13. Par. 22. The motor boat was delivered in good condition by the Inca; she had been well looked after on board, and well painted, the balance of the composition being handed over with her. As Mills had only just returned from Goose Green and North Arm he has not yet had a run out of her.

14. Par. 23. Mr W. E. Baillon's description of the plot of land purchased in 1894 by the late Mr A. E. Baillon is quite correct. It was originally fenced with a wooden paling, but a few years ago a new fence consisting of concrete pillars and hanging chains was put up round the whole plot, Mr Alex. Baillon being buried in the western portion. Possibly the remaining two grave spaces might be disposed of, but the value would not amount to two thirds of the original price.
paid. I will lay Mr Hallion's letter before the Trustees of the Cemetery at their next meeting - a copy of the present rules is enclosed for his information.

15. On the subject of water supply at Port Howard for the Falkland I received from Montevideo a quotation for a small windmill exactly similar to the one in use at Port Howard - the price f.o.b. at Montevideo is 55 dollars gold, so that with freight the cost would be about £15. I have therefore ordered one and rely upon receiving the piping by the Oriana next month.

16. The material for the jetty has now been landed at Egg Harbour together with sufficient of the telephone material to commence the laying from that end. The Falkland is loading the balance now for landing at Darwin.

17. Referring to par.13 of my last despatch we had no response to our telegraphic request for men from Punta Arenas, and Mr Allan decided to send Weiss over by last mail to get some to commence tinmaking. We hope to hear by wireless before the mail closes that he is returning by the Oriana with a sufficient number.

18. With reference to par.15 of my last despatch on the question of carpenters' appliances for Nicholls, we are sending by this mail an order for a small mortising machine, a boring machine and some cramps.

19. We have on hand 388 bales of wool and sheepskins which should be shipped away before the season's produce comes in, more especially as I got the Governor to agree to charge export duty on this at the old rates, if we could get it away soon. I am glad that the West Coast Manager has found it possible to reserve 200 tons space in the Oriana - it will be a tight fit to get these bales into the space, but it is to be hoped that she will take it all. Of these 388 bales, 268 are Company's sheepskins.

20. Mr Allan's plans of proposed new sheds at Darwin and Walker Creek, drawn to scale by Mills, are sent to you by this
19

M03 per Orita (6.12.15)

mail, and I understand that Mr Allen has asked that blue prints might be taken off and sent out. We decided to ask you to ascertain whether the roof just over the part of the shed where the bales of wool are stowed could be constructed to take an overhead carrier. This would save a lot of labour parbuckling bales up and stowing. The carrier is not required to lift more than half a ton, and Mills informs me that some of a simple type are stock articles which some firms specialise in. If the span of the roof is 40 feet, probably four sets of rails would be necessary.

21. The two Admiralty colliers now here had their coals heated; the Wathfield arrived on November 11th and a few days later discharged 1600 tons of coal into the Orama. The Barnholme arrived on November 22nd - she loaded originally at Barry over three months ago, and came here from St. Lucia - the day after her arrival, the coal in No. 2 hold was discovered to be badly on fire, and that evening it was found necessary to beach her and flood the hold. She has since been re-flotted but the coal in other holds is now heated, and is being discharged on deck to enable the gases to escape. The coal on the Wathfield is hot, but as 1600 tons have been discharged, the balance can be turned over. I fear that we are not likely to be asked for the services of the Samson.

I am,

Sir,

Your obedient servant,
503 per Orite (G. 12. 15)

ENCLOSURES

Duplicates. (Originals per Oritca, Nov. 10th 1915.)

Despatches Nos. 501 and 502.
Cash Book and Journal for September,
Ledger balance to 30th September,
Stanley Wages Return, do.
Mr Allan's report, Nov. 6th,
Costing Insurances,
Store Indents No 506 and Remarks,
Statement on Accounts,
Remarks on Accounts.

The Orite arrived at 3:15 p.m. to-day but will sail to-

1. Copy of Journal for October,
2. Cash Voucher, West Store,
3. Store Indents No 507, with copy,
4. Costing Insurances,
5. S.S. Falkland - Manifests for Voyas. B 22-27,
6. S.S. Neilrose - Copy of account,
7. S.S. Germanic - do,
8. S.S. Manchester Port - do,
9. Copy of cablegram.
10. Statement on Accounts,
11. Remarks on Accounts,
13. Mr Allan's report,
14. Shipping Report,
15. Company's Timber Price List,
16. Copy of PSNC homeward bill of lading,
17. Copies of correspondence:
   Colonial Secretary, re Reserve, Oct. 27th,
   Farrar, Groves & Co., Nov. 19th,
   Furness, Withy & Co., Dec. 2nd,
   Chirn Salvesen & Co., Dec. 2nd,
   PSNC, Valparaiso, Nov. 25th.
18. Copy of Cemetery Ordinance Rules,
19. Copy of Tariff Ordinance 1900 (Amended)
20. Specifications:

DH 13
W.C. 9
NA 25
HW 2
D 3
S 22
P.C. 168
F 90
Heart. 5

By Workmen of DH and WC.

Your obedient servant,

The Secretary.

Manager.
The Orita arrived at 3.15 pm to-day and will sail to-night; Mr Weiss arrived with 29 Chilian labourers. Arrangements had been made beforehand for all these to be registered under the Aliens regulations before leaving the Orita - the Falkland went alongside her in Port William, took them direct from the Orita and left for Goose Green before 5 pm.

2. Captain Cumming is doubtful as to taking all our wool and sheepskins; in view of the scarcity of space I deemed it advisable to ask for the nett measurement which I estimated at 260 tons, and I should be glad as a matter of interest to know the exact freight measurement of this shipment. Specification and Bills of Lading will be enclosed.

3. The Orita has brought some horses, but I received a letter from Mr Hobbs of Punta Arenas stating that the Explo-tadora Company were unable to ship the special plough horses which Mr Allan had selected. Mr Allan himself is on the Orita now, and at the moment I am unable to say whether they succeeded in shipping them or not. A note will be posted to you direct on board informing you whether they have arrived.

4. The Admiralty collier Darnholme has received orders to proceed to Montevideo at once to discharge her coal there; she will probably leave to-morrow morning.

I am, Sir,

Your obedient servant,

The Secretary,

LONDON

Manager.
ENCLOSURES.
1. Store Indents No. 507.
2. Remarks on Stores.
3. Mr. Allen's supplementary report, Dec 7th, with copies.
4. Memorandum re West Falkland mail contract.
5. Remarks on Accounts.
7. Copies of letters (3) to PSNC, Liverpool, and copy of account.
8. Specification and Bills of Lading per "Orita".

The sun set by 5 a.m. in order to get through the discharging quickly, but owing to bad weather she did not arrive until 2.30 p.m. About 7 am I received an enquiry from the Captain as to whether we would work in the afternoon, and replied in the negative. All cargo was discharged next day, Sunday, and the Owners left that afternoon.

3. 1167-8. In writing you on the question of shipping sheep from the West Falkland I wrote Fremantle instead of Alberta, and of course have been very regretted. Messrs. London & Company wrote some time back that they would not go to the expense of fitting a second tier in the hold of the Falkland in view of the hurry to get all the wool home early this is to be regretted as we could have completed the shifting of sheep so much more quickly.

4. Same per. A copy of your remarks as to payment for sheep which die after being taken over has been passed on to Mr. Allen.

5. Par. 8. The deeds transferring to the Government the strip of land required for the continuation of Lime Street were sent to the Colonial Secretary, the second and third being marked duplicate and triplicate. The Colonial Secretary thinks that these were asked for as that one could be

The Secretary,
London,
Sir,

I received on Christmas Day per Oronsa your despatch No. 1167 dated November 24th.

2. We expected the Oronsa to arrive quite early, and had the men down by 5 a.m. in order to get through the discharging quickly, but owing to bad weather she did not arrive until 2.30 p.m. About 7 am I received an enquiry from the Captain as to whether we would work in the afternoon, and replied in the negative. All cargo was discharged next day, Sunday, and the Oronsa left that afternoon.

3. In writing you on the question of shipping sheep from the West Falkland I wrote torenton Loch by mistake—it should of course have been Egg Harbour. Messrs Lowdon & Company wrote some time back that they would not go to the expense of fitting a second tier in the hold of the Falkland. In view of the hurry to get all the wool home early this is to be regretted as she could have completed the shifting of sheep so much more quickly.

4. Same par. A copy of your remarks as to payment for sheep which die after being taken over has been passed on to Mr. Allan.

5. Par. 8. The deeds transferring to the Government the strip of land required for the continuation of Hebe Street were sent to the Colonial Secretary, the second and third being marked duplicate and triplicate. The Colonial Secretary thinks that three were asked for so that one could be differentiated between wool shipped before any cut-off date.
given to us for record, one kept on record in the Land Register and the third filed with the papers dealing with the question.

6. Par.10. The report of the analysis of the Flour is awaited with interest. A copy of your paragraph has been sent to Mr. Wace as requested and I have also written Dr. Wace asking the source of the rumour that we did not propose to proceed at once with the improvement of the North Arm water supply, though really it is not necessary to take the statement seriously. A copy of my letter to him of October 12th acknowledging the report is sent herewith; Dr. Wace did not answer that. I think too that the Directors are unduly concerned at his statements about the North Arm Cookhouse, for Dr. Wace is apt to express himself in superlatives, especially on questions of hygiene. The Directors will recollect that he asked some time ago for a microbe proof room with concrete floor and stamped steel lining and ceiling to be added to his house for bacteriological work. The North Arm cookhouse is a building that we are by no means proud of; in fact, a new one for that section is the next on Mr. Allen's list after the work described in his letter to you of November 6th.

7. Par.12. We thought it as well to advise clients by circular that the Falkland would be engaged in March in shifting sheep from the West, so that they could not expect us to ship out any outward cargo then, and took the opportunity of mentioning that you were negotiating with the FSNC for early shipments of wool. On the receipt of your last despatch it was necessary to send a further circular on the subject of freights - copy of this is enclosed. It seemed to me advisable to word the circular in such a way as to induce all to agree to the increased freight, rather than differentiate between wool shipped before and after end of April. With the work of sheep shifting to be done, it is possible that the Falkland might not be able to get all wool in
before that date; moreover, some may not have been able to
press up all their wool in time owing to many stations being
shorthanded. And in this connection it is necessary to
mention the matter of the crew of the Falkland - Articles
expired on December 26th and we had to get 9 men from Monte-
video - most of these are absolute scum, for there are no
decent men to be had, and in all probability some will have to
be sent away again. Then, again, the Engineers absolutely
refused to sign on again for more than three months - of
course, we hope to get over these difficulties, but there is
every chance that they will delay the work.

8. Par.18. This has been passed on to Mr. Allan, as directed.
9. Par.16. Mr. Mills left Stanley on December 14th for
Goose Green, was at Walker Creek for one day, and afterwards
rode to North Arm with Mr. Allan to put in the new hydraulic
piping for the pressing plant there; returned to Goose Green
to superintend the fitting of the new firing arrangements
of the boiler at the Canning Factory. He is still engaged
in this work, and on his return to Stanley will be able to
write a report on the whole of the Camp machinery.

10. Par.16. It is very satisfactory to know that the
Admiralty have settled the account for the hire of the Plym.
11. Par.17. The only precaution against fire that we have
been able to adopt in our Stores is great care in the ar-
rangements for lighting and heating. Lamps are placed only
in safe positions, and in each store there is one stove only, a
every possible care being taken to avoid any risk of fire
from the same. We have had a few hand grenades for sale and
these were kept in positions where they could have been
used if necessary. Precautions could only take the form of
eextinguishers dotted about the building for use just when
fire breaks out - if a fire got a start, especially during
the night, in a wooden building, practically nothing could
save it. I will report further on this by next mail when
there has been more time to go round the different stores.

12. In continuation of my last despatch per Orissa, the
Falkland reached Mere Harbour that same night, with the Darwin
motorboat in tow, and anchored there owing to darkness. It
was a flat calm all along the coast; next morning there was
a strong Southerly wind which would have made it unsafe for
the boat to be towed, so that we were extremely fortunate in
the weather. She arrived at Goose Green shortly after 6 am, and
as Mills went out to superintend the alteration of the boiler,
he was able to land the Chilians with the motorboat there.

13. The "Damholme" did not leave until the 13th, arriving
at Montevideo on the 18th. The temperature of the coal was
180 on the 10th, and we deemed it prudent to wait a day or
so to see whether it increased materially. On the 12th the
temperature had fallen to 134, and as the Admiralty were most
anxious that she should proceed, she left that night. I learn
that she was so badly on fire on arrival that she was beached
at once and two holds flooded.

14. A letter is forwarded herewith from Mr R. J. Dettleff on
the subject of his position and salary. A couple of years
ago, vide my despatch 453/15, I reported that Mr Creese's
office had been moved from the West Store to the East building
in order that he and all the store papers would be handy to
the office, and further that all the wholesale business, by
far the more important branch of the Store business, which
is done at the East Store, would be under his immediate
supervision. This necessitated placing Dettleff in charge
of the retail work and his pay was then fixed at £130 per
annum, rising £10 annually, so that for 1916 he would receive
£150. Under his supervision the Store has improved very
much, the arranging and method is excellent, the stock well
looked after, and his worth is now well proved. Years ago
when we had two retail stores running each Storekeeper re-
ceived £200 per annum with a house. We are now doing far
more trade at the West Store than both the old stores did, and wages are at a much higher standard than at that time. Butchell is not provided with a house, and as he has proved to be a very valuable servant I think his services are worth £180 per annum. I have preferred to send you his letter as it raises another point, namely, the matter of the Saturday half holiday, and it gives me an opportunity of explaining the position as regards this question. During the period, October 1st to April 30th, all work ceases at midday on Saturday, making a 66-hour week; but for the remaining five months of the year there is no Saturday half holiday. Some years ago the Carpenters said they would much prefer to have the half holiday all the year round, sacrificing the pay for the time not worked, as they found it so useful for odd jobs in their own homes. After a while the labourers followed suit, but I stipulated that if there were urgent work to be done, they must turn to on Saturday afternoon at the ordinary wage; this was agreed to and the arrangement has worked well. The stores were, however, kept open, consequently the store employees have longer hours of work in the Winter than the others. When the East Store was closed to recall work the men there were able to take their weekly half holiday all the year round. I think the time has come when we might conform to what is practically a universal custom and adopt a weekly half holiday right through the year. Customers make all their purchases by 1 pm in the summer months and could do the same during the Winter - if we take the lead, it is practically certain that other stores will follow, and even if some of the smaller ones did keep open we should not lose any custom, for those run by owners are always open during the evenings right through the week.

Mr. Nicoll, the Senior Blacksmith, has asked me to lay his case before you. His first agreement expired in August 1913,
and was renewed indefinitely, subject to four months notice on either side, his salary being raised from £160 to £192 per annum with no liability on the part of the Company for return passages, vide my despatch No. 446/3. He says that the position he finds himself in now is as follows:—the cost of living has risen very considerably; he earns nothing extra for shipwork as he did during the first five years here, and there is no inducement beyond the actual pay, that is to say he has nothing to look forward to. Seeing that skilled workmen can now command very high wages at home he feels that he would be doing much better for himself if he were to leave at once rather than wait for 2 or 3 years longer when wages at home may have dropped again. If, however, he had the prospect of some assistance towards passages home after serving a second term of five years, he would feel that he is working up for something more definite. We do not want to lose him as he would be difficult to replace; his work is excellent, he has saved us considerably by using up old material etc. and is a good servant in every way. I should be glad if the Directors could see their way to promising either a gratuity or a lump sum on the expiration of a second term of five years, or assistance towards passages home then, if the latter, it might take the form of say 4 second class fares.

15. Your telegram of the 14th asking the number of bales available on December 31st for a possible Admiralty steamer reached me the next morning and I replied 1250. This was based on the assumption that the Admiralty steamer would not be here until the end of the year, by which time the Falkland would have returned from her West Falkland trip with a full load.

December 23rd. Received your telegram that Intaba would arrive on the 28th—this earlier arrival meant the difference of a full load of 500 odd bales by the Falkland; the Oriana was due on Christmas Day, the 27th and 28th were both holidays and we had only 705 bales on hand. It was necessary therefore to do something quickly—fortunately, the Falkland was in Stanley,
the windlass had been patched up and she had bunkered and watered. The old crew were due to be paid off next day, 24th, a new lot coming from Montevideo on the 25th, but Captain Seaman managed to induce them to go another trip and the Falkland left at 2 pm intending to go to Port Howard and North Arm for about 300 bales. We had heard that all the men were away from San Carlos and thought it better therefore to make a quick run to North Arm. The steamer had to be back on Christmas Day to take over the new crew for no lodgings were to be had in Stanley.

December 24th. At 2.30 pm received your telegram that Intaba would not arrive until January 4th.

December 24th. Falkland returned with wool from Port Howard and San Carlos. The windlass broke down again and Captain Seaman had to go to some place where he could go alongside a jetty and not drop his anchor, so went to San Carlos and got the wool with his own crew, working day and night. Oronza arrived at 2.30 pm.

December 25th. Took cargo on Oronza. Received telegram from Valparaiso. Directors advise P.I.Co have arrange ship wool "Government steamer December. What space will now be required for February loading?" Replied on 29th. "Admiralty steamer due fourth January. Will cable amended cargo estimate after her departure."

27th and 28th Holidays.

30th. Received West Falkland mail from Post office at 5 pm, Falkland leaving immediately - she proceeded South for Fox Bay and was to go up the Sound to Hill Cove, calling in at Berkeley Sound for as many bales as possible to catch the Intaba. Since she left we have had three days on which no at all work was possible - she could hardly have steamed against the gales we have had.

16. Since writing par. 6 the Darwin mail has arrived, and I am able to enclose copy of a letter from Dr Page dealing with the question of N.A. Water Supply and Cookhouse.

[Signature]
Enclosures.

Duplicateas. (Originals per "Orita" 9th Dec. 1915).
Despatch No. 503 & 504.
Journal for October.
Remarks on Stores.
Mr. Allan's supply; Report 7th Dec.
Store Indents No. 501 & Remarks.
Mr. Allan's Report 2nd Dec.
Copy of letter to P.S.N.C Liverpool 4th Dec.
"Pinto Laste & Co.
Remarks on Accounts.
Statement on Accounts.
Coasting Insurance.
Specification & B/Ls per "Orita".

Originals.

Cash Book for October.
Journal November.
Cash Voucher - West Store.
Store Indents No. 505.
Dr. Wace's Indents - Drugs.
Remarks on Stores.
Telegram Recorders.
Coasting Insurance.
S.S. "Falkland" Manifests 28, 29, 30th.
S.S. "Barnholm" Account.
Shipping Report.
Mr. Allan's Report & Letter.
Letter from Cathedral Vestry.
Statement on Accounts.
Remarks on Accounts.
Letter for Mr. E.I. Goddard.

Correspondence:—
Copies of Circulars to Clients 13th, 15th & 30th Dec.
Correspondence with Collector of Customs.
Copy of Letter from Mr. Harding to Dr. Wace 12th Dec.
Dr. Wace to Mr. Harding 1st January.
Correspondence to Messrs. Wm. Lowden & Company, 4th Jan.

Copy of Correspondence - Pinto Laste & Co.

Specifications.

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From agents Monte video to municipal superintendent: 1.

Received very perm with market. Talked telegraph wires asking monthly telegraph weight, acknowledging that thousands would need they have for shipment monthly.

2. From telegraphist to agents Monte video: talk noon.

Talk telegraphist that these measurements weighing down.

3. From agents Monte video to telegraphist: talk. Spoke to telegraph wires directors advice relative to telegraph weighing down, arranged ship with government steamer another day; expected they will be required for February loading.

4. From telegraphist to agents Monte video: talk. Talked to directors concerning telegraph steamer due fourth January. If agent needed a re-estimate after her departure.

5. From telegraphist to agents Monte video: talk. Talked to directors concerning telegraph steamer due fourth January. If agent needed a re-estimate after her departure.

6. From London office to telegraphist: talk. Talked to directors concerning telegraph steamer due fourth January. If agent needed a re-estimate after her departure.

To

From

Corresponded and had telegraph sent promptly.

Corresponded with telegraph sent promptly.

Understood correspondence delayed until tenth March. Increase speed to good tone measurement weighing down.

From agents Monte video to telegraphist: talk. Talked to them, 27th January. Corresponded has no room for more quantity advised.
February 1st

The "Victoria" outward bound is due late to-night and the "Crona" homeward bound is expected to arrive early tomorrow.

We learned on January 16th from Monte Video that the "Victoria" had been substituted for the "Crona".

The "Antara" came in and was opened and found that one of the bales was accidentally loaded off the jetty into the water; the bales were recovered and opened out, and the wool dried and re-baled.

Mr. Stephen is the Camp teacher sent out here in 1914 - he had come to Stanley at Christmas time, and with Mr. Allen's concurrence was kept here for a while to assist at the stock-taking. The store business owing to the presence in Stanley of Wireless station workmen is very heavy, consequently the store staff is kept fully employed on current work, and some help with the stock sheets was necessary. Mr. Stephen
would prefer, if possible, to be employed here permanently at $40 or all per month; if you are able to send a copu teacher to replace him, he would make a good tally clerk, working at store accounts when not engaged on tallying.

4. Whilst loading the "Falkland" at North Arm and Darwin on December 16th and January 29th a bale of wool at each place was accidentally rolled off the jetty into the water; the bales were recovered and opened out, and the wool dried and re-baled. A certificate from Mr. Allen is sent to enable you to recover from the underwriters the cost of reconditioning which was paid at £6 per bale according to your despatch 1/3/16. As the accident occurred with our own men no entry was made in the "Falkland" log.

5. Some arrangement has to be made for getting the new steel lighters high and dry for periodical painting - to build a slipway would entail considerable expense, and the labour of hauling up each time would be heavy; moreover it would take months to build the slipway.

We have therefore decided to build a framework supported on piles some 3 feet high on which the lighters can be floated at high water spring tides. 3 feet of space under the bottom will enable the men to do the necessary painting. The piles have been driven in and the frame can be got ready by the next spring tides in 2 or 3 weeks time. The lighters already require painting again.

6. So far we have not been able to make any arrangements for the sale of casings. I reported that the International Importing Company of Buenos Aires had been written to for an offer and their interim reply is enclosed herewith; we may have a further letter by the incoming mail. I cannot read the signature to the letter, but it is evidently German, and if Mr. Weiss can manage the cleaning of the casings on our own account I think it would be better, for by sending to London we should avoid any risk of complications with the Government.

Mr. Weiss endeavoured to secure in Punta Arenas
the same foreman who had allowed them for Moeller who was very
indignant that we would not sell to him this year on account of
his nationality. As soon as he learned that Heiss was trying to
get this man, he immediately offered him better terms to remain
at Rute Farms. Heiss may have to go across again this month
for killers and boners, and if so will make another effort to
secure a suitable man for the canings.
7. The lateness of the "Victoria" will upset our arrangements
for starting the canning; under ordinary circumstances she would
have arrived here homeward bound on March 3rd, or 4th, and we
proposed to have the "Falkland" in Stanley ready to take the
Chilian killers and boners straight on board, and proceed with
them to Brenton Loch. From there the "Falkland" could have gone
direct to Port Noreaster for the first load of sheep. The "Victoria"
is nearly two weeks late now and will probably be three weeks
late on the homeward journey unless the "P.S.N.C." turn her round
at Valparaiso instead of letting her go on to Callao. Fortunately
however the "Corcovado" is due here on March 10th and we shall
probably have to postpone the commencement of canning operations
until then; it is doubtful if Mr. Heiss can make a start with
local men - if it is possible, he will do so, but will not then
be able to go across to Rute Farms to select the killers and
boners. It is risky to leave the selection of these to an agent,
but we may be compelled to do so. I had thought whether the
"Falkland" could make a trip across for the men, but this would
interfere with the Mail contract and wool collection and would
probably be too expensive in coal.
8. The enclosed statement of all telegrams received and sent
on the subject of the wool shipment by the P.S.N.C. steamer for
the end of February will place you in possession of full details.
From this it will be seen that our application for increased in
the "Corcovado" was too late, and that we cannot rely upon more
than the 2000 tons originally asked for.
As we have ample time for the collection of the
required number of bales the "Falkland" will get these from dis-
tant ports on the West Falkland, leaving the nearer ports for
April when the days are shorter, we shall thus have shipped by the end of February a part of almost every farmer's clip, so that all will have had an opportunity of participating in the high prices. The collection so far has been more rapid than anticipated - weather has been very favourable and the new crew of the 'Fuller's Head' are working well, but it is necessary to point out that very little outward cargo from Stanley has been carried, as we felt that everything should give way to wool collecting; the loading and storing of outward stores takes twice or three times as long as for tonnage, as wool.

3. I enclose copy of an application from Mr. C. Peters for the post of Engineer here when a vacancy occurs, which would be towards the end of this year. Mr. Peters is 2nd Engineer of S.S. 'Bathfield' now lying here, and has a Chief Engineer certificate; the Captain gives him an excellent character, says that he is very steady and intends to marry on his return to England. I have not yet seen him but will take an opportunity of doing so. In view of the difficulty of finding a suitable Engineer for here it may be as well to keep in touch with him, as he has seen the place and knows pretty well the nature of the work he would be called upon to carry out - hence if he were appointed there could be no dissatisfaction on the ground that he did not know what sort of place he would be coming to.

I am,

Sir,

Your obedient servant,
ENCL.

1. Store Indents No. 530.
2. Darwin Library Indents for Books.
3. Remarks on Stores.
5. Specification and Bills of Lading for "Intaba", delivered us from Ellice Sold to Government - leaves and letter.
7. Copy of account. Stated: 100, on receipt of it.
8. Mr. Allen's report.
11. Statement on accounts.
12. Statements.
13. Remarks on accounts.
14. Correspondence.
15. Letter from Government.
16. Correspondence.
17. Correspondence.
18. Specification:

Wool.

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506 per Orona (1.2.16)
Mr Harding to F.I.O., 16th March 1914.

On reading over the proposed contract with the PSNC it seemed to me that there are some points which are so important that I took the responsibility of asking you by telegram to defer signing the same. These points are:

1. The large quantity of outward cargo (1200 tons) guaranteed to be shipped twice a year by intermediate steamers.
2. The difficulty of taking delivery of so much at one time.
3. Withdrawal of undertaking to send steamer to Darwin.
4. The clause in the contract absolutely debarring the Falkland from any trading except coasting work here.

(4) The fourth clause in the proposed contract debars us from carrying any cargo in the Falkland excepting coastwise. This, in my opinion, ties us too much — we do not want in any way to compete with the PSN steamers, but we ought to have some freedom. There is a constant demand for wood from Punta Arenas and the PSNC have just lately raised the freight from 30/- to £2 per 1000 feet super, or from say £15/- to £37/-. We shall probably have to send the Falkland there to go on the slip, and in the ordinary way would bring back a load of wood to help pay expenses - or if we send her to Montevideo she would bring down say Flour and Corn. But this clause would bar that. After all, it would make no difference to the PSNC if we brought a cargo of timber, for the Punta Arenas shipowners have to find work in the winter for their steamers, if possible, and it pays them well to send a cargo of wood - it will pay still better now that the PSN have doubled their freight, and it is evident that quantity noone will freight any over at the PSN rates. By debarring us from getting in the Falkland therefore, they are not doing themselves any good, but are benefiting Sandy Point shipowners at our expense - "Dog-in-the-Manger" in fact. Again, we used to be able to sell a number of rams at £5/- per head, but now they have raised the freight on these from £5/- to £9/- we lose that trade. It might pay us to send over a number and bring back wood. I had hoped, if we continue earning, to send the Chilians back direct.
From Goose Green to Punta Arenas in the Falkland; if the canning is over just after an outward mail leaves, we should have to keep them idle for say three weeks - furthermore, we might avoid having them in Stanley at all; people here do not like housing them and it would relieve us of a great anxiety if they could be sent direct. There is yet another contingency - it is not inconceivable that there might be a salvage case on the Coast in which we could take a share - the clause as it stands would preclude that even. I hope that all the above will be taken into consideration, and that you will have the clause modified to enable us to have some freedom of action. As I have said, we do not want to compete with the PANIC, and that could no doubt be made clear without tying us so completely.

P.I.C. to Mr Harding, 29th April 1914.

This has, to a great extent, been answered by Messrs Lowden's letter, copy enclosed which also deals with per. 30. I may also mention that in the tonnage to be shipped the shipments of the Government, Waldrons, Deans, and the general public are likely to run into high figures; the Governor seemed to take to the idea of these two cargo boats, and will give some help, I expect, Messrs Lowden to Mr P.I.Cobb, 16th April 1914.

We are obliged for your favour of the 15th instant covering press copy of despatch from Mr Harding numbered 461, Pages 2, 5, 6, 7 and 8.

So far as we are concerned, we think same could be answered in a very few words:-

The spirit of our understanding with the Pacific Company is that we are to arrange for as large shipments as possible when they despatch a cargo steamer. The dates of the despatch of the cargo steamers will be in agreement with you, and if it is not possible for the Islands conveniently to ship over 300 or 900 tons, we are sure the Pacific Company will agree to this.

If there is a reasonable quantity of cargo for Darwin we
have no doubt that we could arrange with the Company to call there.

In regard to the clauses in the agreement objecting to the Falkland doing otherwise than strictly coasting trade, we beg to say that it is understood that where we find it necessary the steamer can make a voyage over to the mainland, and if it is commercially desirable for us to take cargo either way, we are quite at liberty to do so, so long as we provide against the possibility of such work interfering with the steamer's proper function as a feeder for the FSNCo's mail boat. So long as Mr Harding provides against neglect of the steamer's regular service, he is quite at liberty to do such work as is laid down in the despatch to you now under review.

The foregoing apparently settled the point raised, but it was revived in connection with this year's Canning operations which entail the importation of considerably more Chilians than we have had before.

The FSNCo now write me under date January 26th 1916, as follows:

The Falkland Islands Company, London, through Messrs Wm. Lowden & Co., have approached us regarding the return passages from the Falkland to Punta Arenas of eighty men, who are to be introduced for the killing season at Goose Green.

These passengers are to be carried to Punta Arenas by our steamers, and we cannot authorize any interference by the steamer "Falkland" with our regular mail business to and from the Islands.

We quite understand that it may be undesirable for the eighty men to remain in Port Stanley for some days, and it is therefore hoped that special arrangements will be made for the Falkland to call at Goose Green for the men, so as to land them in Port Stanley just prior to the arrival of
our outward mail steamer.

The owners of the Falkland are quite willing that an extra call at Goose Green to pick up the men for Port Stanley should be made, and we must leave you to make the best arrangement possible consistent with the protection of the PSNC's interest.

Only in the event of its not being found possible to make the call at Goose Green just before the mail steamer is due at Port Stanley would we agree to the Falkland handling the business from Goose Green direct to Punta Arenas; and if the steamer is employed in taking the passengers to Punta Arenas, it must be understood that our acquiescence in the arrangement is quite exceptional, and is given in the interests of the welfare of the Colony, and must not be quoted as a precedent. Also, it must be clearly understood that the Falkland is not to engage in any other business during the voyage to Punta Arenas and back.

We shall be glad to know what is finally arranged.

It would be of interest to us to receive a schedule of the regular itinerary of the Falkland, showing places called at and dates, as we understand she is bound under contract to make certain calls at out stations at stated intervals.

Mr. Connell's letter to Secretary, 18th Jan., 1916.

We beg to refer to yours of the 15th inst about returning the men from Goose Green to Punta Arenas direct by the Falkland, and confirm our telegram just despatched as per copy enclosed.

The Pacific Company very much dislike their intermediate trade between ports for either passengers or cargo interfered with, but fully recognise the special circumstances in this case. They agree to the men being returned by the Falkland, on the understanding that the steamer does not take either passengers or cargo to or from Punta Arenas, and they do not require any allowance for this concession. They, however, ask that if it is at all possible, the men will be sent from Stanley to Goose Green for shipment by PSNC steamer. They recognise, however, that if suc...
a procedure would make it necessary for you to house the men in Stanley, direct shipment is more desirable, but if Stanley would arrange the shipment from Goose Green to Stanley to synchronize with the arrival of the PSN steamer at Stanley we are prepared — so far as the Falkland is concerned — to authorise Mr Harding to make such alterations in the itinerary of the Falkland as will enable him to arrange for the simultaneous arrival of the men with that of the PSN steamer, even if it entails some little loss.

We feel that the Company have met us fairly and handsomely over this matter, and that if shipment can be arranged by the next mail steamer it should be done.

Anyhow the matter is now in Mr Harding's hands, and if it is desirable to send the men direct from Goose Green we are quite agreeable to sending them over in the Falkland at 25 per head.

The Secretary of the FCoCompany, writing on January 24th 1916 stated that the PSNC had at first raised difficulties, but had agreed if it were found impossible to arrange shipment by their steamers without housing in Stanley. But he concludes the paragraph as follows:— "Although it is more satisfactory to arrange this matter thus, in a friendly way, I cannot trace any clause in our contract which gives them any power to control such a voyage as is proposed for the Falkland."

Mr Harding's letter to PSNC, Liverpool, March 3rd 1916.

In reply to your letter of January 26th on the subject of the conveyance of labourers from Punta Arenas we beg to inform you that the canning operations of the Falkland Islands Company will not be concluded before probably the middle of May, and that until that work is approaching completion it is quite impossible to make the necessary arrangements for the repatriation of Chilian labourers. The number by the way is not expected to be more than 50, not 80 as stated in your letter.

The date of the departure of the s.s. Falkland from Stanley with mails for the West Falkland depends upon the date of arrival of your outward mail steamer, seeing that these are necessarily not determinable no itinerary of the Falkland is issued, as such would be entirely misleading.

The contract is between the Colonial Government and Messrs Wm. Lowden & Company of Liverpool, and I would suggest that if you desire any information as to that contract, you should address an enquiry to them.
Sir,

I enclose herewith the accounts for 1915, showing a nett profit of £63475. 4s. 6d., a small increase of £292 19s. 11d. above last year's record. The comparative statement enclosed shows increases in all departments with the exception of the Samesen and Company's Shipping. Both these accounts show considerable less which will be explained later under the individual headings.

2. Farm Account, £53823. 5s. 7d, an increase of £176. 14s. 4d.

The usual abstract of this account gives details, showing that as against a large increase in the proceeds of wool, we had considerably less from Saming as there were fewer sheep available. You will remember too that in sending the 1914 accounts I pointed out that the year 1914 hadbenefitted at the expense of 1915 from the number of sheep killed for mutton towards the close of the former year. On the debit side wages appear higher - one reason for the increase is that a smaller sum has been deducted this year for wages on buildings and fencing. Consumption stores are so much higher that I thought it advisable to send you the enclosed statement explaining how this large sum is accounted for. It will be seen that in 1915 we charged to this heading £1200 for building materials, £650 for the new motor barge, £540 for piping for North Arm water supply, £250 for Egg Harbour Telephone and £460 for material for jetties at Egg Harbour and North Arm. A sum of £3000 has been taken from the Farm account this year and placed to

The Secretary,

London.
reserve towards cost of the new woolsheds, other items do not call for any comment.

3. STORE ACCOUNT, £2,180. 15. 7, an increase of £105. 5. 7 as compared with 1914. The volume of stores handled during the year shows a very large increase, the sales and deliveries for the past 5 years being as follows:

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The increase in the sales is due primarily to the temporary population of Stanley consisting of Admiralty wireless workmen, and secondarily to the higher cost of all kinds of stores and material. Deliveries are not greatly above the average when we take into consideration the increase in material passed out for coaling referred to in the previous paragraph. In valuing the stock this year we have continued the reduction of percentage for freight and charges, and have written down the values of some material which is more or less unsaleable, especially ship repairing stores. The total stock on hand is higher than usual, over £40,000, but under existing conditions the directors will not doubt agree that it is far better that we should have a good quantity of foodstuffs on hand - our stock of groceries is practically twice as much as in the previous year, but prices promise to rise rather than fall, and there is a possibility of sales to H.M. Ships again. Last year a return was sent showing some £500 worth of material which could be used only for ship repairing - this year by omissions and reductions the value of that stock has been reduced to about one third, in view of the fact that the sales and deliveries together are some 25% higher than in 1914 it might be thought that
the store profit should show a proportional increase. The reasons for this not being so are (i) reductions in the values of stock and writing down, and (ii) our scale of profit has not been so high. The cost of stores and materials has risen considerably in England and wages have followed; had we increased the selling price of stores in proportion, we should have had an agitation for increase of wages before this. On some stations on the west Falkland I believe that flour is being sold below its actual cost. This reminds me that we have incurred a heavy loss in connection with the condemned flour.

4. COMPANY'S SHIP NEW. Shows a loss of £3836.12.9, after allowing £400 towards anticipated credits due for storing and reshipping the large shipment of homeward produce per Freshfield. This loss is readily explained. The cost of the motor boat and water boat, together with some £50 spent on them, amounting altogether to over £500 was all charged to this account during the year. A new shed has been built on the upper deck of the hulk Ageria for about one third of her length and charged to this account. Repairs to lighters have been continuous, as they received rather rough usage when transporting admiralty cargo. Finally, by placing the clym and lighters at the disposal of the admiralty free of charge in accordance with your instructions in 1145-12, this account has borne a very heavy expenditure without any corresponding receipts. It was suggested that we should keep an account of this, but has been pretty well impossible to do so. The services of the Samson, launch and lighters might be capitalized at so much and passed to the debit of Head Office, but in reality this is done in the ordinary course of the accounts. Is it not better that the debit should be passed through G. & L as a loss rather than bolster up the account to show a profit which has never accrued?

5. SAMSON, Loss of £632.17.1. The Samson has had no earnings
at all from outside sources during the year, and my remarks in the preceding paragraph as to the work done for the Admiralty apply in a lesser degree to this account. The boat has been of considerable service during the year, but has had no pecuniary credit. All the same the fact must be faced that in the absence of shipping and with greatly diminished chances of salvage the tug cannot possibly be expected to pay. I propose by a subsequent mail to invite the directors to consider the tug and launch question and will defer any remarks until then.

6. INTEREST & COMMISSION ACCOUNT, £2095. 0. 8, shows a welcome increase of £682.17. 9.

7. MAIL AGENCY, £447.15.10, a small increase of £10.17. 2.

The reasons for the small profit from this account are much the same as last year, namely decreases in receipts from the PSNC owing to fewer passengers, commission on freight on produce and receipts for landing charges. We have landed free of charge quite a large quantity of material for the Admiralty Wireless Station.

8. BUILDINGS, the total expenditure shown by this account is £1929. 4. 7, all of which has been written off against profit and loss. This does not represent the total expenditure on buildings, as Farm and Canning have partly paid for their own this year instead of charging to the buildings account; moreover, nothing has been capitalized.

9. CONSUMPTION, £909.16. 2, decrease of £11.15. 2.

GENERAL CHARGES, £201.16.10, increase of £32.10. 0.

The increase in this latter is largely accounted for by the increased amount debited out to us by the head office for cost of telegrams from London.

10. CANNING. It will be seen that we estimated the value of unsold produce at £8800. An abstract of this account would not be of any value without some data as to the proceeds of the produce. I am, Sir,
your obedient servant,
<table>
<thead>
<tr>
<th>Year</th>
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<th>1916</th>
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<tr>
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</tr>
<tr>
<td>2700.0</td>
<td>30.0</td>
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</tbody>
</table>

**Accounting Information**

- **Companion Goods:**
  - 360.0, 12.0, 9.0, 6.0
- **Companion Share:**
  - 1500.0, 18.0, 24.0, 30.0
- **Companion Share:**
  - 360.0, 9.0, 12.0, 15.0, 18.0, 21.0, 24.0, 27.0
March 8th, 1916.

EXCLUDING:

2. Profit & Loss Account.
4. Statement of items in Deposit Account.
5. Inventory of Stores at Darwin Harbour.
6. Inventory of Stores at North Arm.
7. Summary of Stock East and West Stores.
8. General Summary of Stock on hand.
9. Balances due to and from men in Camp.
10. List of Consumption Stores on hand.
11. List of Building Material on hand.
12. List of Fencing Material on hand.
13. List of Canning Material on hand.
15. Copy of Stanley Journal for December.
17. List of Store Debtors with remarks.
18. List of Butchery Debtors.
19. Particulars of Additions to Plant.
20. Abstract of Farm Account.
22. Details of closing entries of Schooners.
24. Details of Salaries etc Stanley Office 1915.
the sheep shifting is completed. I fear that it would be
futile to make any plans about whether to finish the sheep
transporting right off, or to make a journey to Stanley in
the middle of it. We do not know how many sheep there will
be shifted, nor how many she will carry each time, or how many
trips she will do per week, and are therefore absolutely in
dark over the matter. If she is due to make a full trip
in all the sheep are shifted she must in accordance
her with this order. I wrote last per Orma, which left on 3rd February,
and have received the following despatches:
1158, December 22nd, arrived February 19th,
1159, 28th,
1160, January 24th.
1160-4. The renewal of the leases of the reserves has
yet to be confirmed by the Secretary of State, if you will
refer to Section 8 of the Land Ordinance of 1893 you will
see that that law does not allow a reserve to be leased for
a longer term than three years.
3. 1168-10. The engineer of the Falkland stated emphati-
cally that from 600 to 1,000 gallons of fresh water were re-
quired daily, and there is none here in a position to
question his statement. During the summer months in Stanley
it is by no means uncommon to have a dry spell of six weeks,
and frequently we have had to refuse to supply soldiers with
water from our tanks in order to reserve it all for the
Falkland. She even on one occasion absolutely refused to
call if drinking water from the government reservoir was
put into the Falkland tanks, and it was useless to court
delays like that. Hence a supply of port water will be a
valuable standby, irrespective of the necessity urged by the
Chief Engineer for fresh water for the boilers when trans-
porting the sheep. As the floor of the hold must be fitted
with pans, it would be extremely awkward to load wool until

The Secretary,

London.
the sheep shifting is completed, I fear that it would be futile to make any plans ahead whether to finish the sheep transporting right off, or to make a journey to Stanley in the middle of it. We do not know how many sheep there are to be shifted, how many she will carry each time, or how many trips she will do per week, and are therefore absolutely in the dark over the matter. If she is due to make a mail trip before all the sheep are shifted, she must in accordance with the contract come to Stanley and take the mails out. Consequently her movements must be directed almost daily according to circumstances, and I think the directors will realise that telephonic communication between Stanley and Egg Harbour is a necessity.

4. Without wishing in the least to air my personal views on the question of road communication I foresee that it is one that is bound to arise sooner or later. We are dependent upon a single steamer for food supplies and for conveyance of produce to Stanley, and we are working on a margin at all. At any moment that steamer may be lost, and under existing conditions could not be replaced for many months, if at all. We could not rely upon chartering one on the coast, and all we could look forward to might be one schooner if we could get a Master and Crew, which becomes more doubtful month by month. Very few farms keep much of a reserve of stores and one schooner running from Stanley would never cope with the amount of stores and material to be carried. The bridging of streams would be a very small matter; in the majority of cases a few planks would settle the question, and I think that the making of a road for summer use would not be a very expensive or difficult matter over the greater part of our land, seeing that all materials have risen so considerably in price I should have thought that the tendency would be to defer as much as possible works entailing the use of material, and utilising labour in
the slack time on work that does not require material.

5. 1158-14. Mr Weiss has gone to Santa Monica to engage killers and boners and will try to bring over some men for cleaning the casings. We have not so far had any offers to purchase these direct from the excess.

6. 1158-15. You will have seen from the correspondence we had with Messrs Van Gelder direct, copy of which was sent by mail of January 3rd, that we informed him that no refund could be made on the cost of cases and labour.

7. 1158-17, 1159-4, 1160-17 and 35. The arrangements made with the ASC for the shipment of produce and the distribution of the rate of thirteen-sixteenths of a penny per lb. are noted. I am not quite clear as to whether this rate will be applied to any produce shipped after the end of June.

When our circular letter to the farmers dated December 30th was written we did not know for certain what the increased rate had been fixed at; up to the present replies, agreeing to the increase, have been received from Messrs. Maldron, A. F. Cobb, Morrison & Grant, Mrs Hansen and Mrs Scott. If the others do not reply we may interpret their silence as consent—most of the farmers have complete confidence in the Company to make advantageous arrangements as regards freight, and I think are content to pay the same without question. The shipping of produce home will now be complicated by the sinking of the Alleman by the German commerce raider; you will see from our telegraphic correspondence with Valparaiso that the ASC offered space in her and that we cabled for 2000 tons; this may appear to be more than we could expect to fill, but it was considered to give too high rather than too low a figure. Our past experience shows generally that for every ton of space reserved the steamers take about one bale, although the bales measure actually not more than a quarter of a ton. If the Corcovado's 3000 tons space reserved for us stows only 2000 bales we should have a further 2000 bales
ready by the second week in April up to the present there is no further news of a steamer from the west Coast Manager, and in all probability they are now so short of tonnage that a long time may elapse before they could possibly reserve any space. If this is so, it is to be hoped that the Admiralty may have some steamer available later on; by the end of May we should have a considerable quantity of canned produce ready, and if the steau do not find any space after the Coreovado, our total of wool, canned meat and tallow would be an appreciable quantity.

8.1159-6. The news of the somewhat sudden death of Mr G.C. Cobb has been received here with the greatest regret from all quarters.

9. 1160-4. Most farmers have now agreed to mark on the ends of their poles the shipping mark and number, and we hope that this will facilitate the tallying.

10. 1160-8. I have not had any opportunity of speaking to the Governor on the subject of the taxation. If any change is desired, the farmers would have to make some representations to the C.O. or to the Governor. In the absence of this, the subject will probably drop.

11. 1160-11. The actual laying of the piping at Smart Howard will not, as you say, take long. The windmill was put up some time back and everything will be in readiness for the Falkland before very long.

12. 1160-13. I have thought it as well for purposes of record and more easy consideration of the question, to have copies made of the correspondence dealing with the proposals to ship the Chilians back to U. T. A., in the Falkland. There has been considerable inconsistency over this question - my original contention that the agreement with the same as it stood precluded the Falkland from doing any but coaling work was met by a reply from Mr Connell that it was understood between his firm and
the SSNC that the Falkland could make a voyage to the main-
land taking cargo either way, provided that such did not
interfere with her proper function as a feeder for the SSNC
steamers. Mr Connell now abandons that attitude and re-
gards the grudging acquiescence of the SSNC as a concession
now extremely grudging that acquiescence is will be seen
from the letter they wrote me by last mail, in fact it is
questionable whether they really acquiesce at all. Their
letter begins: "These passengers are to be carried to Monte
Arenas by our steamer, and we cannot authorize any inter-
ference by the steamer Falkland with our regular business
to and from the Falklands." After thus laying down the law,
they proceed to detail the circumstances under which they
would graciously allow the Falkland to take the men, but she
must not under any conditions take any cargo either way. The
letter seems to have been written designately so as to leave them a ground for complaint under any circum-
stances, and they arrogate to themselves the right to dictate
the movements of the Falkland entirely. For the SSNC to
write that their acquiescence would be "in the interests of
the welfare of the Colony" is nothing short of pure bunkum.
On the whole it seems to me that we had better avoid the
special trip if at all possible, for there is every prospect
of creating dissatisfaction all round. Lowden's would be
disappointed to find that there are only 50 men instead of
80; if we attempt to supplement the earnings of the trip by
bearing cargo the SSNC will raise a storm and might re-
tellate on the F.I.C. by contending that we have broken our
agreement with them and that they were no longer bound by
it as regards homeward freights. There is also the difficulty
about Captain Scourum being allowed to navigate the steamer
to Monte Arenas, as to which I have not heard anything
definite from the Governor. I feel bound to say that right
through the interests of the F.I.C. have received scant
weight Tons 74. 5- 4. 3, net weight Tons 68. 7. 3. 16.
consideration - the case rests about the undesirability of having 80 men in Stanley and the welfare of the interests of the Colony, but our point is that if coming work ceases a week after the arrival of the outward mail, we have to pay and feed all these men for quite three weeks, and if anything should unfortunately happen to the outward steamer, it might be 8 weeks. Wages and food per man amount to quite 30/- per week, or for 50 men, £75 per week.

13. 1160-15. I can quite understand that with the present prices of all ironwork new woolsheds would cost a very high figure; the advantages of iron are so considerable that it would seem a great pity to perpetuate wood. Possibly, under these circumstances the Directors will decide to leave the matter in abeyance for another year or so in the hope that prices for iron buildings will resume a more normal level.

14. 1160-18. We received with great regret the news of the loss of the help, but trust that the bulk of the cargo will have been recovered.

15. 1160-20. We understood that the Government posted copies of the gazette to you - we will obtain the missing numbers later, and will have your copy posted regularly from this office.

16. 1160-21. The Registrar of the Court will doubtless revive the question of the balance of probate duty on the estate of the late Mr. Baillon, and I will do my best to have the produce valued in accordance with the broker's certificate.

17. 1160-22. I regret that the detailed specification of last year's tallow was not sent to you before. It is incorrect to write that you have not even received the usual summary of the quantity from Mr. Allen. In his letter of July 16th, I acknowledged in your letter of September 1st, Mr. Allen enclosed a statement of the produce of tallow green for the season, which included 129 barrels of tallow, gross weight Tons 74. 5. 9, nett weight Tons 65. 7. 2. 14.
18. 1160-24. From a conversation with the Governor, I think that he would take up the question of subscriptions to the War Loan in connection with the Savings Bank or Post Office here. He thinks there might be some difficulty as regards the distribution of interest, and I think would welcome our assistance in this way. Would the Company be willing to collect this and remit it here for distribution? Some of our Camp men would probably subscribe, but for the present we might await a move on the part of the Government.

19. Rumours exist as to the probability of a strike amongst the labourers for a further increase of pay to take place when the Corcovado arrives, and I hear they contemplate demanding 1. per hour. There is no doubt that Cubitt’s workmen have got at some of our men and have invited them to strike for mere pay, and presumably they will base their action on the increased cost of living and the grants of war bonuses about which they read in their papers. Their present wage with bonus is about 12d. per hour, and it cannot be said that this is not quite a living wage, for we have purposely not increased the selling price of stores in proportion to their prime cost. The men may absolutely refuse to work and in case the matter might become too serious I think it as well to take some precautions. Weiss is bringing Chilians across and I am using that as a pretext for putting up some bunks on the Lady Elizabeth, and having the galley ready for use. If we are driven to importing labour, there must be accommodation for them independently of the Stanley people entirely, and if provision for this has not is delayed until they have to be imported, we might conceivably have a refusal on the part of the carpenters to fit bunks. So it is better to have this done at once – it may be useful later for accommodating the Chilians returning from Goose Green though I really do not know where we are going to stow 50 of them.
20. Some 30 of the Admiralty workmen are leaving by the Victoria - the new station will probably be completed within a month.

21. The activity of the German commerce raider Mowe caused the Admiralty to send H.M.S. Edinburgh Castle to Stanley, and we learn that H.M.S. Kent may also arrive at any moment. Outposts on Copper Hill, Mount Low, etc., have been placed, and the entrance to Fort William is patrolled at night. During rough weather Captain Marshall, R.N. of the Edinburgh Castle asked for the reasons for this patrol work, supplying 1 engineer, 2 stokers and 3 deck hands from the ship. He has also asked us to do some blacksmith and engineer work for mines in case it should be deemed necessary to mine Fort William. Cruisers are reported to have coaled in Port Edgar, and our shepherd at Ilen Creek men 8 ships coaling from a collier off Blind Island on February 29th. This was reported to the Governor, and the Admiralty cabled out asking that the shepherd might be sent to Stanley to explain to Captain Marshall what he saw. They seem to be sure that the cruisers at Port Edgar and Blind Island cannot have been British.

22. In my separate despatch on accounts by this mail you will find a reference to prices of stores. The cost of provisions may, we suppose, be expected to increase hitherto we have not raised our selling prices in proportion to the cost, for if the cost of living rises to any degree, a rise of wages must follow. Mr Moir informs me that the Camp hands have not been able to save much during the last year, judging from amounts deposited in the Savings Bank, and he thinks that the men have not yet realised the fact that their monthly store accounts are higher, when they do realise it there may be some agitation for more wages, but if prices go any higher, there certainly will be. If wages are increased, you would have the greatest difficulty in getting them down again.
507 per Victoria (9.3.16)

(Indeed it is doubtful if you ever would) and it would seem to be more politic to sacrifice a little on stores in order to keep the rate of wages at the present figure. I should be glad to know whether the Directors approve of our taking this course - if so, the Store profit must be expected to decrease. You probably know that on the West Falkland shearing was done by contract at Hill Cove and on both sides of Fox Bay, the price being 10/- per 100, which is tantamount to an increase of wages. On some other stations on the West Falkland the men asked for shearing by contract but were refused - Mr Allan was able to get all our shearing done on monthly wages without any extra payment for all this season.

23. A copy of corres. with Lowden & Co., is enclosed - you will see that I have asked them to discuss with you the question of passage rates to Brenton Loch, which according to the present tariff are twice as much as to Darwin direct. If the steamer did not call at Brenton Loch on the mail trip, we should have to send her to Darwin direct more frequently; it gives our people an opportunity of getting out at once immediately after the arrival of the outward mail here, and they are able to get their luggage out at the same time.

24. Since Mr Allan's report was written he has learned that Mr Greenshields and Mr Felton decline to sell their sheep except at a fixed figure. Mr Pitaluga said the same at first, but I think will send them to Goose Green this year and accept our scale. I hope to be able to induce Mr Felton to do the same, but Mr Greenshields has already arranged to have his ewes boiled down at San Carlos, and will probably sell the wethers to Stanley butchers. This decreases the estimate of the total number of sheep for canning by 3000. Mr Felton also expected to be able to send 3000.

25. Since writing my par. 7, H.M.S. "Kent" has arrived escorting the prize s.s. "Edna" which was taken by H.M.S. "Newcastle" in South Bay, Peru, loaded with nitrate. She is about
507 per Victoria (9.5.16) 10.
Deep 1,925.93.
Store, 9,100 tons gross, 11,355 nett, port of registry San Francisco. Her
Reserve on Stores.
Captain is a Swede, First Officer a Dane, 2nd Officer a German;
An Allen's report.
Engine and there are at any rate 4 or 5 Germans amongst her crew of
Stanley Waring dates 31st Mar
Deemed it advisable to discharge part of the cargo into
the collier "Manchester Port", which arrived here with H.M.S.
Kent. Two other colliers, the "Photinia" and "Corsemore", are
1. Stored here laden with coal and stores for H.M.Ships. The Edna
2. Carroll. I am.
3. Tenax is a very good steamer, burning oil and coal (about 9 tons
4. Kent is a very good steamer, burning oil and coal (about 9 tons
daily of each) — if later on she became available for cargo,
5. Am Allen's letters (2) to Secretary.
6. It would be a splendid opportunity of getting away the
7. so sufficient balances. V.P., 60, 62, 76.
8. Correspondence:
10. Correspondence:
11. Letters (2) for late 6th Feb.

Your obedient servant,

What be your specification?
ENCLOSURES.

Duplicates (Originals per Droste, 1st February 1916)

Deepatch No. 526,
Store Indents No. 510,
Remarks on Stores,
Coasting Insurances,
Mr Allen's report,
Engineer's report on Company's machinery,
Stanley Wages return, 1st Dec.,
Remarks on Accounts,
Statement on Accounts,
Copies of cables to and from PSNC.

ORIGINALS.

1. Store Indents No. 510,
2. Darwin Indents, Mann, Eyre & Co.,
3. Remarks on Stores,
4. Telegrams, recorders,
5. Coasting Insurances,
6. Mr Allen's letters (2) to Secretary,
7. Tallow returns, 1915,
8. as Falkland manifests, voye. £c., £c., £c.,
9. Copy corre. re Falkland's trip to Punta Arenas,
10. Correspondence:
    with Lieut. Crawford, R. N. V. R., Feby. 5/8,
    to PSNC, Liverpool (2), 3rd and 8th March,
    with Lowden & Co., 19 Jan. (3), 28th Dec., 7 March,
11. Letters (2) for late G. A. Cobb,
12. Specifications:
    Wool, Skins
    D M 585-4.342
    J A 781-962
    W C 594-586
    Z 273
    W P 55
    B 79
    Club. 142
    T R 101
    triangle
    E 33
    D & S 287
    F 174
    J L W 425
    A F C 41
    H C C 103
    J B L 3
    S & S 96
    S & S 66
    S 143

The Secretary

LONDON
The Secretaries

LONDON
know that on the termination of the war numbers of engineers will be released and that naturally preference will be given to those who have shown a patriotic spirit and have been serving in some capacity connected with the war. He desires above all things to avoid having any alarm cast upon him for not having done patriotic duty, and asks that the Company will exert their influence on his behalf to obtain some appointment when he is free. I am sure that the Board will understand his feelings in the matter and that the Directors would individually do what they can. There is no doubt whatever as to his abilities and general character in every way, and none need have the slightest hesitation in recommending him. His capacity is much above this post, in fitting and in the work he is far ahead of anyone we have ever had here, and you have several more examples of his draughtsmanship which compare favourably with any I have seen.

4. As the Falkland returned here only yesterday I have not had an opportunity of seeing the New and Chief Engineer as to whether they are willing to remain until the termination of the war.

I am

Sir,

Your obedient servant,

[Signature]

Manager.
LIST OF INSTRUCTIONS.

1. Store Swamps No. 64.
2. Valuation Register.
3. Valued and Manifest - Copy No.
4. Note on Assessor returned
5. Shipping Log.
7. Statement on Assessor.
8. Notes of Counter.
9. Correspondence with Mr. Small 15th Jan., 8th March.
11. Specifications -
   1. 200
   2. 100
   3. 10
   4. 20
   5. 20
   6. 10
   7. 50
   8. 50
ID: M0298

Original's per 20 Victories.

1. Incident no.334, encounter with subordinate.  
Sir,

I wrote last per Victoria which left on the 13th instant. The Corevavo arrived on the afternoon of Sunday the 19th inst.

2. It is very satisfactory to be able to report that the labourers all turned to on the Corevado without any demand for increased pay, during the former months we have taken on all the men who asked for employment - the public has been making quick trips necessitating more discharging, loading and unloading, the demand for wood means a lot of handling from the ship to store and to and from the saw mill, we have collected a large quantity of sand for the无线, and have had to employ extra hands in the store and necessary, so we have therefore had enough work for all the men we could get, but although for the last two or three weeks we could have done with less, it seemed prudent to keep them all going, for the greater the number on hand, the less the chances of a strike. Moreover, the Corevado wants men to assist in the stowing, until the labour question becomes more settled by the departure of cotton's men I propose to keep them going as we have a lot of useful work to be done in the way of repairing fences, and landing the balance of the Corevado wood.

3. Mr. Weiss returned in the Victoria with 33 more Chilian labourers - this was rather more than I expected, but the number is rather swollen by the men who will clean the engines. Weiss made a contract with the representative of the International Importing Company of Buenos Aires, copy enclosed, for

The Secretary,

London.
the purchase of the casings at 6s. per dozen, payment of £300 to be made to our agents in Montevideo as a guarantee of good
faith. Messrs. McDermid & Stapleton reported by cable that this
sum was paid on the 17th instant. I hope there will be no
difficulty over this business, but have some doubts (see 54%, 6)
the regulations about exports have been tightened up, no ex-
ports are permitted to any country except the United Kingdom
and British Possessions without a special licence, and it is
not at all likely that we should be able to get one for ex-
port to the Argentine. But whatever happens, the casings are
being cleaned and will not be wasted. The housing of the 33
Children on the half-deck Elizabeth was quite successful —
they all brought blankets and disposed of themselves in the
quarters' quarters and saloon for 3 nights. They wanted to
come on shore, but we managed to keep them off — with the
liberty men on shore every day from 11 A.M. until there might
have been some disturbances.

A copy of a report with the Colonial Secretary renewing the
lease of Duran harbour and port again for three years is
enclosed herewith.

The late reference to my 53 on the subject of retaining
Mr. G. Stephen's in Stanley is really clerical, I have come to the
conclusion that he had better return as soon to his teaching
work in the Cape. He seems to feel the men the wrong way and
there has been friction more than once over this. Moreover,
some of the shepherds are complaining that their children are
getting behind with their work, so he had better go back and
the matter of a tally clerk must be left in abeyance.

5. I interviewed the chief engineer of the steamer as to
remaining until the termination of the war, but he will not
consent himself to that, and urges that he should be relieved
as rapidly as possible. I said that Lowden had done their
best, but could not get us, and that, for the present, I could
see only one reasonable course. I sent you an application
to divide off the pass, of the night ashore a second load
from Mr. Peters for the post of engineer here in succession of the late Mr. Mills. It is just possible that if he had the promise of the appointment on the termination of the six-weeks' trial, Mr. Peters might be willing in the meantime to do duty at Muscle on the Falkland. I explained this to Mr. Arley, and with him that prospect of being relieved soon he agreed to stay on here. On Monday, the J. B. left the Falkland on the 8th instant, and has returned to Newport in the J. B. Donkey. I have explained verbally to the governor that we have endeavoured to get a successor, but without success, and have written officially on the question. The governor promised to look into it on the receipt of the letter.

7. A message in account from the Iron or Mate, Arros, for presence of labourers for the steamer Muscles. He states that he has been told that these would be subject to a discount of 1½ according to our arrangements with the J. B., but he informs us that he had a telegram from the East Coast manager that he was to charge the tariff rates without discount. This is a bad violation of our agreement, for it is over there were a case for special terms this is decidedly one. We have 22 passengers by steamer on a journey which takes less than 48 hours. The price of the passage, 32.15. 0., is enormous, representing over 2s. per day in the steerage. The men brought their own bedding and probably used it, so that all the J. B. had to do for the 22 per day was to give them steerage food. I trust that you will press the point with the J. B. - if they return to human terms by one of their boats we shall certainly deduct the 1½ here.

8. Up to the moment of writing, the Falkland is doing well in shifting the last steamer ship to Deep Harbour. She made her first trip on Monday the 15th with 270, but about 80 were scattered on the voyage across. The pens on the floor of the steamer are too large, and the cattle rather badly. Next day, Monday, Mr. Polo went on board and asked the steamer with some wood to drive off the pens on that night she got a second load.
511 per Corcovado (21.3.10)

Of a little over 500 acres without any losses. On Tuesday, she did a similar load, and today she will probably manage a couple of loads. She may be able to do 3 trips every 2 days. Mr. Allen at first had one shepherd on board to look after the sheep, but after the first trip sent a second, and we have had no losses since. The mail has to come in for the Mexico’s mail at the end of the week and will bring in wool from Fort Howard, if it can be done without damage to the sheep.

9. As the Corcovado may anticipate the arrival by two or three days the Postmaster is making up a mail and we may as well take advantage of it before the arrival leaves. We shall probably have completed the sheep cutting.

10. Specifications and bills of lading per Corcovado will be sent in a separate letter.

Yours,

Mr.,

Your obedient servant,
67
the small shipment for Dean & Anson will cause considerable
disappointment, but it cannot be helped. The Corcovado left
us with 1880 bales of wool and 117 bales of sheepskins on
hand. I enclose the telegram we received a couple of days
before her arrival stating distinctly April 5th and 2000
measurement of space, whereas the actual quantity shipped
probably does not exceed 1300 tons, which is not by any
sir.

Crowell wrote last per Corcovado which left here on March 15th,
and received next day per Mexico your despatch No 1161 of
February 16th from his answer one might judge that there is
2. 1161-1. From what the Governor told me it is evident that
one sack of mails was not delivered by the Griss, and it must
be the sack in which the bag of registered letters was en-
closed and also his bag for the Colonial Office, as he had
not received any acknowledgment of his dispatches he cabled
to the Colonial Office and was informed that these were de-
ivered on February 16th. No doubt the registered package
from here reached you about the same time. Lift 2500 tons at

3. 1161-3. Until I read this paragraph we did not know that
it was necessary to cable particulars of cargo other than
our own, and therefore sent you the supplementary telegram
reporting consignment of 118 bales of wool to Mr Carpenter.
We shall know exactly what to cable in future.

4. 1161-4. The Corcovado completed loading and sailed on
the 23rd instant with 1956 bales only; on arrival, Capt. in
charge said he could take nearly 3000 bales, so that we felt
sure of getting rid of at any rate nearly 2600 and arranged
accordingly which bales were to go. It was not until about
the last day that we found she would take barely 2500; had
we known this earlier we would have kept back part of some
of the larger marks so as to insure the small lots going
intact and would have sent some of the 3 mark. I fear that

The Secretary,

London.
512 per Orita (5.4.16) 2.

The small shipment for Dean & Son will cause considerable disappointment, but it cannot be helped. The cargo do left us with 1030 bales of wool and 117 bales of sheepskins on hand. I enclose the telegram we received a couple of days before her arrival stating distinctly that she had 2000 tons measurement of space, whereas the actual quantity shipped probably does not exceed 1300 tons, which is not by any means playing the game. From a conversation with Lieut. Crawford I gathered that there might be a chance later of shipping by some admiralty boat— he said he was bound to secrecy, but from his manner one might judge that there is a possibility. I let him know that about the end of May we should have something over 3000 bales of wool and sheepskins, 10,000 cases of meat, 600 casks of tallow and a quantity of hides, the freight on which would exceed £5000. Afterwards, I mentioned it to the governor and sent him a note, copy enclosed. He thought there might be a chance of a vessel in a couple of months' time, but we have now received a telegram from Valparaiso that the California will lift 2500 tons at the end of May or beginning of June. In my telegram to them I mentioned that quantity for the end of April. If there is any prospect of an admiralty steamer in June to take all that we have, it would be better to let the 2500 have their space back rather than prejudice our chance with the admiralty. No doubt they could fill it all right and would be glad to be quit of the obligation to provide space for us.

5. 1161-5. Dr. Bernard Parry's report reads as very non-committed, but it is quite evident that the flour was not fit for consumption, and I gather that we must bear the loss, this will amount to over £300, which is a very serious matter.

6. 1161-6. I reported in my last despatch the result of my conversation with the Chief Engineer of the Falkland, and that the Mate had left. Copy of correspondence with the Colonial Secretary as to the boatswain acting as Mate is enclosed;

11. Par. 16. I am sorry that the fellow returns were in-
Mr Condell said that naturally they could not approve of this as it was contrary to the provisions of the Act, but that they would take no action in the matter, leaving the responsibility to the owners. I thought it as well to cable that the boatswain was acting, suggesting that the underwriters might be informed if necessary - this was included in a message to you to save the heavy expense of addressing and signing cablegrams. On the 29th instant we received telegram from Lowden's that the new mate had sailed on the Crone. Copy of correspondence with Mr Condell as to Captain Saumun is sent herewith and will explain itself.

7. 1161-9 x 10. Bettleff and Mexican have asked me to convey to the directors their thanks for the favourable consideration given by the Board. In accordance with the second paragraph of your letter the Saturday half holiday will be continued right through the year.

8. 1161-12. I quite appreciate the difficulty experienced in formulating claims for cargo lost on the help in cases where no specifications or weights have been given, and have addressed circulars to all clients pointing out the necessity for supplying these in future. The 15 casks tallow marked F & S from the Stanley slaughter house were beer heads, the contents of which would average Cts 4.4.18. Some of the small farmers who do not possess scales will probably have to invest in a weighing machine.

9. Par.14. The amount received from Mr Fredriksen will be distributed amongst the Kathawal and thule shareholders, as indicated.

10. Par.15. The FMC's freight manager must feel that he has a very bad case when he is driven to such false statements as that exposed in your correspondence; it impels one to say that this sort of thing does not indicate a high standard of commercial morality.

11. Par.16. I am sorry that the Tallow returns were included
in the packet of duplicates - this was quite unintentional, and we will take care that no original documents are placed in the duplicates packet again, wish to see an official again.

12. The Admiralty Wireless Station is now completed, messages being sent away on the 33rd March. They are sending 90 workmen away by this mail, retaining about 30 to do the work of clearing up, finishing buildings etc. I understand that a full staff will be kept here until the conclusion of the war - this means about 30 all told, consisting of electrical engineers, operators, mechanical engineers, firemen etc, sufficient to maintain a continuous watch.

13. All the whaling companies have called here on their way home after a very successful season; they report whales as more plentiful than ever. The C.O. have informed the Governor that the Government want as much whale oil as possible for munition work and have consequently given Salvesen's permission to use 3 extra catchers at South Georgia. The 3 that have been operating round New Island are left for South Georgia on March 8th, and the Sandefjord Whaling Company are also using 2 extra catchers as well.

Salvesen's had a bad loss at South Georgia by the burning of the S.S. Horatio with 9500 barrels of oil on board - the fire was so bad that they had to tow her out to sea to burn out in order to save the factory buildings on shore, she having been moored close to these.

14. With reference to your enquiry some mails back as to what precautions should be taken against an outbreak of fire at the stores we cannot suggest anything except a fair supply of extinguishers to be placed at convenient spots in the buildings. Would you send out say a couple of dozen of either the Minimax or Pyrene fire extinguishers for this purpose?

15. I might possibly ask by cable for permission to take short leave of absence this year so as to have about 6 weeks
in England. I have now been in Stanley for five years without a break and should much like to avoid the months of June, July and August here if possible. I wish to see an oculist again and feel that there are some questions which might advantageously be talked over with the directors. As Mr. Allen will be leaving in the early part of next year there will be a change in the management at Darwin, and I take it that the board would prefer that I should be here then. I do not actually ask for leave now, but think it as well to explain by mail the reasons upon which an application by cable for leave would be based.

15. Since writing per 9 we have come to the conclusion that it would be preferable for Mr. Frederiksen in future to pay whaling dividends by means of cheques on London. We should still get the commission for cashing them and would not have any responsibility in the matter. In some cases the shares have changed hands locally and there are disputes as to who is entitled to the dividend, for in making the bargain or contract for sale, there has been no stipulation as to who would be entitled to it. Moreover, many shareholders are in the Camp, some in Patagonia) and it is difficult for us to trace them all.

16. The work of shifting sheep from the west to Egg Harbour was completed on the 4th instant, the numbers carried being as follows:

<table>
<thead>
<tr>
<th>Company</th>
<th>Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>J.H. Waldron Ltd.</td>
<td>6377</td>
</tr>
<tr>
<td>Mackie Bros &amp; Co.</td>
<td>1563</td>
</tr>
<tr>
<td>Holmested &amp; Mackie Ltd</td>
<td>2557</td>
</tr>
<tr>
<td>J.H. Delany</td>
<td>1042</td>
</tr>
<tr>
<td>Stickney Bros.</td>
<td>1779</td>
</tr>
</tbody>
</table>

The Falkland had to make a trip to Stanley in the middle of the voyage in order to take out the outward mails per Mexico, on the voyage in at that time she brought the balance of Port Howard wool, and on her final return to Stanley called at
Bonner's and Cameron's and brought in a full load. We estimate that his gross earnings from March 13th to April 7th were £1200. I think that Captain Samson deserves some special recognition for having carried through the work so speedily and without any hitch whatever. It meant continuous work for him on the bridge practically the whole time, as he had no mate on board. Since Mr Allen's letter was written we have had rain in Stanley, but only very little at Darwin.

18. H.M.S. Kent was here for just over a month, being relieved by H.M.S. Macedonia on the 6th instant. The Kent has been at sea for over eight months and hardly any of the crew have been on shore during that period, as the ship was not allowed to remain in a foreign port for more than 24 hours. Most of the men are reservists, married, and Captain Allen was anxious to give them as much leave as possible. Some 150 to 200 landed daily, and to assist in this I let Captain Allen take over the Samson for the ship's use. He had his own crew on board all the time, including engineers and stokers, and filled her up with coal on returning her. When we wanted her for mail work or to shift a hulk we signalled and she was sent to do whatever work was wanted. She was painted grey, fitted with wireless telegraphy and flew the white ensign. We were not at any expense for wages or coal, and I gather that the Directors will decide to include the loan of the tug in the offer made last year to the Admiralty.

19. Dr Wace has written me as follows on the subject of his house:- Apropos of the subject of the condition of this house, about which I was talking to you when you were here last, I am sending to you herewith two photographs taken at the front of the building, illustrative of the condition of the place. One at the lefthand of the front door, the other the outside corner of the dining room. It is possible to see out through this hole. In another room during the last storm the rain came through and dripped on to the bed. I do not know how we are going to live in it this winter. I have complained of it for
G12 per Orita (5.4.16)

the past three years, and to put it quite plainly I don't think it complies with the terms of my contract.

When I was at Darwin he mentioned the matter and I told him I was sure that the Directors wished their medical officer to be comfortably housed, but that owing to shortage of carpenters a lot of repair work has had to be delayed. For the present I am only able to reply that I would invite your consideration of the question.

I am,

Sir,

Your obedient servant,

20. Falkland Islands Directors

On your own making plans of their future.
512 per Orte (5.4.16.)

ENCLOSURES.

DUPLICATE (Originals per Vixatrix Corseveado, 23rd March 1816.)

Despatch No 551.

   Remarks on accounts.
3. Statement on accounts.
5. Store Indents No 551.
6. North Arm Store Indents, will have learned that Mr Stephens are also
   remarks on stores.
7. Mr Allen's report.
8. Coasting insurance.
9. Stanley's wages, return to March 31st.
10. Falkland Islander, 4th May and 11th.
11. Canning Factory, weights of sheep; Stonor, Cameron's & Greenshields
   Cabbage recorders.
12. Shipping memorandum, can be easily removed to facilitate shipping.
13. Statement on accounts, till we have not yet finished the
   remarks on accounts.
14. Copy of the account, with letter.
15. Copy of Correspondence, the letter.

17. Colonial Secretary, 26th March, note for Falkland Islander
   Mr. Connell & Mr. Harding, 17th February 30th March.
18. Specifications - company of marble, these are sent you by mail.
   April 1st they telegraphed London they would send you soon
   this appears quite satisfactory and I have now signed the
   contract and sent copy to them... My next mail we shall as
   Falkland Islands Gazette.

20. Falkland Islander.

5th Mr. S. The latest news as to lifting produce is from
the telegram from Valparaiso, reported in my last despatch,
that the California will sail at the end of this month with
2500 tons measurement of space. I have heard nothing further
as to any prospect of shipping by an Adirondack vessel. There
appeared to be a chance at one time by the H.B. suspension,
which had got rid of a good deal of her coal, but she left
here for the west Coast on April 23rd.

The Secretary.
Sir,

My last despatch left per G. L. on April 11th and was received on April 25th per G. L. dispatch No. 1162.

1. 1162-4. You will have learned that Mr. Stephens was not sent back to his teaching duties as soon as the stock-taking work was completed.

2. 1164-5. Both steel lighters were fitted with cargo battens which can be easily removed to facilitate shipping and painting inside. We have not yet finished the forecastle on to which they will be floated for painting the bottom, but hope that this will be available in a week or two.

3. Par. 6. A copy of correspondence with the International Importing Company of Buenos Aires was sent to you by last mail. On April 22nd they telegraphed Consul Stansell advising them deliver National Produce Company, London, this appears quite satisfactory and I have now signed the contract and sent copy to them. By next mail we shall no doubt receive confirmation of their telegrams.

4. Par. 8. The latest news as to lifting produce is from the telegram from Valparaiso, reported in my last despatch, that the California will sail at the end of this month with 2500 tons measurement of space. I have heard nothing further as to any prospect of shipping by an Admiralty vessel. There appeared to be a chance at one time by the S.S. "Corsémore", which had got rid of a good deal of her coal, but she left here for the West Coast on April 23rd.

The Secretary.
613 per Mexico (4s. 5s. 16s).

6. 3rd. We note that the grant of a pension to Mr. Riggs is to be regarded as quite exceptional—he asks me to say that he is very grateful indeed to the directors.

7. 3rd. The necessary application for a reconveyance of Berkeley Sound farm to the Smiths will be obtained from them and forwarded next mail.

8. 3rd. The copies of plans for new Derrinwood house were sent out to Derrinwood, and Mr. Allen and Nichollis have both written by this mail on the subject. I should like to— with reference to Nichollis's recent book writing to Mr.

9. 3rd. I am pleased to mention that the lady—

10. 3rd. It is to be hoped that an outward cargo steamer will be here soon as we are getting short of coal and several lines of provisions. We have had to get some flour from Montevideo, and it is satisfactory to be able to report that the quality is good and the price not excessive. Freight, however, is 45s. a ton.

11. 3rd. I had intended to write fully about the season by this mail, but will defer it so as to go thoroughly into

12. 3rd. Mills has given us some full and very interest-

13. 3rd. In the matter with Mills.

14. 3rd. Mills has given us some full and very interest-

15. 3rd. Addressing notes on the respective merits of the Gardner and Col-

16. 3rd. He thinks that Gardner's have aimed at economy of fuel, and the engine is consequently light and delicate. At trials economy of fuel counts largely and helps to sell an engine, and the Irish Fishery Board would regard
613 per Mexico (4.5.16) 3.

it as a great factor as fishing boats run continuously, but if we are called upon to select an engine, we should doubtless lay much greater stress on its reliability, simplicity, and immunity from breakdown, for the boat is not required to do a great amount of mileage here and fuel consequently would not consequently enter so much into the calculation. During a very heavy gale on Sunday morning one of our lighters seemed to be in danger of dragging, and in a few minutes we were able to get men out to her in the motorboat, which negotiated the weather quite as well as the lighter, then the dym. For Stanley we must have a boat that can go out in any weather, but for Darwin it is not so essential, for if the weather is too bad the job can be postponed.

12. We are sending by this mail Heiss's indent for eighteen materials for next season - it is difficult to say whether we shall really require all that he asks for, and I feel that it must be left to you to decide whether to delay the execution of the order or not, more especially as the prices of all materials must now be very high indeed. We have scraped up all the old copper here and run it into bars sufficient for his requirements in the way of soldering irons, so that item may be struck out.

13. Here I enclose copy of letter from Mr. Townsend asking me to cable his acceptance of the cost of Camp Manager, together with a copy of his letter to the Colonial Secretary resigning the Stock Inspectorship in six months' time.

14. Statements showing the cost of fitting the Falkland with pens, and the cost of fitting up windmill and piping for water supply at Port Howard amount respectively to £138.10.7 and £63.12.5 are enclosed. The first has been charged to the Falkland in the account for the March quarter, as regards the second you wrote in 11.5.10 we shall bear on the "cost of materials" - I assume that this should therefore be charged to the Falkland in the same way as the cost
of fitting up the pens.

16. H.M.S. Lancaster arrived here on April 18th with the collier Gibraltar; she left on the 23rd, the collier Cormorant, leaving with her. Since that date two more colliers, the Competitor and the Norman Monarch, arrived with full cargoes.

17. We have obtained the catalogue of a Norwegian firm named Bjelland of Stavanger, who pack fish in large quantities, and think it would be worth while to have a trial shipment from there, as there is a constant demand for canned fish here, especially when - season ends. If there is an insuperable difficulty in getting the goods across to England, you might be able to arrange for one of the sealing factories to bring some out for us.

18. Mr. Allan has written you on the subject of the condition of the Goose Green shea skins ertite, he asks us to add that both Poise and Ryan declare that they were drier than usual before being bailed up - Poise sorted them himself. The Stanley butchery skins were certainly quite dry, for we had an exceptionally dry season and most of the skins were put out on the fence for a day before being bailed up. I cannot help thinking that the problem condition must have arisen from something subsequent to shipment. They were put on the erite on December 9th and over three months must have elapsed before they were delivered in London.

19. We are sending by this mail indentures for shearing materials for next season, and although I know that you are quite alive to the necessity of getting this out in good time, would like to say that our supplies for last season arrived only just in time to carry on the shearing. I do not feel safe until all material is on the spot by the middle of November, in fact we ought really to have a year's supply on hand, for if the Falkland met with an accident and we were not able to get bagging and hooping out to Chioscal Sound
and North Arm, it would be nothing short of a disaster as it is quite impossible to stow even a small percentage of our clip unball."  

19. I forwarded by last mail weights of Cameron’s, Bonner’s and Greenshields’ sheep sent to the Rendering Factory together with Mr. Allen’s statements showing amounts due. I gather that you will pay in London for Cameron’s and Bonner’s - Mr. Greenshields wishes his account in Stanley to be credited with the value of his. Mr. Allen and I have talked over the question of the deduction of 1½ for ‘drivers’ and have come to the conclusion that we cannot maintain this deduction in the case of East Falkland sheep which have been driven by the sellers to Goose Green and ballied at the Factory. It would be quite a legitimate allowance on the East Falkland sheep which were ballied on board the Falkland at Port Howard, and I do not think that any East Falkland farmers would object to this allowance which would cover losses on the sea journey and on the drive from East Harbour to Goose Green. Will you therefore kindly amend the accounts for Bonner and Cameron omitting the deduction of 1½ and 2½ ‘drivers’ respectively. We are sending an interim statement showing proceeds of 6234 East Howard sheep. 83 have still to be accounted for, but Messrs. J. L. Waldron & Co. will probably look for payment for those which have been killed up to date, amounting to £2337.12. 6

I am,

Sir,

Your obedient servant,
SUMMARY. (Originals per Dr. 5th April, 1916.)

INCLOSED.

5. Copy of Cash Book for January.
6. Copy of Cash Book for February.
7. Store Indents No. 512.
8. Remarks on Stores.
10. Statement on Accounts.
11. Remarks on Accounts.

Mr.

1. Copy of Cash Book for March.
2. Copy of Journal for March.
3. Cash Voucher — Sheet typical.
4. Store Indents No. 513.
5. Settlement J. A. Tolston.
6. Coating Insurance.
7. Mr. Allen's Report.
12. Notes on Water Works by Engineer.
13. Summary—Account for water-supply material during
15. Account—Statement of Receipts, etc.
17. Summary Statement—Children that I suspected a fluke sheep
18. Goose Green Heights of Sheil Easter.
20. Accounts on Costs.
21. Minutes—In committee—Mr. King was then an old boy. I would
22. Specifications.

49. I commented upon Mr. Haselby's remarks. Follow

end of line when I wrote this. I regarded his report as open

that Gestis, but that the directorate would probably con-

clude that she was not very spending, only, and that the

question of a new boat would have to be faced. In perhaps the

near future, the directorate apply to that (III. 1) that

absolutely to the point, namely, that expenditure, in her should

be limited to what would be sufficient to make her wife feel

that she would probably have to be replaced at no distant time

for God so stated that a tug of some sort was allotted, one of the

signs had not enough power for moving water, but at the

The Secretary,

London.
June 19. 1916.

Sir,

I wrote last per Mexico which left on the 5th ult., and received yesterday by the British your despatch No.1933. Seeing that the Oronsa is due homeward bound tomorrow, I will commence by writing on subjects of which notes had been made beforehand, leaving your despatch to be answered if time permits. If not, we should have a further opportunity soon by the California.

2. It will be as well to refer back for year or two and quote what has been written about the season. The first reports on the subject from Jacobs and Harringer are June 1915 and December 1916, and these reports taken together give the impression that they would not advise spending much or doing much work on her as she was then an old boat. I would ask you to refer to my 3384, written five years ago, then my 4293 commenting upon Mr. Kennedy's report upon her at the end of 1913, when I wrote that I regarded his report as somewhat pessimistic, but that the directors would probably conclude that she was not worth spending money upon, and that the question of a new boat would have to be faced in perhaps the near future. The directors, ready to that (1114-10) was absolutely to the point, namely that expenditure on her should be limited to what would be sufficient to make her safe, and that she would probably have to be replaced at no distant time.

Mr. Cobb stated that a tug of some sort was indispensable as the Oronsa had not enough power for moving hulks, but at the present put in, but we may have to go for pure power in view of the cost of all machinery and equipment.

The Secretary,

London.
some time it was foreseen that with the opening of the
sailing
Canal the number of trading vessels trading round the Horn
would decrease, and a tag of the vessel's life and power
would not be wanted. Following on this she was placed on the
ship at New Island in October 1833; her condition being as
described in 1830, then I wrote that in the event of any other
the stern frame could not be expected to last for more than
another 4 or 5 years. We know that at present prices
not both cannot be thought of, but when the time arrives when
it is possible to contemplate it I would ask you to refer to
the conclusion of my remarks of 1831 in December 3, p. 1,
for the present we must face the fact that we cannot afford
to risk sending her any appreciable distance from the Island
without it being the outside limit and then only in very
urgent necessity. It is a matter of fact, I hardly know whether
we could manage even that, for now that the ship has left we have
nowhere for the engine room who is able to stand rough weather
in her. We can understand with her in Stanley Harbour and still
William with her on her. Her tag for some time yet. If the vessel
in the pite's by the stern post did not go up, she would give
a warning by looking shallow at first and could be beached,
if necessary. If however she got a break in the sea in rough
weather these pite's might open out without such warning,
and this is a risk we are not justified in running. My was
getting suit alarmed about the condition of the tag, and
when he left we could not get anyone to replace him.
A special report on her re: Mills is hardly necessary, she is in
its good condition as possible for a coast of her age. You
know from previous reports that, we have trouble with the
condenser, but as this would have meant an expense of quite
£300, then we decided to do the best with the existing ones.
You sent us out 4 for new ones, 54 per year or two extra, and if
these have been put in, but we may have to ask for more later.
In view of the cost of self-machinery and metal, we will put
off indenting for as long as possible.

3. I had hoped that the whole of the swing operations would have gone through without any hitch for months past we have been planning out all arrangements and I thought we had foreseen and provided for every possible contingency, with the receipt of your telegram that the Falkland could carry cargo both ways to and from Antares everything seemed settled and I felt very relieved to think that we might regard the arrangements as a complete success. But we had not reckoned with the Chilifns who at the last moment flatly refused to go across in the Falkland — this coming on the top of a telegram from Antares that Mr. Hobbs was only waiting authority to close a contract for sending her the second week in June was most annoying. There was nothing for it however but to let her go on loading auced meat at Goose Green until the Orient was due, arranging that the Falkland should arrive here in time to put them straight on board, for could not possibly make any arrangements for housing 80 Chilifns here. We sent out each to pay them all wages at Goose Green before leaving, and were fortunate in having sufficient gold and silver available for this. We had saved up 500 sovereigns and made up the balance of 8500 in silver, and thus avoided the usual commission for payment by cheque on antares.

The fare from Darwin to Stanley is 15 - each and from here to Antares 85. 15 - each, less 15%, the difference between this and 35 each, the sum asked by Mr. Connell for taking them direct to Goose Green, is over 30.

4. The Government have sent renewed leases for three years from July 1st last of Darwin Harbour and artesian reservoirs at rentals of 85. 10, 9 and 5. 1, respectively.

5. I drafted a letter for signature by Mr. T. with a six months' notice for reconveyance of the Artillery Sound farm property to them on the paying off of the mortgage, and gave
it to Mr. J. H. Smith for completion. Furthermore the Registrar of the Court will furnish me with a copy of a Trust Deed of Mr. Smith’s will. Up to the present neither of these documents is to hand, they will be sent as soon as possible.

June 3rd.

3. In 18-5. you will have learned from my last despatch the arrangement made with the National Produce Company for the disposal of the casks, and am able to enclose copy of further letter received from them by this mail.

7. If 9. It is evident that the Falkland must go to MonteVIDEO as soon as possible, but we have to choose a time when there will be a clear interval of four weeks between the outward steamers, so as not to infringe the West Falkland mail contract. My plan was to let her take outward mails to the West Falkland and clear from Montevideo, but getting sanction for her to drop the mails homeward. However, to clear from Montevideo, and proceed from there to MonteVIDEO, owing to the detention of the transports, we should have time to fit in the voyage before next outward mail, and moreover she must call at North Arm on the return journey, this trip with flour etc., as they are quite out of provision.

8. Par 12. I will take an opportunity of explaining to the governor that the old dock is not closed - I knew that he was in communication with the C.O. on the subject, and possibly some arrangements may have been made to enable the local Savings Bank to co-operate with the Home Savings Bank.

9. Par 13. After the departure of the office the labourers sent in a formal request through Captain Thomas for an increase of pay - I told him to reply that I appreciated the manner in which the subject had been approached, and that for the present I could not hold out any hope that we could pay more. He was also to explain to the men that if the standing earnings rate was increased they could not expect a bonus on
and that we had purposely kept down the prices of stores as much as possible for them. Now that a 15% bonus has been granted I will explain in the above to them more fully when announcing the increased bonus to them as usual.

10. Mr. 15. We have come to the conclusion that the vessels seen off Lind Island must have been whaling steamers.

11. Mr. 15. Mr. Allen will doubtless explain fully in his report by this mail about the number of sheep arrived, which fell very short of the estimate.

12. Mr. 15. I doubt if Mills will bind himself to a further term of so much as 6 years, but will await your further despatch before seeking to him again.

13. Mr. 1. I much regret the inconvenience caused by not having had a separate account kept of the expenditure on the novel wireless station work given gratuitously, but must close that as two out of the office staff of three were new to the work we were in a position of considerable difficulty for the greater part of 15. Before telegraphing an estimate of the value of this work I went carefully into the matter with Mr. Bennett, and we are satisfied that our figure represents this fairly accurately.

14. Referring to Mr. 5, we have now received the letter from Mr. Smith's son applying for reconnaissance and enrolment.

15. Since writing this despatch we have received your telegram on the subject of the Mikindu, copy of which is enclosed.

16. The cromes will arrive this afternoon.

I am,

Sir,

your obedient servant,
ENCLOSURES.

Duplicates. (Originals per Victoria, May 5th 1916)

Despatch No. 512
Cash Book for March,
Journal for March,
Indents No. 512,
Remarks on Stores,
Mr. Allen's report,
Ledger Balances to 31st March,
E. J. Airman, account of expenses,
Remarks on accounts,
Statement on Accounts,
Correspondence:-
Mr. Townson,
P.S.N.C., Liverpool.

ORIGINALS.
1. Copy of Journal for April,
2. Copy of Cash Book for April,
3. West Store Voucher,
4. Coaling Insurance,
5. Naval Wireless Station - account,
6. as "Foremost", account,
7. as "Northern Monarch", account,
8. as "Competitor", account,
9. Memo. to Secretary,
10. Remembrance re Flour,
11. Millinery Store Stock sheets 1915,
12. Telegram recorders,
13. Goose Green Gunning Weights - Vere Foske, Geo. Somner & Co. Ltd., 2 Pebble J. J. Selton Ltd. and Company's,
14. Shipping report,
15. Memo. re ignition bulbs for motorboat,
16. Falkland Manifest - voya.14C and 15C,
17. Remarks on Stores,
18. Store Indents No. 512,
19. Remarks on accounts,
20. Statement on Accounts,
21. Copy PSTC account,
22. Berkeley Sound Farm. Letter from Smith's son,
23. Copy letter from International Importing Company,
24. 3 letters for E. F. Goddard Esq.
25. Specifications:- Wool, Skins, Yellow,

R.B.C. 196
Meer 192
5
HP 77
1
AP 18
The Secretary alleged that his principals, Messrs. Bannen, Fox & Co., had received tenders, but on learning this he arranged to cable to his deputy from Montevideo instructing him to give her his own to remove the cable. This was not overlooked.
515 per California (19.6.16) 2.

Cromie expected to arrive in the afternoon.

Sunday, June 4th. The Governor fully expected Cromie to arrive as her wireless signals had been quite strong in the night; it was not until midday that a wireless message was received that she had very bad weather and would not arrive before 10 pm.

June 5th. Cromie arrived and left with mails.

June 6 to 7. Occupied in discharging canned meat, etc.

Falkland - several boxes smashed up, tins had to be discharged by cranes' slings; some tins pierced by pole hooks by crew of Falkland. Under ordinary circumstances she should have sailed with mails within 24 hours of the arrival of the Orteig, but the Governor quite understood the position in which we were placed and allowed us to delay her for discharging, bunkering and loading. Then we had a heavy gale from the south for three whole days accompanied by snow squalls and hard frost, rendering any outside work very difficult and slow - she finally got away with mails on Monday, June 7th.

3. Mr Hobbs was a passenger on the Cromie and I was able to discuss with him the question of a return cargo for the Falkland from Santa Cruces. He told me that Mr Miller had been able to arrange for a Santa Cruces steamer to bring horses across, those purchased by Mr Miller. He might as well come with them; the freight per animal will be much less than the £5 lowdens ask for the Falkland, probably not more than £3.10. 0 each. The Falkland will consequently be able to bring across a full load of Santa Cruces wood, for which there is a large demand here. It was fortunate that I was able to meet Mr Hobbs, who manages the ship there, and arrange about the Falkland being hauled up. He had not then heard that his principals, Messrs Hume, Fox & Co., had accepted the tender, but on learning this arranged to cable to his deputy from Montevideo instructing him to give her down to rescue them. This vessel, called Institution
the preference as soon as she arrived, I told him that she would take out the Orita's mail to the west and proceed direct to Port Darwin, so that she might be expected there soon after the end of the month.

7. A telegraphic copy of further correspondence with the International Importing Company has been received. The government have given permission for them to be shipped to here with the River Plate in transit for New York, and we will endeavour to get them away by the Ortega homeward bound lighters next month. In connection with this I enclose a memorandum on the subject.

8. I received on the 16th a rather strange telegram from the Colonial Secretary covering a letter he received from the Universal Oils Company, Glasgow, in the course of which they stated that from our point of view it is preferable to dispose of them ex sheep, the purchaser sending his own men to clean them. We have no men here competent to undertake the very distasteful job, and we are arranging for the buyer to do the cleaning and scraping, etc. You would avoid the unembarrassed risk of a claim for bad condition etc.

9. I have received on the 17th a rather strange telegram from the steamer-cum-trawler Orita, who may not accept cargo from Montevideo owing boycott. As you wish increase your order, we cannot understand what the boycott can be, but are taking the precaution to get a large quantity of kerosene down. We have a good stock of flour and maize now.

10. You will have learned that Sir H. Shackleton arrived on May 31st in the steamer Southern Sky from South Georgia, after having accomplished a journey of over 700 miles in a small boat from Elephant Island, South Shetlands, where the remainder of his party were left. After various negotiations the Uruguayan Government agreed to send a steam trawler of about 200 tons to take him down to rescue them. This vessel, called Institutoen
515 per California (19.6.16).

4. The California arrived on the 16th, loaded, and proceeded next day. We have advanced Sir John Cockett funds for personal expenses and telegrams. The stores etc. supplied to the relief ship will be paid for by the Colonial Government.

7. A copy of letters of administration granted to the executors of Mrs. Smith with copy of bill attached is sent herewith for the information of Messrs. Bischoff & Company.

8. Our arrangement for cleaning and painting the new steel lighters promises to be a success; one of the lighters is now on the stage erected, and we will endeavour to send you a photograph showing the arrangement.

9. The California arrived on the 16th instant, and got alongside the Great Britain seen after 1 p.m. She is a very difficult ship to stow, and the loading has therefore been more protracted than usual. We are sending a few sheepskins as these have been for some time required that they might deteriorate. The California is too deep to load much heavy cargo, but the Captain has agreed to take the 116 cases of extract. As this is a valuable commoditiy we are glad to be able to get it away. Specification and bills of landing of the shipment will be sent to you under separate cover.

14. Photograph of Steel Lighter.


16. Correspondence, to your excellent servant.

17. Specifications.
92

EXHIBITS

EFFECTUATION (Originals per Grouse and June, 1906).

Dispatch No. 544.
Journal for April.
Cash book for April.
Store receipts No. 513.
N. T. Arrows; Station account.
Telegram Recorders.
Motor requisition made for motor boat.
Mr. Allen's report.-June 1st.
Remarks on stores.
Remarks on accounts.
Statement on accounts.
Cultivating produce on hand March 1st December, 1906.

ORIGIN

1. Copy Journal for May.
3. Cash voucher - 1st store.
4. Store receipts No. 514.
5. Remarks on stores.
7. Interests, etc., etc., Company. Correspondence with account.
10. Telegram Recorders.
11. Statement on accounts.
14. Photograph of steel lighter.
16. Correspondence. - London and Co., Euphonia & Wolfin, etc.
17. Specifications. - Oil: skins, etc. paid to寺院.

616. per California, 1906. 15.
I write last per California which left on June 21st and arrived on the 1st instant per with your despatch No. 1164 and letter of May 26th. I regret that through an oversight No. 517 was dropped in numbering the despatches.

2. Par 3 and 4. The Bonus of 15% will be much appreciated. I thought it as well in the usual bonus notice to Campbell employees to attribute the increase in the rate to increased cost of living. In case the bonus may be reduced in future years, we have not yet paid the Stanley employees; there is still a good deal of unrest and we thought that if any trouble arose over the loading of the California the bonus might prove a good lever towards keeping the men going. It may be as well to hold it up until the Karnataka is safely away. The men know that even outward bound steamers are short of hands.

3. Par 5. Further correspondence as to earnings is enclosed. The International Importing Company are very desirous of getting these to the U.S.A., and are probably making a very good thing out of them. We hope to ship them by the Ortega.

4. Par 6. The California had some spare space when she left, but the Captain could not afford to wait any longer on account of shortage of coal. In spite of our having supplied the ship with over 20 labourers the sailing occupied 5 days.

The Secretary,

London.
days, as she is the next unladen vessel of the whole fleet for working. The detention here depleted her stock of wool so much that Captain Kerrick said he would have to proceed very slowly to lie, taking possibly ten to twelve days... As you would probably be disappointed at the amount of wool taken, it was better to enable you as soon as the Valparaiso Manager arranged for the "Kemka" to call here toward the end of this month. Copies of telegrams that have passed between us are enclosed.

5. Par. 9 & 26. No doubt you will have furnished the Colonial office with a copy of Dr. Halliburton's report on the fleece -- it is very satisfactory to know that the recent decrease cannot be attributed to this. We shall know before the next mail the total number of bags that have had to be condemned, and will send an account of the losses for claim to be made on the R.S.N.C.

6. Par. 11 & 17. We note that the grant of fire services of the "Sensam" and other appliances is to be considered terminated.

1. After this mail has left Mr. Jonston and I will go round the buildings to decide how many fire extinguishers should be supplied to each, and the list will be forwarded to you later.

8. Par. 16. Your remarks on the subject of the delay in dealing with the sheep from the West Falkland have been communicated to Mr. Allan, and I trust that his reply will arrive in time for the "Ortega". Owing to extremely severe weather we were unable to get the Darwin mail away quickly, and rumour was started that the Ortega would be here about the 6th inst. Mr. Allan therefore sent in a homeward mail without waiting for his letters. He may be able to get a further mail to Stanley before the Ortega arrives and I will delay answering your paragraphs relating to Camp matters until the last moment in the hope that his further reports will arrive in time.

9. Par. 21. It has been a great disappointment to us to have been again obliged to postpone the trip of the "Falkland"
The Falkland Island to Punta Arenas. She returned to Stanley the day before the "California" left, and we loaded her for Port Cove Pebble Island etc., as there was just time for her to make that trip before taking out the mail per "Orta", which should have arrived June 26th. Our plan was that she should deliver the "Orta"'s mail at Fox Bay and proceed thence to Punta Arenas. The Falkland left on June 23rd but encountered nothing but gales. Even on the homeward journey she was delayed at Pebble Island with the result that she did not reach Stanley before the morning of the 26th, as it happened, the Orta was hung up at Monte Video, arriving there on the 1st July only. Seeing that the "Mexico" left room up to time and is due here about the 19th it is quite evident that the "Falkland" must await her arrival and land her mails on the feet so as not to infringe the contract. In the meantime she will make a call at Darwin where stores are badly needed, and will bring to Stanley the tallow and remainder of the canned meats.

It was fortunate for us that the "Orta" was late; otherwise the delay in taking out her mails would have been sufficiently serious to warrant the Government penalizing us for a breach of the contract.

19. Per.22. I am sorry that your instructions as to getting the farmers to make some joint representation as to taxation did not arrive earlier, as I should have been able to confer personally with the Managers of Hill Cove, Port hour, Port Stephens and Chartres Stations, but after all if we had been able to discuss the matter, neither of them would be able to speak with absolute authority. During the past few years most of the Station owners have retired from the Colony, and the only resident owners now here are the Bloomsbury, Smith's, Pitslangs, and some of the owners of small islands. They represent only 15% of the total number of sheep devastation in the Colony, and probably nil% of the combined intelligence of the sheep farmers of the Colony.
The Managers would naturally have to consult their principals before committing themselves to a definite opinion on a matter of policy for their business is to form the Station, and not to give opinions as to the form the location of their employers should take.

I have already furnished the Governor with a statement of the Board's views, also extracts from Mr. Cobb's and Mr. Blake's, separate letters on the subject and these he has filed with the papers. I feel sure that it would be far more effective if a representation were drawn up signed by the Company and farmers resident in England. You will readily see that this was the course taken in the case of the vacancy in the Legislative Council and that the object was attained. Hence did not wish his reasons to be sought at the time.

I. Mr. 25. The extension of the Goose Green jetty is not being proceeded with—Mr. Allen has not been in a position to attend to this before as jetties had to be constructed at North Arm and Egg Harbours. Shortage of labour prevented his tackling more than one at a time, and work on the Goose Green jetty is now in progress. The bulk Vixen of Bany was placed originally in alignment with the existing jetty as shown on Milla's plan of Goose Green, but sometime ago Captain Thomas shifted her to a position to the N. 30 W. Had the jetty been extended out in a straight line it would have been rather dangerous for the steamer to get alongside an account of the reef of rocks; and it is proposed now to extend the jetty at an angle to join on to the Vixen of Bany, as where there is sufficient for the "Falkland" to go alongside. To enable the Board to see the matter clearly I have got Milla to make a small plan on the same scale as the existing one, showing the bulk in her new position, and the proposed extension of the jetty, also the reef of rocks to the Eastward. Owing to the hard bottom the jetty will have to be made for the "Meditation do Paua" and make a second
have to be built on crutes instead of piles, if we had not had the hulk there it would have been very difficult to make the end strong enough for the "Hulk" to lie alongside in a strong wind.

The Viceroy of Bray has been in her new position long enough now to be practically irremovable.

The plan shows the new shed built on the shore end of the jetty—this holds about 400 tons of meat, and facilitates loading and discharging.

13. I received your telegram requesting me to telegraph the Exchange Telegraph Company any news transpiring about Sir Ernest Shackleton and his party at the South Shetlands. You know that all telegrams have to pass through the Governor—I therefore referred to him and received a reply that Sir Ernest Shackleton did not wish his movements to be known at the present, and that he, the Governor, would if possible let me know something later. Consequently I have not been able to telegraph anything. You will have learned that he was not successful with the ship lent by the Uruguayan Government. They were only able to get within twenty miles of the island. Sir E. Shackleton does not allow a steam vessel to get in the ice, and they were limited by the ice on board. She steamed only 6.5 knots a day, so he returned with her.

The engineer of H.M.S. "Glasgow" affected some repairs to the crankshaft, guaranteeing it for not more than 10 days, and she left for Monte Video on the 7th inst.

Sir E. Shackleton decided to go across to Punta Arenas in the Orto to endeavour to obtain there some wooden vessels, and I received a telegram from him on the 7th saying that he had found a good oak auxiliary sealing schooner there. He will probably proceed South in this direct from Punta Arenas to attempt the rescue of the rest of the party. I understand that the Uruguayan Government, having put its hand to the plough in the matter, was most anxious to send a new crankshaft for the "Instituto de Pesca" and make a second
second attempt at the rescue but Sir John Mackensen came to the conclusion that it would be hopeless with a steel ship dependent upon coal, and especially manned by Uruguayan officers. He hoped that the "Instituto de Pasco" would have returned to Montevideo before he himself went to Punta Arenas as he feared it might appear ungenerous to obtain help from Chile after the Uruguayan Government had given him the free use of their vessel, and I fancy that it is for this reason that he desired his movements not to be known. Practically the only chance of rescuing the party is for him to go down in a wooden vessel and remain just outside the ice. A strong westerly gale might divert it or break it up and leave him a channel, and he must be on the spot ready to seize the chance of shipping in an oak vessel with auxiliary motor in the best means he could have.

Mr. Hobbs advanced him about £200 for each and telegrams; just before leaving in the "Ortíz" he gave me a written order for £300 on Lloyds Bank, td in case anything should happen to him. He asked me to hold this over until I heard further from him, and learned how much he had drawn at Punta Arenas from Mr. Hobbs on whom we gave him a letter of credit for £100.

13th July 12th. Mr. Allen's further report has arrived dealing with the questions of delay in sending sheep from the Falkland, and the failure of the water supply at Goose Green.

The Chilians were landed at Goose Green on March 16th; Mr. Allen could not tell how long an interval would elapse before the first land and got across to Egg Harbour, nor how many the "Falkland" would carry, but she did this in better supply time than was anticipated and landed 874 at Egg Harbour on the 19th. He has explained that was able to be in readiness as soon as the Chilians arrived, for we were then a fortnight later starting than arranged.
Feiss found that on March 23rd, the fresh water supply was diminishing and wisely decided to go slowly, for it was imperative that he should have enough on hand to enable him to deal with the previous day's killing and to finish up the extract in the year. So far as I can make out from him the shortage of water was responsible for 6 days delay dealing with Fort Howard sheep. It came to this that all cannot be first, and every farmer desires to be - the farmers argued that they had a better clean line of sheep as they have supplied sheep in other years.

So far from the expense on the telephone to Egg Harbour having been entirely wasted it appears to us that it was most valuable, for it enabled Mr. Allen to control the movements of the sheep and prevent their being sent forward too quickly. The result was that instead of starving in paddocks near Darwin they were kept at Egg Harbour on good feeding ground, thus minimising loss of weight.

The failure of the water supply was of course due to the dry season, and it is interesting to note in this connection that in talking to Sir Ernest Shackleton about meteorological observations he asked whether it had not been an unusually dry season, for their observations all pointed to it. It has been the same story all over the islands - the Manager at Port Stephen said that ponds and springs had dried up all over his camp, Panke Brothers had no water for their dip at Munnybranch and had to dip all their sheep on Waldron's side, the spring at North Ann failed for the first time within memory, and from every quarter we were told that ponds never known to be low before had dried up.

During the 1915 Season there was so much water at Goose Green that Feiss had to cut the conduit pipes to allow the surplus to run away on the beach before coming near the factory, that being the case in the previous season we would have supposed for one moment that the water would fail altogether in 1916.
The water supply there is drawn from two dams — that farthest from the works is nearly all surface water; the second is fed by springs and the water conveyed in the earth-covered pipes mentioned by you. I gather that the principal object of these is to keep the water clear, for without them it would be conveyed by a ditch. The reservoir holds sufficiently enough for one day’s operations, and cannot be enlarged much — it is not possible to make it any deeper or we should get down to sea level and contaminate the water with salt, and you cannot raise the level or the water would not flow in. Mr. Allon has therefore proposed to make a supplementary dam below the other two (that is between them and the factory) so as to store sufficient — by so doing he will take in three extra small springs. The only alternative to this would be to dig out a large storage reservoir on the high ground to the front and pump this full, but this would be much more expensive. Probably it is not realised that when running full the Canning Factory requires about 12,000 gallons of fresh water daily.

14. I enclose herein for the consideration of the Directors a letter from Mr. F. H. Weiss pointing out that his agreement terminates in August next, and asking whether it is their wish to renew the same for a further term of three years. Mr. Weiss is anxious to have a reply by return mail, in order that he may make his arrangements in accordance with the decision of the Directors. If it is not possible to reply by the return mail would you kindly cable.
576 per Ortega 11/7/16.

ENCLOSURES.

Duplicate. (Originals per "California" 19/6/16.

Despatch No. 515.
Journal for May.
Cash Book for May.
Store Indents No. 514.
Remarks on Stores.
Statement on Accounts.
Remarks on Accounts.
Memorandum re sundry cases shipped. Castings, copper etc.

ORIGINALS.

1. Store Indents No. 515.
2. Coasting Insurance.
3. Telegram Record Book.
5. Stanley Papers Return to June 30.
6. "Falkland" Manifest No. & 18C.
8. "Accounts to June 30th.
10. Remarks on Accounts.
13. Space for homeward produce - referring to.
14. Copy of Bonus Letter.
16. Specifications and Bills of Lading per "California".
17. Letters (4) for the Secretary.
18. Letter from Mr. N. C. to P.S.N.C.
22. Specifications:

<table>
<thead>
<tr>
<th>Material</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wool</td>
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</tr>
<tr>
<td>Skins</td>
<td>85</td>
</tr>
<tr>
<td>Tallow</td>
<td>1</td>
</tr>
<tr>
<td>Hides</td>
<td>33</td>
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<tr>
<td>12. Wool</td>
<td>288</td>
</tr>
<tr>
<td>J.L.W.</td>
<td>8</td>
</tr>
</tbody>
</table>

The cost of shifting buildings might be more than they are worth.
Sir,

The Ortega arrived at 9 a.m and will leave as soon as mails and passengers are on board. I find that the number of my previous despatch by this mail has been typed erroneously as 578 - would you kindly alter this to 517.

2. I enclose a copy of correspondence with Messrs W. Lowden & Company, together with copy of account current to June 30th. You will see that, including the credit balance of March quarter, the account shows a balance in their favour of £945.15.9; we have not advised any payment to them, but leave it to you to deal with.

3. I beg to draw your attention to the enclosed copy of correspondence with Messrs Chr Salvesen & Company, from which it will be seen that they have decided to abandon whaling operations at New Island, and that they are disposing of the buildings and plant. I did not think it worth while to cable you - it is hardly likely that the Directors would wish to embark on whaling at New Island, for if Messrs Salvesen cannot make it pay, it is unlikely that anyone else would succeed. The cost of shifting buildings would probably be more than they are worth.

4. With reference to my 515/5 I learn that owing to the dictatorial attitude assumed by the Uruguayan Government

The Secretary,

LONDON.
with reference to the stevedores and the Eight Hours Bill
the Conference lines have decided to discontinue calling
at Montevideo. At a meeting of the steamship Agents it was
decided to supplement this by refusing to accept any cargo
from Montevideo except for steamers for which cargo had
already been booked. There is no reason so far to suppose
that the PSNC steamers will discontinue calling, and we
hope they will bring cargo here especially flour and kerosene.
Messa MacLean & Stapledon telegraphed asking if
they should ship by the Mexico some good short-shipped by
the Orita, and we are taking advantage of this chance to
get an additional 300 bags of flour. We got 400 cases of
kerosene by the Orita — this will explain the unusually
heavy draft from Maclean & Stapledon.

I am, Sir,

Your obedient servant,

The Secretary.

LONDON.
Sir,

The "KENUTA" arrived about midday on Sunday, July 30th, and will leave this afternoon with all produce as per specifications and Bills of Lading enclosed.

We have retained for shipment per "ORITA" to Liverpool a little under 4,000 cases of canned mutton and beef. We were not able to ship any of the beef by the "KENUTA" to London, as all this arrived in Stanley by the last trip of the "FALMOUTH" and was discharged direct into lighters to facilitate shipment by the "ORITA" and save double handling. The "ORITA" will of course load in Fort William.

It will be found that the quantities of the Company's hides on the specification and Bill of Lading do not exactly agree - the reason is that in transit to Stanley some of the labels became detached; hides without labels were all included in the big lot, under mark F. We will adjust these the value of those belonging to Canning account.

A note has been kept here of the weight of all hides shipped by the "KENUTA", and a statement of these will be forwarded by the regular mail per "ORITA".

I am, Sir,

Your obedient servant,

...Manager.

The Secretary.

LONDON.
Enclosures per "AENUTA".

Specification and 2àoR/Lo... 11-

Specification. Last per "GALICIA" on the 16th ulto., 45 cases beer. Extract despatch No. 1165.

D.H. 66 hides we were glad to learn that the "GALICIA" would

be. We imported by the "AENUTA" from Montevideo

10 tons of sugar; Maclean & Stapleton could not obtain cube or

would be invaluable in the event of a breakdown occurring to the coating

steamers, for in the case of total loss the "FALAND" probably

could not be replaced for nearly 18 months.

Billie recommends a two-cylinder engine as there is

a more even-turning moment; as regards the type he says that the

bulb engine manufactured by Petters of Yeovil is very similar to

The Secretary,

London.
"ORTEGA."

August 16th, 16.

519.

Sir,

I wrote last per "ORTEGA" on the 15th ulto., and received on July 25th, per "MEXICO", your despatch No. 1165.

2. 1165-6. We were glad to learn that the "GALICIA" would bring us a quantity of stores, especially coal, although from the total tonnage cabled it was evident that she would not have more than 500 tons of the latter. The "FALKLAND" has had to draw heavily on our stock lately; before leaving for Punta Arenas she had to take on board enough to take her across and back, for it is certain that the price there will be enormous. This left us with about 180 tons, of which we have 30 on shore and 90 afloat.

We imported by the "ORTEGA" from Montevideo 10 tons of sugar; Maclean & Stapledon could not obtain cube or crushed sugar and sent us American granulated in bags. The price works out very high indeed at 4½d per lb, against 3½d for your lot per "Galicia", owing to high freight at 45/- per ton, measurement.

4. Par. 7. We are of opinion that the Bolinder type of engine is more suitable for this country than the Gardner, owing to its greater simplicity and not having electric ignition.

The "LAFONIA" fitted with an auxiliary engine would be invaluable in the event of a breakdown occurring to the coasting steamer, for in the case of total loss the "FALKLAND" probably could not be replaced for nearly 12 months.

Mills recommends a two-cylinder engine as there is a more even-turning moment; as regards the type he says that the bulb engine manufactured by Petters of Yeovil is very similar to...

The Secretary,
London.
to the Bolinder, and being an English make the purchasing would be easier. Further, if any spares are required later they would be more easily procured.

The mail problem is the alteration of the schooner herself, and I wish to say at once that in pointing out the difficulties, it is far from any desire to crab the idea, but it is my duty to acquaint the Directors fully with what has to be faced. Owing to the "LAFONIA"s draft and the small rise and fall of the tide here, we cannot get her high and dry to work at. There are two alternatives: (1) to heave down to bring the vessel and stern post out of the water, (11) to tip her by weights to an angle of 50 or 40 degrees. The first would mean working on the stern post horizontally but if a new post has to be constructed it would be almost impossible to make a job of it as the strain of heaving over might throw everything out of alignment. The second alternative would only be adopted in very extreme circumstances.

We have no plan of the schooner and cannot tell whether a propeller could be fitted without drastic alterations to the stern, that is to say whether there is sufficient space for the propeller without altering the rudder, or in other words would there be enough space between the stern post and the plank ends for the propeller to revolve in?

If not, her stern must be reconstructed, and her very short overhang would make this more than usually difficult.

Mills has given me the enclosed sketch from the "Engineer" showing an arrangement by which a space was cut in the rudder for the propeller, the rudder being lengthened afterwards, but the engine fitted in that case was high speed, and the propeller quite small.

Another point - she would require thorough refastening in the after part, for her metal bolts show signs of perishing; some long time back when we were chipping and
and painting her frames, several nuts snapped off, and if this occurred as the result of chipping, many others are bound to snap when subjected to the vibration of an engine. One of these is sent by this mail for you to see.

It would seem therefore necessary to get her on to a slip for the alterations to the stern, and for refastening.

On the whole I think it is a case of referring the matter to the builders of the vessel or to the designer - probably both have a plan which would enable them to decide the most practical way to go about the work, and also whether she would have to go on a slip. If so, you might suggest New Island, but unfortunately Salvesens are dismantling the station, and it would be a very awkward matter to have to do any construction work so far away from one's shops, appliances and materials.

5. Par. 15. As regards the canning it does not seem to be realized that every farmer from whom we proposed to purchase sheep asked in December or January for a fixed date on which they would be taken - judging from what has been written there seems to be an impression that Waldrons were the only people who were promised a date, or even entitled to one. Every farmer is in the same position, in that he has to arrange ahead for gathering and driving, and plan his other station work accordingly. The dates promised to East Falkland farmers were: - Bonner March 17th (he originally wanted his sheep taken off the shears!), Cameron 21st and Greenshields 25th. Mr Felton was not anxious for a very early date, and although promised the 3rd or 4th week in April, his sheep were not killed until 4—6 May. His losses in getting sheep over so late in the season were very heavy indeed.

When you telegraphed me in September asking the earliest date for Waldron's sheep, I replied 1st March as the dates of steamers according to the itineray justified the assumption. You know that owing to the "Victoria" being late, the Chilians could not be got over, and the consequent delay in
in beginning reflected all along the line and disorganized the whole scheme of dates. As soon as ever they did arrive Mr Allan had to make a start; as the East Falkland sheep were on the spot as arranged he went ahead with them, and after having started on them, it was a case of going on to a finish. But the failure of the water supply there would have been disposed of in a week, and Waldron's sheep would have been started on some 6 days earlier.

If Mr Allan had knocked off the North camp sheep in order to go with Waldron's, the former would have fallen off far more in proportion as they would have been kept in small bare paddocks at Darwin and Goose Green, whereas Waldron's were on good ground at Egg Harbour, and the telephone enabled Mr Allan to keep them there until Goose Green was quite ready for them.

To sum up:— the late arrival of the Chilians delayed the commencement of canning, but even so, arrears would have been undertaken and the work carried through allright but for the failure of the water supply. Mr Allan was confronted with general disorganization of his dates and plans and at that time could not tell when the water supply would permit of the factory running on full time again. I cannot see what better steps could have been taken under the circumstances than to finish the sheep on hand, and leave Waldron's on good feeding ground, thus avoiding heavier claims probably from the East Falkland farmers. Moreover, seeing that East Falkland farmers have sent their sheep to Goose Green for three years past, they considered that they had equal if not more claim to consideration than newcomers.

The condemnation of Mr Allan for the failure of the water supply has been so emphatic that I feel it would be useless to say much, and I can only repeat what I wrote last mail, that seeing that in 1915 that there was such a surplus of water that the conduit pipe from the dam to the
the reservoir had to be cut to allow it to run away before reaching the settlement, how could anyone foresee, or even suppose, that in the following year at the same season it would fail altogether?

Least silence should be interpreted as consent I feel that I must say that the description of the canning as a "general muddle" is really not warranted.

The agreements which you sent out last season are returned herewith.

6. Par. 16. It is doubtful whether the "FALKLAND" will be back before Mr. Peters arrives in the "DROPSA".

7. Par. 17. I am sure that at some time I reported the circumstances under which Luchtenborg was allowed to occupy the Sea Lion Islands, but regret that I cannot at present lay my hands on them. Some years ago he asked whether he could put some stock on the islands for £4 per annum. It seemed to me that as our title to the Islands had been questioned some years before we might as well let him put stock on as it would prove our ownership, and we should know whether the islands could be put to any use. The islands have, I suppose, been the property of the Company for over 60 years, and no use had been made of them and no one allowed to try, the Government might quite possibly have made that a pretext for resuming possession. Luchtenborg has run a few sheep and cattle on them and all the produce has passed through our hands - he has paid for all stores he has had except those now standing to his debit, and the produce shipped will amply cover all indebtedness. Copy of correspondence with the Government on the subject is enclosed. The question of interment of enemy aliens here is a very difficult one, and farmers are assisting the Government as best they can.

Wezell, the lessee of the Passage Islands is at the Chartres.
Chartres, Pedersen is at Teal Inlet, and there are two in Stanley employed by the Government in a small way on jobs that do not entail their working with others. All have to report themselves daily to a J.P., and by adopting this plan of dealing with them the Colony is saved a good deal of expense. In view of the very friendly attitude of the present Governor towards ourselves I cannot help thinking that it would be impolitic to raise the question of making a change for Sea Lion Islands as a place of internment for Luchtenborg; more especially as indirectly we are getting a fair amount out of him in the profit on sales of stores to him and from the handling of the produce.

8. The "FALKLAND" left with mail ex. "MEXICO" on July 28th, called at Fox Bay, Port Howard & Brenton Loch, where she landed the homeward letters from the West Falklands. She left Brenton Loch on the 31st, called at San Carlos to lend cargo, and proceeded thence direct to Punta Arenas arriving on August 4th. I received a letter from Mr. Hobbs stating that owing to her deep draught they would have to wait until the 7th or 8th to get her up on the slip, but unfortunately they were not successful then as on the 10th they sent a further telegram as follows: "Owing low water will probably haul vessel next Monday (14th August) remaining 10 days after loading Rawson calculate will leave for Falklands beginning September."

9. In 495/3 a report was sent on the Goose Green boiler by Mills and Donald, one of Babcock's men, in which they recommended that the firm should be consulted as regards treatment of the feed water. Mills again reports pitting of the tubes and drum, and Lt. McLellen tells me that they are experiencing the same trouble at the Naval Wireless Station. We have both tried lime but find that it is not efficacious. Lt. McLellen is of opinion that the vegetable matter in the water deposits a skin or film on the boiler first, this preventing
preventing the lime from forming its skin. It is possible that if absolutely pure water were available for mixing with the lime, the latter would do its work allright, but we cannot get pure water here. Mills thought that possibly some treatment for softening the water might remedy the trouble but this would be expensive and Lt McLellen does not favour the idea.

He has sent samples of feed water to Babcocks asking what they recommend; most likely the water we use would have the same characteristics, though possibly in a lesser degree as ours is caught nearer springs than that in Moody Valley brook. Lt. McLellen has no objection at all to your mentioning his name and the case of the Wireless Station boiler in writing to Babcocks. If they should recommend some boiler composition, they would no doubt wish to know that our boiler is run on a full load for 3 months in the year, evaporating about 40 tons of water per diem.

10. The question of our financial arrangements with the Colonial Government invariably crops up when a new Governor arrives, and we have had several discussions with Governor Young.

Our cash disbursements lately have been far heavier lately than usual, going to advances to the Admiralty representative for the Wireless Station, advances to Whaling Companies for export duties, increased export duties on produce, and distribution of whaling dividends. The result has been that we have been indebted to the Colonial Treasurer for much larger amounts than usual. The Governor did not quite like the system of requests to pay the Crown Agents extra sums to meet this indebtedness, and there is little doubt that the usual Bill of Exchange is a more convenient method of settlement. The enclosed copies of minutes and letters will explain what has passed, and the reason for drawing upon you at 3 days sight for Government payments. I may mention incidentally that although the suggestion of drafts at 3 days sight appears to
to emanate from myself, the Governor preferred that method and it was practically anticipating his idea. The amounts of these short sight bills will be included in the telegraphic advice of our drafts upon you.

11. The "GALICIA" arrived on the afternoon of Sunday the 13th and will leave sometime tomorrow (Friday). We expect the "ORITA" tomorrow or Saturday, and have received a cable from Montevideo that the "ORONSA" will arrive Saturday morning. It is fortunate that the "GALICIA" will be away before these last two arrive.

Your obedient servant,

[Signature]

The "GALICIA" arrived on the afternoon of Sunday the 13th and will leave sometime tomorrow (Friday). We expect the "ORITA" tomorrow or Saturday, and have received a cable from Montevideo that the "ORONSA" will arrive Saturday morning. It is fortunate that the "GALICIA" will be away before these last two arrive.

Your obedient servant,
ENCLOSURES.

DUPLICATES. (Originals per Ortega, 11th July 1916).
Despatches Nos. 576 and 577,
Store Indents No. 515 (pert),
Remarks on Stores,
Coasting Insurances,
Cablegram recorders,
Statement on Accounts,
Remarks on Accounts,
Letter from Mr. Weiss,
Copy of letter to Secretary,
Mr. Allen's reports, July 4th and 6th,
Copy of despatch per Kenuta, 3rd August.

1. Journal for June,
2. Cash Book for June,
3. Cash Voucher, West Store,
4. Ledger Balances, June 30th,
5. Store Indents No. 516,
6. Dean & Anson's indent,
7. Darwin Store indent (Mann, Byars),
8. Remarks on Stores,
9. Shipping report,
10. Coasting Insurances,
11. Naval Wireless Station account, May 1st 1915 to July 1st 1916,
12. Falkland Islands Imports and Exports 1915,
13. List of Store Debtors, June 30th,
14. Remarks on Store Debtors,
15. Bonus List, 1915,
16. Wool Shipment statement 1916,
17. Memo, re supply of "Falkland" manifest forms,
18. s.s. "British Transport", copy account,
19. New Whaling Company, account,
20. Sir Ernest Shackleton, account,
21. "Falkland" Manifest, Voy. 190,
22. Specification and Bills of Lading per "Kenuta",
23. Hides per "Kenuta" - list of weights,
24. Fire Extinguishers, list of positions for,
25. Memo, re Canning Contracts,
Vere Peake, J. L. Waldron Ltd., W. K. Cameron, J. H. Dean.
27. Newspaper cutting re Oil Engines,
28. Cablegram recorders,
29. Correspondence: Colonial Govt., (Lucbenort & Wesell),
do, (financial arrangements),
30. Memo, re Canning Contracts,
31. Newspaper cutting re Oil Engines,
32. Dr. Wet's letter of 4th Aug. to Mr. Harding,
33. Camp Wages lists returned corrected,
34. Tallow Returns, 1916,
35. Canning - Mr. Weiss's report, 3rd July and memo, 12 Aug.,
36. Copy PSNC account,
37. Memo, re Weddell Island Wool,
38. Letters for: F. E. Cobb (2), the Secretary, (3), P. D. Home.
39. Specification, J. L. W. 5 bales Wool,

510 per Orite (16.8.16)

The Secretary, London.
Sir,

The *Bronze* arrived on the 13th instant, and I received your despatch 1156 and letter of July 15th. On the afternoon of the 13th we received a telegram from the agents at Valparaiso *Sirena* left Coronel Eighteenth. On the 17th instant the cable company sent us a memorandum that they had received advices from Valparaiso that she left that port on the afternoon of the 17th. Possibly coaling at Coronel has delayed the *Sirena*, but would hardly account for a whole week.

2. *Sirena* will doubtless be able to carry on as a harbour tug for another year or two with perfect safety, but when the time comes for replacing her I should not think personally that the Directors would be well advised to substitute a motor driven boat for steam. For straight going on a longish run, no doubt a motor vessel has its advantages, but for towing and Harbour work steam is far and away the better. With steam you can regulate the speed precisely as required — slow, dead slow, just a little faster etc etc, but a motor driven vessel has about three speeds only and the engine is not under the same complete control as in the case of steam. Of course when the time comes engineers may have been able to cope with this and have brought motor engines to the same pitch of excellence as steam, but at present the disadvantages for tug work seem to me to be fatal. The *Whaler* as I have referred to in my despatch 413/3 had a Diesel engine, but this was eventually replaced by steam as the motor

23rd August, 16.

The Secretary,
London.
motor engine was unsuitable.

3. Mr 7. Copy of letters of administration with a copy of

Mr. Smith's will attached was sent you by the "California".

I understand that Messrs. Ishchoff & Company wished to see a

copy of Mr. Smith's will, not Mr. Smith's - no doubt Mr.

was a clerical error.

4. Mr 8. The enclosed final copy of letter to Messrs. Mac-

lean & Stapledon on the subject of the collection of our ac-

count for casings will show that we were quite aware that this

should be recoverable against the bills of lading. The diffi-
culty is that the Government's permission to export the goods
to the U.S. via the River Plate was given only upon receipt

of an undertaking that the bills of lading should be sent to

the British Consul. The letter from the International Import-
ing Company dated 27th July seems to indicate that they are

an honourable firm - you will remember that they paid the

deposit of £300 without any demurrer. We think too that, had there

been any doubt about their integrity, Messrs. Maclean & Staple-
don would have so advised us.

5. Par 12. With the departure of the "Brita" all produce

on hand will have been shipped - there remains for collection

about 150 cases of Yellow Goose Green, wool from Keppell

Island, Dairy Cove, Lotusroy (Robson) and Juliette Creek. Later

we should have some 400 bales of Sheepskins as well.

6. Par 13. As you are taking up the question of the flour

with the suppliers, it is as well that we forwarded to you the

statement showing our loss, seeing that in the first instance

we reported the damage to the 516/12 as 184 bags only. I thought

that we could hardly claim for more than that number, but

before discovering the damage, several lots had been sent out

to the various stations, and we have since been asked to replace

or credit the value to the purchasers. Our actual loss there-

fore amounts to more than 184 and a statement of this is en-

closed.

7. Par 14. You will have seen from my 516/12 that I could
could not cable anything to the Exchange Telegraph Company about Sir Ernest Shackleton, it might be possible to cable some news later on - if so it will not be forgotten.

8, For 15., the agreement with Mr. Townson (Harry Walls Townson) was executed on the 22nd inst.

9. I enclose statement showing the time occupied by the Falkland calling at Relisle for the coal; the loss of time and consequent expense is so great that I wrote Bettas as to giving some assistance by placing the wool in readiness on the schooner and enclose copy of his reply.

It certainly would appear to be a case of extra freight especially as the Falkland collects wool from 3 places, Relisle Island itself, Goulding Island and Steppel Island, and we have not collected from the last yet.

10. Since writing 519/3 Lieutenant nobellian has been good enough to send me a copy of Report he received by the "Drum" from Baboeck & Wilcox on the feed water. You will see from this report that there are distinct traces of acid in the organic constituents of the water, corroborating the opinion he had formed. I consider the report a very valuable one, and I view with the deterioration that has already taken place in the drum and tubes of the boiler, no time should be lost in adopting the recommendations.

You will see that a drawing was sent out by Baboeck and Wilcox for fitting a soda ash pump to a Fair feed pump - our feed pump is a Pearn, with an injector as a standby. There should be no difficulty in fitting the soda pump to the Pearn, but Wilis thinks that it would be wise to obtain a sketch from Baboecks and send the same to Pearn for them to send a suitable machine. Their address is Frank Pearn & Co., Ltd., 49 Queen Victoria Street, E.C. The testing apparatus is also very necessary - this is so simple that Redmond will have no difficulty in operating it. Assuming that next season's Canning will last say 10 weeks we should want two of the soda ash for the season and you will see that Baboecks recommend the purest quality manufactured by
by Brunner & Company.

11. Adverting to the question of fitting a motor engine into the "Fakina" we see that Crichton & Co., Ltd prefer the British Kromhout to a Rankin; we enclose illustration of the former giving address of the makers.

I am,

Sir,

Your obedient servant,

25th August, 1896.

12. The "Fakina" arrived this morning, and will take the remainder of the canned meats; specification and bills of lading enclosed.

13. In reply to your telegram asking what stores would be wanted by cargo steamer we cabled you on the 23rd. Since then we have received from Mr. Terris a specification of the material which Nicholls wants for the new North arm cook-house etc., and we are adding to our cables reporting shipment etc. per Orissa a request for matching, roofing iron and felt. To know that the cost of these will be very high, but must have the material. The freight will be considerably less by cargo steamer.

14. Since sending you the account of the advances to Sir Ernest Shackleton we have received the enclosed telegram from him asking that the accounts may be presented for payment to Ernest Terris of the Daily Chronicle instead of to the admiralty. On the same day the Governor received instructions as to the rates to be charged him, resulting in a letter from the Superintendent of the Wireless Telegraph Company a copy of which is enclosed, sending amended accounts for telegrams. The additional amount payable for this is £25.4.4., which Mr. Terris will no doubt meet in the same way as the original account.

I am,

Sir,

Your obedient servant.
539 per "write 23/8/15.

LIST OF ENCLOSED.

ORIGINALS.

1. Cash Book for July. September 8th 16
3. Cash Voucher — Test Store.
4. Students supplementary 516.
5. Remarks on stores received a telegram from the Falkland was received in good order on the 1st instance — after which she would have to issue book on board the tanker pool, which was in the harbour, and proceed to Dawson Island to load timber. She will be due to be back in about a week from now.
6. Mr. Liam's Report.
7. Telegram Recorders.
8. Statement on accounts.
9. Remarks on accounts.
10. Newspaper cuttings — Year Camp - Fromout Oil Engine.
11. Memoranda (2) to Secretary.
12. Correspondence received on August 30th a telegram from Valaraco asking Mottam & Stapledon, Winter Importing Co., present we have now landed hand, but as soon as the Falkland returns Manager Pebble Island.
13. Correspondence from Babcock & Wilcox International Importing Company of N.Y.
14. Memo for Mr. Reid of Horse Island.

The Secretary, the date being in October in accordance with the letter from the Babcock & Wilcox Company, enclosed a copy of a letter from the said company to Mr. Reid of Horse Island.

B.I. enclosed copy of a letter from the Babcock & Wilcox Company to Mr. Reid of Horse Island.
I wrote last per Orita which left here on the 25th inst., and received yesterday per Orissa your despatch 1167.

2. 1167-3. We received a telegram that the Falkland was re-floated in good order on the 1st instant — after that she would have to take back on board the bunker coal, which was discharged into a hulk, and proceed to Dawson Island to load timber. She will no doubt be back in about a week from now.

3. Par.4. I think that there is little doubt that Maclean & Stapledon would have advised us if there had been any doubt about the International Importing Company — you will have had copy of the further correspondence on the subject.

4. Par.9. The new arrangement with the SNC is noted — this explains our having received on August 30th a telegram from Valparaiso asking us what we wished to ship by the Maoris. At present we have no produce at all on hand, but as soon as the Falkland returns we shall collect the balance of tallow from Goose Green, about 100 casks, and some 150 bales wool still remaining at various small stations. Then, later on, there will be the Goose Green sheepskins. According to the enclosed circular from Valparaiso dated July 21st, all the SNC cargo steamers will in future return to England via the Canal; they will hardly like to send them so far east as the Falklands for produce, and may decide to load wool here on the outward journey.

The Secretary, London.

5. Par.10. The cargo steamer in September may afford an opportunity of shipping the three rooms suggested by or alias.

6. Par.13. I wrote by last mail on the question of lightkeepers' keeping the Sea Lion Islands, and will take care to convey your further remarks to the Governor. At present it is difficult to devise the steps to be taken for his removal, for all the proceeds of his produce are under the control of the agent.
521 per Mexico (5.9.16)

5. Par.10. The cargo steamer in September may afford an opportunity of shipping the three rams suggested by Sir Allen.

6. Par.13. I wrote by last mail on the question of Luchtemberg occupying the Sea Lion islands, and will take the opportunity of conveying your further remarks to the Governor. At present it is difficult to devise the steps to be taken for his removal, for the all the proceeds of his produce are under the control of the Government, and the Falkland could not be ordered to call there without some guarantee for the payment of the cost. The only cutter that has been there of late is the "Exe," and she will probably be barred from going there again as she is not considered sufficiently seaworthy. The Governor is fully alive to the enemy alien peril, and I believe is of opinion that on the Sea Lion islands Luchtemberg's chances of assisting the enemy are infinitesimal, at any rate, I have no means whatever of present of having him removed, and while awaiting my reply to my 519/7, will have a talk with the Governor on the question.

7. The assistant blacksmith, W. Balharrie, has written giving six months' notice; apparently he and McIool do not hit it off together. We really do not now require a second smith here, and his leaving will mean a considerable saving in wages, namely £144 a year for the smith and a further £100 for his striker. In six months' time Balharrie will have served for 4 years out of the 5, and I hope the Directors will waive the £25 payable by him under the last paragraph of his agreement. This runs:

"Should the said W. Balharrie wish to leave the Company's service before the end of five years from arrival at Stalney he will be at liberty to do so on paying the cost of his successor's passage out, £25, and giving six months' notice to the Colonial Manager." We do not require a successor, and as Balharrie worked well, both at his trade and at all kinds of work during the war scare in October to December 1914, I have no hesitation in asking the Directors to forego the £25.

8. I enclose copy of a letter from the RSNC as to rebates on
passages of employees of this Company. We have deducted 15% for some years without question on all passages; in your letter of May 23rd 1909 to the FSNC you asked that we should be placed on the same footing as the Government, and the reply was that the Directors of the FSNC would meet the Company, if possible. The Government contract, third schedule, clause 3.b. allows the Government 15% on all single fares and 10% on returns, irrespective of class.

As regards the Chilians the FSNC write "As you are aware these butchers are not employees of the Falkland Islands Company, and should not therefore participate in the rebate." These men are brought over under contract, and if they are not our employees, whose employees are they?

I am replying to their letter that the arrangement for rebates on passages was made with our Head Office, and that the matter is being referred to you. The question was discussed in my 511/7, but has not been alluded to by you since.

I am, Sir,
Your obedient servant,

[Signature]

[MAIL SUBJECTS]

1. Acknowledges despatch.
2. 'Falkland'. Refloated on the 1st instant.
3. Casings. Further as to.
4. Homeward produce. New arrangements noted.
5. Rams. Suggests purchase by Mr Allen.
8. Rebates on FSNC passages. Correspond with FSNC.
Duplication. (Originals per "Rita", Aug 1916).

Despatch No. 516 and 524. 
Journal for June and July. 
Cash Book for June and July. 
Store Indents No. 516. 
Remarks on Stores. 
Consular Insurance. 

New Wireless Station &c. 
List of Store Letters, one 3th with remarks. 
Bonus list 1915. 
\text{Lines per "Rita" - List of weights.} 
\text{Fire Extinguishers - list of positions for.} 
Memorandum re Canning Contracts. 
\text{Mr. Allan's report, Aug 14th & 22nd.} 
\text{Mr. Scott's report 3rd July.} 
\text{Stanley Ledger, besides, one 3th.} 
\text{Memorandum re ordered Island tool.} 
\text{do only receive Island produce.} 
Records on accounts: 
Statement on accounts: 
Correspondence - 
\text{Letter to Captain Cumming, "Rita", Aug 25th,} 
\text{"S.S. "Coy", Aug 25th.} 

\text{Originals:} 
1. Store Indents No. 516. 
2. Canning - list of materials used. 
3. do - signed Contract Nersa. 
4. Telegram Recorders. 
5. Bills of lading per "Rita". 
6. Correspondence - Captain Cumming. 
7. Memorandum. 
9. Quantity of a signed Customs Declaration re sugar, 
10. Loss from cases. 
11. Correspondence - Mr. Ballintrae. 
13. do William Townen & "Coy". 
15. Statement on accounts. 

Reports imported from the coast per many "Rita". 

\text{Abridged:} 
1. Spot prices to 516. 
2. Remarks on Stores. 
3. Canning - list of materials used. 
4. do - signed Contract Nersa. 
5. Telegram Recorders. 
6. Bills of lading per "Rita". 
7. Correspondence - Captain Cumming. 
10. Quantity of a signed Customs Declaration re sugar, 
11. Loss from cases. 
12. Correspondence - Mr. Ballintrae. 
14. do William Townen & "Coy". 
15. Remarks on accounts. 
Sir, my last despatch left per Mexico on the 6th instant. I heard only last evening that the *Crono* will arrive today; this is very unexpected as we were advised by cable that she left Coronal only on the 17th instant.

3. Mr. *Allen* is sending you full information as to the horses imported from the coast per s.s. *Antarctic*.

4. The *Falkland* returned here on September 13th in excellent order—Lloyd's surveyor at *unten remes* has issued certificates as to hull, boilers, and machinery, these are sent direct to *Lowden & Company*. She brought back from *unten remes* 141,120 feet of timber, 100 cases of etrol on deck, and a quantity of whaling gear which *Salvesen & Company* have purchased from Mr. *Hobbs's Whaling Company* at *unten remes*. The total freight amounts to over £450, which will help considerably towards the expenses at *unten remes*, which amounted to £786. 6. 11. There is a good demand now for *unten remes* wood, and although the amount imported may appear high, we feel sure that a large quantity will have been sold before the end of the year. I regret that Captain *Samum* has had to discharge the mate, who was drunk during most of the stay at *unten remes*, and again as soon as she returned here. The Governor will not take any action as regards our appointing the *Sottania* mate temporarily. The day after Mr. *Cumming* was dismissed I received a letter from Mr. *Verrill* enclosed, stating that her husband who was 3rd officer on the s.s. *British Transport* intended to make an application for the post of mate on the

The Secretary,

London.
Fullard when a vacancy occurred, and therefore called to you that Cumming had been discharged. I understand that Mr Verrell holds a second mate's certificate — according to what I have heard, he is a sober and capable officer.

4. There are still 146 cases below to come from those green and I should be glad if you would let me know by telegram whether this is to be shipped for London or Liverpool. I ask this as it would appear from your correspondence with the SSC in July that they expect to save the heavy coasting freight from Liverpool to London on Cumming products, and thus recoup themselves in some degree for the low contract rates.

5. In continuation of paragraph 6 of my last despatch about Lichtenberg I had a talk with the governor, who is very adverse to his being moved for the present. He went so far as to read me his confidential despatch to the Colonial Office on the subject of every German here, and said 'do not do anything for the present.' He is strongly of opinion that he is far safer where he is.

6. The labourers have approached me with a formal request for an increase of pay, and I have arranged to talk the matter over with some of them this morning. I propose to point out to them that if a man worked full time during 1845, with all the overtime that was offered, he could have earned £135, to which was added a bonus of £15, making £150 in all, which is £12 per month. Of course, this entails very long working hours, no less than 10 hours per day all the year round. The enclosed comparative prices statement of price of provisions as compared with a couple of years ago will show that the cost of living has increased considerably, and owing to the shortage of houses, rent is also higher. Up to fairly recently a man could get a small house for £1 a month, but now they often have to pay as much as £1 6s. in offering the following remarks on the bonus question do not mean under I am interpreting the Board's view correctly. I surmise that it was given originally to the
responsible servants as some participation in the prosperity of the Company. Later it was extended to men paid by the hour with the idea that it would attract the best class of labourer, not as an incentive to them to remain with us, and popularise our employ, but during the last two years or so, it has become evident that the bonus has become a necessity to enable the men to meet the increased cost of living; in fact, it is practically a part of their wages. It is consequently a question whether this should not be recognised by adding say 10% to the standing wage and afterwards, if the Directors so decide, to supplement it with a small bonus of 2d or 3d. The men feel that the bonus is to all intents and purposes a part of their wages, and think of asking for an "all-round rate". I believe, meaning, suppose, 1 1/2d an hour more for ordinary time or overtime, but I should not recommend agreeing to that, for it would mean that when required for overtime work, which is inevitable when steamers have to be discharged, they would not turn up.

9. It was mentioned in the last meeting, of the Committee, that owing to his having had to drive his sheep so late this season loses heavily.

10. Sir, I am,

Your obedient servant,
ENCL.

Despatch No. 221

Store Indents No 519 (part) with Remarks on Stores.

Mr Allan's report, August 30th.

Remarks on Accounts.

Statement on Accounts.

11th October, 18.

ORIGINALS

1. Copy of Journal for August.

2. Copy of Cash Book for August.

3. Cash Voucher, West Store.

4. Store Indents No 513.

5. Telegram received of your arrival, per "Reg.

6. Millinery Store stock, sheets, remainder,


8. E. & S. "Falkland" - Dock, Voy DC,


10. Statement on Accounts.

11. Correspondence:

A. E. Veri, Sept 19,

Colonial Secretary, [to Messrs & Luchtenhamburg],

ditto (fees to Mr Clarke in England),

J. B. Luchtenhamburg, Sept 3rd,

and we doubt if we will gain

12. Costing Insurance,

13. Shipping Report,

14. Comparative Statement of prices of provisions, general sending

15. Canning - Returns of sheep killed (Cienta). Of these men are

16. Mr Allan's report

17. Copy P. & C. (to copy letter)
11th October, 16.

Sir,

I have to acknowledge the receipt of your letter received on the 9th inst.

I am left for a week on the 3rd inst., per Wallingford, and will probably be absent from the office for several days.

I have received your cable of the 6th inst., and the matters therein referred to have had our attention.

The distribution of forms was made to our valley employees during May and July, and it is generally the practice to discuss fully the subject of labourers' wages, and to that I have little to add. The meeting with some of the men to which he referred never took place, and I doubt if we will again hear from them, at least for some time to come; the restless few failed to carry the others with them. It was clearly put to them, that, should they drive up wages, general feeling would be made, and a fair proportion of these men are not worth their present wages, we are inclined to think that this modified their ideas somewhat.

I am, etc.,

You will be glad to learn that the balance of our account against the International Importing Company for cargo has been promptly paid through Messrs. Stapleton. Copy of letter from the latter on the subject is enclosed hereewith.

We had a report recently from the Oppenheimer Casing Company of Chicago, through Mr. Cathrie of Santa

The Secretary,

London.
until we receive, in some samples of our omissions, the
and they seem to consider these inferior to their supplies from
in case they ask for offers, but we are doing nothing until
the change goes to the coast, then we hope it will be known more
the probable numbers of next season's killing
which seem to exist between them and ourselves.

Sec. 3. Shortage of coal and nothing to do with the Cal-
ifornia leving it lieetsy with empty space, this was only an
excuse on the part of the Captain to get away, he got to Rio
at the normal time, although he made out to us that it would
not seem to subtract fifteen days.

We are generally called upon to assist in storing homeeward cargo, but never in the case of NY steamers to do
all the work, always charge third cost, so they must pay
for stevedoring elsewhere, it naturally suits their best to
leave them alone, using their own crew, as far as possible, and
paying them extra wages while on this special work.

7. I have read with much interest your comprehensive
reports on the subject of the suspected flour and the local
theories of it having been the cause of the outbreak of the so-
called small-pox in these islands, regarding will go into
the whole question with the governor on his return from the
visit, and I hope that your suggested investigation will com-
mand itself to his excellency, by enquiring by the three doc-
tors present in these islands would be futile, and unless
an expert, or at least a man well up in his profession is sent
out, such investigation would be a waste of time.

As regards our claim for the damaged flour
I note that you would prefer us to settle this with the US Co.
Our instructions read that all claims of over 18 must be
referred to them before settling, for this reason, and in view
of the fact that we originally intended to claim a loss of
33. 184 bags = 2/3, while our claim is actually 317.34.
we thought that in the event of haggling, there would be
no end to it should it be carried on between here and Liver-
pool.
be sent your reply to our despatch dated 3rd August before doing anything further in the matter.

8. I am assured that Mr. Ali's replies to the series of letters, and his knowledge of affairs, will clear up certain misunderstandings which seem to exist between us and ourselves, and smooth the way for a suitable settlement.

The indications of fresh water consumed daily at Loose Green during the coming season is exclusive of the supply required for washing down. The salt water system installed for washing down is the only water used for this purpose. 

9. From reports to hand we understand that Messrs. Silverman & Co. have removed everything from Teis Island, the Teis Island will be making her a steady call there shortly, and we shall take advantage of this to ascertain the exact position of the island.

10. It would be a convenience to us, if, when calling at South Shields, you could give us some direct information as to the time of departure from London, as we should like to be in touch with you and have the necessary preparations accordingly. In the case of the "Norse" our intention is to discharge 30 tons of coal straight on to the Teis Island for Loose Green, but not knowing the exact sailing date makes it awkward to regulate her movements so that their arrival in Stanley will more or less synchronize.

With this large shipment of coal and supplies recently received per "Galicia", we estimate that stocks on hand are sufficient to meet all requirements for quite twelve months.

It is unfortunate that the shipment of galvanized sheets is attended with so many difficulties, but we hope that
that you will be successful in the near future in getting

UNFORTUNATELY, present fad of supplies, as we are not entirely out of supplies.

Duplicate 18 cases timber has been discharged from the Lady Despard, being except that for immediate replacements, the Scro- 

Journal for August.

Cash duty of labour has been paid in full. We are not at the time receiving new supplies, and as far as the Quality of material have been delivered since last stock taking, the

Statement shows consequently has been turned over to a certain extent, 

Canning returns of cash, please write.

Mr Alford, the order getting at it the dry-rot has been arrested.

1. or 12. Note shipment of three bales at 11/- each

next month, two for the firm and one for Hill Cove, 

and have advised all parties concerned accordingly.

2. Copy of letter to Mr. Wilpin, advising readiness and 

next month of produce to be collected and ready for shipment at 

and of lumber enclosed herewith.

4. Copies of telegrams received, the order is to go to Goose Green on her way

back from present mail trip, and will bring in from there

balance of produce, with the exception of the sheepskins.

12. Copy of correspondence enclosed.

After this she will make an extended trip round

the extreme East, and if conditions are favourable, will bring

in balance of cattle, grain, wool.

14. Specimen paper our carpenters have been busy for some weeks past, 

attending to the hulks, with the exception of the smaller ships, and

wrote to date, the names of the ships, Smith and

Harthorne, a great deal of building and necessary to

the hulks, and in the case of the latter we

some weight work to take advantage of high tides to get

as near her bottom as possible. There are still one or two

bad spots requiring attention which could not be got at,

going to the tides not being quite low enough, and these

will be repaired as soon as we have an opportunity.

We hope soon to make a start on the decks of the

Great Britain.

I am,

Sir,

Your obedient servant,
ENCL\-URES.

Duplicates. (Originals per Orissa, 25th Sept. 1916)

Despatch No. 528,
Journal for August,
Cash Book for August,
Store Indents No. 518, with Remarks on Stores,
Remarks on Accounts,
Statement on Accounts,
Coasting Insurances,
Canning returns of Clients' sheep killed,
Mr Allan's report.

ORIGINALS.

1. Cash Book for September,
2. Cash Voucher, West Store,
3. Store Indents No. 525, with Remarks on Stores,
4. Coasting Insurances,
5. A. "Falkland" Manifest, voy. EIC,
6. Cablegram recorder,
7. Stanley Wages return, 30th September,
8. Late G.A. Cobb's Estate - copies of documents,
9. Remarks on Accounts,
10. Statement on Accounts,
11. Copy of PSNC account and letter,
12. Correspondence:-
   Colonial Secretary, (West Falkland mail subsidy),
   ditto,-
   Maclean & Stapledon, (International Importing Company),
   P.S.W.C., Valperisco, (produce for shipment),
13. Specifications:-
   Wool, Skins, Tallow, Hides,
   EGC
   20
   3
   5
   J LW
   Co.
   16
14. Letter for E.E. Godard Esq.,
15. Mr Allan's letter to Secretary,
16. Letter for F.E. Cobb Esq.,

The Secretary,

LONDON,
Sir,

Mr Houston wrote you by the Ortega which left on October 11th, and your despatch 1169 arrived by the Incas on the same day.

2. The discharge of the Incas was carried out very expeditiously in 6 days to the complete satisfaction of Captain Berkeley. The studs arrived in excellent condition, and our two were landed at Darwin Harbour on the 4th instant. Mr. Allan has turned one end of the stone galon into a stable for them.

3. 1168-6. I approach the question of the recent outbreak of disease with considerable diffidence as it is really a matter for medical men. You write "the investigation made by "the Colonial Government has only so far resulted in their finding that the disease is not beri-beri". The opinions of the three medical men here are:— Dr. Cradock, Colonial Surgeon stated in his evidence at the inquest on Yates that the cause of death was beri-beri. Dr. Wace in his letter of October 9th of last year stated that he had treated patients for a neuritis "clinically indistinguishable from beri-beri", and Dr. Henry on the West Falkland when alluding to the disease always called it beri-beri. Reports on all cases treated by these Doctors were sent to the Colonial Office and submitted to their expert, who stated that the symptoms described in many cases were those of beri-beri, whereas others were not. It may be assumed therefore that he would not pronounce that it was

The Secretary,

LONDON.
beri-beri, but not having actually seen any of the patients he would not be justified in giving a definite opinion either way. You may ask, then why did not Drs Cradock and Wace pronounce it as such from the beginning? The answer to this is given in a letter I had from the latter in January last when he wrote "the symptoms were quite classical - I may mention that I have seen a good deal of the disease amongst the pearl ing fleets in the North West of Australia, "and the only hesitation in my mind as to the diagnosis at first arose from the unlikeliness of the surroundings and "the food of the sufferers". That is to say that in a place like the Falklands where the disease has hitherto been unknown, a Doctor would not suspect it, and moreover beri-beri is associated with the eating of polished rice in large quantities, a condition that did not obtain here in any of the cases.

Whilst at Darwin I had the advantage of being able to talk it over with Dr Wace; so little is known of the pathology of the disease that there are no basic facts to go upon. There are apparently two types, the serious dropical form with bad heart trouble, and the rudimentary relapsing form. The period of incubation is believed to be from 25 to 50 days and in the milder cases even many months. The belief that it is infectious is gaining ground, and the fact that in three cases at different places the room mate of a patient developed the complaint lends strong support to that opinion. The above goes some way towards elucidating many points that have been raised. Dr Wace has kindly given me a general account of the epidemic in a letter dated 16th October, a copy of which we enclosed. He does not blame the flour, qua flour, or qua Vernon's flour, but thinks that this may have carried the infection especially if it had been at any time in a Lascars ship, see his letter of August 4th end of page 2, I gather that he is of opinion that the flour is not entirely exonerated on present known facts, and cannot be definitely until
its history has been ascertained. Vernon’s might assist in
this, and would probably do so if they received an assurance
that the enquiry was purely scientific. I might mention that
I have never heard anyone blame the Company for importing
defective flour – even if it is regarded in some quarters as
having something to do with the beri-beri, the Company is
deemed to be quite innocent.

I have seen the Governor twice on the subject, and he tells
me that the Government does not propose to institute any
further enquiry. It would be very difficult to get an expert
here now; to make his researches of real value he would doubt-
less require to see some of the cases, but as the malady is
dying out, this is out of the question.

4. 1168-14. In view of your remarks as to the necessity for
looking ahead as regards coal supply, we replied to your cable
of October 11th that 500 tons might be sent in the Corcovado.
As may be supposed, we shall be hard put to it to find storage
for this; but we felt that the opportunity should not be lost.
We sent 100 tons to Darwin recently so that the settlement has
sufficient until next July or August, we have landed a lot
for sale in Stanley, and are sending 100/150 tons to Goose
Green in a week or so to make sure of the supply for the
canning season. Before the Corcovado arrives the Falkland
will have bunkerized twice, we will place some on the Great Bri-
tain for the steam winch there, and fill the Samsom. The two
steel lighters will take over 100 tons each, and by these
means we shall manage allright. This should be sufficient for
all requirements for 12 months unless there is some unprece-
dented demand.

5. As there would be an interval of about 6 weeks between
the outward mails I took the opportunity of going to Darwin,
and have been able to talk over several matters with Mr. Allan
and also Weiss and Nicholls.

GOOSE GREEN WATER. In my despatch 516/13 last paragraph I
stated erroneously that the dam furthest from the works was
mostly surface water; this should have read "nearest to the
works", for all practical purposes that supply is negligible;
a few days' wind and sun would dry it up. The excavation of
the upper dam was completed about 3 weeks ago, and an arran-
gement for filling it from the spring which mainly feeds the
middle dam. As this spring flows out about half way up the
bank, it was possible to paddle it and leak the water by pipe
to the upper dam. We estimated that this was then supplying
about 6000 gallons per day. The capacity of the upper dam is
about 450,000 gallons, and with the additional water from
small springs flowing in, this should be full in a week or so.

The wall of the middle dam was giving, and a new wall
is being built behind with an additional 3 feet in height.
The capacity of this dam is about 350,000 gallons, making a
total storage of 300,000. Estimating the daily requirement of
fresh water at 12,000, this should provide enough for 2 months
continuous running of the Factory, but there will be a large
shrinkage from evaporation. The superficial area of the dam
is considerable, and the wind sweeps right down that valley, but
provided the springs maintain only a slight flow there should
be quite enough water next season. I might explain that the
average depth in these reservoirs is not much more than 3 feet
You cannot afford to deepen them as the fall to the Factory is
so little.

JETTY. We had to send the pile driver to North Arm to finish
the last few piles of the jetty there; this work is now nearly
completed, and the pile driver will be sent to Goose Green
shortly. Owing to all labour having been required for exca-
vating there has been no chance of starting the jetty at
Goose Green in earnest, but everything has been got ready. It
should be explained that if the jetty had been extended in a
straight line as originally planned, it would have to have
been supported by crates as the bottom is so solid. On the
new alignment towards the Vicar of Bray as shown on the plan
Ortega. Noy., 9th, 1916

lately sent to you we find the bottom fairly soft, and pile driving is possible. Most of the material will be at Goose Green before the end of this month and ready for starting immediately after shearing.

SCOWS. It is quite feasible to repair the scows at Darwin to make them last for some years yet, and a small akid or grid about 4 feet high, such as we have in Stanley for the steel lighters, will be erected to put them on for overhaul and tarring. Hauling up and jacking up strains them, and even as it is difficult to get at the bottoms; with a grid there will be no difficulty in keeping them in good repair.

LIGHTER. They are awkwardly placed at Darwin at times for the landing of perishable goods which cannot be left with safety in the scows overnight. I propose to send out the boat purchased from the Admiralty some years ago - it is a well-built decked boat about 40 feet long, diagonal built, with proper hatches and coppered. The Falkland can tow her out when the weather is favourable. She could not take her last trip as there was a heavy blow from the South West.

CARPENTER. After my last visit to Darwin in February I asked that a small morticing machine etc might be sent out for Nicholls, who would be very glad to have these. In view of the time that has elapsed I fear there may be some difficulty in procuring these.

6. Dr Wace raised a point in connection with his Agreement and asks me to bring the same to the notice of the Directors. It has not hitherto been usual to stipulate that the Doctor at Darwin shall be under the orders of the Camp Manager. The agreements of Drs Dale, Eastment and Foley all stated that they should place themselves under the orders of the Colonial Manager, but owing to sundry differences between Mr Allan and Dr Foley, the former asked that when a new medical officer was appointed, his agreement should provide that he should be subject to the Camp Manager's orders. This was explained to
Dr Wace, and he agreed as a personal matter; he now asks to be relieved of that and I informed him that I should have to apply to the Board for authority to delete the stipulation. Dr Wace asks me to say that he does not make this request in any spirit of hostility to the new Camp Manager, but simply and that he will pay the game to him throughout, but under the circumstances thinks that he is entitled to ask that the clause in the agreement should be altered.

7. Mr Creece suggested that in making up his returns of stock at the end of the year, he might amalgamate the goods at the East and West stores — no doubt this would be useful in enabling you to see at a glance the total amount of every article of provisions etc., but it occurs to me that a statement showing the total values of goods at each Store might be very valuable in case we had a fire. Without such, you might have a difficulty in formulating a claim, and I have told Mr Creece to render separate returns as usual this year. If you prefer to have one return in future, would you advise accordingly for future guidance.

3. At a meeting of the Legislative Council the Governor read a Minute on the financial position of the Colony — Mr Young kindly furnished me with some copies, enclosed. Two resolutions were passed — one for the grant of an armed aeroplane to the Imperial Government, estimated to cost £250; the second resolution was to offer the Imperial Government for ten years 10% of the Customs revenue of the Colony towards interest on War Loans. This will amount approximately to about £1200 to £1500 per annum.

9. Mr Townson and family left here in the Falkland on the evening of the 2nd instant, arriving at Darwin Harbour the first thing next morning.

I am, Sir,

Your obedient servant,
Excerpts, Originals per Crissa, 11th Oct, 1916

Despatch No. 528,
Cash Book for September,
Store Indents No. 519, with remarks on stores,
Mr. Hall's report, 9th Oct,
Remarks on accounts,
Statement on accounts,
Letter to Secretary, 11th Oct,
Re: landing for 14 cases, &c. 1st Oct.

Originals:
1. Copy Journal for September,
2. Copy Cash Book for October,
3. Cash Voucher, East Store,
4. Store Indents No. 519,
5. Stanley edge balances, September 3rd,
6. S.S. Fakland manifests - voyeys 22 and 230,
7. S.S. Blyth - copy of account,
8. Telegram recorders,
9. Costing insurances,
10. Shipping Report,
11. Remarks on accounts,
12. Statement on accounts,
13. Correspondence -
   hides - S. Eden & Co., Sept. 5, 6th Nov.,
   Colonial Government, re Fakland subsidy,
   for case of beri-beri epidemic,
14. Copy of account and letter,
15. Letter for S. Doddard & Co.,
16. Specifications -

1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16.


S 4
G 2
C 21

The Galapagos will sail at 11th Oct. as ordered from London &
new to Stanley after landing the Wesailia, with our cases.

Fox Bay, and will bring in the balance of our Order for 450
about 550 hides. Although the ship will not arrive here until
the 19th instant we hope that these hides will reach Stanley in
time for the GoCovado. Should the GoCovado fail all the same
and skins now, we shall be able to order the balance in the Go-

R C 3
B 31
C 6

I remain, Yours truly,

Yours faithfully,
The Secretary,

LONDON.

Dear Sir,

The Ortega arrived the first thing this morning, and will we trust take all the produce we have on hand as shown on enclosed specification. It is however improbable that she will take the hides - if not, these with any other cargo left behind will be struck off the specification before closing this cover.

I enclose copy of a letter from the West Coast Manager from which you will be glad to note that the Corcovado will be allowed to load any homeward produce we may have.

The Falkland will call at Goose Green on her return journey to Stanley after landing the West Falkland mails ex Orteza at Fox Bay, and will bring in the balance of Goose Green sheepskins, about 250 bales. Although the Orteza will not arrive here before the 18th instant we hope that these bales will reach Stanley in time for the Corcovado. Should the Ortega not load all the wool and skins now, we shall be able to ship the balance in the Corcovado.

I remain, Dear Sir,

Yours faithfully,

November 10th.
January 3rd, 1914

ENCLOSURES.

1. Store Indents (supplementary to S.525);
2. Statement on accounts, ditto;
3. Letters for Secretary, per Creta, 19 November;
4. Camp Wages Return, 30th September;
5. Correspondence, SNC, Valparaiso;

2. 1170-19, P.N.G., allude to the matter of the rebate of 15% on passage money. 9 shillings as one of the subjects in dispute with the P.S.N.A. referred home and of being settled here. The 15% has apparently been deducted from 15th tickets issued.

7. Specifications and Bills of Lading per Cortege. Tickets issued at Punta Arenas, now could the agents there do so in the face of explicit instructions to the contrary from Valparaiso. No other course was open to us but to report it to you.

2. 1170-21, Your paragraph, which runs "In the case of A. Moir the renewal of his agreement was also sanctioned at an increase of £50 per annum", is somewhat ambiguous. The renewal of the agreement was not in question for you will see by referring to my 450/22 and your 1120/14, that it was renewed in 1915 for 5 years - a copy of the memorandum executed then is enclosed for reference. Mr Moir's application was for an increase of pay in consideration of his length of service and extra responsibility entailed on account of the Canning works employees; he hopes that the Directors will see their way to granting the

The Secretary,

LONDON.
ORITA, -January 3rd, 525.

Sir,

Our last homeward mail left Ortega, and since that date the following despatches have arrived:

--- per Orita on 19 November,

1170 (dupl) & 1171 " Oronsa 15 December,

1172 " Orissa 27 "

the original of No. 1170 is not yet to hand.

2. 1170-15. You allude to the matter of the rebate of 15% on passage money of Chilians as one of the subjects in dispute with the P.S.N.C referred home instead of being settled here. The 15% has invariably been deducted from such tickets issued at this agency, but we could not deduct it from tickets issued at Punta Arenas, nor could the agents there do so in the face of explicit instructions to the contrary from Valparaiso. No other course was open to us but to report it to you.

3. 1170-21. Your paragraph, which runs "In the case of A. Moir the renewal of his agreement was also sanctioned at an increase of £50 per annum", is somewhat ambiguous. The renewal of the agreement was not in question for you will see by referring to my 456/22, and your 1130/14, that it was renewed in 1913 for 5 years - a copy of the memorandum executed then is enclosed for reference. Mr Moir's application was for an increase of pay in consideration of his length of service and extra responsibility entailed on account of the Canning works employees; he hopes that the Directors will see their way to granting the

The Secretary,

LONDON.
increase from the commencement of the last lambing season, say from March 1st last. His salary has been £250 per annum since the year 1909.

4. 1170-22. It will be very satisfactory to the new Managers to have had the views of the Directors so clearly set forth on the question of wages. You will have learned that I spent some time at Darwin in the month of October and was then able to discuss various questions with Mr. Allan, including that of wages. It was decided then to give 2/- per 100 sheep in addition to wages to the shearers and an extra 30/- per month to others; this was reported by Mr. Allan in his letter of November 7th. The total extra cost to the Company will amount to about £300 to £350, or about 4/- per 100 sheep. So far this, in conjunction with keeping prices of stores as low as possible, is working all right, but if it should prove necessary later on to give some extra wage, Mr. Townsend will know exactly the views of the Board. Under these circumstances it was not necessary for me to go to Darwin again.

5. 1170-23. The rams arrived safely by the Ority, and you will have learned from Mr. Allan's report that the 5 drawn for the Company were landed safely at Darwin. The 5 for Messrs. Holmes and Blake were shipped in the Falkland for Hill Cove on December 23th, but owing to the accident to the steamer had to be brought back to Stanley.

6. 1171-3. The mares shipped by the S.S. "Antarctico" were taken on board at San Gregorio not Punta Arenas, so that it was impossible for Mr. Hobbs to have superintended the shipment. The only way to ensure proper careful treatment right through is to send a man to superintend everything in connection with driving and shipping, and to let him travel back in the steamer which carries the animals.

7. 1171-7. There has been no further agitation so far on the question of wages amongst the labourers in Stanley; latterly they have been able to earn a good deal of overtime on account of so many steamers arriving here on Sundays or holidays.
Ethically this should not affect the question at all, but it furnishes us with an argument that they are able to earn a fairly large amount in the course of the year. We keep prices of necessaries low, and incidentally this increases the store business and rather knocks out the smaller stores. Mr Houston agrees with me that it is better to let sleeping dogs lie, but is very glad to have the considered views of the Directors for guidance when the question is raised again.

3, 1171-8. It is very satisfactory that the matter of last year's sheep purchase has been settled amicably with Messrs J. L. Waldron, and that they have contracted to send sheep to Goose Green again this season.

9, 1171-13. A sketch showing space available in the Lafonia for a motor will be enclosed with this despatch.

10, 1171-14. I cannot find that any definite undertaking was ever given in writing by the PSNC to give us the same discount on passages as is conceded to the Government by the mail contract. In a letter to the PSNC dated May 23rd 1900 Mr Cobb wrote as follows:-

"With regard to passages I have to suggest that as this Agency is hardly likely to yield more than a moderate remuneration for the facilities we shall be able to give, your Directors may see their way to putting us on the same terms as the Government on the passages of "our own employees".

The PSNC replied to that letter on May 29th:

"With regard to passages, the Directors will endeavour to meet you if they find the Falkland business progresses satisfactorily.

Acting upon this we deducted full discount from passages of our own people and as it was never questioned we have been justified in assuming that the concession was approved in the office of the PSNC. You might find some clue by referring to your correspondence in March 1901 - in your letter to the PSNC of
March 13th you wrote:— "On the 19th October you credited us £7,100 on outward passages, but the rebate does not appear to have been deducted from any payment we have made you since."

11, 1171-15, Mr Waterson desires me to convey to the Directors his appreciation of the increase of salary they have been good enough to grant to him.

12, 1172-4, A representative of the International Importing Company passed through on the Orona, and we renewed last year's contract for the sale of casings to them, increasing the price to £17 per 1000. As Weiss will not be going over to Punta Arenas until rather late we thought there would hardly be sufficient time to enable a purchaser to get men across for the cleaning.

13, 1172-10, Contracts for sale of sheep for canning are all noted. We wrote at once to Bertrand & Felton, Dean & Anson, Baillon & Stickney, Greenshields, and Felton inviting them to contract on the same terms. The only reply there has been time to receive is from Greenshields — copy enclosed. Mr Felton informed us verbally that he will have very few sheep, perhaps 1000 to 1500, and he may sell some of these to Stanley Butchers. It looks as if the numbers will fall considerably short of last season's. Shipping from Fox Bay is not as convenient as from Port Howard — a much longer gangway must be made for running the sheep on board, I do not think that the port of shipment affects Dean & Anson's decision in the matter at all — nitherto they have sold their surplus stock to Port Stephens, but whether they will have any available for us or not this season, we do not at present know.

14, 1172-13, Note has been made to cable you if it is found necessary to place either of the schooners in commission. The harbour insurance would we suppose cover risk using them as lighters when there is an exceptionally heavy cargo to be taken from the PSNC steamers.
15. The Lady Elizabeth has been placed alongside the Great Britain so as to use her steam winch for getting out the timber. As there is only about one quarter of her original cargo left on board, it is a long haul, and hand labour is tedious and costly. We received an enquiry from Buenos Aires as to whether the Company would sell her, and replied in the negative, but it would be as well if the Directors would say if they are open to an offer. In Lloyd's List Weekly Summary of October 13th there is a list of sales of sailing vessels amongst which I find:

"Formica", 1145 tons, built at Whitehaven in 1874 sold for £22,750, or £19.17.0 per ton.

"Lady Elizabeth", 1153 tons, was built at Sunderland in 1879 and is therefore slightly larger and 5 years younger, but of course her port bulwarks would all require renewing, and the real truth as to the state of the hull could only be ascertained by docking or heaving down. Otherwise the ship has been kept in very good order.

16. I regret to say that Mr. Cresse has been very seriously ill with pleurisy and pneumonia, and has had a very narrow escape. He is now recovering, but the Doctor says that he ought to have quite a month's rest from any kind of work. This may delay the closing of the annual accounts, but we hope that after a couple of weeks he may be able to supervise the stock-taking, and that a longer spell may be deferred until that has been completed.

17. You will find enclosed a copy of correspondence with Messrs. Lowden & Company on the subject of the Falkland, also with the Colonial Secretary on the question of cost of victualing passengers. The Governor deducted subsidy for the full period of her absence for slipping at Punta Arenas in spite of our representations. We fear that it would be useless to reopen the subject after their somewhat curt closing of the correspondence, and if Messrs. Lowden & Company wish to pursue the matter further their only course is to address the Colonial Office as
making any water he proceeded to Port Howard remaining there the night and Brenton Loch next day. He wanted to know whether to continue the voyage to Hill Cove, Chartres and Port Stephens, but I judged it better that he should return straight here and take advantage of the presence of H.M.S. Lancaster to obtain a diver to examine the bottom. She tied up to the East Jetty about 12.30 pm and by 2 pm the diver was examining the bottom. I had fortunately met Captain Segrave the previous afternoon and asked for a diving party. The diver found all rivets intact and no damage at all to the hull, but a spare propeller must be fitted. The cargo has been discharged, and we are filling the fore hold with coal to tip her. Her deep draft aft, and the position of the engines and boiler aft make tipping extremely difficult, and we shall probably have to put her heel on the beach. I sincerely hope that the spare propeller will fit all right.

On asking Captain Saanum why he went between West Island and the mainland he explained that the tide is very strong on the outside, and the reefs to the N.E of the Island extend a very long way to the East. On the whole we may congratulate ourselves at having got off so lightly - but for Captain Saanum's commendable promptitude in going to the bridge the moment he was advised and at once reversing the engines, the bottom must have been torn out of the vessel.

We are closing this despatch now as the Orita may arrive at any moment; the last news we had of her was departure from Coronel early on December 29th, and as they are chary of using their wireless at present, we are not likely to receive any warning of her arrival.

I am, Sir,
Your obedient servant,
Manager.
the Falkland has met with an accident; we have now 1400 bales to go in the Corcovado and Oronsas, the latter being due to arrive here about the third week in January. Subsequent shipments will depend upon how we get along with the Falkland.

21. All legal formalities in connection with the Estate of the late Mr G.A. Cobb have now been completed; Messrs J.H. & K.R. Cobb asked for copies of valuations etc, and I am sending them a copy of the complete file of correspondence with the Registrar of the Court. I took the opportunity of making two extra sets, and enclose these - no doubt the Executors would like to have a file, and one may be useful for record in your office in case you are referred to by any other Solicitors for information as to the documents required in connection with probate here.

22. I regret to report an accident on December 30th to the Falkland by stranding on the reef to the S.S.W. of West Island in the Falkland Sound. Captain Seaman's Logbook entry, copy enclosed, explains that after leaving Fox Bay he left the bridge in charge of Andreasen who was acting Boatswain while he himself went to breakfast. He watched from the port hole that the ship was being steered all right, and as soon as word was sent to him that she was nearing the Pass, he went up to the bridge. He at once saw that the tide and strong wind was causing the vessel to sheer too near to the reef and reversed the engines, but she ran very gently on to a shelving reef and remained there as the tide was ebbing. Owing to ebb tide and strong wind the kelp was dragged under and not seen.

By letter of Captain Seaman's Logbook entry, and found that with half pressure of steam she made about 95 revolutions as against 32 ordinarily with a full pressure of steam making nearly 7 knots; as the ship was not
provided by Clause 29 of the Contract.

18. Before leaving I should like to refer to the question of the Company's contribution to the Clergy Sustentation Fund, which was fixed by despatch 1016/4 at one half of what bona fide subscriptions amount to from the rest of the Colony exclusive of special donations or receipts from bazaars. This was as you termed it at the time, a sporting offer, and has without doubt acted as an inducement to others to subscribe. For the 9 years 1907/15 the Company's subscription has averaged £2 £126 per annum, but during the present year, owing to the exertions of Dean Smith and other appeals, most stations have increased their annual donation from £10 to £15 or £20, with the result that over £324 has been obtained, and the Company's subscription for 1916 amounts to £162. Dean Stanley Smith has asked me specially to convey his appreciation of the generous assistance of the Company. Now that most stations have increased their donation the incentive of the Company's sporting offer to put down 10/- for every other 20/- has had its effect, and it would be more convenient to the Clergy if it could be commuted to a fixed amount of say £150 per annum, payable quarterly. This would enable the Dean to pay stipends monthly, and he would not have to wait until the end of the year for the Company's total to be determined. Would the Directors be willing to adopt this suggestion?

19. H.M.S "Lancaster" arrived here on December 24th, and remains for special duty, the nature of which is not disclosed.

20. We are in constant correspondence with Valparaiso both by letter and cable as to arranging for shipping of wool, and it will be seen that Mr Pearson is doing all that is possible to meet our requirements. The constant altering of the itineraries of the steamers however upsets matters and changes all plans. We had hoped to ship 1200 bales in the Oriana and 300 in the Corcovado about the first week in January, but the Oriana has gone North via Panama, the Corcovado is late, and
DISTRIBUTION (Originals per Order, 6/11/16)

1. Special Order No 584.
2. Cash Book for October.
4. Special Order No 230.
5. Special Order No 190.
9. Special Order No 190.
10. Special Order No 230.
11. Special Order No 190.

12. Special Order No 584.
13. Cash Book for October.
15. Special Order No 230.
16. Special Order No 190.
17. Special Order No 190.
19. Special Order No 190.
20. Special Order No 230.
21. Special Order No 190.
22. Special Order No 230.
23. Special Order No 190.

General Orders:
1. Special Order No 584.
2. Cash Book for October.
4. Special Order No 190.
5. Special Order No 230.
7. Special Order No 230.
8. Special Order No 230.
10. Special Order No 230.
11. Special Order No 230.
12. Special Order No 230.
15. Special Order No 230.
17. Special Order No 230.
20. Special Order No 230.
22. Special Order No 230.
23. Special Order No 230.

13. Special Order No 584.
17. Special Order No 190.
19. Special Order No 190.
20. Special Order No 230.
21. Special Order No 190.
22. Special Order No 230.
23. Special Order No 230.

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11. Special Order No 230.
12. Special Order No 230.
15. Special Order No 230.
17. Special Order No 230.
20. Special Order No 230.
22. Special Order No 230.
23. Special Order No 230.
PAR "ORITA, 5TH January, 1917.

ENCLOSURES:

1. Remarks on Accounts.

2. Statement on Accounts.


4. Letter to the Chairman.

5. Letter to the Secretary.

6. Correspondence:

   PSNC, Liverpool, 5th January with account attached.

   W. Louden and Company, 4th January.

   ditto, 5th January.
ORONSA

526

January 19th 17

Sir,

My last despatch left by the Or its on the 5th instant.

2. The missing packet containing the original of your despatch No. 1170 and letter of October 12th reached us by the Or its from Punta Arenas. The cover returned herewith shows that this was delivered in Lisbon and apparently was sent from there to Punta Arenas - we had no steamer from that port to the Falklands between November 10th and January 5th.

3. The fore hold of the Falkland was filled with coal by the evening of the 4th instant, and at 3 am next morning her heel was put on the beach. The old propeller was removed that day and everything got ready for fitting on the spare. By midday on the 6th this was completed, and I was able to assure the Engineer Commander of H.M.S "Lancaster" to be present for inspecting the work and final screwing up; she was re-floated that same afternoon. The 102 tons of coal placed in the fore hold for tipping was discharged and cargo re-loaded by the afternoon of the 10th, when she resumed the interrupted voyage for West Falkland ports. It was necessary to use the Samson for placing her on the beach and for towing off, and she was under steam standing by the whole time. Mr Peters has had previous experience in having to fit on spare propeller, and both he and Captain Saenum worked extremely well - to have removed the old and fitted on the new propeller in three tides was a very creditable piece of work.

The Secretary,

LONDON.
In cabling you the amount of the nett profit for 1916 I propose to cable the number of hundreds, as this will ensure secrecy. For instance, last year's profit was £63,475; this would be cabled as 634. If this year's profit is say £63560, the message will be 635, the telegram commencing with that figure.

Mr Houston and I have arranged that Mills should receive an extra £5 per month in consideration of his remaining after the expiration of his agreement. He hopes that it will be found possible to relieve him soon, for the prospect of the war ending within a reasonable time is very remote. The second Engineer of the S.S. "Balgray" applied personally to Mr Houston for the Falkland post; Mr Houston thinks that he appeared quite suitable, and the Captain reported very favourably on him. It is quite possible that he will have communicated with Messrs Lowden & Company on his arrival in England.

The Corcovado arrived midday on the 16th; all rams were landed alive with the exception of course of that one of Mr Bonner's that had to be killed prior to the final sailing of the steamer from Liverpool. We are having some difficulty in taking delivery of the general cargo as 5 lighters had to be loaded with wool for the Orona which may arrive at any moment, but we hope to squeeze it all into the remaining free lighter and the two schooners. Captain Pape was dubious about loading wool - he has space in the Corcovado but cannot fill this without blocking up cargo for Punta Arenas, Valparaiso and other West Coast ports. He therefore cabled Valparaiso on the 17th as follows: - "Cannot lift more than 400 tons measurement without blocking Punta Arenas cargo". Cable instructions. On the 18th we received the following reply: - "Instruct Pape shift Punta Arenas cargo even if has to use lighters to do so, and "take all wool possible". This is very satisfactory and shows that Mr Pearson is doing all that he possibly can to meet our requirements. We hope that we may succeed in getting some 1500 bales away.
The Oronsa arrived at 11 am in bad weather, wind from S.E. with very heavy rain. The Corcovado has not yet completed discharge of her outward cargo, and in order not to delay we have been loading her simultaneously with wool from lighters. She has now 841 bales on board. On the arrival of the Oronsa we had 841 bales afloat (508 in the Falkland and 333 in lighters) and are filling lighters again with wool as they become available. We are doing our utmost to minimise delay but you will understand that it taxes our resources to the utmost to have these steamers in together together, the Corcovado to discharge 700 tons and load 1000 tons and the Oronsa to load a further 1000 tons.

The Governor informed me on the morning of the 17th that the German raider is reported to have sunk the Ortega amongst other vessels. He has no actual confirmation of this report, and is in constant communication with Pernambuco - if, as I understand, she was due there 9 days ago, it looks very serious, but she may have had to go to Dakar, and has been delayed there. Presumably her mails will include the London accounts up to the end of 1916 - if these have gone under it will cause considerable delay in completing our accounts here.

Mr. Allan's Report.

Sir,

Your obedient servant,
LIST OF ENCLOSED

DUPLICATES. (Originals per Orissa 5th January, 1917.)

Despatch No. 525.
Journal for October & November.
Cash Book for November.
Coating Insurance.
Remarks upon Accounts.
Statement on Accounts.
Remarks on Stores.
Store Indent No. 521.
Naval Wireless Station Accounts.
Extract of Log - s.s. "Falkland".
Letters to Secretary - 2nd & 5th January.

ORIGINALS.

1. Cash Book for December.
2. Cash Voucher - West Store.
4. Remarks on Stores (Soldering Stove for Canning Factory).
5. Telegram Recorders.
6. s.s. "Falkland" Manifests voy. 1D & 2D.
7. Camp Wages Return, December 31st.
8. Stanley do do
9. Mr. Allan's Report.
10. Remarks on Accounts.
12. Copy of PSNC account.
13. s.s. Falkland - Repairs account.
14. Copy of Darwin Telephone account & letter to Col. Secretary.
15. Original cover for despatch per "Orissa", 15 October 1916.

D 353-567
H 501-600
A 121-454
W
C 120
D & S 149
H & B 182
Z 183

181-454
24
12
8
SIR,

My last despatch left per "Oronsa" on the 22nd ulto; soon after her departure we learned that the "Ortega" had arrived safely at Pernambuco — she is due here to-morrow morning.

2. The "Corcovado" sailed on January 26th with 1297 bales Wool and Sheepskins, this clearing up everything we had on hand with the exception of a few hides and casks of tallow. As the "Orrosa" and "Corcovado" were loading produce simultaneously, some discrepancies in the tallies were to be expected. A memorandum is enclosed shewing the total bales we had on hand and the numbers shipped according to Bills of Lading of each of these steamers; the discrepancy of one bale will doubtless disappear on the discharge of the cargoes at home.

I enclose a copy of telegraphic correspondence with Valparaiso as to future shipments, from which you will see that Mr. Pearson reserves 1500 tons of space in the "Magellan" outward bound — up to the present we have not heard how he proposes to lift the 1100 bales which we have on hand now.

3. Mr. Allin left Darwin this morning and proceeds by the "Orissa" — it is possible that he may make a short stay at the River Plate before going on to England.

4. When we learned that there would be no steamer at all here after the "Ortega" and "Orissa" until the former returned from the West Coast it was evident that

The Secretary,
that immediate steps had to be taken as regards getting the Chilians across for the Canning Works. The "Ortega" cannot be back before the middle of March at the earliest, and canning could not therefore commence until the 3rd week; moreover Weiss had not been able to make any time in advance. He was therefore sent over in the "Corcovado" on the 26th and we have a message this morning saying that he is returning by this steamer with 60 men; he cannot have been in Punta Arenas for more than a couple of days.

Of course this is very early, but it is far better to pay to the men for a few weeks more than have had to postpone canning until so late in March. We authorised Weiss, in case he could not get back by the "Orissa", to charter a steamer especially to bring the men across about the end of February; she could have brought part cargo of timber to help the cost.

But it has been touch and go whether Weiss and the Chilians would be allowed to land at all. The alien and passport regulations have been tightened up considerably of late, and Weiss unfortunately omitted to obtain a passport before leaving. Although I say "unfortunately", it may perhaps be the opposite. I heard two days ago from the Governor that as Weiss had not obtained a passport, he might not be allowed to land again, but I thought that he would not have had time to obtain the men, and that we might be able to straighten it out in the course of the month.

As a precaution a telegram was sent to Punta Arenas asking if he would return by this mail, and this morning we receive a reply in the affirmative and that he was bringing 60 men.

This has brought matters to a head, and after a longish interview with the Governor to-day, it has been decided to allow them all to proceed to Goose Green direct from the "Orissa". The "Falkland" which will arrive tonight must therefore go straight to the "Orissa" without discharging and take Weiss and the Chilians to Goose Green.
They will all be carefully examined to ascertain whether any appear to be of German origin or to have any German proclivities, though it is difficult to see how this can be determined in the short time before their departure.

The Senior Naval Officer of the Pacific Coast is now here charged with the duty of defending the Colony, and as I have mentioned above all regulations are being very strictly applied. Weiss himself was born in New Zealand, his parents are German, but his father was naturalized in Australia some years ago. I feel sure that had he applied for a passport to go to Chile and return, it would have been refused, and may say that it required all the arguments I could marshal together this morning to obtain permission for him to land and carry on with the packing. It is not worth while to say more now for it is impossible to thoroughly explain without writing on matters as to which we must be silent.

When I reach home I shall be able to explain verbally - it is really questionable whether you will be able to get Chileans across another season, but naturally all depends upon how the War goes during the next few months.

5. As both the outward and homeward steamers will arrive together to-morrow, it is necessary to close this short despatch at once. Should the homeward boat be by any chance delayed sufficiently long to enable us to get the "Ortega,"s Mail and acknowledge the same, a separate despatch will be written.

I am, Sir,
Your obedient servant,

The SECRETARY.

LONDON.
per ORISSA. 3rd Feb., 1917.

List of Enclosures.

DULEGATED. (Originals per Orissa, 21st Jan., '17.)

Despatch No. 526.
Cash Book for December, '16.
Store Indents No. 522.
Mr. Allan's Report.
Remarks on Accounts.
Statement on Accounts.

ORIGINAL.
1. Memorandum re Wool Shipments.
2. Specification & Bills of Lading per "Orissa".
3. do do per "Corcovado".
4. Telegram Recorders.
5. Coasting Insurances.
7. S.S. "Palkland", Manifest, voy. SD.
9. Cables exchanged with Valparaiso re wool shipments.
10. Remarks on Accounts.
11. Statements on Accounts.
12. Correspondence:
Copies, Dr. Wace & Mr. Townson.
Colonial Secretary, 1st Feb.
13. Specifications:—

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</table>
February 23rd, 17

Sir,

I enclose herewith the accounts for 1916 showing a net profit of £33,641,16.2, an increase of £20,166,1.3 on the previous year. This increase is derived practically entirely from the Farm, other departments showing very slight decreases.

The comparative statement enclosed will enable the Directors to see at a glance the results of the individual accounts:

1, FARM, £79,551,11.2 - Increase £19,728,5.7.

The abstract of this account shows that this increase is due to higher values of wool and sheepskins £10,000, and canned produce about £9000. Butchery sales are about £1000 less, this being accounted for by decreased sales to steamers as compared with the previous year.

Expenses shew increases under most heads, the principal being due to the debit to Farm account of the total cost of erection and repair of Farm Buildings. The total amount expended is about £3400. In view of the decision to charge this to Farm instead of to Buildings account I think it as well to send new returns shewing the expenditure on individual buildings. The return relating to Farm shews a total of £3172,17.2, the difference between this and £3400 being general small repairs and painting which cannot be allocated separately.

Other increased expenses are:-

1. Live stock £1646, 2. 2 against £128,10, 0.
2. Export taxes £ 920,11.9 against £391,12. 2.

The Secretary,

LONDON,
The increase in deliveries is represented by more Canning material, the value of which is now much higher. The decrease in Sales was not unexpected, for the large increase in 1915 was due to the presence of a number of men temporarily employed on the new Wireless station.

The stock of stores £43,818, again shows an increase, but it should be remembered that over £8000 worth was in transit at the end of the year. We have again taken advantage of a prosperous result to write down still further the value of ship material:— for instance rigging wire, sheaves, bull's eyes for which there is now no demand have been omitted from the stock sheets altogether. It will be seen that we have a fair stock of canvas — this is now worth nearly double the original cost, and although but little used is a good asset at that value. The same may be said of the stock of iron. Possibly had our total stock of stores been even higher, the Directors would not have regretted it, for judging from the telegrams lately received by the Governor, exports from the United Kingdom are likely to be more restricted than ever.

4. COMPANY'S SHIPPING. Loss £1001.5.11 against loss £236.12.9

I remarked last year that the 1915 loss was readily explained, and although the recurring loss in 1916 is also capable of explanation I think it as well to say that it will probably be found necessary in future to deal with this account on differ-
ent lines. During 1916 all hulks have been put into thorough repair at a cost of £334,5.6 as per enclosed statement, and it is very satisfactory to be able to report that Biggs succeeded in finding the leak in the hulk Capricorn that baffled us for so many years. She is now capable of storing 300 tons dead-weight without making a drop of water, and in spite of her age (63 years) is quite a valuable hulk.

As to the future of this account, it is evident that no revenue can be expected again from sailing vessels, and that you will have to depend entirely upon receipts for storing coal, and from the charge for handling produce. Neither of these pay at present rates when the cost of maintaining the hulks and lighters is taken into consideration. Store and Mail Agency accounts now pay annually £500 and £250—the latter account cannot afford more, but I think that the former should increase its contribution. But it is the rates for handling produce that are so glaringly inadequate. For discharging from the coasting steamer into the Great Britain, storing, and re-shipping to PSN steamers, the rates average:

- per bale of wool or sheepskins 2/4
- " cask of tallow 1/4
- " hides 1 d.
- " case of canned meat 1 1/2
- " " tongues 1 6.

When you consider the increased wages and coal neither of the above rates is adequate; those for tallow, canned meat and hides are simply absurd, and it is out of the question for the account to balance.

5, SAMSON, Loss £649.6.8 against loss £632.17.1.

My remarks under the head of Company's Shipping apply mutatis mutandis to this account. The question of the future of the tug as discussed in my 514-2 and your reply. Now that ship reairing is a thing of the past, the Samson, hulks and lighters are no longer in themselves revenue producing, but are plant which is indispensable to the earning of revenue by other departments.
163, Ortega, 27.2.17

(4)

of revenue by other departments, and until these departments contribute more to the tug, the account must continue to show on paper a somewhat heavy loss.

2. INTEREST & COMMISSION. £2091.2.1 against £2095.0.8

The increase reported last year has been well maintained.

7. MAIL AGENCY £213.18.7 against £447.15.10, a decrease of £237.18.3. This continued decrease can only be attributed to the diminishing number of passengers and the higher rates of wages. I might mention that during the past year the number of steamers arriving on a holiday or Sunday has been quite abnormal, and the double wages payable on those days makes quite an appreciable increase in the debit.

8. BUILDINGS, £265.7 against £1929.4.7.

This decrease is accounted for by the transfer of expenditure on Farm Buildings to the Farm account. The above total represents repairs to Stanley Buildings only, and the return enclosed gives full details.

9. CONSUMPTION £248.14.7 against £309.16.2.

GENERAL CHARGES £470.19.1 " £291.16.10

The increase of expenses under the latter head is due to more heavy cabling, and to a rather heavy replenishing of our stock of stationery, for instance a supply of local cheque books cost nearly £50. We also had a new typewriter for this office.

10. CANNING. We have estimated the value of produce not credited in 19.6 at £26,290, basing the figures on the values given in your statement dated October 24th.

I am, Sir,

Your obedient servant,

Manager,
## Accounts 1916

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**Increase of Profit:** 2166.1
ENCLOSURES.

2. Profit & Loss account.

No date.
5. Inventory of Stores at Darwin Harbour.
6. Inventory of Stores at North Arm.
7. Summary of stock East and West Stores.
8. General summary of stock on hand.
9. Balances due to and from men in Camp.
10. List of Consumption stores on hand.
11. List of Building material on hand.
12. List of Fencing material on hand.
13. List of Canning material on hand.

No date.
15. Cash voucher - retail store. (dited)

No date.
17. List of Store debtors.
18. List of Butchery debtors.
19. Remarks on Store and Butchery debtors.
21. Abstract of Farm account.
22. Detailed statement of fencing erected 1916.
23. Details of closing entries of schooners.
24. Details of estimate of value of Canning produce not credited.
26. Details of salaries etc - Stanley Office.
27. Details of expenditure on hulks - 1916.
29. " " Stanley ".

No date.
30. Auditor's certificate.

LONDON.
Sir,

I received by the Ortega on the 1st instant your despatch No. 1173 of December 27th; the Orissa homeward bound arrived a couple of hours after the Ortega, giving no time to acknowledge the latter's mail.

2. 1173-3. The stallion for Mr Miller has been safely landed at Hill Cove.

3. Par. 4. My reason for devoting some space to the question of the nature of the recent sickness was your statement that the local investigation had only resulted in proving that it was not beri-beri. I quite agree that what we all wish to discover is the cause of the complaint, but before being able to do so it seems to me that the medical men have to diagnose it and determine what the disease is. When that is arrived at they are in a better position to investigate probable causes.

4. Par. 5. The work on the Goose Green jetty was begun early this month and is proceeding all right; all material required is now on the spot, and it should easily be finished before any produce is ready for shipment; there was really nothing to be gained in having it completed before the wool season.

5. Same par. There is no system or means of condensing the waste steam at Goose Green, and when all the circumstances are considered you will no doubt agree that the expense of installing plant for that purpose would not be justified. The explanation which I will give may be rather lengthy, but it...
may be useful for a thorough understanding of the fresh water question.

Although the daily requirement of the Factory when running full amounts to 12,000 gallons of fresh water, only about 5000 to 6000, or say one half is evaporated into steam, the remainder being used for scalds, can washing, flooding up tallow (fresh being preferable to salt if available), and fresh water for use in the killing room. The steam produced from the 5000 to 6000 gallons is utilised in the following roughly estimated proportions:

(1) 25% (say) goes to the retorts for completing the cooking of the meat,

(ii) 25% (say) goes to digesters for production of tallow

(iii) 10% (say) is used for heating water at different parts of the Factory for washing etc.

NOTE: This may appear a heavy percentage, but plenty of boiling water is indispensable for cleanliness. Every afternoon the whole place is thoroughly scalded out, and nothing but boiling water will move grease and fat from the floor, tables etc. Even though you may use salt water for this purpose, it has to be heated or boiled by the injection of steam.

(iv) 40% (say) goes to engines which drive pumps, dynamo, extract machinery, tin shop machinery etc.

Of the above (i) and (ii) are ruled out for condensing as the steam has been in direct contact with grease, and no amount of filtering after condensation would make the water fit for use in the boiler, (iii) is entirely irrecoverable, and there remains only (iv) which could be condensed. That is to say that of your daily consumption of 12,000 gallons, you could condense the steam from only 2500, and before using this for the boiler it must be filtered to remove the cylinder oil which it absorbs from contact with the cylinders in the different engines. I feel sure that there should be no shortage of fresh water again, unless of course large extensions of plant
are instituted.

6. Per. 7. Separate stock sheets for East and West Stores and warehouses will be rendered.

7. Per. 8. A copy of the report on Goose Green water has been sent to Mr. Weiss; the other copy with correspondence with Babcocks and Pearsen has been handed to Mr. Mills. It is quite evident that for the reasons explained at the end of your paragraph Pearsen will not be able to send out the necessary pump in time for use this season, and at the same time it is very imperative that some steps should be taken to minimise corrosion during the work in March and April. Mills has therefore sent out a small tank in which we will have a solution of common soda; a pipe will be run from this to the boiler injection and the supply regulated as well as possible. Of course it is not so suitable as the pump attachment coming from Pearsen, but we hope that it will check further corrosion.

I should like to mention before leaving that you will not of course lose sight of the fact that Redmond, who is running all the machinery at Goose Green, is but a fireman, and even so cannot be on duty night and day. Doubtless after the war the Company will have an Engineer permanently at Goose Green, or on the camp, especially in view of the additions which are foreshadowed at the conclusion of your despatch.

8. Per. 9. There will be no necessity for any expenditure on Messrs. Packe Brothers & Company's jetty at Fox Bay, but a longer gangway will be wanted for running the sheep from that jetty on to the Falkland; this will not cost much.

9. Per. 10. Mr. G. J. Felton has been to Stanley since the arrival of the mail, but did not mention the matter of the sheep supplied for canning in 1916. Mr. Felton badly wanted us to buy outright, but Mr. Allan explained that he was precluded from so doing, and I got Mr. Felton to send his sheep to the Factory asking him to try the experiment for a season to see how they turned out on the weight basis. Very probably I told him that
the result would turn out allright, and overpersuaded him in the matter for we wanted all the sheep we could get - he would not sign any contract. Seeing that he has not mentioned the matter, and has received the 15% bonus, I think the matter will drop.

10. Par.11. I am sure you will agree that so far the PSNC have carried out very honourably their promise as regards lifting homeward produce.

11. Par.12. The copies of this paragraph were sent as directed to Mr Townson and Mr Weiss, copies of covering letters being attached. Their reports will follow in due course.

As regards dealing with Goose Green scrap and converting into fertiliser I enclose a memorandum of notes made after an interview some 3 years ago with a Norwegian Engineer, who had just then erected manure etc plant in the South Shetlands.

12. H.M.S "Lancaster" left on the 9th instant after a stay of a little over 6 weeks.

13. I received at 6 pm on the 12th instant your cable of that date instructing me to cable to Mr Allen a warning that European waters were dangerous. I went to the Governor at once to ascertain if he had any news of the Orissa, and he thought we might just catch her at Rio. A cable was sent immediately to the Agents there, but next morning a reply came that the telegram was too late. I fear that nothing further can be done in the matter as we do not know where the Orissa will call after leaving Rio. The day after the Allen left the Governor received a telegram instructing him not to give any passports for the U.K to women and children, see copy of Government letter of February 5th, and I had thought of cabling Mr Allen at Montevideo, but the Governor was of opinion that the Consuls at different ports would be sure to issue a warning to passengers through the steamship agents. I understand that in the case of men of military age the Government will issue passports to the U.K only; some men contemplated going to the coast to take advantage of the high
14. On the 5th instant the Governor informed me that steps had been taken to prohibit the exportation from the United Kingdom of foodstuffs to all destinations, and that special export permits would be granted only for the absolutely indispensable minimum which could not be obtained from other sources. The Governor was asked to cable the quantities of indispensable foodstuffs required in the Colony for six months, but instructed to try and get the same from South America before sending any order to England and we made out a list. In the meantime made enquiries by cable as to prices of flour from Chile and sugar and butter from Montevideo, copies of all telegrams enclosed. The Colonial Office replied to the Governor on the 12th that all the supplies mentioned by the Governor must be obtained from South America, and he then called a meeting of the principal importers in Stanley and explained the situation to them. Fortunately we have a good stock of oatmeal, tea, beans etc, and provided that Chile does not prohibit the export of foodstuffs again, we should be able to get a good stock of flour. The Governor urged the C.O to give permits for a small quantity of rice and some cases of tinned milk.

15. Since writing paragraph 6 we have received your telegram stating that the shipping of sheep from Fox Bay has been abandoned, and have informed Messrs Stickney Bros and Messrs Bellon & Stickney accordingly.

16. We were very disappointed to receive on the 13th instant a telegram from Valparaiso that owing to the Government having requisitioned the Magellan for the homeward voyage, she would not be able to lift wool as anticipated. The P.S.N.C added that 1500 tons space has been reserved in the Orita, but she will not be here homeward bound until nearly the end of May, and there should be quite 4000 bales offering, but the refusal of a passport would put a stop to that.
here ready for shipment by that time.

FW: The closing of the annual accounts was completed a few days ago, but there will be no homewards mail for about a fortnight. I asked the PSNC whether they would allow me to travel to England via Panama on the Stanley/Liverpool ticket, and enclose a copy of their reply. It is unfortunate that there will be no outward steamer until the Magellan arrives in about a month, but I am anxious to avail myself of the concession granted by the PSNC and will therefore await her arrival.

I gather from your letter of May 24th that it will be in accordance with the wishes of the Directors that my term of management should cease with the completion of the accounts for 1916, and am therefore handing over to Mr Houston today. Pending the arrival of a Power of Attorney in Mr Houston's favour from the Directors I have executed one appointing him to be my substitute under the authority given in the document dated 6th June 1899.

Mr Houston's receipt for the balance of cash, and for the furniture in the Manager's house as per inventory will be enclosed.

I am,

Your obedient servant,

Manager,
ENCLOSURES.

Duplicates. (Originals per Ortega, 2nd Feb., 1917)

Despatch No. 527,
Statement on Accounts,
Remarks on Accounts,
Cablegram exchanged with Valparaíso re wool shipments,
Memorandum re Wool shipments,
Correspondence:— Dr. Wace.

ORIGINALS.

2. West Store voucher,
5. S.S. "Falkland" Manifests — voy., Nos. 4, 5, 6, 7D,
4. Cablegram recorders,
5. S.S. "Thistlebuth" — copy account,
6. Copies of telegrams re Food Supplies,
7. Copy P/Atty to J., Houston,
8. Copy circular to clients, Feb. 13,
9. Memorandum, Goose Green Refuse,
10. Government Notices re passports etc., (2)

Correspondence:—
Wm. Cooper & Nephews,
H. W. Townson, Feb. 26 (Dr. Wace's house),
do, 1917.
F. H. Weiss,
Mr. Harding and P.S.M.C., Liverpool,
Colonial Govt., Feb. 5 and 27 (2),
do (Wesell and Luchtenburg),
F. H. Weiss, 12 Feb.

Triangle

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SIR:—

In informing you that the coal kindly supplied by you is not of the quality I imagined, I take the liberty to urge that you send a sample of the coal sent to us on the 28th ultimo.

On hearing the arrival of a Power of Attorney from the Directors in my favour, he has executed a temporary document, authorizing me to act for and on behalf of the Company in the United States. This document has been submitted to and accepted by the Government.

2. I take this opportunity to record my appreciation of the manner in which you have carried out the wishes of the Directors in assisting me in every manner conceivably to become thoroughly acquainted with the affairs of the Company, particularly in Stanley, throughout the time I have been his colleague. He has at all times been both ready and willing to render every assistance in his power.

3. A few days ago I was very much surprised to receive a report from Mr. Weal, over the phone, to the effect that the coal recently shipped to Goose Green is altogether unsuitable for use in the furnace of our Network and Willow boiler. The coal complained of was taken from the lot ex. s.s. INCA, and as the GALICIA and CORONADO shipments are apparently the same quality, the matter is quite a serious one. Fortunately they still hold a fair quantity ex. the JOSEPHINA, but not quite sufficient to carry us through the season. Before the INCA shipments arrived, we cleared the coal from some of our

The Secretary,

LONDON.
bulks to make way for the very large quantity in this
bottom, and it is just possible that this may suit.
Meant will be found to carry us through this season,
but it is important to know that only good steam coal
is suitable for Goose Green.

The question of a supply of steam coal is,
therefore, engaging our attention, so should the "GALICIA"
and "CONQUISTADOR" qualify also be found to be unsuitable.
I will cable asking for a quantity for shipment by first
next week.

After, who is out at the Canning works at
present, has sent me a hurried report, and I enclose a
copy. I consider this report both interesting and in-
sicutive.

4. I enclose copy of a letter from Mr Weiss
in reply to Mr Harding's letter dated 15th ult. on
sent his agreement. It is difficult to make out from this
letter what Mr Weiss wants, but I can assure the Directors
that he is a valuable servant and deserving of consid-
eration.

5. I also enclose copy of a letter from Dr Race
which I think speaks for itself.

6. Work at Goose Green is going ahead very sat-
sfactorily, and this season promises to be a record one.
Railton & Stickney and Textor Bros. & Co., are sending
their sheep to Port Howard, but we have heard nothing yet
from Spring Point of their intentions. Mr C.J. Felton has
just informed me that he is sending about 2,000, so we
would be close to 40,000 sheep.

Captain Benson was able to get across from
Port Howard with a load on the sixth, a load in advance
of our programme, and we heard yesterday that he only
carried 650 sheep on the last reported trip, which looks
as if he were getting ahead of shippers.
On her return from sheep carrying the "FALKLAND"
will first land at Port Howard, Fox Bay (Peel's) and call at
Gods Green for some 7,000 odd cases of meats to relieve
congestion there.

7. Last season we squared the Chilian Labourers for
money etc. before they left for Punta Arenas by paying them
in gold and silver. The total cash paid away was about £1,200.
we are short of gold at present, and as the total currency
of the Colony is very limited, I think that from every point
of view, except the payment of commission, that it would be
advisable to return to our former method of payments
through Nobles.

The Government are bound to hear of such a
large influx of money from the Colony, and I hope that the
Directors will agree with me that this is not a time to
enter into controversy with them on such a subject.

I will write nobles and endeavour to have the com-
mision chargeable reduced from 2s to 1s.

8. Since writing paragraph 6 I have received a
report from Mr. Townshend at Egg Harbour, through Darwin, that
the "FALKLAND" had not been across today at all. Bad
weather is reported from the West, and it is possible that
the sheep from Hill Cove have been held up through swollen
streams. Until I hear further on the subject I can only
assume that this is the reason for her non-appearance.

9. The Directors will be glad to know that we
successfully brought the "LADY ELIZABETH" alongside the West
jetty, and that she is being discharged of all timber before
she goes back to her moorings. She has been alongside the
"GREAT BRITAIN" since December last, to take advantage of
the latter's steam winch for hoisting out the heavy timber.
As it is over eighteen years since the "GREAT BRITAIN'S" moor-
ing were seen to, and "each vessel to her own moorings" is
a well known axiom, I gave instructions to have her brought
in the morning after the "FALKLAND" left for the West. I am
of course using the winch of the "SAMSON", and this is
1. Copying the cargo into store.
2. Copying the cargo into stores.
3. Cash accounts at store.
4. Store orders to be sent.
5. Remit to be sent.
6. Coasting freight.
7. S.S. "Rosalind" - all stores.
8. S.S. "Rosalind" - all stores.
9. S.S. "Rosalind" - all stores.
10. S.S. "Rosalind" - all stores.
11.Telegram to be sent at "Rosalind".
12. Telegraph recorder.
13. Remarks on accounts.
15. Correspondence - ordered.
16. Letters for secretary.
17. Specifications - ordered.

145-517
264-267
356
36
91
12
42
147
6
57
EXCLUDED SURES

2. Copy of Cash Book for February.
3. Cash Voucher, latest store.
4. Store Indents No. 583.
5. Remarks on Stores.
6. Coasting Insurances.
7. Norge Shipping Company - account.
8. Nor Shipping Company - account.

10. s.s. Paul and Manifest, voy. 80.
11. Telegrams re call of Magellan at Stanley.
12. Cablegram recorder.
13. Remarks on accounts.
15. Correspondence - H. Order & Company.
16. Letters for Secretary 29.

on the 28th the owners decided to return to her station at Stanley and resume operations to await another vessel for the purposes of the cargo.

I also received 400 tons of coal as a slight addition to the small amount of coal on the ship.

Later on we were asked for a few additional quantities expected to be received at future dates.

4. I did not cable the offer. The cargo is for the "Lady Elizabeth" as in the same place everything points to the nationality of the intending purchaser being foreign.

and in the second I did not have the offer sent out immediately.

The Secretary had a letter that day from London.

The letter has nothing to do with this particular order.
14th April 17.

Sir,

Since writing you last on the 9th ultimo, I have received your despatches Nos. 1174 and 1175 dated 8th February and 7th March respectively.

2. Cables passed between us are confirmed herewith.

3. In view of the scarcity of foodstuffs at home I thought it advisable to cable you to know whether I could ship 5,000 cases canned meats to Liverpool by the Orita. I was glad to have your reply in the affirmative. When I cabled on the 28th ultimo Valparaiso had space for 1500 tons measurement reserved on this vessel for us, but I regret to inform you that on the 29th they cabled informing us that she would only receive 400 tons deadweight equal to 1,000 tons measurement, owing to the exigencies of the British Government. It now looks as if we will have serious difficulty in getting away balance of our produce, which is still considerable. After departure of the Orita I will cable Valparaiso giving them quantity shipped, balance ready for shipment, and estimated additional quantities expected to be on hand at future dates.

4. I did not cable the offer from Buenos Aires for the "Lady Elizabeth", as in the first place everything points to the nationality of the intending purchasers being foreign, and in the second I did not think the offer worth considering.

The Secretary,

London.
531 per Grims (14.4.17)  2.

Until we were satisfied that her condition was as bad as reported by the diver in May 1913, I enclose copy of Ilanco's letter, which does not appear to have been sent you. As I had considerable doubt about the truth of the diver's report, copy of which is enclosed, I gave instructions to have the sand ballast shifted from the position indicated in his sketch and the floor lifted for examination. No appearance whatever of damage is visible and we have had the water pumped out of her, so that it looks as if we have a perfectly sound ship. Before being satisfied, however, I am having the cement carefully scraped from her and I will be in a position to report her condition definitely in the course of a day or two. Loading and discharging the Grims requires all hands at present. I shall probably cable if the final result of this examination proves that apart from her bulwarks she is in a sound and seaworthy condition.

5. I sent 55 tons of the best coal we have to Goose Green, and as I had it screened I hope it will prove suitable. Mills is again out there, partly about this coal question, and I have asked him to stand by while it is being used and to advise if necessary. The Falkland will only arrive at Goose Green today. Lieut. Crawford, Senior Naval Officer, asked me to sell him 300 tons of Coal for the Naval Wireless Station. I told him that it was impossible to sell, but we would supply him with this quantity provided that he replaced it within six months. He communicated with the Admiralty and has received instructions to accept our offer. There is just the chance that he may not require the coal, and he will not draw from us unless he is compelled to.

6. Reports about progress at Goose Green are satisfactory. The trouble is that they cannot make cans fast enough to keep up with the killing, and it may be necessary to stop the latter for a few days to bring both into line. The present season will easily be a record one, both as regards
numbers and results, and the way the work is being carried through reflects great credit on all concerned. I hope to be out at Darwin and Goose Green in the course of two weeks, when I will be better able to report on the season's work.

7. 1174, par. 4. Clause 5 of Dr. Vase's agreement will be altered according to your instructions.

8. 1174, par. 7. In view of your remarks I am engaging young Moir as junior clerk in the office. I have arranged for him to remain at Darwin until the Canning season closes, so that he will not commence duties until about the end of May.

9. 1174-8 and 1175-18. I note that you will now drop your claim to 15% discount on second and third class fares of Company's employees on PSNC steamers. It is most satisfactory to have settlement of our flour claim. A 465. 6, 7 covers total loss apart from interest.

I am far from satisfied about the writing back of commission on Government passages. In reply to a letter from me on this subject they point out that it is not customary to pay agency commission on such passages. They state that Government servants on their steamers are conveyed under contract at a substantial reduction on the ordinary rates. This is their business, not ours; it seems to me that they should take such charges into consideration when they fix these reductions.

10. 1174, par. 9. When Mr. Harding wrote resigning the various Agencies and Consulates which he held, he recommended me in all cases as his successor. The Royal Insurance Co., Ltd., have already sent me their Power of Attorney and the Italian Government has written asking for copies of my signature. The Norwegian and Chilian Governments have so far taken no action, but I expect shortly to hear from them. I thank the Directors for their letter to the Secretary of Lloyd's in support of my application for their Agency here.

11. 1174, par. 10. I shall have pleasure in drawing up a
schedule with valuations of all the Company’s buildings and floating property in the Islands, and will go into the matter at an early date. I have already asked Biggs to make me a report on all buildings in Stanley, which I hoped to forward by this opportunity, but owing to work on the "Lady Elizabeth" and other matters requiring immediate attention it has been impossible to complete this in time.

12. I note authority to increase Moir’s salary by £50 from 1st March 1918.

13. The decision of the Board as regards the Company’s subscription to the English Church Sustentation Fund is noted. Quarterly payments of £50 will be made and the balance adjusted at the end of the year to one half of bona fide contributions from others.

14. Capt. J.A. Johnsen arrived unexpectedly by the Ortega. He seems a very desirable man in every way for the position he is to fill later. I note with interest all you write about him. It will be another week I am afraid before the Falkland returns to Stanley.

15. par. 17. I note the Board’s decision with reference to Mr Allan’s second application for passages from England to New Zealand.

16. par. 20. We reported in a recent letter that instructions had been issued by the home Government, through the local Government, to purchase all commodities from adjacent countries, as the export of practically all food stuffs from U.K. had been prohibited. The Argentine Government has prohibited the export of flour, owing to the failure of this year’s harvest, but we are still able to obtain supplies of this article from Chile. The Ortega brought us 1,000 bags of 100 lbs each from the latter country and I intend cabling for a further like quantity for shipment first chance, as this lot has been already considerably reduced. I wrote recently to Messrs. Gibbs, of Valparaiso, asking them to send us all the particulars and information.
they can gather of Chilian productions, and Mr Harding when at
that Port will go into the whole question with them. We are well
off at the moment in the matter of supplies of the more essential
commodities, and these enquiries are for probable future needs.
The trouble at present is the lack of opportunities for ship-
ment from the West Coast, as the PNSC are taking advantage of
the quicker route, via Panama Canal, to get their vessels home.

16. I enclose copy of letter dated 1st January, together with
nationality form, from the Royal Mail Steam Packet Co, London,
and copy of my reply thereto. As you are in a better position,
if so desired, to supply the information required, I prefer to
leave the matter in your hands.

17. I am enclosing copy of reports by Mills on machinery in
Stanley and in the Camp, and on the old Goose Green boiler. This
last must be counted out. I would suggest that you write fully
your views on the condition of the various items reported on.

18. You will see from copy of letter enclosed from Mr Weiss
that W.K. Cameron is prepared to dispose of all his supplies of
box timber, solder and tin plates to us, and I have accordingly
written to Weiss requesting him to inspect these and to send me
a report with recommendations. Should these prove to be in good
condition we will do well to buy them to ensure supplies for
next season and at the same time secure necessary articles at
prices below present market values.

19. I also refer you to enclosed copy of letter from Mr Weiss,
reporting on the condition of the barrels staves recently
received.

20. All Canning returns are being made out in the office here
and copies of statements already sent to Stations are enclosed.
In making up these returns I have reduced weights to under
40 lbs of those weighing hot with hook in some cases up to
45 lbs—say, loss from hot to cold 2½ lbs and hook 14 oz. This
is strictly in accordance with contracts and if you wish me to
treat the matter otherwise I shall be glad to have your definite
Instructions to do so.

Duplicate.

Despatched.

Journal for February.

Cash requisition for March.

Cash requisition, East Store.

Store Indents No. 284.

Remarks on Stores.

Coasting Insurances.

Furniture in Manager's House - lost.

Mr. Bonet's certificate for cash money.

Mr. Townsend's report.

Memo. Goose Green future.

Telegram re Food Supplies.

Remarks on Accounts.

Statement on Accounts.

Letter to PRGO, Liverpool, 11th March.

Specifications—E. 96 Salver Tool and 8 Sales Sales.

SCRIBES.

3. Cash requisition, East Store.
4. Store Indents No. 284.
5. Remarks on Stores.
6. Mr. J. Kelton's Estate.
7. Mr. Kelton's certificate for voy. 9 and 10 E.
8. Confirmation of Bills.
10. Mr. Hetherington, account.
11. Mr. Townsend's report.
13. Do. on Goose Green boiler.
14. Wages Return, 1st March.
15. Casuals' accounts for season 1917.
16. Stores Sheets (1917), under separate cover.
17. Copy P. H. account.
18. Coasting Insurances.
19. Correspondence—Colonel Secretary, 11th March.
20. Remarks on Accounts.
22. Copy of River's report on "Lady Elizabetha".
23. Letters for F. E. Cobb Esq., J. S. Goddard Esq. [?].

P. H.

D. B. 868-871

J. W. 109

G. 182

H. 97

I. 104

10-2

8

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ENCLOSURES.

DUPLICATES - (Originales per Ortega, March 10th 1917.)

Duplicatas - Accounts Despatch,
Despatches Nos. 528 and 550,
Journal for January,
Cash Book for January and February,
Store Indents No 524,
Remarks on Stores,
Coating Insurances,
Furniture in Manager's House - List of discrepancies,
Mr. Houston's certificate for cash balance,
Mr Townson's report,
Memo. Goose Green Refuse,
Telegram re Wood Supplies,
Remarks on Accounts,
Statement on Accounts,
Letter to PSNC, Liverpool, 15th March,
Specification - 8 95 bales Wool and 3 bales Skins.

88888888888888

ORIGINALS -

1. Journal for February,
2. Cash Book for March,
3. Cash Voucher, West Store,
4. Store Indents No. 524,
5. Indent - J.J. Felton's Estate,
6. s.s. Falkland - Manifests for voy. 9 and 10 D,
7. do. Itinerary shifting sheep to Egg Harbour,
8. Confirmation of Telegraphs,
9. Southern Shaling Co., account,
10. Green Shaling Co., account,
11. Mr. Townson's report,
12. Engineer's report on Machinery, March 1917,
13. do. on Goose Green Boiler,
14. Wages Return, 31st March,
15. Canning. Clients' accounts for season 1917,
16. Stock Sheets (1915), under separate cover,
17. Copy PSNC account,
18. Coating Insurances,
19. Correspondence - Colonial Secretary, 14th March,
   PSNC, Valparaiso, 15th March,
   R.M.S. Neiss, 25th Feb. (2),
   R.M.S. P. Co., 9th April,
   P. Llanso, 7th Dec. 1916,
20. Remarks on Accounts,
21. Statement on Accounts,
22. Copy of Diver's report on "Lady Elizabeth",
24. Specifications - Wool, Skins, Hides, Tallow, Extract,
   F. I. C. 41

D H 568-571 6
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18th May 1917

SIR,

Since I last wrote you on the 14th ultimo, no further mail from you have come to hand. We expect the lotos here tomorrow, and we are preparing this mail for dispatch via the canal.

I have been discussing with the Government the question of labourers' wages in view of the continuously increasing cost of living. My proposition is to make all men on an hourly wage a war allowance of 5/- per week, payable until six months after peace is declared. This would only be payable if time lost each week does not exceed 4 hours, unless loss of time is due to sickness or special permission for time off is asked for and given. This war allowance will not rank for bonus, and is intended to anticipate a demand for higher wages which once given would almost certainly mean a permanent advance. The Government are most dilatory in coming to a decision, and I fear that, if action is not promptly taken, we may be compelled to increase wages. It was only after a careful study of the question that I approached the Government at all, and I can assure the Directors that it is practically impossible for men to live on present wages, today £3 7/6 per week, beginning 15th April 15, paying 22 to 22 5. 0 per month for rent of their houses alone. A comparative statement of present prices of staple commodities compared with pre-war prices is enclosed. From the expressed views of the Directors about transferring her to Stanley we do not actually expect her at present is Stanley but circumstances may arise when we would and I would like to seize an early opportunity of having her based in the Falkland. We may be able to sail her as a bulk on the coast.

Yours truly,

The Secretary,

London.
from time to time of the Directors, I feel certain that the aforementioned means of settling an awkward question will meet with their approval, and may add that by reducing our jetty gang to a minimum number, say only 10% less men, we will pay away no more in wages than hitherto, except individually. The total cost would be about £550. Similar small advances would of course be made to men earning monthly wages and you have already written in your 1171 par. 7 leaving the whole question to my discretion.

5. Further investigation of the condition of the bottom of the "Lady Elizabeth" still fails to bring to light any damage under water at all. She has therefore been put to her coaling again, under the conviction that she is a perfectly sound ship. Should a warship come in at any time I will endeavour to get a diver to examine her from the outside, just to leave nothing to chance. As I said in my last we have proved the diver's report of her condition in May 1913 to be false, and it was the absurdity of the statement that he put his hands in the alleged hole and extracted cement that induced me to go to the trouble of clearing up her floor. I sold 50 tons of her ballast sand at prices which will quite cover the expenses.

4. I firmly believe that were we to examine the condition of the "Garland", still at Goose Creek, that it would also prove to have been falsely reported on. She has been, as told, twice on the rocks since she was sent to Goose Creek as a hulk and today she does not make a drop of water. Her plates are said to be almost eaten through by the action of sulphuric acid, part of the cargo she carried when she reached Stanley, but no traces of this are visible and I feel sure that she was abandoned for very different reasons. Now that the Goose Creek jetty is completed she is no longer required as a hulk at either Darwin or Goose Green, and I shall therefore be glad to have the views of the Directors about transferring her to Stanley. We do not actually require her at present in Stanley but circumstances may arise when we would, and I would like to seize an early opportunity of having her towed in by the Falkland. We may be able to sell her as a hulk on the coast.
632 Per Potost (13.5.17) 5.4.

5. While at Darwin I went into many matters concerning both the camp and Goose Green with Mr. Thomas, notably north arm cookhouse and water supply and Goose Green factory and cookhouse. Mr. Simpson came up from North Arm and together we thrashed out the whole question of the cookhouse, taking into consideration all the pros and cons and your correspondence with Mr. Hall. McCall's answer to your letter of March 2nd is obviously full of prejudice and his arguments feeble in the extreme. He objects to say 6 men, hungry and wet, after gathering sheep, to ride an additional half mile to the temporary cookhouse at the wool sheds, which according to the original plan of our predecessors, 24 shearsers have to walk an equal distance, heated from a heated shed in our time. Apart from the discomfort, the long in shearing is 144 sheep per day, a total of around 5000 for the season, all at the expense of the company. Then, again, we have already a cook and an assistant, so that no additional hand is required for that department. The second cookhouse would be far from an expensive building, material, which would be well fumigated, from present building being available, so that there would be practically the only stove to be purchased. The carting of sufficient fuel for two months supplies would not affect the working of North Arm section of the farm. To carry water an additional half mile requires just this quantity of piping, 2½" pipes will be large enough, and there will be many advantages in having a good supply of water at the sheds. At present, the men carry food at certain times with that which they eat in the shed itself, and this practice will, fortunately, be discontinued. In addition to all the facts stated, Simpson tells me that the arrangements decided on will be satisfactory to the men, and that the disadvantages, apart from the cost of a second building, are merely superficial.

6. The cookhouse occupied by the Gallian labourers at Goose Green is in a deplorable condition. It is a very old building at the best, but the want of proper drainage and the naturally filthy habits of the men themselves makes their presence a real danger to the community. Mr. Race was right when he said the building was only dry season the spring ceased running shortly after
in only fit for pigs to live in. The outside is well painted, and before the season commenced all the inside was well white washed, but nothing will ever make this old building habitable. There is some good iron on the building which would be serviceable elsewhere, and by pulling this down the worst part of the building could be converted into a cart shed or something of this kind. I was much disappointed to note the filthy manner in which even the white men employed at Goose Green keep their quarters. This is the more disappointing as the building is only of recent construction. I suppose the men are satisfied to live there for the few months they are employed at the meal works. The condition of the wooden floor of the cooking shed is very bad, and it would be cheaper in the end to tear it all up and substitute concrete, this particularly in view of the fact that it has to be washed down each day and is therefore never properly dry throughout the season. Nothing rots wood like continual damp. I myself saw Mr. Weiss put his foot through the floor last season, and although it has been continually patched up from weak places are continually appearing.

The most regrettable feature to my mind at the cooking works is the source from which the salt water is drawn for the washing down. At present, the water is pumped up to the tank from amidst the refuse, and might therefore lead to serious trouble were it known, as the water must be full of impurities. Mr. Weiss is anxious to have this remedied, and he will attempt to have a new source of supply for use next season. The drainage from the works presents a difficult problem owing to the plan of the buildings. Nobody here can find a solution at present, but the question is being studied. I have asked Mr. Bowson to send Hichollis to Goose Green to go over the whole works with Mr. Weiss and to make a report with recommendations. In spite of the enlargement of the existing dams for water for the works great economy was had to be exercised in its use throughout the season, owing to the unusually dry season the springs ceased running shortly after
work commenced, and they have not commenced even now. Only one day has actually been lost, and the advantage was taken to catch up with car-making, so that the season has in reality been a satisfactory one from all points of view. Further excavations will be made and improvements effected for conserving the water in good time for next season, so that in future we hope to be eventually independent of rains.

Referring to the discoloration of the water through mud etc, the tallow shows a slight yellowness, and there has been a loss in the quality of Extract tallow through the shortage, as filtering has to be very carefully and thoroughly seen to and was necessarily slow.

11. The jetty is now practically completed and seems to be well-built. I made a visit to Walker Creek on the motor launch, which made very good time there and back (three hours each way), and the engine worked perfectly. A very small addition to the jetty there would be sufficient to allow the Falkland to go alongside.

Reading: I cabled to the BSC, Valparaiso, asking when the F色调 is due, at the same time informing them that it is important for us to resettle 56 Chilian labourers by this opportunity. Their reply merely stated that she is due tomorrow (15th), so I assume that the question of getting them in away now is left to the Captain of the F色调. I am sending the Falkland tomorrow morning and have arranged for her to return immediately on receipt of notice of the arrival of the F色调, so that we can run them on board without touching at Stanley, were necessary when it is difficult to improve on local. Mr. Veiga informs me that the men are suspicious of charges on jobs at Porta Arenas and demand payment of wages in kind. I am therefore sending out £750 in silver this trip. This sum amount to be paid away is due to their spending considerable amounts in the store at Goose Green, which was opened there this season for the first time, and has therefore more than justified its existence.
8. I passed on to Mr. Race, through Mr. Trowson, the Board's instructions re his agreement, and enclose copy of his reply to the latter.

9. Your cable asking for our requirements of templates for coarse green for next season reached me at Paris, and I immediately went into the question with Mr. Race and replied same day. 540 cases 20" x 15" and 400 cases 16 20" x 14" are sufficient to cut 50,000 sheep, a total which we shall in all probability put through the works next season. We took over a small quantity from Cameron for this season, but the size is wrong, and a fair proportion had to be condemned owing to pitifully.

10. On the 16th ultimo, immediately after the departure of the liner, I called the P&O Valparaiso, as per copy enclosed. Up till time of writing no reply has been received to this message and I fear that the finding of space for us must be very difficult for us then under existing circumstances. I overestimated the quantity of meat for shipment and am rectifying this by present opportunity. Our original estimate of 12,000 cases was too much by about 2,000 cases.

11. Messrs. Gibbs & Company of Valparaiso, cable us to the effect that they are at a loss to know how to ship us samples of canned vegetables and fruits owing to all P&O boats returning home via Panama. They quote flour at 21 3/4 per 100 lbs. f.o.b. as before, but now we are to get our supplies is a serious problem. We shall meanwhile try to purchase through Maclean & Stapleton. I have issued instructions to restricting sales to bare necessaries, but it is difficult to impress on local people the need for economy in consumption. We are now short of paraffin, but expect 500 cases per Cortega, due sometime in June.

12. The pumps of the Great Britain have now been overhauled and fitted.

13. I omitted in my last to acknowledge receipt of Power of Attorney from the Directors.
332 per Rotuma (10.5.17).

14. On shipment from Montevideo per Ortega we were charged 8/6 for war risk insurance. Maclean & Stapledon remark that it was affected through the Mutual & Foreign Marine Insurance Co., Ltd., and have a monopoly of the war risk business. Subject to your approval we have asked them to cable us value of shipments over £500 before departure of the vessel carrying the goods to enable us to cable you in good time to cover the risk at Lloyds or elsewhere. The value of shipment per Ortega will be about £500 and we shall accordingly ask you to arrange to cover same.

15. I now enclose Higgins's report on buildings. Next mail I hope to send report on stores, sheds and fences.

Yours,

Your obedient servant,
(Originals per "brita", 15th April, 1917.)

1. Journal for March.
2. Cash Book for April.
3. Cash Voucher - West Store
4. Store Voucher no. 596.
5. Paragon Vessels.
7. Remarks on Vessels.
8. Camp Cases Return.
9. Confirmation of Telegram.
10. Ledger Balances, 31st March.
13. Coasting Insurances.
17. Statement on Accounts.
18. Correspondence - Letter, Dr. Race to Mr. Roswell.

The committee proposed that steps be taken to produce more.

2. Letter from C. E. C. to the committee.

3. Resolution of C. E. C.

4. Accounts for stores from the war office, a specification etc.

5. Notice to some greasers for service.


7. Comparative statement of prices of necessary stores.

8. Engineer's report on electrical work for tunnel digger.


10. Letter from the secretary.

Nov. 15th, 187[95].

Mr. J. W. [Handwritten note: "RECEIVED."]

The undersigned, on receiving the above note, found that the following items were included in the statement:

£.

1. £2. 3s. 6d. for rent of house.

2. £1. 10s. 6d. for labor.

3. £0. 15s. for store.

4. £0. 6s. for materials.

5. £0. 3s. for slates.

6. £0. 1s. for tools.

7. £0. 6d. for repairs.

8. £0. 3s. 6d. for fuel.

9. £0. 1s. for insurance.

10. £0. 6d. for general.

11. £0. 3s. 6d. for repairs.

12. £0. 1s. for tools.

13. £0. 6d. for materials.

14. £0. 3s. for fuel.

15. £0. 1s. for insurance.

16. £0. 6d. for general.

17. £0. 3s. 6d. for repairs.

18. £0. 1s. for tools.

19. £0. 6d. for materials.

20. £0. 3s. for fuel.

21. £0. 1s. for insurance.

22. £0. 6d. for general.

23. £0. 3s. 6d. for repairs.

24. £0. 1s. for tools.

25. £0. 6d. for materials.

26. £0. 3s. for fuel.

27. £0. 1s. for insurance.

28. £0. 6d. for general.

29. £0. 3s. 6d. for repairs.

30. £0. 1s. for tools.

31. £0. 6d. for materials.

32. £0. 3s. for fuel.

33. £0. 1s. for insurance.

34. £0. 6d. for general.

35. £0. 3s. 6d. for repairs.

36. £0. 1s. for tools.

37. £0. 6d. for materials.

38. £0. 3s. for fuel.

39. £0. 1s. for insurance.

40. £0. 6d. for general.

41. £0. 3s. 6d. for repairs.

42. £0. 1s. for tools.

43. £0. 6d. for materials.

44. £0. 3s. for fuel.

45. £0. 1s. for insurance.

46. £0. 6d. for general.
Sir,

The "Potosi" expected on the 18th or 19th inst. only arrived yesterday afternoon. The mail closes at 10 this morning, so that there is only time to write a few lines.

Yours truly,

[Name]

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Sir,

I have learned from your cable of 16th inst. that Mr. Williams was dead. Until we opened the enclosed cable addressed to him we were in doubt whether it was W.B. or S.D. Williams, as this cable was addressed to him and we were informed by the X Cable Office that it reported his son missing. We thought it must be from a relative and that he had left England, probably on the "Potosi".

I now enclose his Will which he had left with us for safe custody. I had it registered by the Registrar of the Supreme Court and an Notarial copy
The Secretary,

LONDON.

Sir,

The "Potosi", expected on the 15th or 14th inst., only arrived yesterday afternoon. The mail closes at 10 this morning, so that there is only time to write a few lines.

Late W.S. Williams: It was with much regret that we learned from your cable of 10th inst., that Mr. Williams was dead. Until we opened the enclosed cable addressed to him we were in doubt whether it was W.S. or S.D. Williams, as this cable was addressed to him and we were informed by the M Cable Office that it reported his son missing. We thought it must be from a relative and that he had left England, probably on the "Potosi".

I now enclose his Will which he had left with us for safe custody. I had it registered by the Registrar of the Supreme Court and an Notarial copy
made which will be retained by us. His life policy must be amongst his papers at Weddell Island and we will endeavour to obtain same. He is insured with the Royal Insurance Coy., Ltd., policy No.49020 for £500. Even if his policy is not found there will be no trouble in collecting this. We have also a receipt for for £400 of his in our possession for loan to D.H. Duncan which we also retain meanwhile.

CHILLY: I am glad to report that the Captain of the "Potosi" has agreed to take the 51 men on the "Potosi". As there is no bed for them on board this cargo boat I have allowed each man to take with him a sheepskin. This will be put in the hands of Captain Pleignier and will be shipped to Liverpool under a parcel receipt. Kindly therefore receive these 51 skins on arrival of the "Potosi" at Liverpool.

yours faithfully,

For The Falkland Islands Co., Ltd.,

Manager.
"ORTWGA" 533.

4th June, 17. 17.

Sir,

My last despatch left per S.S. "Potosi" and I received your No. 1175 per same vessel.

2. The Governor has definitely decided not to grant the War Allowance of 3/- per week, referred to in my last despatch, as he considers the workmen of these Islands to be better off in most respects than workmen similarly employed elsewhere. This is perfectly true as far as men employed in the Camp are concerned, but I cannot agree with him as regards Stanley workmen. Without the concurrence of the Government I am doing nothing further in the matter. Should the Board, however, approve of my proposition, I would suggest that you cable me the word "Allowance", or any modification of same which they may decide on. I would prefer definite instructions to discretionary powers in view of the attitude of the Government.

I do not think it would be necessary for our Camp or any of the Stations to follow our lead, but it may be to their interests to do so by way of anticipating any demands for higher wages which may crop up any moment. So far demands have not be actually made, but some of our men approached me after I had consulted the Government asking if I could see my way to advance wages slightly in view of the now fabulous prices of foodstuffs.

I have reduced our jetty gang to a minimum, but have kept on all our carpenters for the time being, although I consider 8 men, 3 apprentices and a foreman

The Secretary, LONDON.
too many for our ordinary needs. Two of these carpenters, Allen and Rutter, are very old men with families, but as they have been with us for a long time, I think it would be a pity under present conditions, to dismiss them. At the moment I have plenty of work for all hands on lighters and buildings, but when the most necessary work is caught up I may find it necessary to get rid of two or three of the older men.

3. On the 18th ulto. I received a cable from the P.S.N.C., Valparaiso, advising that the "ORTEGA" is the next outward mail steamer, and that she would be unable to receive any cargo from us. We have today on board the "GREAT BRITAIN" 4197 bales of wool and skins, 3,600 odd cases of meats, 278 casks tallow and 569 hides. Present mail trip will bring in a further 400 bales, and next trip direct to Darwin and Goose Green will bring in a full load of meats, skins and tallow. We will therefore require to make use of the "LADY ELIZABETH" for stowage. In the course of one month practically all produce will be in Stanley, so it is to be hoped the vessel following the "ORTEGA" will lift a quantity to relieve congestion.

4. I am enclosing herewith copies of all correspondence with the Government concerning the Chilian labourers employed for the season at Goose Green. It will be seen from this correspondence that I had a lot of trouble with the Government over these men. In the first place Mr Harding gave the Government an undertaking, with reservations, that we would run them direct on board the vessel taking them away. My reply to their letter of 14th ulto. will explain why this was not done. When the P.S.N.C., Valparaiso, cabled advising that the "POTOSI" was due about the 18th inst. I naturally assumed that this advice was based on information from Dakar. As explained to the Government in my reply to them when I sent out the "Falkland" to bring them in I had to
take into consideration the possibility of the telephone failing us, and gave instructions to Mr Townson to risk sending them in on the 14th, should this happen, to avoid missing the "POTOSI" altogether. Unfortunately the telephone did break down and we were out of touch all day on Sunday, the 13th, and all forenoon the following day.

As the "POTOSI" did not turn up until the 23rd, we had to house the 51 men on the "Lady Elizabeth" for ten days. It was most unfortunate, but could not be avoided. I did everything possible to make them comfortable, and they gave me no trouble whatever.

At an interview I had with the Governor concerning various matters, he informed me that it had been reported to him that I had been hoarding up silver to the value of £2,000 to pay these men on the eve of their departure, and that I had intended to do so without the knowledge of the Government. His letter of 17th inst., was based on this report and he unhesitatingly said that he accepted the explanation given in my letter of 18th inst. It was all a "Storm in a nutshell".

5. I think the trouble about Mr Weiss' nationality has now blown over. Mrs Weiss had an interview with the Governor on the subject and I understand from her that he has decided to let the matter drop. I doubt, however, if he will be allowed to go across to Punta Arenas for men for next season's canning, and even if he is allowed I am afraid there will be difficulty in returning with the men owing to all P.S.N.C. steamers returning home via the Canal. The question of local labour is now more important than ever, and I am taking up the matter with all Station managers, soliciting their help.

6. A start has been made at remooring the "GREAT BRITAIN", but owing to boisterous weather little progress has yet been accomplished. Everything is now in readiness to complete the work as soon as the weather improves.
I intend to have the moorings of the "J.P. SMITH" also examined, as it is many years since this was done. This hulk has now only 400 tons of coal on her, and since it was reduced to this amount I am glad to report that she has practically ceased making water.

The "FAIRY" has just been recaulked above the water line and is again in good trim.

7. The cutter "CLEAM", owned by Mr James Smith of Great Island, is at present in our hands undergoing an extensive overhaul. She has been very badly neglected.

8. As reported elsewhere, Mr Arthur Cobb's cutter "MAGALLANES", sank while at her anchorage at Low Bay, about the 17th of February. Report by Mr Cobb and notarial Protest are enclosed herewith, and I hope that there will be no difficulty in recovering the loss from Underwriters. Mr Cobb considers her actual value at time of loss to be over £500. As there are no possible means of salvage available, I intend, as Acting Lloyd's Agent, to abandon her to the Receiver of Wrecks.

The delay in the noting of this Protest is due to Mr Cobb not being fully acquainted with the procedure necessary in cases of loss, and to the difficulty of communication between Bleaker Island and Stanley.

9. Although the export of flour is prohibited from Uruguay, the Governor, through the British Minister at Montevideo, has successfully arranged with the Government of that country to allow Messrs Maclean & Stapledon to ship us 1000 bags of 140 lbs each. I hope that with stocks on hand—between 400 and 500 bags—this additional quantity will carry us on till next Argentine harvest. Prices, the Governor informs me, are advancing daily, and for this reason I thought it advisable to seize this opportunity of securing sufficient supplies for the Colony before all sources are closed to us.

10. R.D. Mc Rae, son of the late manager left in
charge of Weddell Island Station during Mr Williams' absence, has been acting as manager pending the return of the latter. I understand that Mr Robertson, of Port Stephens, went over on hearing of the death of the elder McRae and put young McRae in charge. Mr Williams seems to have taken his cheque book away with him and left little or no money behind to meet wages. This mail McRae writes asking me to send him from £30 to £40 in cash, but I am withholding this until I receive full instructions regarding the Estate from you.

I have closed as at 14th Alto both Weddell Island and Mr Williams' private accounts and statements go forward herewith.

11. Mr Weiss has been to San Carlos and inspected the tinplates etc. held at the Canning Works there. He has written me a report which has not yet come to hand, but it will be here in the course of a few days and copy will be enclosed. I cabled Messrs Maclean & Stapledon asking them if tinplates are procurable at Montevideo or Buenos Aires. Unfortunately although supplies are obtainable at Buenos Aires the export from that port is prohibited and only 1C quality is procurable at Montevideo. They quote size 20" X 28", cases of 112 sheets, weight 214 lbs at 32 dollars per case FOB, or equivalent to £72.0 at present exchange, which price is of course prohibitive.

I tried the International Importing Company for a quotation from the States for transhipment at Montevideo and am glad to say that they can supply them. They quote base I.C. 14" X 20" at about 12 dollars per box of 112 sheets and this will be cabled to you tomorrow. They do not mention when shipment could be made, but generally goods of this kind are stocked in the States and can be shipped promptly. Should you decide to purchase from this
source particulars and specification will be supplied
them from here. Mr Weiss says that United States tinplates
are of good quality and that we need not hesitate in
obtaining supplies for next season at any rate from there.

Since writing the foregoing Mr Weiss informs me
that there is sufficient tinplate at San Carlos to make
30,000 cans, but that some of it will be rejected owing to
deterioration. From what I gather I take it that we can
safely calculate on that quantity.

12. As our stocks of "Lady Elizabeth" timber has
been considerably reduced since last stock-taking I have
stopped all sales except for very small lots, to Clients
and others, reserving balance for Farm use and odds and
enids in Stanley.

13. On the 1st instant I cabled asking you to
insure £3,500 against War Risk from Montevideo to Stanley
against stores per b.s. "ORTEGA", expected to leave the
former on Monday the 4th instant. This shipment is made up
of 1000 bags flour (each about 140 lbs), 200 bags sugar,
100 bags maize, 75 bags pollard, 2 tons butter, 1 ton
ground coffee and 300 cases kerosene.

This is a very large shipment, but I considered
it advisable to secure supplies for some time ahead in
view of the uncertainty of opportunities through the
intensified submarine campaign of the enemy.

14. Lieut. J.R. Crawford has just informed me that
a collier (the "Cardiff Hall") having arrived he will not
call on us for the 200 tons of coal referred to in my
despatch No.531, par.5. He is doing his best to supply us
with 300 tons steam coal for next season's canning, and
I have offered him 60/- per ton for same. Should the price
asked be higher than this I will put their offer before you
for consideration. I doubt very much, however, if they
Admiralty will part with any coal at all.

Should this fail through I hope you will find
means to get out the 300 tons at an early date.

15. The armed liner "ORIONA" arrived here on the 29th inst, and will leave again in a few days time. We supplied her with a small quantity of provisions and repaired her suction pump pipes which they have squared, partly by cash and partly by a Bill on the Admiralty.

We are assisting Lieut. Crawford to discharge coal ex. S.S. "Cardiff Hall".

16. No. 1176 par. 8. The omission of the credit of £257.5. for freight from Punta Arenas per "Falkland" was discovered some time ago and credit given in this year's accounts. I advised Messrs Lowden Connell & Co. of this in my letter to them of 11th April.

17. No. 1176 par. 9. The lease of Lively Island is in the hands of the Registrar for registration, and will be completed in time to go forward herewith.

18. No. 1176 par. 10. Note is taken that the Board is strongly opposed to the appointment of anyone but a fully qualified Veterinary Surgeon to succeed Mr Townson as Stock Inspector. I understand the Governor also advocates for a Veterinary Surgeon, but from conversations I have had with many managers here it looks as if there will be considerable opposition to this. They argue that "scab" and other diseases were eradicated in the past by Stock Inspectors who were merely good stock men. It is, therefore, to be hoped that the owners residing at home hold different views to their managers here.

19. Your cable of today's date asking me to cable a summary of this season's produce of the Canning Works has just come to hand. This information will be cabled tomorrow along with advice regarding tinplates. Copy of my cable will be enclosed herewith.

I am, Dear Sir,
Your obedient servant,

Manager.
Duplicates. (Originals to return, say 24th Jan 1917.)

1. Journal for April.
2. Store orders no. 568.
5. Lady Bay Island lease returned, registered.
6. Law Telegram 'Manifest, voy. o.r.',
7. Confirmation of subscribers and copies cables to Acrecht & Ecclestone.
8. Letter instructions - collect etc.
10. Letter to C.S. Williams, copy accounts.
11. Mr. Fowler's report.
13. Correspondence.
   - Colonial Secretary, Mr. Neale.
   - Chita (Indians).
   - P.S. Adelphites and Liverpool.
17. Copies of accounts.
18. Specifications -

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Total: 16 | 6 | 11 | 3
Sir,

I confirm my last dated 4th ultimo, and have to acknowledge the receipt of your 11th, dated 8th July.

2. Cables exchanged between us are confirmed as herewith enclosed.

3. The granting of a bonus of £1. again this year is much appreciated. We are now distributing same in both Stanley and the Cape.

4. I was not at all surprised to receive your cable advising that the Government is agreeable to buy all unspecified wool. It is most fortunate that your message should have arrived at a time when practically all farmers from the outlying stations were in Stanley, thus giving me the opportunity of seeing them all personally through 55, over re-war for. Stanley proceeds is far short of that obtaining before receipt of your message, without an exception all readily agreed to put their wool at the disposal of the Government. It is a great stroke of luck that the soldier Cardiff did not have been here at his time and that through the efforts of the Governor it has been arranged for her to lift all Tinland cargo. As first seen the Governor on the subject, I gave him complete list of the cargo for shipment, including dates, and at once cabled her giving weights and measurements. There is still some coal from each of the kids to be discharged, but owing to the difficulty arrangements for discharging this, it will
be next week before we can commence loading.

When the message came the "Falkland" was to leave for the next day, but I thought it advisable to send her to Goose Green first for 640 cases tallow and some hides and she is now discharging these on the deck of the "Cardiff Hall". The "Falkland" should leave to-morrow for Beagle Island and will go as far as the sausage island, which will mean the complete clearing up of all the produce in the islands in time for present shipment.

I am sure that the wool is to be appraised and that the condition of the wool this season compared with the seasons 1913, 1914 is taken into consideration. It is generally agreed here that present lots are much cleaner than in the years mentioned.

We instructed the wool will be consigned to the Director of Army Contracts and "freight as arranged" noted on bills of lading, while bills of lading for other produce will be made out at F.B.O. rates.

Together with your cable I received another from the Conservatives at Liverpool advising that the "Cardiff Hall" is now consigned to them, asking us to ship instantly all Falklands cargo to Liverpool and asking for estimated weight and measurement after loading, as she is to complete loading at the river Plate. In acknowledging their cable, as requested, I informed them that unless other arrangements are made by the Admiralty to discharge balance of coal loading cannot commence before the 28th instant. As a matter of fact, however, will be cleared early next week and she will go for alongside the "Great Britain" and loading commenced. It also will take her nearly two weeks to clear the other two holds required for our cargo, so that it will be several weeks yet before we can get her away. The produce is conveniently arranged for quick handling, as besides loading from the try "Great Britain" we have several lighters loaded which can be worked simultaneously with her.
6.254 per cwt. 20/7/17.

7. In reply to a letter from me dated 14th May, the E. & O.
Valparaiso, reserved space for 200 tons canned meats on the Alta
for us. Before definitely cancelling this I consulted the Gov-
ernor and he agreed that all our produce should go on the "Cur-
diff".

7. Owing to the uncertainty as to the supplies of the two
qualities tinsplates held at San Carlos, before writing you the
desired information, I asked Mr. Eiss to make a further inspec-
tion. It seems that there will be sufficient to make 35,000 to
50,000 cases. On the 14th instant your message advising that
supplies are not procurable reached me, and on the 16th instant
I cabled the absent company, asking for 550 cases 20" x
20" x 15" and 500 cases 16" x 20" x 14" for arrival here December
or earlier, asking them to confirm. The reply accepted the
order, price to be confirmed later, advising that they cannot
guarantee December arrival, but that they will do their best to
arrange this, as soon as I hear further from them I will cable
the position.

8. Eiss, recommended taking over all the San Carlos
boxboards and a few sundries and I confirmed this. With these
we have now sufficient boxboards for next season and I asked
you to cancel the order already sent in my cable of the 6th
June.

8. On receipt of your cable, received on the 2nd instant,
asking me to cable amount due ours, etc., estate partnership
division, I immediately cabled advising $4,000.

9. I have been discussing with most of the farmers and man-
agers from the various stations the question of sheep and labour
for next season's canning. butter will send us his sheep and I
also hope to get a number from Berkeley Sound, Great Speedwell,
Sleekers and Lively Islands. These island sheep are well worth
securing and I do not see any great difficulties in getting
them across. In any case it will be an experiment well worth
trying. Of course extra freight will be charged and the farms
should pay anything over 1/- per head. I told Clark, Speedwell
Island manager, that he could save the use of land island for
next season as he is anxious to take the sheep away from the hands on Speedwell. He will run 400 sheep on the small island and these and about 600 more will be available for catching. A favourable day will while the "ballsland" is running from Fort Howard to Egg Harbour can be seized to take the sheep across from Speedwell, Speedwell sheep can be landed by the "clear" and driven to Goose Green with sheep from Fort Howard, those from Sleaker landed at low Bay and lively island sheep run straight to Goose Green. I believe that this will be profitable to all concerned.

practically every farmer with any men at all to spare has promised me all the assistance in the way of men in his power in all we require about 100 men, and of this total the farm should be able to supply about 50, so that I do not anticipate much difficulty in finding sufficient to carry on. We kept back 5 Calibans from this season's gang to help to finish up the work and I intend keeping these men if they will stay until the end of next season. They will be useful in excavating the farms, can make and in many other ways.

I have every reason to anticipate securing 50,000 sheep for next season, even if we have only an average landing. I would not be at all surprised if Fort Steckens had a number available but unless we ship them from Fort Bay it can hardly be expected that they will send them.

One of the difficulties I see in obtaining local labour is the allocating to each man his particular work. Most of the men want to be butchers, where as only eight are required, but I have the slightest doubt that we will find a means of overcoming this difficulty, should it arise. I am trying to secure all the boys I can as there is much work that can be done equally well by boys as men. We have only one boner of our own, well trained to the work, and it will take time and
and patience in training men for this important branch.
I am sending a circular letter to all stations to find out exactly the number of men available from each.

10. I enclose copies of correspondence with the Governor concerning cheques of ours cashed at the Treasury. I have also had a discussion with the Governor on the subject. The great scarcity of currency at the Treasury is the reason for the tightening up of the arrangement that has hitherto worked so well. We are also experiencing difficulty in keeping a working balance of cash. The Governor says he sees no difficulty for us in his revised regulations and says that he will accept drafts on the Crown agents from us or cable payments to the Crown agents through you, but he will not commit himself on paper to this. He seems to prefer to give the Treasury the power to demand any balance due to them in case, should cash be required there. This is the undertaking that I am trying to avoid giving. He may or he may not exercise his power of taking all cash away from us, but he insists on the right to do so if necessary. Of course as he says the sum of £1000, paid monthly to the Crown agents, is not to be exceeded without his sanction, so that should he not accept a draft from us or a cabled remittance and we have no cash which we can spare, then it may suspend the acceptance of our cheques at the Savings Bank and the Treasury. He cannot get out gold or silver, he informs me, until the war is over and proposes to issue more notes without increasing the Note Guarantee Fund.

11. Coal. Our stock of coal is now down at slightly over 500 tons, out of this some 60 tons will go to Darwin next trip and as the "Falkland" consumes about 70 tons a month, I will include a message giving particulars in first cable, so that you can ship us a quantity first chance. I will also ask you at the same time to ship 500 tons for Goose Green. Present stock would last until the end of the year.
12. The letter "clear" is still in our hands undergoing repair. It is difficult to get on with work of this kind at this time of year.

13. No. 1177 par 5. Redmond is certainly the man and under Mr. Wise for the actual running of all Goose Green machinery. We have probably a better working knowledge of the plant than a professional engineer not accustomed to this particular class of machinery. Bills in always available should anything go wrong, and always makes a visit to the works before the season commences to see that everything is in good working order. With Redmond there I consider that an engineer is unnecessary, as after all Mr. Wise is an expert in running of running machinery and we have Bills or whoever succeeds him to go out immediately his services are required. The same holds good even if we should add to the present plant, Mr. Jarvis, when at Huta Round sent me the names of two engineers with local connections, willing to take on the job but I see no need for any change at present.

14. No. 1177 par 12. The coal from the Byrock Piit, North Wales, has always been found suitable for ordinary steam boilers, and it is only at Goose Green that it has proved to be troublesome and costly. It is the nature of the coal that it is at fault, as even in house fires, with selected pieces, clinkers form, which although harmless there cause no end of trouble in our Babcock furnace. One of its advantages is that steam can be quickly got up from it, but this is really generally a point of no great importance.

15. No. 1177 par 13. Mr. Wise was in Stanley recently when I had the opportunity of talking over many matters with him. I asked him to make it clearer exactly what he is asking for in the way of recognition and why. It seems that on his arrival at Goose Green he found that besides being the only man he had to effect important alterations in all the arrangements which ought to have been done in the
first place by Allen, who was sent out as an expert at a high salary to supervise the erection of the plant, etc. He informs me that if he could effect improvements he was promised that his services would be recognised. First season it took him 50 days to put 17 to 18,000 sheep through the works; now after continually altering and improving he can do twice as well. By not calling in outside assistance and by struggling with his regular men he considers that large sums were saved to the Company. He came on the condition that his salary would be £500 a year and agreed to the bonus of £50 because he knew it to be a certainty. This all happened before my time, so that I know nothing of the terms under which he was engaged, so agreement having been drawn up. He thinks his work of the first three years worth £750 a year, and although he will not exactly say that he really hopes to receive, from what I gathered he is anxious to get several hundred pounds to cover heavy expenses in getting here after his last vacation and to reimburse him for his outlay in purchasing furniture which has already been refused as I understand. Mr. Veits is well satisfied with his treatment by the Company but he cannot get it out of his head that he made a better job ofỗose Green, although only engaged as Preserver, than Allen who appears to have cost a considerable sum of money locally and is far from being as economical. I do not think it advisable for Mr. Veitz to go to the Coast this year, there are many difficulties in the way. In the first place permission would probably be refused, or if granted some new regulations in force before his return, and then there is the difficulty of transportation with steamers all returning home through the canal. He will make an attempt next season to utilise as much of the waste products as possible at present he considers we throw refuse to the value of about £2000 on the beach, none of the oil had been pressed. Nothing.

16th-No-1177 par 14. As I put the gist of your remarks before Dr. Race and enclose a copy of his reply. His reply is written in his usual characteristic style and appears to be intentionally offensive. He is entirely unacquainted to the Camp work and
and is far from attentive to his duties. Recently there was a serious case at Goose Green to which he was called in the evening after dark. Instead of walking there he insisted on his horse being caught for him, which took two hours. I understand, after which he was led down by the messenger, the camp hands will not go to him if they can avoid it, and altogether Barron would be the better of his departure.

17. No.1177 par 14. Some thing must be done to improve the conditions of living at Goose Green for the coming season, especially as I hope to run the works with almost entirely local labour. I enclose report from Nicholson and I intend giving effect to his suggestions.

18. No.1177 par 15. It is satisfactory to have your report of the shipment of meats per Urta realizing 82/- a case c.i.f. Now that we are shming the balance on the "tariff are Wall" excellent results for the year assured.

19. No.1177 par 16. It is interesting to note that an offer of £800 has actually been made for the "Lady Elizabeth." I am firmly convinced that her hull is undamaged in spite of the diver's report, copy of which I sent you recently.

I am at present taking use of the "Samson's" winch for landing cargo at the jetties. This winch is one that has been patched up locally and is far from being as economical as it should be. Even as it is it saves labour and time and the work is done cheaper than by the older hand winches.

20. No 1177 par 18. The "Aland" leaves to-morrow afternoon for Pebble Island where it is hoped she will succeed in collecting the total prana. It will be interesting to see how long it takes. Should the weather be unfavourable on the way out she will call there again on her return. When there in May none of the wool had been pressed. Nothing of course can be done in the way of advancing freights until present contract expires.

21. Your most interesting statistics, showing the loss in lambs between marking and dipping, and dipping and shearing,
reveal a loss that will surprise most farmers. I have discussed the whole question with Mr. Johnson and Mr. Miller and some others, but all seem to hold the opinion that it would be a mere waste of time for the Government to call for such a return. They do not doubt the advantages that would be derived from such returns, accurately given, but question if any station will go to the trouble of supplying returns that could be relied upon. Most farmers do not include lambs brought in during shearing in their marking returns and these go against their loss, thus reducing their loss percentage considerably.

I will see the Governor personally and discuss the whole subject with him.

I am,

Sir,
our obedient servant,
[Signature]

It is of course difficult to say in what whether last year's results will be maintained this year. I have every reason to believe that profits will be again satisfactory. It is becoming increasingly difficult to keep up our margin of profit, owing to the continuous rising prices, and it is also more and more difficult to obtain all the supplies required for every day sales. I will see from copies of correspondence with the Government that the Governor took exception to our calling prices of wool—a tax for flour imported with its assistance from Dubai, etc. As second and last letter on the subject left him open to be dealt with.
Sir,

Your despatch, No. 1178, dated 3rd May, on the subject of last year's accounts has been read with much interest.

As regards the accounts, it is to be noted that in last year's return we omitted to debit this account with £486.7.5. for freight on timber from Buenos Aires, which was reasonably charged against the account, but has since been discovered and corrected. This has caused a mistake of £200 in the stock sheets, which has been charged against the account. The total amount recovered from the C. A. Liverpool, for damaged flour, is £486.7.5. so that the net difference is of no material consequence.

It is of course difficult to say so early whether last year's results will be maintained this year, but I have every reason to believe that profits will be again satisfactory. It is becoming increasingly difficult to keep up our margin of profit owing to the continuously rising prices, and it is also more and more difficult to obtain all the supplies required for every day sales. You will see from copies of correspondence with the government that the governor took exception to our selling price of £3.19/- a bag for flour imported with his assistance from Buenos Aires. His second and last letter on the subject left him open to be shot at.

Yours faithfully,

The Secretary,

London.

26th July, 1817.

E35.
and unless it shall be asking them if they have a market for such materials detailing the various articles held by us. I should think that the best market would be at a rate, as many sailing vessels still trade between that port and the coast, we have no opportunity now for quotations to the lower rate.

3. (copy of a copy) I am glad to note that it has been decided to make this, in future, a working account only, where all freight returns for bulkage etc., and handling charges on stores are to be credited and all wages amount, cost of repairs and insurance deducted. The charges for bulk rate etc are altogether made rate and considerable all round increases will be required to be made to make the account a paying one. As you say, I will have plenty of time before the termination of the freight contract - on 1st January, 1919 - to go thoroughly into the cost of working and put before you the rates that are required to bring the account up so that it will realize a profit. Of course the cost of repairs to bulk and lighters may vary considerably from year to year, but once all of them are put into thorough repair it will be a simple matter to keep them there.

4. GENERAL CHARGES. Our cables from here are still accepted in code. We give the Governor a translation of each message and it apparently lies entirely with him, as censor, whether or not they are forwarded. Our cables, both despatched and received, are much heavier this year than usual.

5. Shipment for 1916 SAVING SEASON. The omission to pass the cables in question was discovered too late to have them included in last year's accounts. Instructions were given in your despatch, No. 1171 par 9, but for some reason or other the matter was overlooked. Fortunately our valuation of unsold produce was well under values realized so that this year's account will not be saddled.
Duplicate: (Originals per "Integra", 10th June, 1917.)

<table>
<thead>
<tr>
<th>Remarks</th>
<th>Store Numbers</th>
<th>Coasting Insurance</th>
<th>Mr. Tewson's Report</th>
<th>Shipping Report</th>
<th>Stanley Waggon - June 20</th>
</tr>
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Specimens: (Wool: Skins: Tallow)

| Ko. | 35 | 7 |

Correspondence:

23. Col. Secretary (per "Integra")

- Purchase of wool & skins by Govt.
- Acceptance by Treasury of cheques drawn on F.I.C.

Dr. Wace

Specifications: (Number of skins) We will be able to continue in the machine within 10th: May to complete by the 19th.
31st July, 17.

The Secretary,

LONDON.

Dear Sir,

I am expecting the "Orita" any moment, but, up till time of writing-13 noon- she has not been reported from the lighthouse.

Your cable requesting me to ask Mr. Miller to furnish particulars of the late Mr. W.E. Williams' personal property at Weddell Island at third May was received on the 26th inst.

It will be awkward for Mr. Miller to get round from Hill Cave to Weddell, but I have no doubt that he will find a means. A mail leaves on Thursday for the West when I will put your message before him.

E.E. "CARNABY HALL": By five o'clock today we will have loaded fully 1000 bales wool and skins, fully 2000 cases meats and a number of hides. We will probably be held up any day should a warship arrive to coal from her, as she has still 1,250 tons to get rid of. No. 3 hold has now been cleared, so that we will be able to continue in the meantime without interruption. We may be able to complete by the 10th prox.

Yours faithfully,

THE ISLAND ISLANDS CO.
Sir,

I confirm my despatches Nos. 524 and 525 per wires and have to thank you for your No. 1179 received on the 31st only.

2. Cables despatched between us are confirmed as per copies enclosed.

3. I am very glad to receive instructions from the Board, as indicated by the word "allowance" in your cable of 11th ultimo, to pay all Stanley workers on nearly wage earning full pay, a war allowance of 3/- per week for the period of the war and until six months after peace is declared. The receipt of your message that once notified the Government and they appear to be reconsidering their previous negative decision besides the extra to the hourly men I have temporarily increased the wages of monthly men earning between £3 and £5 by about 1½ and ordered to be by 1½ - monthly. I hope this has your approval.

An attempt was made by several rates to get all the workers to refuse the extra 3/-, as not being enough, and two men, owing to this, have been excluded altogether; another two by attempting to create trouble have been dismissed and will not be re-engaged under any consideration. Generally speaking they appreciate the voluntary grant from the Board and I feel satisfied that we have silenced discontent as to wages for some time ahead at any rate.

The Secretary.
it will interest you to know that I have had no trouble at all to find men to load the "Cardiff" hall, even at 3d per hour less than the rate of wages for casual labour ruling in January last. In calling for volunteers I got our mason and his assistant, three apprentice carpenters and two painters to assist the getty gang.

4. I have not been so fortunate on this occasion in getting into touch with the farmers to obtain their consent to dispose of their next season's wool clip to the imperial government as when your previous cable on the same subject reached me. All farmers have now returned to their stations and when your cable was received I had decided to keep the "Taliland" in Stanley for a month, for boiler survey, overhaul and to save coal. It is only a matter of four weeks now and all will readily agree to sell again on the same terms, but I am writing each one and will send their decision as soon as I get all replies in.

5. I note that our cable giving total number of bales wool shipped per "Cardiff" hall arrived mutilated, the total as received by you being 2390 bales instead of 2896, in confirming the latter number. Advising another three bales shipped for one decision these will require to be appraised after arrival as no former account sales are available on which valuation can be assessed.

6. I have not had an opportunity of conveying to Mr. Miller your message per cable of 8th ultimo, requesting me to ask him to send full account station for and to furnish full particulars of "Taliland" property at 3rd day, including stock, buildings and unsold produce. As a matter of fact I had already asked him to do this as I knew it would be required. I have not yet heard from Mr. Miller and it will be the end of the month before the "Taliland" goes again to the west.
7. A number of farmers informed me that unless we pay them more than 3/6 per head for sheep weighing under 40 lbs. cold weight, next season they will roll them down as they can make much more out of them from the sale of the tallow and the skins. It is inexcusable that this waste should be allowed under present conditions. While I fully understand the object of the board is to stimulate farmers to raise and send good sheep for market, I think that while the car loads we should send our scale somewhat. Most farmers promised me all the rams they could spare from their stations to work at some places this coming season, but some of them now say that if they roll down their so-called rams, they will require most of their hands themselves. I am enclosing a copy of a letter from Mr. Sales on the subject of the number of men he requires for next season's coming. In his letter he has sent me an interesting statement showing the minimum number of men necessary to carry on the work and the rate of wages paid for the various branches of the work. It will be seen from the statement that our men will supply about thirty men and that if we can obtain 50 men from other stations we will be independent of imported labour altogether. I sincerely hope that I will not be disappointed, and needless to say I will do everything possible to secure the necessary numbers. As that I have before me Mr. Sales's list I am writing all stations putting details before them and soliciting their assistance.

8. Through the courtesy of the Governor the Government ship has been put at our disposal for the purpose of examining, cleaning and, if necessary, repairing the bottom of the "Hyrm." She is now on the slip and I am glad to report that the condition of her bottom is most satisfactory. Side of the slip she is being thoroughly scraped and painted. It is a great pity that we do not possess a slip of our own, as the "Grid" which
was built for the steel lighters, although better than nothing, is far from satisfactory. Last time the "real" was up for overhaul it took us almost three months to get her off again.

The ice has given me a report on the boiler, engines etc of the "Lyn", and same goes forward herewith.

9. The ice is now busy making a plans of some more settlement, based on a very good one drawn up and sent me by Mr. Egan. I hope to have it in time for consent by the Ar[teg]

10. In the case "Clear" after a thorough overhaul, has now left Stanley. The bill for labour and material amounts to over £400; it is time the exorbitant wage paid to carpenters for work on such vessels is put a stop to. The men must naturally make the time occupied on this work show out, and the high cost of repairs through this hits the other owners very badly. It quite understandable any owners generally are badly neglected by their owners.

11. About a week ago the scowoner "Alfreda" broke away from her moorings, through the breaking of a defective link in her mooring chain. Fortunately this happened none of our men had just left her and were at work on the "Crescent" so that no time was lost in calling for assistance. Both the "Alfreda" and "Lyn" were laid up, but the motor boat being available the men were quickly put on board and before she reached shallow water they had her anchor down. This proves the great necessity of having all moorings lifted for inspection periodically. Since then we have lifted the moorings of the "Alfreda" and there were found to be in a satisfactory condition. For that work afloat has slackened considerably. I will have a thorough examination made of all moorings.
12. Since I last wrote you I have seen the Governor and discussed with him your suggestion for the Government to call for annual returns from each station of their losses in lying. I told him frankly that all farmers with whom I had discussed the subject were cold to it. I am glad to say that he has interested himself in the matter and he readily saw the advantages to all farmers that may be derived from such returns as a preliminary he is sending a circular letter to all stations asking them for returns and informing them that they will be treated confidentially. Although this is far from that the Rear suggested, still I think that after all it is the wiser course, once the Governor sees the returns, and they are such that go to prove a wide difference in loss, he could then make it compulsory for the stations to send accurate figures for public information and good.

I sent him a copy of the form as suggested by the Secretary, for some reason or other station managers are anxious to hide losses of this kind from each other, but in conversation all of them set out to prove better methods of working than their neighbours.

13. The ship "Cardiff" all returned here on the 8th, and started loading on the morning of the 9th instant.

If present rate of progress is maintained loading will be completed by Monday evening, or returning to the port for the balance of the produce of the colony is entirely due to the efforts of the Governor, as it was in fixing her to lift all cargo in the beginning, and I will record our appreciation and that of all farmers by letter to him as soon as the vessel sails, needless to say it is a great satisfaction to me to see such a clearance from our bulks, and all are to be congratulated on getting their produce shipped at such an early date considering the great scarcity of steamers at present.

Before the "Cardiff" left sailed on the 9th ultimo the Governor did not consider it worth while to
bring her back and in view of this I rushed landing all possible by working until midnight on the 8th and the 9th and all night of the 9/10th ultimo. The only wood in the islands which will be assigned is part of that at Sable Island Station, and they are solely to blame for it not going on. I enclose copy of letter from the Station Manager on the subject for order of same. It is with regret that I report that

14. I am enclosing copy of letter above detailing work under his charge. Such copies will be sent you each week.

15. I enclose copy of a wireless message received from Mr. Maurice, C.G.M. of Ottawa electrician. From Montreal to

I am merely writing in reply informing him that without the sanction of the Directors I am unable to furnish him with the information asked for.

16. I have contracted with the British Company of Steam

fires for next season's casings at £12 per 1,000 as last year. A better price might be obtained elsewhere, but in view of the fact that we are having our templates through this firm I considered it advisable to order again to them at the price will go against the cost of the templates. I have asked them to cable the position of our order for templates, but as still without their reply, I am probability will get the 16 Oaken casings, at present awaiting shipment, off by the next Cardiff boat direct to Sable Island, for transhipment to New York. Guarantee as to ultimate destination are required and I must have these before the Government will issue a permit to ship.

17. 1879, par 41. As you write with reference to the sale of wood to the Director of Stores, in read with much interest. It is satisfactory to note that on the difference between former inflated prices and those resulting under the arrangement with the government in excess than £10 per pound against the company, as illustrated by your very interesting comparison. I have informed Station owners here that such quantities shipped are known to you, a statement of
of the total value will be made out on the basis of pre-

war prices, and that payment will be made as soon as the

director of army contracts is satisfied with your figures,

as nearly as possible in full any adjustment necessary

being made on the basis of delivered weights after arrival

in U.K. The C.A., Liverpool, called me asking for the

number of bales of wool shipped and asking for a certifi-
cate for number of bales landed to satisfy government re-

quirements, which we doubt is intended as a check on your

figures.

18. 1179, par 5. S.S. Glasgow is now here and I have

asked the Governor for his assistance to arrange for a

diving party to examine the bottom of the "Lady Elizabeth.

He promises to do what he can but so till time of writing

I have not heard whether the Commodore can manage it or

not. Her stay is to be a short one so that I have had

little time to become personally acquainted with the com-

modore. Upon examination, her bottom is found to be

encrusted. I believe it would be advisable to sail her

home with cargo, and have her properly repaired there,

where the work would be more cheaply and honestly done.

19. 1179, par 6. We have been charged on government passages. In the case of orders sent out

by the Railway Agency, Ltd to erect the Admiralty wireless

we naturally expected our usual agency commission, for

several days before the departure of the last batch of in

these works we had a continuous stream of men in the

office seeking information, obtaining labels, and for their

tickets. One ticket only was given, but a list of names

of all the men had to be made out and attached and there

was quite as much work in reality in connection with the

bookings as for ordinary passengers.

21. 1179, par 9. I enclose summary of rail agency

account for the year 1916. It will be seen from this

statement that after writing back commission to rail

Agency, Ltd and on Admiralty passages there was a slight

for fourteen years constinuous
loss on the year's working, in a small port like this where similar facilities must be met for handling cargo as in a larger port and where the number of passengers travelling to and fro is naturally limited, a minimum commission of 5% is not enough. It should be at least 8%, per steamer, of course our anticipated method of handling cargo is largely responsible for the high rates, but at the same time when much traffic exist we ought to arrange our charges accordingly. That is to say that we should charge all importers proportionately on their weight and measurement as much over their actual cost, which should include cost of labour, hire of lighters and labour. In the Philippines a charge of this kind was often made but costs generally exceeded 2/- a day. I can hardly imagine the paying for lightering but I will write privately to or (and perhaps he will furnish or with particular of the arrangement in force when he was there and the)

21. 1179, par 7. There has been no intention on my part to depart from your explicit instruction not to pay above except on the basis of weight delivered at some distance, or loss or rent wrong in not informing me beforehand of his arrangement with Greenfields and there was nothing else for it but for me to confer the purchase on the Greenfield's own self and was anxious to replace the very old ones on Barmie section by the pick of theirs.

22. 1179, par 10. I received a similar letter from the secretary of Lloyd's to that received by you concerning the agency from the value now in stock at the time.
1179, par. 17. The case was never raised except on actual wages earned, extra wages and contract work being included. This course has been followed this year and will be in the future.

1179, par. 18. It is of course natural for nearly everyone on the Corcovado to disclaim all responsibility liability in respect of the damage perpetrated by his crew on board the Lady Elizabeth, all our men were working on the Great Britain, so that as there was no occasion for them to be on the Lady Elizabeth the chances were against any of them noticing the damage during the time the Corcovado was here. It is utterly false for him or any of his officers to state that the damage reported was observed immediately the Corcovado moored alongside her 'The Great Britain' being between both vessels, how could they have observed the damage unless they had visited the Lady Elizabeth and examined her cabins and if it had been for the customs officer it could most likely have been after the Corcovado left when the thefts, when he surely took place, could have been discovered. No court that would have been denied, too.

The missing articles were restored and taken ashore, and it was through resentment at having to return these that they wilfully pulled all the fittings to pieces and smashed glass and doors. Our men have had such an opportunity throughout the last four years, and it is absurd to suggest that they seized this occasion to destroy the company's property.

1179, par. 19. In no case did we fail to deduct the 1£ for drivers from 1st ballot and sheep. In some cases we deducted £1 from the value and in others the 1£ was taken off the total number of sheep at the factory, and the weights of the cett number only included in the returns sent to the office. Should we again require to send men to assist in the shipment of sheep at Fort Howard next season, each station that received assistance will pay the
228

£36 per H.M.S. Glasgow. 8/9/17.

10.

Concerning the cotton, the matter is a small matter, and
it is greatly to our advantage to save the work carried through
exceptionally.

Costing Letter 79. By last mail I received a VV/ey from Mr. B-
Roll on covering me to act for the Trustees as administrator of
Mr. C., who will return in June 1st.

Stanley Letter 173. Regarding Station CO. regarding other arrangements. I will willingly
go along in my letter to see that their interests are properly looked
after, their Solicitors, others J. M. District have not yet written.

Letter to Mr. A.

In reference to the settlement of the late Mr. Williams'
private estate, but I shall not be heard from their next mail.

A wireless message has just reached me from the British Consul,

Concerning the goods leave the factory. I sincerely hope
that there will be no undue delay in the plans reached as we

Encumbering Agent means that the last we can expect is January
arrival.

C. F.

Mr. B.

The Shipping Agent informs me that the cargo is not yet

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S.
Enclosures.
Duplicate (Originals per "Orita", July 31st, 1917.)

Deeps, Nov. 534/5
Journal for May
Cash Book for May & June
Store Indents, No. 537
Remarks on Stores
Coasting Insurances
Mr Townson's reports
Canning - Resume season 1917
Stanley Wages return - June 30th.
Remarks on a/c.
Statement on a/c.
Correspondence: - Dr. Wace
Letter to Secretary

Specifications: -

<table>
<thead>
<tr>
<th>Store</th>
<th>Wool</th>
<th>Skins</th>
<th>Hides</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;S</td>
<td>142</td>
<td>4</td>
<td>11</td>
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<tr>
<td>F. &amp;</td>
<td></td>
<td></td>
<td>28</td>
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</table>

Originales:
1. Journal for June
2. " " July
3. Cash Book for July
4. " " August
5. Cash Vouchers July & August
6. Store Indents 528
6a Remarks on Stores
7. Coasting Insurances
8. Telegram Recorders
9. E. Falkland Manifest 31 & 32 D.
10. Bonus List 1916
11. Stanley Leager Balances 30 June, 1917
12. Store " " " "
13. Butchery " " " "
14. Remarks on Store Debtors
15a. a/c Shipping Report
15. Canning - particulars & weights of Hides
16. do. list of men required for Goose Green season 1917
17. do. return of materials used & on hand June 30th, 1917
18. Letter from Mr. Weiss 15th Augt., re above
20. Reply to remarks on Machinery Report
22. Duplicate Specification & B/L shipment Cardiff Hall
23. New Whaling Co's a/c, to June 30th.
25. Remarks on a/c.
27. Correspondence: -

Colonial Secretary, re £1000 Remittances.
J.C. Betts, Pebble Island, (re delay in baling wool)

Specifications:

<table>
<thead>
<tr>
<th>Store</th>
<th>Wool</th>
<th>Skins</th>
<th>Tallow</th>
<th>Hides</th>
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<td>J.H.D.</td>
<td>24</td>
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<tr>
<td>J.L.W.</td>
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<tr>
<td>S.I.</td>
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<td>10</td>
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<tr>
<td>H.G.C.</td>
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<tr>
<td>&amp;.F.C.</td>
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<tr>
<td>N.C.</td>
<td>12</td>
<td>1</td>
<td>16</td>
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</tr>
</tbody>
</table>
886 per H.M.S. *Clan* 8/8/17.

Additional Enclosures.
North and Store Dept. (Marks, Evans & Co., Ltd.,)
Supplementary Statement on accounts.
Mr. T. Dawson's report.
Letter to the Secretary.

The Secretary.

LONDON, E.C. 2.

Dear Sir,

The s.s. "Cardiff Belle" completed loading yesterday, and will leave direct for Zanzibar this afternoon. She should have left yesterday, but the local Government is receiving 60 tons of coal from her, which has delayed her sailing a whole day. I cabled last night advising that total coal has been shipped, giving additional quantities on board at previously advised, and deducting one bale from been documented & Bales' and Packe Bros, & Co.'s totals.

Five bales in all were not fit to ship, the above two E Bales E.A., and 1 bale B.I., all of which are being returned to their respective stations to be reconditioned. Numbers of these bales will be given in a separate memorandum. There are several discrepancies in the tally, I think this must be due to wrong tally in the "Jilla" shipment, but Bills of lading are being noted accordingly, and I hope that there will be no difficulty in straightening out all marks and numbers on arrival. Some of the cargo was landed with artificial light, when it was somewhat difficult for our
secured alongside the "Great Britain", and I have arranged with the Government to discharge balance of coal in bags, about 70 tons, up to the deck of the lighter. She should have gone to an anchorage yesterday, but at the request of the Government I made no objections to her remaining there another day.

I shall probably cable you this afternoon asking you to pay the Buenos Aires the duty on the coal just shipped, should the Governor approve of payment being made in this way.

The Secretary, yours faithfully,

LONDON, E.C....[Illegible] Company Co., Ltd.

Dear Sir,

The S.S. "Cardiff Hall" completed loading yesterday, and will leave direct for Buenos Aires this afternoon. She should have left yesterday, but the local Government is receiving 80 tons of coal from her, which has delayed her sailing a whole day. I cabled last night advising that total coal has been shipped, giving additional quantities on hand not previously advised, and deducting one bale from both Holmested & Blake's and Packe Bros. & C'oy's totals.

Five bales in all were not fit to ship, the above two, 3 bales N.A., and 1 bale E.I., all of which are being returned to their respective stations to be reconditioned. Numbers of these bales will be given on a separate memorandum. There are several discrepancies in the tallies— I think this must be due to wrong tallies in the "Orita" shipment, but Bills of Lading are being noted accordingly, and I hope that there will be no difficulty in straightening out all marks and numbers on arrival. Some of the cargo was loaded with artificial light, when it was somewhat difficult for our
moored alongside the "Great Britain", and I have arranged with the Government to discharge balance of coal in bags, about 10 tons, on to the deck of the latter. She should have gone to an anchorage yesterday, but at the request of the Government I made no objections to her remaining there another day.

I shall probably cable you this afternoon asking you to pay the Crown Agents the duty on the produce just shipped, should the Governor approve of payment being made in this way.

yours faithfully,

For The Falkland Islands Co., Ltd.,

Manager,

Enclosures,

Specification & Bills of Lading per s.s. "Cardiff Mail".

s.s. "Cardiff Mail" - accounts.

Details of cases Meat etc., ex Stanley Store.

Memo. to Secretary re wool to be re-conditioned.

Confirmation of cablegram 15th Sept.
tally clerk and the ship's officer to be always assured in noting marks and numbers. In the case of the canned meat shipped there is a shortage in the tally of 26 cases. We have tried to unravel the difference here, but it is impossible now for us to find out when the mistake occurred. 57 cases have been taken from store stock and shipped, and these are not included in green specification. With kindy note, I am inclined to think that this lot was missed in tallying, although the ship's officer says he included them in his figures.

CLUES: Included with cable regarding shipment, on "Cardiff Hall": I gave requirements supplied me by Mr. Thoms of pipes for both North Arm and Green Green. Both Mr. Thomson and Mr. Weiss are adverse to laying earthenware pipe in dry settlements, based on Mr. Weiss's experience of "Dana" Green. The quantities called are: 300 yards 3" and 100 400 yards 3" and 700 yards 1" iron for North Arm, and 100 2" and 700 feet 1" both iron for Green Green. The quotations in view of both price and delivery, all the larger sizes in earthenware are unsuitable.

This morning I received your cable asking for probable date of sailing of "Cardiff Hall". My cable of last night would indicate this, but I will either wire you or send word in the event the date of her departure is certain. There is a strong N.E. gale blowing today, preventing the Captain from leaving here to touch up with us, and it is just possible the weather may decide how far to sail while tomorrow. We are still in a till time of writing, but have not obtained a letter or any support from the steamer, the steamer of the Secretary.
Sir,

1. My last despatch left per the S.S. Ortega.

2. Cables passed between us are confirmed as per enclosed copies.

3. I did not cable advising the departure of the S.S. Cardiff as I considered this unnecessary, seeing that my cable advising arrival crossed yours asking for probable sailing date. She actually left on the forenoon of the 14th instant. The Governor told me recently that his instructions not to pass cables giving information as to the movements of vessels still holds good, and he is surprised to observe much information of this kind in messages not being received.

4. I am enclosing herewith, a further report by mine on the Company's buildings and fences in Stanley.

5. Mr. H[il] has completed his plan of house green settlement and same is being forwarded by bearer copy of a letter from Mr. Ellis discussing the original plan he sent me in enclosed herewith.

6. Mr. E. Locke, United Texas, called on the 16th and asking me to ship per S.S. Ortega the ship's material which I informed him recently we were prepared to dispose of. 60 packages in all, containing canvas material as per enclosed list, are not ready for movement, but until time of writing I have not obtained the necessary export permit from the Governor. The Collector of Customs standing by our present instructions.

The Secretary,

LONDON.
...for the Government for use in the railway work. The proposal to provide such a railway was considered a matter of great importance by the Government and many applications were made for the Government to purchase the land. However, it was decided that the railway should be entirely constructed by the railway company, and that the Government would only be responsible for the construction of the railway itself. The railway was completed in 1838, and is still in use today. The company also undertook the construction of roads and bridges, and the railway became a vital link in the transportation network of the colony.

The railway was completed in 1838, and is still in use today. The company also undertook the construction of roads and bridges, and the railway became a vital link in the transportation network of the colony.
unless we hold a cash reserve in the Office, which under present conditions is impossible. In my letter to them dated 13th June I stated the position at the Governor in reply appeared to insist on the guarantee as drawn up by him being given. I had nothing further to say to this, and so far the Government have continued to meet us as formerly. Although the question has not again cropped up it may be raised any moment and I shall welcome the opinion of the Board on the subject. As much of the original arrangement was oral, we have no records to show how the working arrangements developed. Indeed and deserving will doubtless have the facts at their fingers' ends and any information from either or both would be useful to me. It may be that they will not pursue the matter further as at present the Governor is meeting us in every way. In conversation with me the Governor said that they acted as bankers for us, and that he did not see why they should do so to meet our convenience. The Treasurer has naturally made the most of the work involved in ascertaining our chances at the Savings Bank and casting them at the Treasury, and the Governor has obviously based his arguments on information from him, while willing to meet the Government in the most friendly spirit in every way, by giving them the desired guarantee and failing to fulfil my undertaking, I would naturally put myself in a position to be shot at. I suggested to the Governor the importation of silver, which he said was impossible at present, but to ease matters he agreed to increase the note issue by £2,000.

9. Your cable instructing me to tell Ronson to enlarge the seal Creek paddock in preparation for ten runs which will be shipped on the S.S. Victoria, informing me that you cannot buy our tender requirements for George Creek and asking if we can purchase locally, reached me yesterday afternoon. Mr. Ronson happens to be at Fortuna at present, but he will be back at Darwin again in a
527 per...rteea. 30/4/17.

Ceylon.

1st. Capt., 2nd. Mr. Bell. 

Journal for Augst.

Cash accounts for July & August.

Store invoices.

Remarks on Stores.

Coasting.

Remarks on Stores.

Mr. Tremain.

Cannings list of materials used and on hand June 30th 1917.

Can supply the desired quantity.

Letter to Mr. Tremain.

Engineers monthly reports July & August.

Reply to remarks on machinery report.

Abstract of Mail Agency & Cay's shipping accounts.

Statement on accounts.

Your obedient servant,

J.W. Nash, Pebble Island, Ballymore.

Originals.

1 Copy of Journal for Augst.

2 Mr. Nash's letter No. 232.

3 Mr. Nash's letter No. 233.

4 Remarks on Stores.

5 Continuation of cables.

6 Copy of cablegram No. "Cardiff Hall" copy account 11th Sept.

7 Shipping report.

8 Mr. Tremain's report.

9 Letter for copy of order.

10 Copy circular to clerks re men for Cannings works.

11 Copy P.C. R.O. account.

12 Remarks on accounts.

13 Mr. Nash's letter.

14 Remarks on buildings (Stanley) letter of help to materials sent to P.A.

15 Mr. Nash's letter re 2nd Aug. re C.Q. settlement (Stanley)

16 Copy letter, re 2nd Aug. re C.Q. settlement.

17 Capt. Reed, re "Cardiff Hall".

18 Collector of Customs, 10th Sept.
Duplicates (Originals per H.M.S. "Glasgow" 10th Sept., 1917).
Desp. No. 36.
Journal for June & July.
Cash Book for July & August.
Store Indents No. 528.
Remarks on Stores.
Coasting Insurances.
Bonus list (1916).
Stanley Ledger Balances June 30th.
Store
Butchery
Mr. Townson report.
Canning list of men required for C.O. season 1918.
Return of materials used and on hand June 30th 1917.
Letter from Mr. Weiss 15th August re above.
Engineer's monthly reports July & August.
Reply to remarks on machinery report.
Abstract of Mail Agency & Coy's Shipping accounts.
Remarks on accounts.
Statement on accounts.
Correspondence.

Originals.
1 Copy of Journal for August.
2 Store Indent No. 529.
3 Dr. Jacc Indent for Drugs.
4 Remarks on Stores.
5 Confirmation of Telegrams.
6 M.S. "Cardiff Hall" copy account 11th Sept.
7 Shipping report.
8 Mr. Townson report.
9 Letter for P.O. Coddard.
10 Copy circular to clients re men for Canning Works.
11 Copy P.O. N.C. Account.
12 Remarks on accounts.
13 Statement.
14 Further report on buildings (Stanley).
15 Memo re C.O. settlement.
16 Correspondence:

Mr. Weiss 22nd Aug. re C.O. settlement
Capt. Reed, M.S. "Cardiff Hall 2",
Collector of Customs, 15th Sept.

Letter from P.O. Coddard.
Mr. Weiss 22nd Aug. re C.O. settlement
Capt. Reed, M.S. "Cardiff Hall 2",
Collector of Customs, 15th Sept.

Correspondence.

5. The Colonial Office referred your application for a priority certificate for 64 cases of syrup to the Governor, and I enclose copies of correspondence on the subject. The position is not quite clear at the mo-

Letter from P.O. Coddard.
Sir,

I confirm my last dated 20th September per R.M. S. "Ortega" and have to acknowledge the receipt of your No. 1180, dated 31st August.

2. Cables exchanged between us are confirmed as per copies enclosed.

3. I was glad to be in a position to cable you on the 11th instant the information that all local farmers are again agreeable to dispose of their wool to the Imperial Government on same terms as that shipped per S.S. "Cardiff Hall". I duly informed the Governor of this, and he tells me that he has so far received no information on the subject from home. In my No. 538, par 4, I explained the reason for the delay in cabling you on the subject.

4. I have fortunately been able to secure from the Brecht Company for shipment by first R.S. No. 6 steamer, 35 cts Tin and 45 cts Lead for solid for Goose Green. Prices are extremely high at 22.10 and 34 cents Argentine gold per kilo respectively, but there was no alternative but to place the order. I asked them to try hard to reduce prices and they have agreed to allow 5% discount. Payment to be made against delivery through Messrs Maclean and Stapledon, Monte Video.

5. The Colonial Office referred your application for a priority certificate for 240 cases unassorted tinplates to the Governor, and I enclose copies of correspondence on the subject. The position is not quite clear at the moment.

The Secretary,

London.
while on the subject I applied for his assistance to obtain 8t. ton solder also for next season and I feel sure that he will support our application.

6. From the enclosed copy of letter, dated 27th August, from the Breton Company it will be seen that the order for 211/2 tons has been placed as follows:

- 300 boxes f.c. Primes 20' x 12' = $12.60 U.S. Gold.
- 500 ' ' X 'X. ' 20' x 13' = $14.60 do

per box f.o.b. factory, and shipped December. These prices show a very serious advance on the basic price of $12.00 U.S. Gold, already indicated, but there was an interval of six weeks between their first quotation and the date on which the material was actually placed and the question of price was of course less important than the obtaining of the necessary supplies. To prepare you for this unexpected cost, I will advise same in first cable.

7. On the recommendation of Messrs Miller & Sons I included a message in my cable of 11th instant asking you to ship 20 first class Rams for Darwin Harbour. Their report on the Darwin Rams goes forward herewith.

8. I passed on to the farmers concerned your message advising that a Bonus of 25% to all those supplying sheep by weight this year will be granted provided they are prepared to renew the contracts for next season on the same terms.

At time of writing replies have not come to hand. I confess to being greatly disappointed that the Board cannot see their way to make an exception of the times and offer the farmers up 24 to 1 lb for their sheep between 50 and 40 lbs cold weight. I will be more than sorry if, under present conditions, farmers are obliged to throw the carcasses on the beach for the sake of the skins and tallow. I do not suppose that the conditions for raising fat sheep obtaining here are so very different from elsewhere, but the fact remains that at present the sheep on these Islands are small, although there is no doubt that they are small boned, especially ewes, and can reasonably well. There is so much feeling on the subject
amongst farmers, that I am still hopeful, even at this late hour, that the Board will modify their scale on the lines indicated above. I am alive to the purpose of the Board in so arranging their terms, and fully realise that only by so doing will the farmers ever be induced to improve their stock for canning or similar purposes, but meats are required at home, they fetch huge prices and pay us handsomely. The generosity of the Board in granting such a fine Bovian as 28% is not lost sight of; it is the tremendous waste that prompts me to put forward my views, although I know them to be contrary to, and flying in the face of the more idealistic purposes of the Board. To explaining to farmers or their Managers here has so far satisfied them as to our real hope in the matter, the general impression prevailing that we are taking advantage of other sources of outlet being closed to them, to make big profits on light weight sheep. Apart from the waste there is another important side to the question. Mr. Miller and some others from whom I hoped to obtain assistance in the way of men for Copee Green, now inform me that they may boil down their light weight sheep, and will thus require all station hands themselves. I am now coming to the conclusion that without the co-operation of all farmers, it will be safest to bring Chilian labourers again across from the coast, although I deplore the necessity. Should our tin plates arrive in Monte Video in a time when there are no opportunities for transhipment to this port, I will ask the Brecht Company to forward the material to Santa Arenas to be brought here by the “Falkland”. By sending across the “Falkland” in February we will be able to get our labourers, and the tin plate if necessary, and I will arrange for flour and other stores to be sent down from Gibbs & Coy, and fill up with timber. Before making the trip I will take up the question of the importation of these men with the Government, so that there will be no possibility of misunderstandings later. It will be something to have tried and failed to obtain the necessary men locally when discussing with the Government the terms under which they will allow us to bring them here. Unless we only receive picked sheep at Coose Green I feel certain that we will put through the works over 50,000 sheep, allowing for the usual exaggerations.
My estimate is based on the following numbers at present indicated—

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<tr>
<th>Company</th>
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<tr>
<td>Hill Cove</td>
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<tr>
<td>Port Howard</td>
<td>8,000</td>
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<tr>
<td>Pebble Island</td>
<td>1,500</td>
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<tr>
<td>Chartres</td>
<td>4,000</td>
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<tr>
<td>Fox Bay</td>
<td>1,000</td>
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<tr>
<td>San Carlos S.</td>
<td>2,000</td>
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<td>do N.</td>
<td>4,000</td>
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<tr>
<td>A. Piteluga</td>
<td>2,000</td>
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<tr>
<td>Greenshields</td>
<td>4,000</td>
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<tr>
<td>J. J. Felton's Est.</td>
<td>5,000</td>
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<tr>
<td>Others</td>
<td>62,500</td>
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This is of course the exaggerated figures indicated from various sources, but it can be seen that even some of these figures may be increased, say from the Chartres, San Carlos North & South and Greenshields Brothers, while on the other hand Felton's Estate at present do not appear disposed to send us any at all. Port Howard and Hill Cove are cutting down their stocks, hence their unusually large prospective surplus.

9. I have purchased through the Royal Mail S. P. Coy, Rio, 600 bags of first quality sugar at an f. o. b. price of 4d per lb, which at freight at 25 per ton makes prices about 5d against 6d per lb from Monte Video. They quote flour at 3s 6d per bag of 44 kilos (87 lb), which price is at present prohibitive. Gibbs last quotation per 100 lb bag was £16.30 (about 82.6 at present exchange). Our stocks of flour will carry us over January probably February, so that a trip to Punta Arenas by the "Falkland" in February would be most timely. I asked the R.M. S. P. Coy, to draw on you against the cost of the sugar.

10. At the request of the Governor I cabled on the 11th ultimo the F.S.N.C., Liverpool, asking them what service of steamers they will provide for this port in the future, and they promptly replied informing me that they will endeavour to provide a monthly opportunity outward. If they do this we can have no reason to be other than satisfied. I was afraid that with the cancellation of the mail contract they would be more likely to exclude
to exclude this port from their itinerary than send us more steamers than have been coming for some time past.

11. Much work has been done during the last few weeks to properly afloat. I am glad to able to report that the hulks "Great Britain" and "J. P. Smith" and the lighter "Ross Lake" have been re-moored, and the last mentioned, thoroughly overhauled and repaired. The lighter "Miner" is also undergoing repairs. The mooring chains of the "J. P. Smith" were in a dangerous condition and we were none too early in renewing them. The "Great Britain's chains were not quite so far worn, but it has also been necessary to renew them. Her chains, enclorns, swivels etc. have all been well chipped, scraped and tarred before being put down and two excellent chains of 45 fathoms, well spread, should make her secure for many years to come.

Needless to say it is a great satisfaction to me to see this work carried through so safely and expeditiously. I also had the "Samson" on the beach at the East here, and had her chipped, scraped and well painted with red lead, anti-corrosive and red-oxide. Her condition under the water-line is much better than I expected and there is no further evidence of further pitting in her plates than last time she was beached for overhaul. I have asked Captain Thomas to report to me on all floating property as soon as all the important work is complete and this will be sent you shortly.

12. The Government posted a notice on the 5th September informing the public that the wreck "Bertha" has been taken over for the Crown by the Receiver of Wrecks. I duly lodged our claim to it but they replied stating that as we have not removed it within a reasonable time it would appear that the wreck has long since been abandoned by us and has by limitation of time by reason of its position become vested in the Crown. I replied saying that our ownership has never been surrendered by us, asking them if the 5th September, 1917, was the particular
day when they claim that our ownership ceased, and protesting against the seizure at the only time throughout our ownership when there is reasonable prospect of our recovering money expended in the purchase and otherwise. They merely acknowledged the receipt of this letter as I anticipated. What is the legal position? I presume that we have not a leg to stand on in view of our doing nothing towards saving her and the cargo in recent years. Was it necessary for us to lodge our claim once a year as I am led to believe should be done? I believe that at not too great an expense I could bring a part of the logs to Stanley, and these would be invaluable to us at present. If they are left to the Government to make use of, they are more than likely to remain, where they are until they rot. Copies of correspondence are enclosed.

13. I hope to send out per "Falkland" this trip, under tow, the large ash boat we have in Stanley, as it is no use to us here. One of the harbour scows has been thoroughly overhauled and repaired, but an ash ash boat should be more suitable for handling cargo there. I have asked Mr. Townson to leave over the repairing of their second scow meanwhile and to use in its stead this boat which is said to carry 30 tons. We require all our timber for other more necessary work. The cost of repairing their second scow would work out at well over £100.

14. We have taken over a quantity of empty barrels and shooks from Mr. Evans, Fort Howard, for Goose Green at 30/- for the made up barrels and 25/- for the shooks. I presume that you agree with me that it is inadvisable to lose any chance of obtaining such necessary supplies locally, especially when we can get them at under present market prices.

15. Both Mr. Weiss and Mr. Townson have just reported to me further troubles with our Camp Doctor. Whatever may be the cause of this continual bickering, I
Consider that it is time that matters were brought to a head one way or another. Dr. Hace's latest indiscretion in saying to the Goose Green cook that he will not take orders from a German, brought Mr. Weiss (to whom he referred into Stanley to see me on the subject. As such scurrilous expressions, no matter under what provocation they are made, are liable to prejudice the interests of the Company, I wrote Dr. Hace on the subject and enclose copy of my letter and his reply. There is a lamentable want of tact, and even consideration, apparent amongst all the parties concerned, although I believe that Mr. Thomson has done all in his power to avoid friction. Ever since Hace arrived at Harwich there has been trouble and he should never have been retained in our employment, as he is entirely unfitted for the position he holds. If we get rid of him now the difficulty will be to find a substitute, and should we be without a doctor and an epidemic break out, there is no other practicioner available in Stanley to go out. The position is awkward. His contract expires on the 9th February next, and I will certainly not renew it for any length of time without hearing from you on the subject. Weiss threatens to sue Hace for libel and has been indulging in his usual characteristic boasts, but I have requested him to mark time until I arrive out this week, when I will endeavour to put a stop to the nonsense without an appeal to Court.

Hace is something of a 'sea lawyer' and would no doubt entangle Weiss in a Court, besides he is too clever for Weiss and the outcome would only be the throwing mud from the gutter at one another. Apart from this it would be pathetic to me and I am sure to the Board, to have two highly placed servants publicly making a noise and fools of themselves.

I realize the impossibility of finding a doctor for camp life, without in one connection or another, some sort of peculiarity, but when the war terminates, I hope a young, energetic and up to date man may be available. The main inducement should be, to put in his five years, save a sum of money,
am ultimately go home and buy a practice or a partnership.

16. When our final balance is struck for this year I will follow the procedure of Mr. Harding adopted for last year, and begin my cable, should there be other matter to cable about, with the figures say 250, meaning a profit of £95,000. It will be awkward receiving your closing accounts to 31st December by the outward steamer which lifts the mails, so if there is a likelihood of a long interval between the steamer bringing these and the following one, I will close the accounts before receipt, and you will be in a position at your end to include the items omitted by us. This will only be done if I see no prospect of my sending off the accounts to be in your hands in good time for the Annual General Meeting. As you are aware it now takes two months for our mails to reach you.

17. 1180, par 6. I am taking Captain Thomas out to Goose Green with me present trip for the purpose of examining the hulk "Garland," and to see what arrangements are necessary to bring her in under tow to Stanley. It will be advisable to put her alongside the Vicar of Bay" at once for preparation. As it will be necessary for her to carry about 150 tons of ballast, I saw the Governor and proposed to him to bring in 150 to 200 tons of small shingle for the Stanley roads. I offered it at 7 5 per ton and he seems willing to seize the opportunity. We may be able to load the shingle by the Chillian labourers, should they arrive before work commences, or have finished the season's work a few days before the "Falkland" can go out. I may have her taken down to Mare Harbour to lie there awaiting favourable weather and incidently to be in a position to load some of the logs ex the wreck "Bertha," should I be able to induce the Government to allow us to bring them in for our own use.

18. 1180, par 8. All the framing, rafters, doors, etc., as per list enclosed, for the Goose Green cookhouse have been completed in Stanley and will be shipped out this month. I kept sufficient timber in hand for such eventualities.
The erection of this cook-house will certainly delay the completion of the one at North Am, but seeing that there is only the putting together of the material, which has all been put up in bundles and carefully marked, the loss of time will not be great. Our difficulty as regards both buildings is that we have no iron or even felt for roofing. Some temporary expedient will be adopted. Mitchell is at present checking the list of wood sent to North Am to make sure that the total quantity has been sent out.

I am making a visit, leaving here to-morrow, of a few days at Darwin and Goose Green, and on my return I will report progress in the alterations at the Canning Works to remedy some of the existing evils. Mr. Weiss intends improvising some means for blood drying and hopes to treat much of the refuse in thin-dried manner. He informs me that plantashes and dung are made use of on the Coast, the former being put through the digesters for tallow and the latter converted into fertilizer. Should he put through 50,000 sheep as I fully anticipate, it will of course be impossible for him to treat all refuse in the desired manner. He is very anxious to make a visit to the Coast to study the methods generally adopted there and has already been to see the Governor on the subject of a passport. I thought it better that he should have an interview with the Governor himself, as he could explain to him fully the advantages that could be derived from such a visit. As the Governor did not make it clear to him whether or not he would issue a passport, I am writing officially on the subject. Mr. Weiss considers it impractical to put up a refuse plant other than the system generally adopted at freezing and canning works. He has written the Brecht Company and other concerns asking for specifications and costs. If he should go to the Coast he will endeavour to purchase a capping machine, and some odds and ends, and will engage men and some scows with them on the "Falkland".
19. 1100, per 12. When Mr. Merrick, joint F.S.N.C.,
Agent at Punta Arenas, passed through here recently, he
volunteered the information that his visit to the Plate
was in connection with a projected line of small F.S.N.C.
steamers, after the war, running between Punta Arenas,
Stanley and the Plate. He said that they had already a
suitable steamer in view for purchase, but that it would
be after the war before the necessary number of steamers
could be bought or built. This man was formerly Captain
of the "California," and while in Stanley to load cargo
he did not impress us over much in respect of his veracity.
In any case I put forward what he stated for what it is
worth. It will be a serious matter for this Colony if the
F.S.N.C. have been successful in cancelling their contract
with us. If rates are to be based on 25 per 1,000 miles
from Rio, then stores will rise to prohibitive prices. It
is some satisfaction, however, to have been informed by
the Head Office in Liverpool that they are endeavouring
to provide monthly sailings outward. Being still with-
out news from you I take it that the "rotoni" has not yet
sailed.

20. 1160, per 15. Considerable progress has already
been made in putting Stanley buildings in thorough repair.
There is still much to be done. The trouble is that in
many cases much more work is necessary than meets the eye.
I presume the recommendations made by Mr. Cobb, when in
Stanley in 1910, to which you refer, were contained in a
letter addressed to Mr. Harding on the eve of his Mr. Cobb's
departure. I have heard of such a letter, but I have search-
ed our files for it and the reply thereto, and fear that
these have been carried away by Mr. Harding along with all
his confidential correspondence. From Higgs I learn that
repairs were to have been effected to the schooners
"Isfonia" and "Gwendolin." Nothing whatever has been at-
ttempted to either. What surprises me is that we always
seem to have been in a position to work on Churches, cen-
stries.
and the like. In the course of a week or two I hope to have the "Jafuria" have down at the East end here for overhaul. It would be a great pity if these valuable ships were to be allowed to become unserviceable through neglect.

11. 1180,par 19. Mr. L. McMillan forwarded me a Power of Attorney to manage from here the Weddell Island Station, pending more permanent arrangements. I have taken the work in hand and will keep McRae, the acting manager, up to the scratch. This young man seems to be both capable and energetic, and on Mr. Miller's recommendation I am keeping him in his present position to see how he shapes. The Power of Attorney in my favour from J. H. A. and R. Cobb enabling me to arrange Protests in this Colony, for the estate of the late W. S. Williams, has not yet reached me. I have the valuation of both Weddell Island Station and the property of Mr. Williams in hand, as drawn up by Mr. McRae. This has been quite well done, the former being based on the valuation of the late Mr. S. Williams Estate as accepted by the Supreme Court, but I am sending all papers to Mr. Miller for revision.

22. 1180,par 20. It is unfortunate that Messrs. Solvesen are not disposed to sell the coal still held by them at New Island. I expect to hear any day that the "Fotosi" has left with supplies. Stocks on hand should last until the end of January.

25. 1180,par 21. I have forwarded schedules of the wool valuations, as agreed between you and the Director of Army Contracts, to the farmers concerned, with particular of the arrangements. I had already decided that the cost of cables, in connection with the sale, should be shared by all stations, and each has been duly advised of the amount debited to their accounts.

24. 1180,par 24. I think, with the arrival of the "Fotosi" and that weights, sheets and statements covering the sheep from all stations, including our own,
will now be in your hands.

I believe that a reduction of 1½ lbs per sheep for loss from hot to cold weight, would satisfy most farmers. Mr. Weiss suggested a reduction all round of 3½, but the difficulty would be the reducing to under the 40 lbs limit. By deducting 1½ lbs, the weighing machine could be adjusted to allow for this and the weights go down on the sheets without subsequent alteration.

26. 1160, par 37. The Canning Account will this year show the actual working results. The Main Account has been credited and Canning Account debited with the value of the sheep sent to the works, as if they were two separate concerns.

3. I made my contemplated trip to London on the 9th and remained in all the Scope of Mr. Weiss' building, the same whole and entire as if I was there.

Your obedient servant.

Sir,

I am glad to say that I was successful in getting Mr. Weiss taking Court proceedings against or used but his wife and himself feel so strongly over his constant interference in all but his profession, that they have made up their minds that if this does not suit them, they will. It was most annoying to hear that too much had been talked by some of his men with the works about the manner of the work being: that Mrs. Weiss has three brothers fighting in Australian regiments. I saw once also but the only satisfaction I could get from him was that if both Mrs. Stevens and Mr. Weiss leave him alone he will do the same. As the situation is now impossible out there I asked you on the 12th instant saying that I do not recommend the renewal of the Doctor's agreement even if a substitute cannot be found immediately and informing you that Mr. Weiss intends to leave otherwise. It is true
Sir,

The "Orita" is due here first thing on Monday morning.

3. I made my contemplated trip to Darwin, leaving here on the 9th and returning on the 14th instant. We brought in all the Goose Green sheepskins, 322 bales, and some odds and ends from Darwin and Walker Creek.

3. I am glad to say that I was successful in stopping Mr. Weiss taking Court proceedings against Dr. Nace, but his wife and himself feel so strongly over his continuous interference, in all but his profession, that they have made up their minds that if Nace does not go they will. It was most annoying to hear that the meat boxes had been chalked by some of his men with the words used by Nace, even the dinghy used one Saturday afternoon by them, having such disfigurements. Naturally they are terribly upset about it all, the absurdity of the affair being that Mrs. Weiss has three brothers fighting in Australian regiments. I saw Nace also but the only satisfaction I could get from him was that if both Mr. Townsend and Mr. Weiss leave him alone he will do the same. As the situation is now impossible out there I cabled you on the 14th instant saying that I do not recommend the renewal of the doctor's agreement even if a substitute cannot be found immediately and informing you that Mr. Weiss intends to leave otherwise. It is true
that any doctor is better than none, but it will be as
cheap for us to bring the more serious cases to Stanley
for treatment, as it practically always done now at the
men's expense. A boy called Mcmill died recently at Cape
inlet from intemperance, and it is a hundred chances
to one that if he had been brought to Stanley at the
proper time for operation he would have recovered. Here
is a case therefore of a death occurring through having
a prehistoric surgeon, and when if we had had no doctor
in all probability
at all the boy's life would have been saved. As regards
those green workmen although he is paid for attendance
there he will not go down there in the case of bad cuts
and resents the sending of chillions to his surgery for
treatment owing, he says, to their filthy condition, then
he does attend to any of them he invariably orders the
off work for days, generally unnecessarily, thus upset-
ting Mr. Weiss's working arrangements. I am told that in
some cases he has been known to order a man to bed until
he again sees him and never goes near him again. Of
course I do not believe all tales that reach me, but it
is beyond question that he is negligent of his duties
and is a source of continual worry to the doctors on our
camp. Mr. Weiss has for three years bandaged hundreds
of cuts, last season alone her record is close on three
hundred. This season I am having a man trained in Stan-
ley in bandaging and he will be detailed off throughout
the season to attend to this work.

Captain Thomas, Captain Scammon, and myself made
a thorough examination, as far as it was possible, of the
hulk "Darland," and I am glad to be able to report that
her condition is still good, her plates, with the excep-
tion of a few well above the water line, being sound.
It will be quite safe to bring her under tow to Stanley,
and arrangements are being made to haul her alongside
the "Vicar of Bray" to fill up with ballast. When she
comes here I will have her floor lifted, and her bottom
examined, to see what damage, if any, has been done through the action of the sulphuric acid which she carried when she came to Stanley. Her decks have been badly neglected and every fitting stolen at the time the "Josephine" was at Goose Green.

5. When the "Viceroy of Bray" went out to Goose Green she carried there some 200 tons coal. This coal is practically all still on her, and although under water, can still be utilized. I saw it burning in Mr. Weiss's grate and for household purposes I see nothing whatever against it. Mr. Weiss is using it throughout the house and it serves its purpose. We could do worse than bring in 100 tons to Stanley on the "Garland" - we would be glad to have it here. It is a mystery why this coal was not saved years ago.

6. Mr. Weiss has done a great deal towards cleaning up the beach of refuse, utilizing the rubbish as fertilizer and the extensive gardens around the settlement. Although he has not entirely cleaned up the sea around the works, he has gone a long way towards it, and as he is not throwing refuse on the beach this coming season it will in time purify itself. It is impossible for him to change the present purée of water for washing down, but he will only pump it up at very high tides, when there will be a minimum of impurities in it.

There have been many useful improvements effected throughout the works, details of which Mr. Weiss has given in his monthly report. The whole works are kept scrupulously clean and do much credit to Mr. Weiss's supervision. There are of course many alterations and improvements which he is still desirous of making but these take time and next winter will see further strides in the right direction.

What Mr. Weiss really suggests in his report about the sending out of a new boiler when the time comes, is that it is of the utmost importance to have the new one of the same pressure and type as the present one, as in the event of a breakdown, he can readily switch from one boiler
to the other, keeping an even pressure, thus avoiding delay in the workings. He has seen attempts made at other潍坊 works to work with boilers of different pressures, where great loss resulted through having to sacrifice meat in the retorts which could not be saved. Both boilers would of course be placed side by side, and one man only would work both with no additional expense; there would be no loss of economy in coal, as at present with the one boiler doing all the work it is a case of uninterrupted firing. Our own staff are quite capable of erecting it and it would therefore be unnecessary to send out a man from home as was done when the Factory was built. Both boilers being the same type it would only be necessary to have one set of spare parts. It would of course require a feed pump of larger capacity than the present one to serve both boilers, the smaller one being kept as a standby.

Mr. Weiss is at present making enquiries regarding installations for the manufacturing of such by-products as soap, glycerine, glue etc., and he estimates that putting 45,000 to 50,000 sheep through the works the resulting profit at present market values would not be far short of £3,000. The fertilizer plant is the first in importance for several reasons; the cost of such a plant would not be excessive and would be worth installing even were it only for the sake of the purification of the water around the settlement. His best scheme is to visit several of the more important works on the Coast to see first hand the best methods adopted there.

I mentioned the subject to the Governor a few days ago and I do not anticipate that he will make any objections to his going across and returning on the "Balkland".

The old cook-house has been thoroughly renovated, and with the new one now under construction this question has now been satisfactorily settled.

I have had various interviews recently with the Governor concerning different matters. He was good enough to show me the cable he sent the Colonial Office recently in
in reply to theirs on the subject of tinplates. He has supported your application for 340 boxes for arrival here June, but asks me to inform you that it will be necessary for you to make another application. He is also assisting us to obtain a priority certificate for 5 tons solder, which will also require to be applied for by you. I told him that it is very important that we import these articles from the U.K. if it is at all possible, owing to our uncertainty of the qualities from the United States.

He also informed me that the Home Government had cabled him to know what canned meats were still undelivered and our estimated total for the coming season. He of course knew that the "Cardiff Hall" lifted everything, and I gave him 11,000 cases as a maximum for next season. I also gave him particulars of the wool I estimate we will have on hand at various dates and he has cabled the information home. The Governor is certainly doing all in his power to arrange matters for us and his assistance is most welcome under present conditions.

I also discussed with him my projected plan of sending the "Falkland" to Punta Arenas and I anticipate no trouble by arranging all details before bringing the labourers across. I said that I would prefer to run the men straight to Gorge Green and if F.S.N.C. sailings did not fit in when the work is finished to repatriate them also by the "Falkland". It will be advisable to bring a good gang across as there is sure to be an unusually large killing this season.

3. I am obtaining flour from Monte Video through the efforts of the Governor. On this occasion I am ordering it through him, as he seems anxious that I should. Price is down at 23½ per bag of 60 kilos and I have ordered 750 bags. He has not offered supplies to all and sundry this time. Insurance is being covered by him and the amount was not included in my cable asking you to cover £3,000 against War Risk. I told him that I preferred our lot at
Last should be covered against all risks, unless he cared to take the risk, and he agreed to insure his total shipment.

Despatch No.

256

Dr. Hock's Indent for 1919 goes forward herewith. A proportion of X X to I.C. tinplates required will be quoted thereon. It is very important that the boxboards arrive here by June at the latest, so that the boxes can be made during the winter. Unless there is any reason against our shipping the tallow in 1919 partly in hogsheads, the order for 400 barrels can be cancelled. We bought about 150 casks from Mr. Evans so that with 300 smaller casks already at Goose Green and those we have in Stanley, we will have sufficient for our requirements. The Port Howard casks are of superior quality to those recently imported by us. The electric wiring and globes are urgently needed, but I fear that there will be difficulty in obtaining the necessary permission for export. Probably in consideration of the smallness of the order the authorities will be more likely to sanction shipment.

10. Mr. Hobbs cabled recently advising that the necessary guarantees required by the Governor before he will sanction shipment of the Ships' material have been sent via Monte Video. I have advised the Governor of this and have arranged for the issuing of the permit as soon as the guarantees are in his hands. I have not given Mr. Hobbs the invoice cost of these goods, as they should be worth much more to-day than in pre-war days, leaving it to him to pay us according to their actual value.

I am,

Sir,

Your obedient servant,
Dupli cate. (Originals per "Ortega", 30th Sept. 1917).

Despatch No. 537,
Journal for August,
Store Indents No. 539,
Dr. Wace's Indent for Drugs,
Remarks on Stores,
Mr. Townson's report,
Remarks on Accounts,
Statement on Accounts,
Further report on Stanley Buildings,
Memo. re plan of Goose Green Settlement,
Mr. Weiss's letter, 22nd August,
Letter to Secretary, 17th Sept...

ORIGI NALS.
1. Journal for September and October,
2. Cash Book
3. Cash Vouchers, West Store,
4. Store Indents No. 530,
5. Darwin Store Indent,
6. Remarks on Stores,
7. "Coasting Insurances,
8. Stanley Wages Return, Sept. 30th,
9. Camp Wages
10. Stanley Ledger Balances, Sept. 30th,
11. "Falkland" Manifests, voy. 23, 24, 25, D.
12. Mr. Miller's and Mr. Evans' report on Darwin Rams, Oct. 4th,
13. Goose Green Sleeping Quarters. Details of Building made in Stanley,
15. Confirmations of cablesgrams,
16. Remarks on Accounts,
17. Statement on Accounts,
18. Shipping Report,
19. Mr. Townson's report and copies,
20. Copy F.S. account,
22. Correspondence.

The Brecht Company, 27th Aug.,
Colonial Government, (Tin plates),
Ditto. (Prices of provisions, with list),
Ditto. (Wreck "Bertha"),
Ditto. (Shipment "Cardiff Hall"),
Falkland Islands Magazine,
Dr. Wace,
E. W. Hobbs,

Specifications:

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82. Specifications—Wool, Skins, Hides, Tallow.

The Secretary.

UNION.