

C. S.

INDUSTRIES

(Agriculture-)

1945.

No. 123/45

Director of Agriculture

SUBJECT.

1945

27th October

Previous Paper.

POSSIBILITY OF EXPORTING VEGETABLES, ETC.

TO THE URUGUAY.

MINUTES.

1. Minute from Director of Agriculture of 27. 10. 45

2. Letter from Mrs. R. Brailey of 8. 11. 45  
(3) *B.U. 1. XI. 45*

*y.c.*  
*Red (2) referred, pl.*

*Sh. A. Tries*  
*6/12/45* ✓

*P.A.*

Subsequent Paper.

No. 6/2/1

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



MINUTE.

27th. October. 1945

To The Honourable, The Colonial Secretary.

From Director of Agriculture

Stanley, Falkland Islands.

Stanley

Herewith a brief account of the possibilities of producing crops which might be marketed in Montevideo, as you requested. The produce during the first three years would be very small and would be limited in all probability to swede turnips, and rhubarb. The main requirement to the development of such enterprises is the benign interest of the Uruguayan Government, and their agreement to permit the products to be marketed in that Country in competition with such local produce as is produced during the respective seasons.

  
Director of Agriculture.

(1a)

Development of Further Primary Industries within  
the Colony.

The development of any further industries within the Colony must depend on finding a suitable market for the products. Subject to this and next in importance, is our ability to produce the articles we desire to market, and finally the presence of sufficient labour to make/economic production on sufficiently large scale.

Possible Products.

We are limited by latitude and climate in the products which could be marketable in South America, but because of our situation and climate we can grow swedes, seed potatoes, rhubarb, strawberry stocks, and possibly gooseberries either better, or under more hygienic conditions than is possible in the latitudes of Uruguay.

Swedes.

Thus, it is virtually impossible to grow swedes in Uruguay, and we could supply almost unlimited quantities of this vegetable probably £6 to £8 a ton f.o.b. Monte Video. Travellers from the Colony have taken small quantities of swedes to their friends in Monte Video and this vegetable being 'exotic' has been greatly appreciated. At present I understand, there is a prohibitive customs duty on imported swedes.

Seed Potatoes.

In Uruguyan climates I would expect a fairly large population of aphides etc. which carry virus diseases from infected to healthy plants. Under such conditions it is practically impossible to prevent the spread of degenerative diseases which cause potatoes to run out. Consequently it should be necessary for Uruguay and the Argentine to import comparatively large quantities of seed potatoes each year. These would be obtained from countries or districts with cooler climates, in which the aphid vector does not thrive. The Falkland Islands, especially on the North West of West Falkland has a climate suitable for potato growing and is at present virtually free from aphides and the common virus and fungus diseases which attack the potato crops in warmer climate. Consequently we should be able to produce an appreciable proportion of the seed potatoes required by Uruguay, and I feel sure that if the

methods of certification in testing that are practised in Canada and New Zealand were introduced here, the crops produced from certified seed would be sufficiently outstanding to create a considerable demand for such seed.

To produce seed potatoes acceptable on the Uruguayan market we must grow Uruguayan varieties. It would be necessary to obtain from the Uruguayan authorities seed of the most favoured varieties, and to grow these for two to three years in the Falklands so that they could be cleansed of virus diseases, and bulked to make a reasonable line for marketing. When marketed they should be certified as having originated from crops with certain minimum percentages of specific diseases, to be even in quality (size of seed) and true to varietal name. To do this it would be necessary to employ an experienced certifying officer (Salary probably \$400 to \$450). The seed potatoes could probably be placed alongside the wharves of Monte Video at \$10 a ton, but if the position is as I anticipate I believe the demand for this seed would be such that purchasers would be prepared to pay considerably more. (The best strains of certified seed potatoes in New Zealand command from \$20 to \$23 per ton).

No seed potatoes could be produced under three years and the quantity available then would be probably less than 20 tons. Thereafter, the quantity would depend on the labour and implements available and upon Government policy. Ultimately, given an immigration policy to supply the necessary labour and experience, production might rise to 30,000 or perhaps 50,000 tons annually grown on some 6,000 to 12,000 acres by 120 to 200 small settlers each of whom would cultivate sections varying from 500 to a 1,000 acres.

To implement such a program it would be necessary to import from 3,600 to 6,000 tons of fertilizers annually, and to provide suitable marine transport so that the crop would be delivered in good condition. The estimated value of the seed potato industry would lie between \$160,000 and \$260,000.

Strawberry plants.

The production of strawberry clones for Monte Video market would ~~probably~~ form another possible industry. In warm latitudes this crop also suffers severely from virus diseases which again are carried by aphides. It is not unusual for commercial growers in warm climates to replace their beds with fresh stock every 12 months. The Falklands, because of the cool climate and the absence of aphides, could produce good quality plants which should be superior to the products of lower latitudes. The matter of producing such plants is more or less technical but could be supervised by the certification officer.

Rhubarb and Gooseberries.

Both rhubarb and gooseberries are comparatively high latitude crops and cannot be grown satisfactorily in the latitudes of Uruguay. Consequently if the Uruguayan Government would permit us to export these without imposing a heavy entry duty, their production would offer a livelihood to a few families in the Falklands. I would not expect that more than one to two tons of rhubarb would be available during each of the next three years, and before gooseberries could be marketed the beds would have to be established, a matter of probably four or five years, so that production of gooseberries would be negligible for seven to eight years.

## Periods during which products would be available

Swedes:- May until September.  
 Seed Potatoes:- May, June and July.  
 Strawberry plants:- March to May.  
 Rhubarb:- October to November.  
 Gooseberries:- Late December and January.  
 (Green)  
 Strawberry fruits:- February.



(2)

BRITISH EMBASSY,  
c/o (Consular Section),  
MONTEVIDEO.

November 8th, 1945.

*P.*  
Dear Allan,

I have taken the opportunity while in Montevideo of having an informal discussion with the Commercial Secretariat of the Embassy about the possibility of exporting sweedes, seed potatoes, strawberry plants, rhubarb and gooseberries to this country.

The situation is that sweedes are unobtainable here, seed potatoes are imported at great cost from Canada and the other vegetables are either inferior or unknown.

There is, of course, a real need for sweedes in this cattle-raising country. I was told that if they could have been imported in quantity in 1943, the year of the drought, about 11,000 head of cattle could have been saved.

The answer I got from the Embassy people was that it would be "very difficult" to obtain the abolition of the import duties which are at present, I believe, prohibitive from our point of view. I gather, however, that this discouraging attitude is due merely to the difficulty of obtaining the elimination of any import duties in a country where customs is the chief source of revenue.

The Embassy admitted that we would have a cast-iron case as the prohibitive <sup>sweedes</sup> duty merely means that the Government obtains no revenue on these items and would not lose anything. We have, of course, a very good bargaining factor in the great increase in exports from Uruguay to the Falklands during the last few years.

The obvious answer is, if the Uruguayans insist on revenue from every import, for them to reduce rather than eliminate the duty. This would make importation possible and give them some revenue.

To sum up, I cannot help feeling that the negative attitude of the official to whom I spoke was not justified by the facts and that it would be well worth while your taking the question up either direct with the Ambassador or through London, provided that Roberts, who would know the amount of reduction in the duties ~~it~~ <sup>at which</sup> would be necessary to justify the trade, thinks it worth while. Should you decide to go ahead with this and to do it through London, I could discuss the matter with the Colonial Office.

It seems to me ridiculous that we should be unable to take advantage of an economic opportunity like this which really exists, and it would make such a big difference to the Colony by the opening up of a secondary industry.

You will understand, of course, that my approach here has been merely tentative and unofficial and that I have not committed you in any way at all.

Yours sincerely,

*Kenneth Bradley*

His Excellency Sir Allan Cardinall K.B.E., C.M.G., etc.etc.  
Government House,  
Stanley,  
Falkland Islands.

*P.S. The Comulate typiste leaves much to be desired. I find that there is no duty on seed potatoes. All we want is an agreement not to introduce a duty for say 10 years? Surely we could compete with Canada. It would take 2 years at least to get seed potatoes going.*