

C.S.

*Confidential*

1924.

No.

*29/23*

*Ag Governor.*

SUBJECT.

1923

*5 Dec.*

Previous Paper.

*On the question of the grant of a third catcher licence for Messrs Salvemini & 'Netko' M.P. 375/23.*

MINUTES.

*Governor's Conf. Desp of 3 Dec 1923 (1)  
Letter from Mr A.G. Bennett 27 Nov. 1923 (1a)  
" " Mr E.B. Ziminis 21 Nov. 1922 (1b)*

Extract from Acting Governor's minute of the 22nd of March, 1924, M.P. 375/23.

A copy of the correspondence should go to the S. of S. at the same time.

(Itld.) H.H.H.  
22 March, 1924.

*Confidential Despatch to S. of S. of 29/3/24 (2)*

Subsequent Paper.

FALKLAND ISLANDS.

CONFIDENTIAL.

GOVERNMENT HOUSE,

STANLEY,

5th December, 1923.

My Lord Duke,

With reference to my despatch No. 88

of the 5th of July and subsequent correspondence, I have the honour to inform Your Grace that I maintain my objections to the grant of a licence for a third catcher to Messrs Salvesen in respect of the s.s. "Neko" for whaling operations in the South Shetlands. I enclose a copy of a confidential letter dealing with the matter which was brought to my notice a few days ago. It was sent by the Magistrate, South Georgia to the Whaling Officer with the South Shetlands Fleet at the beginning of the last season.

2. The whaling field in the South Shetlands covers an area of not more than 250 by 100 miles of islands and sea. Thirty-five catchers now fish in the waters of this Dependency for a period of five months in the year, and the not unnatural result is shewn in the report that the whales are getting wilder, that larger catchers have to be built, and that they have to fish further afield than formerly. To effect a reduction it is, I submit, obviously necessary to begin with the catcher or catchers shewing the least justification for maintenance. By every standard the "Neko" has the least need for three catchers. The capacity/

HIS GRACE THE DUKE OF DEVONSHIRE,

P.C., K.G., G.C.M.G., G.C.V.O.,

SECRETARY OF STATE FOR THE COLONIES.

*End of MP 375/23  
5 July*

In duplicate.

capacity of the vessel, the number of whales and the average per catcher, the number of barrels produced and the average per catcher were the lowest in the fleet in 1922-1923.

3. All the advisers of the Government on whaling concur in the view that a third catcher for the "Neko", at least while she is working with the "Sevilla", is not justified. The records for the South Shetland fleet show that on an average the work of each catcher belonging to other companies produced 7,790 barrels of oil. Had even five of the catchers belonging to the "Sevilla" and "Neko" given this average result, their total production would have been 38,950 barrels as against 37,500 barrels exported, according to the latest returns, as the result of the operations of the six catchers belonging to these vessels.

I have the honour to be,

My Lord Duke,

Your Grace's most obedient,

humble servant,

H. Henniker-Heaton.

1a

CONFIDENTIAL.

Stanley,

27th November, 1923.

Sir,

Referring to the s.s. "Neko" and others in their poor results of oil from whales caught at South Shetlands and the reduction of Catchers, I beg respectfully to attach a confidential letter written to me on the subject by Mr. E. B. Binnie, Magistrate at South Georgia.

I am, etc.,

(Sgd.) A.G. Bennett,

Whaling Officer for  
the season 1922-23  
at South Shetlands

The Honourable  
The Colonial Secretary,  
Stanley.

... "Queen" has also proceeded to  
and I believe will commence operations in  
Admiralty Bay. This factory might also be placed  
in the same category as "Sevilla" and "Neko" as  
I know from experience in So. Georgia that the  
Manager entertains no scruples over the wasting  
of whale matter.

In this instance you need only see my  
report on Whaling S. Geo. for 1921-22.

The Whaling Officer,  
South Shetlands.

Southern/

CONFIDENTIAL.

18

South Georgia,  
21st November, 1922.

Dear Sir,

As I am on the point of clearing the "Sevilla" and "Neko" and whalers for South Shetlands, I thought it would not be amiss if I sent you a few words of warning in advance regarding these vessels.

I have looked over the "Sevilla" and find that she represents quite a modern factory but has not sufficient pressure boilers to use up the catch of 3 boats, and as you are possibly already aware of the inadequacy of the "Neko's" plant with other 3 catchers, I take it both of these factories will require considerable attention.

With both of these factories working together, I am sure 3 boats or 4 at most would fully supply them. I have also heard that "Neko" last year at S. Shetlands was guilty of taking a number of hump-backs which I fear there is no reason to doubt.

The "Southern Queen" has also proceeded to S.S. and I believe will commence operations in Admiralty Bay. This factory might also be placed in the same category as "Sevilla" and "Neko" as I know from experience in So. Georgia that the Manager entertains no scruples over the wasting of whale matter.

In this instance you need only see my report on Whaling S. Geo. for 1921-22.

The Whaling Officer,  
South Shetlands.

Southern/

Southern Whaling and Sealing Co. The Manager  
for the Cy. last season was the same gentleman  
who is now Manager of "Southern Queen".

I know the difficulty of getting from one  
place to another in South Shetlands and how  
utterly impossible it is for one man to keep any  
check on these factories and accordingly tender  
you my sympathy. I find a like difficulty in  
E. Geo. with a considerable less No. of Stations.  
However one can only do ones best in the  
circumstances and very often a timely warning  
has good effects.

It is quite possible that wireless  
communication will be established between the  
two whaling fields in which case I would like  
if you would occasionally let me know how  
the catch goes and I will do the same from here.

With best wishes for a successful season.

I am, etc.,

(Sgd.) Edw. B. Binnie.

Stanley  
27. Nov 1923

Confidential

Sir

Referring to the S.S. Neko + and others in their poor results of oil from whales caught at S Shetlands, and the reduction of Catchers: I beg respectfully to attach a confidential letter written to me on the subject by Mr E. B. Binnie, Magistrate at S Georgia

I am Sir

Your obedient servant

A. G. Bennett.  
Whaling Officer for  
the Season 1922-3  
at S Shetlands

To The Hon:  
the Colonial Secretary

Confidential.

South Georgia  
21st November 1922.

Dear Sir,

As I am on the point of clearing the "Suilla" + "Uko" and whalers for South Shetlands I thought it would not be amiss if I sent you a few words of warning in advance regarding these vessels.

I have looked over the Suilla + find that she represents quite a modern factory but has not sufficient pressure boilers to use up the catch of 3 boats, and as you are possibly already aware, of the inadequacy of the Uko's plant with other 3 catches, I take it both of these factories will require considerable attention.

With both of these factories working together, I am sure 3 boats or 4 at most would fully supply them. I have also heard that "Uko" last year at S. Shetland was guilty of taking a number of Humpbacks which I fear there is no reason to doubt.

The Southern Queen has also proceeded to P.D. + I believe will commence operations in Admiralty Bay. This factory might also



In places in the same category as Seville  
& Meko as I know from experience in  
So. Georgia that the manager entertain  
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In this instance you need only see my report  
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season was the same gentleman who is now  
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I know the difficulty of getting from one  
place to another in South Shetland and  
how utterly impossible it is for one man  
to keep any check on the factories and  
accordingly tender you my sympathy. I find  
a like difficulty in S. Ge. with a considerable  
less no. of stations. However one can only  
do one's best in the circumstances and may  
often a timely warning has good effects.

It is quite possible that wireless communication  
will be established between the two whaling  
fields in which case I would like if you would  
occasionally let me know how the catch goes  
& I will do the same from here.

With Best wishes for a successful season

I am yours faithfully

Chas. R. Bunn

The Whaling Office  
S. Shetland

C. 29/23.

(2)

FALKLAND ISLANDS.  
CONFIDENTIAL.

GOVERNMENT HOUSE,  
STANLEY,  
29th March, 1924.

Sir,

With reference to my Confidential despatch of the 5th of December, 1923, I have the honour to transmit a copy of a letter from Messrs Salvesen and Company, on the question of the employment of a third whale catcher in conjunction with their floating factory "Neko" together with a copy of a letter which has been addressed to them in reply.

To Messrs Chr.  
Salvesen 31st  
October, 1923.

To Messrs Chr.  
Salvesen 22nd  
March, 1924.

I have the honour to be,

Sir,

Your most obedient,

humble servant,

H. Henniker-Heaton.

THE RIGHT HONOURABLE

J. H. THOMAS, P.C., M.P.,

SECRETARY OF STATE FOR THE COLONIES.

ENCLOSURE TO FALKLAND ISLANDS CONFIDENTIAL DESPATCH  
of the 29th of March, 1924.

37/23.

Colonial Secretary's Office,  
Stanley, Falkland Islands.

22nd March, 1924.

Gentlemen,

I am directed by the Acting Governor of the Falkland Islands to acknowledge the receipt of your letter of the 31st of October, on the subject of the objections of this Government to the grant of a licence for the s.s. "Neko" to employ a third whale catcher in the 1923/24 season.

2. As stated in the third paragraph of your letter, the average carrying capacity of the Norwegian factories, other than the "Ronald", is 27,000 barrels. The oil value of each whale catcher is therefore 9,000 barrels in a good season. The largest cargo of oil yet carried by the s.s. "Neko" is, as far as His Excellency is aware, 19,000 barrels in 1920/21. The "Neko" was then presumably a full ship, as she left the whaling grounds at least 17 days before the last factories. Although the combined carrying capacity of the "Sevilla" and "Neko" is given as a reason for the extra catcher, it does not appear that the Neko's catchers have yet taken carcasses to the "Sevilla". The two vessels are frequently working over 100 miles apart. In any event it is not clear why the "Sevilla"

Messrs Chr. Salvesen & Co.,  
Leith.

carrying/

carrying 32,000 barrels should have the use of a fourth catcher, while a British owned vessel the s.s. "Southern Queen", with a capacity of 39,000 barrels is allowed three catchers only.

3. I am to inform you, in conclusion, that the Acting Governor regrets that he is unable to waive his objections to the renewal of a licence for an extra catcher for the s.s. "Neko".

I am, etc.,

(Sgd.) G. R. L. Brown,  
for Colonial Secretary.

29 Bernard Street,  
Leith. 31st Octr, 1923.

Sir,

We have the honour to inform you that on receipt of your letter No. 357/23 dated 5th July we immediately applied to the Secretary of State for special permission for the 'Neko' to employ a third whale catcher. This permission was granted on certain conditions of which the Colonial Office has doubtless informed you. All the arrangements for the coming season had been completed on the basis of the "Neko" continuing to fish with three catchers as before and your letter arriving as it did at the end of August, came as a painful surprise to us. We had no knowledge of any unfavourable reports with regard to the 'Neko' and in view of this and as we were not clear as to the proper interpretation of the words 'small capacity' we cabled asking you to be good enough to specify the reasons for refusing the 'Neko' a licence for a third catcher. We have to thank you for your reply dated 8th September, which, however, was so mutilated in transmission that it was only after repeated applications to the Cable Company that we obtained a correct copy reading as follows :-

"Your telegram 27th August determining factor  
"Neko small carrying capacity average produce  
"two catchers 1922 to 1923 14800 barrels Neko  
"total 16000 factories double capacity Neko  
allowed three fatchers only."

With regard to the 'Neko's' carrying capacity this is about 20,000 barrels and the only way in which it can be increased is by tanking additional holds to carry the oil presently clothed in drums. Apart, however, from commercial considerations and the inadvisability of effecting structural alterations to a vessel of her age, this would only increase her capacity by some hundred barrels.

The carrying capacity of a floating factory undoubtedly affects the average production in barrels per whale catcher when 'full ship' is obtained before the end of the season, as this automatically stops operations. We cannot, however see what interest, apart from the question of export duty, the Government has in the carrying capacity of vessels in these circumstances. When, as happened last season with all the factories at the South Shetlands, 'full ship' was not obtained, the carrying capacity is immaterial from the point of view of production, e.g. the 'Roald Amundsen' with a carrying capacity of 28,000 barrels had a considerably smaller total production than the 'Neko'. The 'Neko's' outturn was 16,666 barrels and this poor result must be attributed principally

to the small number of whales captured which was only about 75% of the number obtained by the 'Svend Foyn' or 'Sevilla'.

As far as we are aware the only floating factory with double the carrying capacity of the 'Neko' is the 'Ronald' which has, of course, permission to employ five catchers. According to information supplied by the selling agents of the Norwegian Whaling Association the average carrying capacity of the remainder of the Norwegian factories is 27,000 barrels. The 'Neko' works in conjunction with our s.s. 'Sevilla', which we have given 1,000 drums this year so that the combined carrying capacity of the two vessels is about 52,000 barrels, that is nearly double the average of the Norwegian ships. The 'Sevilla' could be given additional drums, as she should carry about 37,500 barrels with bunkers to reach Rio from South Georgia, but we fear there is little chance of the combined production of both vessels exceeding 52,000 barrels.

In view of the above considerations we submit the 'Neko' should be permitted to continue to employ 3 whale catchers as she has done since 1911. We have a fairly extensive knowledge of whaling at the South Shetlands and we have no hesitation in saying that an expedition consisting of a floating factory employing only two catchers has no prospect of proving an economic success under average conditions. Last season, for example, if the 'Neko's' catching power had been diminished by one third, her production would only have slightly exceeded 11,000 barrels. We think it only right to bring the business aspect of the matter to your notice, as we feel certain that it is not the wish of the Colonial Government to discourage British enterprise in a field which is practically the monopoly of foreign companies.

We have the honour to be, etc.,

(Sgd.) Chr. Salvesen & Co.,

The Colonial Secretary,  
Stanley, Falkland Islands.