

SECRETARIAT

(Formerly)

0101	0
487/15	—
	0
	—

WHALING IN THE FALKLANDS — APPLICATION BY  
MESSRS. SALVESEN'S FOR LEASE

CONNECTED FILES.

NUMBER	
435/08	Whaling licence including for 21 years for territorial waters of the East & West Falklands.
51/12	Whaling licence for East and West Falkland.
484/15	Messrs. Salvesen & Co. (New Whaling Co.) Appln. for renewal of licence 1915/16. Falkland Islands.
0497	Sealing - enquirer by Cooper Friend and Co.
D/3/39.	Renewal of lease of land in Stromness Harbour by Vestfold Whaling Company.
D/5/48	Salvesen's Whaling Stations at Heath and Stromness.

REC'D

No. 117.

TELEGRAM.

From The Magistrate South Georgia.

To The Colonial Secretary.

Despatched: March 10th 1947 Time: 23.00

Received: March 11th 1947 Time: 09.30

No. 43. During recent discussion which I have had with Captain Salvesen and the Honourable R.C. Geddes they raised the question of possibilities of resuming Whaling at Falkland Islands and simultaneously conducting sealing operations and have submitted application which will be forwarded by first opportunity.

See 440

MAGISTRATE.

G.F.C.

Reply at 3

J.E.

1

In case there was a chance of Y.E.  
meeting these gentlemen, may I  
telegram to Capt. S.G. saying  
that J.E. hopes to visit them  
looks forward to seeing them if  
they are still here <sup>in March</sup> /  
early April?

A. Bl

12/3

(The question of Export Duties is  
very relevant)

Approved

A

Might be as well to let S/S know what's  
in the wind apropos our second region  
seeking guidance.

Mc. 14/iii

(Note - I am afraid A was not done.  
The file concerned was in constant action  
- was unfortunately not linked with  
his one in its return (C.B.)  
14.6

B

GOVERNMENT TELEGRAPH SERVICE.

FALKLAND ISLANDS AND DEPENDENCIES

SENT.

Number	Office of Origin	Words	Handed in at	Date
				15. 3. 47.
To				

- No. 39 Your telegram No. 45 stop As you know His Excellency hopes to visit South Georgia end March oblique stroke early April and looks forward to seeing Messrs Salveson and Geddes if they are still there.

COLONIAL SECRETARY.

Time

TELE.

By 2/11/47  
19/2/47

S.G. No. D/8/47.

MEMO.

C.S. No. 9101

11th March, 1947.

From :-

THE MAGISTRATE,  
South Georgia.

To :-

The Honourable,  
THE COLONIAL SECRETARY,  
Stanley.

7/3/47.

1. With reference to my telegram, No. 43 of the 10th of March, 1947, I have the honour to submit, for consideration, a copy of a letter which has been addressed to me by Messrs Chr. Salvesen and Company enquiring as to the possibility of resuming whaling and of simultaneously conducting sealing operations at the Falkland Islands.

2. While I realize that the issue of whaling or sealing licences for the Colony in no way concerns this Dependency, it appears to me that the undertaking such as outlined in the letter referred to above would have many possibilities for the Colony generally.

3. I have merely acknowledged Messrs Salvesen's letter stating that the matter has been referred to you for consideration.

*C. J. Stewart*  
MAGISTRATE.

CHR. SALVESEN & CO.

Leith Harbour, South Georgia,

RCG/WG.

7th March, 1947.

The Magistrate,  
SOUTH GEORGIA.

Sir,

We have been considering the practicability of resuming whaling operations from the Falkland Islands and simultaneously of conducting sealing operations. New Island would not be a suitable place for this purpose; it has however been suggested to us that a station could be conveniently situated in the neighbourhood of Albemarle Harbour, but we should require to make a survey before deciding upon any particular locality.

*?Albemarle Harb  
exp. 1948.  
C.S.O.M.P. 525/24*

Meanwhile we should be grateful if you would take the question up with the Falkland Islands Government and ask it to indicate to us the conditions upon which it would approve such an undertaking. It is important that we should receive an assurance of reasonable protection against the exploitation by others of the same resources.

We beg to remain Sir,  
Your obedient servant,

(SGD.) CHR. SALVESEN & CO.

*See 1012*

*put up for up for. where add. in  
the part. G.S. 4.6 ✓*

G.N.

1-5 for your advice, re  
Revenue pt. on statistics.

ABL  
4.6

H.C.S.

It would obviously be to the benefit of the Revenue if sealing and whaling were revived in the Falklands and should bring a little more shipping about ~~and animal fats are still very short.~~

The whaling season should be for six months, as at S. Georgia, and operations would be subject to the current international restrictions including utilization of the whole animal.

The sealing would be restricted to ten thousand adult male sea lions (which might be expected to produce about 400 tons of oil) and a few hundred elephants. Season for lions—July to October, for elephants—March to October. All sealing is done under an annual licence.

Protection against large scale competition could be given but the interests of Messrs Hutchinson and Bertrand must be guarded.

As it is likely that protection would be asked for for a term of years there should be a proviso that it would only operate so long as Salvagens were actively engaged in the Falklands. I do not think they ought to be able to clew up and keep the industry on ice in case they wanted it.

As at least one transport each way should be expected annually the question of privilege for Government cargo should be thought of. It seems likely that a good deal of saving in transshipment charges and commissions might be saved if stuff came direct from U.K. There might also be accommodation for a few passengers. Accommodation for a Government officer at the station would be imperative. Export and import duties as usual.

Albmarle lease  
expires 1946?  
C.S.O. 525/24

Certainly not.

Yes - good idea

2500-9-07-46

J.E.

1-6

The conditions suggested by G.N. on 6 -  
he might also suggest a mail service  
to S.G. He sees also the note on  
A of 3. He has not yet informed S/S).  
2. As to small enterprises like those of  
Liam Hobbins / Perkins, pl. see 0157  
submitted separately. The Albemarle  
position is somewhat obscure. It will  
see that it (24) in 525/24 application  
was made for a 3-year extension from  
27.9.39. There is no record in the case  
of it having been granted, - (25) is  
missing. I have traced a copy (in the  
Liam book) which merely acknowledges (24)  
- says the matter will be reported to the  
S/S. I cannot find that this has been  
done. But not has been paid each  
year: at the rate of £90.13.4 in return  
for which Deane (I presume now the  
✓ F.I.C. who has bought Port Stephens) 5th  
21760 acres of camp on which they de-  
pastured their breeding ewes, + £100 p.a.  
for sub. letting to the Sealing Co. while it  
functioned at Albemarle.

Indiscreetly in the  
correspondence about  
sliding water duties.

But pl. of.  
179/38 cap.  
① 55

ABE  
14.6.47



8  
C.

5 is certainly to be encouraged and the points raised by CN at 6 and in your minute which should be taken up.

2. Hutchinson and Baird can offer no serious opposition and should be given a quota within whatever scheme is devised; i.e. I presume we shall split the area up into "divisions" for rotational hunting as in S.G. ? The interests of the Colony come first.

3. As to Alberman I don't imagine Salverson will want a vast amount of ground — the position so far as I recall is that we undertake to give Dean (now F.I.C.) reasonable notice of forfeiture of the lease and we could come to an arrangement with them. I have no designs on that Reserve for purposes of an Agric. Institute a Settlement and subject to advice of Ex.Co. would be prepared to contemplate an exchange (less the small area required for Whaling Station) of land of equal quality in East Falklands.

4. We should now draft reply to Salverson and notify S&S by telegram. Let us deal with this urgently.

MC. 14/vi

ME.

Magistral advises that since the lease of  
Albemarle expires on 26. x. 47 (assuming that  
it is being carried on a year-to-year  
basis) we can exclude from it w.c. f. that  
date and land as we wish to leave to  
Salisbury.

2. But then for some time of approx. 1  
year has had to date to Salisbury. It  
has dates in conjunction with D.H.

A. B. L.  
p. 6

✓ MC. 17/vi

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 18. 6. 47 Time: 16.30 Received: ..... Time: .....

Repeated to Magistrate South Georgia telegram No. 82 (20. 6. 47.)

21 in D/4/47 No. 335. by telegram No. 244 paragraph 6. Salvesen's application for whaling and sealing in Falkland Islands.

5 I have now received letter from Salvesen's South Georgia dated 7th March enquiring conditions and suggesting situation near Albermarle Harbour. This is Crown Land on west side and Falkland Islands Company on east. If after survey lease of former was sought I should propose subject to your approval when renewing lease to exclude from land now leased to Falkland Islands Company an appropriate site for Salvesen's.

2. Conditions suggested for lease include

- (a) six-month whaling season as at South Georgia.
- (b) application of current international restrictions.
- (c) sealing to be confined to adult male sealions and elephants.

Season and numbers to be settled with adequate precautions to preserve stock.

- 27 in D/4/47
- (d) export duties on scales approved in your telegram No. 172.
  - (e) reasonable protection for two small ventures already established in Colony producing some 50 tons each.
  - (f) transport of government cargo mail and occasional passengers to and from Falkland Islands and United Kingdom and South Georgia as opportunity offers.

3. In general I am disposed to give every encouragement, and propose to reply to United Kingdom in above sense by mail due to leave early July. Meanwhile you may wish to inform that matter is receiving favourable consideration.

GOVERNOR.

G.T.C.

Reply at 12.

See 12.

LJE.

D/6/47 "Export Tax on Whaler & Seal oil"

R. refers to Mag. S.G. for W.M. 4  
& submit for letter to Salvesen's. *ABE*

19/6

1/6

14

Copies to Magistrate, South Georgia (2).

0101

23rd June, 47.

Gentlemen,

5 I am directed by the Governor to refer to your letter ~~NOG/40~~ of the 7th of March, 1947, addressed to the Magistrate, South Georgia, a copy of which he has forwarded to me, and to say that Government is disposed to give every encouragement to the resumption of whaling operations from the Falkland Islands and the conduct of sealing operations by your Company.

2. I am to observe that Albermarle Harbour is Crown Land on the west side, and that the east side is included in the freehold of the Falkland Island Company, Limited, but there would be no difficulty in excluding from it an appropriate area for your operations. Should you prefer to operate from the east side you will doubtless take up the matter with the Company direct.

3. Conditions suggested for the lease include:-

- (a) a six month whaling season as at South Georgia,  
(b) the application of current international restrictions,  
(c) sealing to be confined to adult male seal-lions and elephants. Season and numbers to be settled with adequate precautions to preserve stock,  
13a. (d) export duties on new seals of which I am to enclose a copy,

~~Export Duties on new seals of which I am to enclose a copy~~

Messrs. Chr. Salvesen & Company,  
31, Bernard Street,  
Leith,  
Scotland.

The enclosed is when  
WSE  
1947

(c) reasonable protection for the two small ventures already established in the Colony producing some 50 tons each,

(2) transport of Government cargo, mail and occasional passengers to and from the Falkland Islands and the United Kingdom and South Georgia as opportunity offers.

10 4. A telegram was addressed to the Secretary of State for the Colonies on the 18th of June, 1947, and you have no doubt been informed that the matter is receiving favourable consideration.

I am,

Gentlemen,

Your obedient servant,

(Sgd.) A. B. MATHEWS

Colonial Secretary.

VP.

### Export Duties.

Applicable to all Whale oil and Seal oil either produced within the territorial waters of the Colony and its Dependencies or brought within them for storage and subsequent exportation.

If the average market price for the season of first grade oil,									
does not exceed £20 per ton ..... one shilling and sixpence per barrel of 40 gallons.									
exceeds £20 but does not exceed £25 per ton ..... two shillings per barrel of of 40 gallons.									
"	£25	"	"	"	"	£30	"	"	..... two shillings and sixpence per barrel of 40 gallons.
"	£30	"	"	"	"	£35	"	"	.....three shillings per barrel of 40 gallons.
"	£35	"	"	"	"	£40	"	"	.....three shillings and sixpence per barrel of 40 gallons.
"	£40	"	"	"	"	£45	"	"	.....four shillings per barrel of 40 gallons.
"	£45	"	"	"	"	£50	"	"	.....four shillings and sixpence per barrel of 40 gallons.
"	£50	.....five shillings per barrel of 40 gallons.							

See 12

DECODE.

No. 560.

TELEGRAM RECEIVED.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 27. 6. 47 Time: 14.00 Received: 28. 6. 47 Time: 09.00

10 No. 221. Your telegram No. 335.

Salvesen's application for whaling and sealing in Falkland Islands

2. I approve of proposals in paragraphs 1 and 2 of your telegram.

Company being informed as requested in your paragraph 3.

SECRETARY OF STATE.

G.T.C.

LJH.

ME.

14 with 10.

2. In await reply h 12.

Noted. MC 28/vi ABe  
28.6

DECODE.

Copy filed in 0157 "Sealing in the Falklands"

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 8. 11. 47. Time: 13.00

Received: ..... Time: .....

17  
No. 661. Confidential. Salvesens. Captain Harold Salvesen to whom I accorded interview yesterday is interested in resumption whaling and sealing from shore station on West Falkland, a project much to be encouraged. Following are general lines of agreement which I should propose (A) WHALING. Exclusive right to hunt Sperm, Sei, Fin and (if any) Blue whales in Colonial waters using maximum of 4 catchers from shore station. Season 15th October to 15th April. Standard limitations as to size and species. Licence renewable annually would specify utilisation whole carcase. Note: He is thinking of acquiring ship with approximate 1000 tons refrigerated space for export of whale meat and although I did not mention it at present stage this might well work in with Freezer proposals in my Despatch No. 45 Confidential of 17th October. (B) SEALING. Right to take (initially) 10,000 adult male sea lions and 1000 adult male sea-elephants. Season March-November. Licence renewable annually, to prohibit molestation breeding grounds and protect interests existing small enterprises. He proposes to utilise entire carcase.

2. He suggested giving decision within 5 months (i.e. on his return to United Kingdom) but I told him this was too long and that there were other interested parties (your telegram No. 405 Confidential refers).

3. He would be willing to carry passengers etc. on ships coming out but had been asked by Falkland Islands Company to charge same rates as latter in such circumstances. I said we were not interested in maintaining Falkland Islands Company rates which are in my view excessive and that we were concerned only with the United Kingdom-Stanley or Stanley-South Georgia services which Falkland Islands Company are rarely able to provide. I shall fight any attempt to co-erce them in this matter.

74  
3/3/39  
4. As anticipated he protested at my proposed tax on whale-oil stored ashore at Stromness (late Vestfold's) on grounds that it is discriminatory, that procedure is unusual (remarking that he did not pay on oil "in bond" at Rotterdam) and will involve him in extra clerical work. I was not impressed with argument and am totally disinclined to reconsider matter for following reasons (a) Dependencies have no other source revenue (b) By using Stromness property for present purpose Salvesen's are in effect evading terms of lease (see my 3 p.n. of 25th March); latter is due to expire in September 1948 (c) There would be nothing to prevent Pesca following suit when latter's factory-ship is in commission and South Georgias revenue would then disappear

13  
0497  
5. As whales taken in this area will be additional to international quota of 16, Blue Whale units this should be an attractive venture for Salvesen or any other firm with sufficient resources to develop the trade. See my immediately following telegram. Meanwhile grateful if you will keep me regularly informed of fluctuation in prices of oil and all by-products.

See 20  
See 24,45  
GOVERNOR.

G.T.C.

LJM.

Drafted by H.E.



Y.E.

Copy filed in 6/

Copy filed 57-47

Yates  
ung in the Falklands.

Accorded an interview to Captain Salvesen and Mr. Clifford Marshall on 7th November, 1947, in the presence of Dr. Hamilton, Government Naturalist and myself.

2. Captain Salvesen raised the question of setting up a whaling station somewhere on the West Falkland, probably at Albemarle. He does not intend to return to New Island. He remarked that the Falkland Islands Company had been most co-operative, and had offered a suitable site for the station at Albemarle, provided he found on inspection that there was water-supply. If the Falkland Islands Company land was unsuitable, Your Excellency said that there would be no difficulty in providing a site on Government land.

3. Provisional agreement was reached in principle on the following points:-

- (a) exclusive rights to be enjoyed by Salvesens
- (b) maximum of four catchers, operating from shore station.
- (c) usual shore season (15th October-15th April) and standard limitations as to size and species.
- (d) licence renewable annually.

4. As to Sealing, Captain Salvesen admitted comparative ignorance. It was however provisionally agreed that, subject to reservation of the rights of the two small operators (Messrs. Bertrand and Hutchinson), Salvesens should be given the right to take up to 10,000 adult male sea lions (with the reservation that this figure was empirical and subject to modification in the light of experience) and 1,000 adult male sea-elephants: that the season should be the usual March-November: and the usual conditions should be laid down regarding prohibiting molestation of breeding grounds.

5. As to Passages in Salvesens' ships, they would always be prepared to help in any way they could, but they had been asked by the Falkland Islands Company to charge the same rates as they. Your Excellency said that the Falkland Islands Company rates were excessive, and that we were concerned only in obtaining passages as might be available and convenient between United Kingdom and Stanley and Stanley and South Georgia, services between the latter being very rare.

6. Export Duties on Oil and other whale and seal products.

Captain Salvesen stated that while they could find no fault with the understandable wish of the Administration to collect additional revenue in the form of Export Duties while oil sold for a high price, and while he had no objection to raise to the principle of ad valorem duties, he considered that the levy of such duties on oil from pelagic whaling which was merely stored ashore and re-exported was unreasonable and unprecedented. He quoted the analogy of stores landed in bond and suggested that this was similar.

Your Excellency pointed out that if such duties were not collected it amounted to penalising the shore stations and encouraging pelagic whaling, with the result ultimately that all revenue would be lost to the administration.

Captain Salvesen considered that the duties were aimed at one particular firm and said he had no objection, if the Administration, wished to increase its revenue, to an all-round increase in the proposed ad valorem duties, provided oil stored

ashore/

ashore for re-shipment was excluded.

Your Excellency said that the proposed duties were not discriminatory. Captain Salvesen remarked that if they were levied they would involve considerable clerical work in arranging the programme of work in order to evade liability to as much taxation as possible.

Your Excellency said that Captain Salvesen's protest had been noted.

Other items of the Schedule were then discussed and it was agreed that all items other than oil were best and most conveniently taxed on a specific basis. Minor details of drafting were considered and left for final discussion between the Colonial Secretary and Captain Salvesen.

(It was later agreed that all such items should be set forth as taxed at 6d. per 100 lbs. without mention of containers, and that the price of oil should be the average United Kingdom/Continental price for the season).

VP.

A handwritten signature in dark ink, appearing to be 'A. B. S.', is written in the lower right quadrant of the page.

Record:

19 removed bodily to D/5/48 -

Salvesen's Whaling Stations at Leith & Stromness.

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 13. 11. 47 Time: 16.25. Received: .....Time:.....

16 Unnumbered. My telegram No. 661 Salvesens paragraph 5  
reference is to my telegram No. 663 Sealing.

13-0497

GOVERNOR.

G.T.C.

LJH.

YE.

20 was sent because No 662  
refers to something different & was

given its number in error.

2. Draft taken to Salvesens for  
Comm. by. When 19 is annexed. Asl  
13/11

I have amended slightly;  
we need not revert to the  
clock. room charges controversy.

mc.

21 Removed bodily to D/5/48.

Salween's Whaling Stations at Leith & Stromness.

DECODE.

Copy filed in 0157 "Sealing in the Falklands"

22

TELEGRAM.

From The Colonial Secretary.

To The Magistrate South Georgia.

Despatched : November 18th 19 47 Time : 09.45.

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

No. 170. Following for Captain Salvesen begins:-

See 17  
Your interview with Governor 7th November.

Following suggested basis provisional agreement regarding whaling:-

- (1) Government will provide site on Crown Land for whaling station at Albermarle or elsewhere if available and required, and will grant in that event 21 year lease.
- (2) Exclusive rights to be enjoyed by Salvesens.
- (3) Maximum of four catchers, operating from shore station.
- (4) Usual shore season (15th October-15th April) and standard limitations as to size and species.
- (5) Licence renewable annually.

2. Sealing. Subject to reservation rights of two small local operators as explained Salvesens be given right to take up to 10,000 adult male sea lions (with reservation that this figure is empirical and subject to modification in light of experience) and 1000 adult male sea-elephants: season usual March-November: and usual conditions prohibiting molestation of breeding grounds.

3. Passages. Salvesens prepared to co-operate to best ability in furnishing passages for Government Officers between United Kingdom and Stanley and Stanley and South Georgia as in past. Government not repeat not prepared to accept Falkland Islands Company rates as standard.

4. Early notification you views is desirable. Ends.

G.T.C.

LJH.

Reply at 26

See 32

COLONIAL SECRETARY.

PA  
ABC  
18/11

## GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS AND DEPENDENCIES.

RECEIVED.

Number	Office of Origin	Words	Handed in at	Date
6.	Southern Harvester	29	20.30	25.11.47

To COLONIAL SECRETARY,  
PORT STANLEY

*See 26* REPLIED TODAY THROUGH MAGISTRATE SOUTHGEORGIA STOP VERY APPRECIATIVE  
CONSIDERATE RECEPTION GIVEN US AT STANLEY PLEASE CONVEY TOO OUR THANKS  
FOR HOSPITALITY TO GOVERNOR AND DOCTOR.

*See 22*  
SALVESEN

Time

DECODE.

No. 828.

Copy filed in D/30/47 "United Whalers Ltd applies for lease of Land station at Lec. Is"

**TELEGRAM RECEIVED.**

From SECRETARY OF STATE to GOVERNOR.

Despatched: 26. 11. 47 Time: 19.40 Received: 27. 11. 47 Time: 09.00

3 in D/30/47

16 No. 428. Confidential. Your telegram No. 661 and your telegram No. 666.

No objection to grant of Land Station lease to Balvesen and United Whalers Ltd. for 21 years on conditions proposed by you subject to limitations mentioned in following paragraphs.

2. Ministry of Agriculture and Fisheries consider 21 years lease can be agreed to only on understanding that licence to whale during this period shall not be granted automatically. Safeguard suggested by you in paragraph 2 your telegram No. 666 is not regarded as providing a sufficient measure of control. Although there is no provision in Washington International Whaling Convention December 2nd 1946 enclosure in my telegram No. 132 ~~not yet received~~ having November 12th for limiting number of Land Stations one of the first tasks of whaling commission to be established under Convention will be to review whole question of Land Stations and their effect on whale stock. Consideration may have to be given to closing of area adjacent to each station or to curtailment of season during which they may be operating. Any commitments in regard to whaling rights over a long period should consequently be avoided and erection of new land stations must be carefully watched. Macintosh agrees with these views. Grateful to learn whether you also accept them.

3. United Whalers Ltd. have applied for passage on M.V. John Wiscoe from Montevideo to Reception Island for two of their Norwegian whaling experts (both of whom have worked there before) for the purpose of surveying land station with a view of ordering necessary replacements of machinery etc. I am agreeing on the understanding mentioned by you in paragraph 3 of your telegram No. 666.

3 in D/30/47

See 27

SECRETARY OF STATE.

G.T.C.

G.N.

L.H.

24 for your very early

Wms, pc.

Alb  
28.11



H.C.S.

Unlike the Convention I have always thought better of land stations than of floating factories.

2. A land station should be able to secure all the land needed for any plant required and ought to be much easier to supervise than a ship at sea, and it does not use dead whales as fenders which must be a cause of waste.

Perhaps the Convention does not trust its own members, or perhaps merely wishes to keep the power, and the glory, in its own hands.

3. Control of the new land stations, i.e. regarding economy of material, would be guaranteed (a) by our whaling Regulations, (b) by continuous supervision by a whaling officer, locally chosen, I hope, and (c) by the conditions of the licence if additional safeguards were called for. The licences would issue annually

4. I submit that some sort of assurance would almost certainly be necessary if these people are to start. Would S.o S. agree to a promise of a licence for each of the first 5 years (subject to 3 above) and thereafter annually in the normal way, without right attached.

5. Is the Whaling Commission (24) a new racket ?? Its first task ought to be to "review the question" of pelagic catching but I suppose that is all settled by 16,000 Blue Whale Units.

6. Except when used for whaling I should consider that a land station has much less intrinsic value than a very large tanker, i.e. a floating factory.

*J.E.A.*  
G.N. 28;xi;47

ECODE.

No. 512.

TELEGRAM.

From The Magistrate South Georgia.

To The Colonial Secretary.

Despatched : November 27th 19 47 Time : 13.00.

Received : November 28th 19 47 Time : 10.00.

22 No. 181. Your telegram No. 170. Following from Captain Salvesen begins:-

Preliminary observations as to whaling.

(1). Offer appreciated further survey required before site finally selected. Presume your attitude unaffected. If site chosen owned by Falkland Islands Company or other owner and lease arranged with owner. Would want sufficient area for cultivation of some vegetables etc.

(2). Thank you.

(3). Agreed.

(4). Suggest for first season in Falkland Islands December to May inclusive as understand whales more numerous then and prefer risk of bad weather then hoping secure fattest whales.

(5). Agree.

Sealing. In view of present large surplus adult bulls and world scarcity of oil and protein request total 60,000 sea lions during the period ending November 1st 1950 thereafter number to be determined periodically in the light of experience. Hamilton's report 1937 suggests large surplus of bulls at that date and that in addition herds could stand annual killing of 10,000 to 15,000. Appropriate figure probably larger now.

Passages. Most important arrangements be made to clear vessels in and out of Albmearle or other selected site. Would willingly co-operate when boats available from whaling station to United Kingdom or South Georgia and reverse as we do at present United Kingdom South Georgia and reverse. Have instructed Leith Office to enquire re Falkland Islands Company present rates and confer with that Company. Self and Marshall greatly impressed by possibilities of whaling and sealing and actively engaged in preparing recommendations to partners in Leith. Present suggestions to commence sealing on experimental scale Autumn 1948 with view to full scale Autumn 1949. Hope it is possible to commence whaling during 1948/1949 season gradually increasing plant. As desirous attempt use carcasses sea elephants in addition to blubber would appreciate permission to take 20 male elephants at South Georgia during the period January April to enable essential experiments. Ends.

Reply at 32

MAGISTRATE.

B.P.C.

LJR.

YE.

1 rec 24 & YE in receipt  
 then Manics J: H's near 25. Mean  
 office 1 rec 26. has asked  
 for a check, repeat of the comp  
 Impro.

YE has asked for the pp. ABC  
 29.4

Fr. G.N's  
views.

Fr. G.N's  
views.  
 D. Hamilton  
 to speak.  
 1939

We station  
 office here.

Agree  
 on special permit.

26.  
27.

Q.

I have discussed 2A with G.N. and think  
Egiam at cur might issue?

We will then deal with 2b.

McC 30/xi

Extract from letter from Mr. Young of the 10th of Oct. 1947.

~~XXXXXXXXXXXX~~

.....

I have had some discussions with Salvesens regarding their proposals re Whaling and Sealing from a Falkland Islands base, possibly in the Albemarle Reserve; Roberts and I met them at Edinburgh yesterday and we have assured them that we will do all we can to assist them.

With Government's approval we would sublet a portion of Albemarle as Mr. W.I. Dean did to the Sealing Co., supply meat and permit sealing around Lafonia insofar as our rights are concerned.

.....

If Salvesens want a part of the Albemarle Reserve  
it will be cut out <sup>if FIC leave</sup> and Salvesens will be tenants of Government.

TELEGRAM SENT.

28

From GOVERNOR to SECRETARY OF STATE.

Despatched: 1. 12. 47 Time: 14.30

Received: ..... Time: .....

No. 706. Confidential. Your telegram No. 426 Confidential paragraph 2. Whaling and sealing in Falklands and Dependencies. Am of opinion that land-based operations are more susceptible of control than pelagic. I have not suggested that whaling rights (i.e. licence to whale) shall be granted automatically but effective measure of control is secured by limiting number of catchers in licence (salvesens' have agreed to 4 which is regarded as minimum economic unit) and by insistence upon utilisation whole carcass. Whaling Officer would be posted to each land-station throughout season and Clause 11 of Ordinance No. 9 of 1936 confers on Administration unlimited powers of control. I should of course be prepared to consider any additional safeguards which Ministry Agriculture may care to suggest but in interests of Colony my immediate concern is to get industry re-established and neither salvesen nor any other whaling Company can be expected to sink substantial capital in equipment of shore station without some reasonable assurance as to future in absence of which duration of lease can be of little interest. I would not personally wish to see more than one land station in Falklands or more than one additional land station in Dependencies (i.e. exclusive of South Georgia).

2. Subject to above observations am in general agreement with view expressed towards end of paragraph under reference.

3. I have not yet received telegram No. 102 having to which you invite my attention.

4. Should be grateful for very early comments on my paragraph 1 as salvesens intentions are clearly serious.

GOVERNOR.

G.T.C. Drafted by H.S.

L.H.

Record.

29 removed bodily to D/5/48.  
Salvesen's Whaling Stations at Leith  
& Stromness.

G.N.

A

R. Enid Drp km. 1

In v. early Comm.

B

ABE  
11.11.16

H.C.S.

Nothing to suggest except—

31-525/24  
Foot of 2nd Schedule  
of 1924  
525/24

2. My minute in the Althamale leave file is relevant. The leave was granted notably for pastoral purposes, presume this also applies to the Tenancy at will.

3. H.E.'s minute on 29, foot of page. I think it must put this in, but I expect we should do our best to protect an established industry. ? A hint.

= Ministry of ABE

The application of International Agreements ~~depends on~~ to land it would depend on what the S.O.S. thought should be enforced.

4. Some such phrase as that "It is impossible to foresee the result of future whaling conferences which may result in international agreements."

S. is in the conferences himself.

gnd. G.N.  
12-XII-47

C

JE

32

Isue km. as amended? [now 56]

ABE  
16.11.16

31 (Tel. it but await filing).

Issue. MC 16  
XII

30a.

0101.

Extract from letter from Hon. Mr. D.W. Roberts, C.B.E., to His Excellency the Governor of 16. 47.

.....

I had a meeting with Mr. Geddes of Salvesens on the 5th the day before I left London. They telegraphed asking if I would meet him before leaving U.K. Their proposal is to start fairly soon with Whaling and Sealing. They hope to send a corvette out about March and send a factory ship "Polar Chief" in April. "Polar Chief" will then go to U.K. for alterations and the proposition is to send her out next season and ground her permanently so that they will not need to lose time building a large establishment on shore. You may have heard of this already.

.....

W.



DECODE.

Copy filed in D/30/47 "United Whalers Ltd."

Copy filed in D/7/37 "Application by Capt. Nilsen for licence to operate floating factory"

## TELEGRAM RECEIVED.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 12. 12. 47. Time: 14.55 Received: 13. 12. 47. Time: 09.10

28 No. 464. Confidential. Your telegram No. 706 Whaling and Sealing in the Falkland Islands and Dependencies.

P141 ~~25~~ in 1936 Gazette

1. Clause II of Ordinance No. 9 of 1936 appears to give you power to withhold grant of a licence to whale if necessary and in circumstances I agree to your issuing lease for 21 years to United Whalers Limited and Salvesens for land station in Deception Island and West Falkland respectively. The Ministry of Agriculture and Fisheries concur.

(66) in D/3/37 2. Your telegram No. 679 Nilsen. United Whalers and Salvesens have also enquired of Ministry of Agriculture and Fisheries as to conditions governing use of floating factories as land stations.

Under existing International Agreement if ship is grounded permanently so as to be incapable of independent motion it can be regarded as a land station, but this would not be the case if ships remained floating whether moored or anchored. The future position will be governed by Washington Convention 1946 but latter cannot become operative before July 1st 1948. This Convention defines a land station simply as "a factory on land at which whales are treated".

If ships were to be run aground before use this provision would appear to have been satisfied, and if it were permanently grounded and incapable <sup>? of movement</sup> it could not be regarded as a ship at all but as a factory and would come under regulations as a land station. Provisions of all existing and contemplated International Agreement could therefore be met if ship were sunk in such a fashion as to become part of a permanent land structure and to be incapable of further use at any time as a ship. When Washington Convention comes into force there will be nothing to preclude use of factory ships in territorial waters in area open to factory ships provided factory ship's regulations are adhered to.

Until Washington Convention comes into force however Nilsen must not use his factory ship as a land station in territorial waters (See my despatch No. 49 of August 3rd 1945).

SECRETARY OF STATE

J.T.C. LJH.



DECODE.TELEGRAM.From The Colonial Secretary.To The Magistrate South Georgia.

Despatched: December 17th 19 47 Time: 09.50.

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

26 No. 180. Your telegram No. 181. Following for Salvesen begins:-

- (1) Noted. Presumption confirmed but if site covered by Falkland Islands Company occupancy (they are only tenants at will) arrangements would be made to excise and lease direct to you.
- (2) and (3) noted.
- (4) Season December 1st to May 31st agreed.
- (5) Noted.

2. Sealing. Regret unable at present to reconsider offer in

22 paragraph 2 of my telegram No. 170. But would emphasise that figure is wholly empirical and subject to modification in light of experience.

3. Combined customs and whaling officer would be posted to station.

4. Passages. Government regards Falkland Islands Company rates as irrelevant and is not repeat not prepared to continue present negotiations if proposed conference with latter aims at mutual agreement in Falkland Islands Company interests on rates to be charged.

Please see paragraph 3 my telegram No. 170.

5. Sea Elephants. Governor agrees to issue special permit to take 20 bulls for experimental purposes and report on results to Government as soon as completed through Magistrate South Georgia.

6. These arrangements are without prejudice to limitations which may be imposed by International Agreement, as far as whaling is concerned, as to which you are perhaps better informed than is His Excellency but Government would of course do utmost to protect an established industry based on shore station. Ends.

See 36

COLONIAL SECRETARY.

G. T. C.

I.J.H.

Extracted to  
0795 - Sea  
Elephant  
Exp. 2

G.N.

Letter  
received  
cl 15 m  
D/10/47

3. In your very early notes, Mr. 1  
has been this up in an unambiguous  
sense for 1946 London Convention

2. Re. compare your remarks in the  
file to 31 §1. §2. shd. be dealt

NILSEN with in D/7/37 — unless you prefer  
to deal with 31 in context in it.  
can be. I think in with a copy of  
your remarks for D/7/37.

3. Action is required in 10 of  
D/30/47 below. This file (0101) and  
D/7/47 are relevant: also D/1/39 esp.  
(55) (56).

4. Please leave in in D/3/47.

ABE  
19...

H.C.S.

Ref. 31, para 1. S.O.S. was informed that clause eleven of  
O.9/36 gives unlimited powers of control. Sub-Clause (g) is the  
general one.

I am not quite happy as to powers to refuse a licence.  
The previous ordinance was clear on this point and I think  
clause 6 of the present one should be amended as soon as poss-  
ible. However S.O.S. seems happy about it so no trouble seems  
likely for some time. To avoid a stain on my reputation I  
must add that I personally had nothing to do with the 1936 O.

Nilsen is dealt with in D/7/37

18:xii:47

3 in D/10/47 The Latest Protocol we have is 1945, printed 12/46  
73 in D/13/37 received here 5<sup>th</sup> March 1947.

Yt.

His file deals with Palaseni only. D/7/37 (Nileseni application)

deals with 32 § 2 has gone back to G.M.

2. Then has been delay b. cause in hand <sup>only</sup> first received the Washington 1946 Convention to Dr. reference is made in 28 § 3, 31 § 2. It is at 19 in D/10/47 (in this box).

3. 32 now awaits reply. If satisfactory to issue the lease based on lease lease generally: then the SPS that in which lease are being inequitably treated - in phrase D/1/39 (55) - (56)?

ABH  
31.12

I agree - the discrimination is essentially a political one and in my opinion misguided.

MC 31  
xii

G.M.

only at this stage.

ABH  
31.12

2-1-47

Latest International Convention in 1947 (19). Law situation reason for the 6 continuous months.  
H.

D/3/47 -  
in this box.

ABH  
31

(See page 17 in D/30/47).

It will be as well to record that in conversation yesterday Mr. Young asked me, on the assumption that we should not be reoccupying Abbermarle Reserve, whether it would be in order for F.I.C. to negotiate direct with Salvesen's about their lease etc? I replied that it would not be in order as I should prefer them to be the direct tenants of Government for a variety of reasons and said that I should excise from F.I.C. lease a sufficient area for the needs of S.

(Intld) M.C.8/1/48.

VP.

G.N.

✓  
ABe  
 14.1

ALS  
2100 G.V.  
 15-1-48

(also a x n 34 i.d.c.)

ALS  
 15-1-48  
 1023 p  
ABe  
 14.1

DECODE.TELEGRAM.

From The Magistrate South Georgia.

To The Colonial Secretary.

Despatched : January 14th 19 48 Time : 18.30.

Received : January 15th 19 48 Time : 10.00.

32 No. 8. Your telegram No. 180/47. Following from Salvesen begins.

[Basis your telegram Marshall with necessary experts intend to proceed Falkland Islands middle of February to select site and finalise agreement with Government including question of passenger rates. Not intended to propose Falkland Islands Company rates as standard but regret cannot depart from our promise before leaving United Kingdom to consult Falkland Islands Company before determining our rates for passengers and freight. This promise in conformity with Ministry of Transport encouragement re conferences and co-operation of Shipowners in freight determination. Confident question capable reasonable solution.

Inform Governor Southern Venturer expected to operate between the meridian and Grahamland till end of season. Ends.]

MAGISTRAT..

G.T.C.

L.J.H.

See 38, 41

DECODE.

Original in 0276 "Governor's Tours - Correspondence"  
Copy in 0623 "Salvesens' offer free passage to and from  
U.K. for M.O."

TELEGRAM.

From The Governor's Deputy,

To His Excellency the Governor, H.M.S. "Snipe".

Despatched : 16th January 1948 Time : 11.40.

Received : . . . . . 19 Time :

Following from Salvesen begins.

Basis your telegram Marshall with necessary experts intend to proceed Falkland Islands middle of February to select site and finalise agreement with Government including question of passenger rates. Not intended to propose Falkland Islands Company rates as standard but regret cannot depart from our promise before leaving United Kingdom to consult Falkland Islands Company before determining our rates for passengers and freight. This promise in conformity with Ministry of Transport encouragement re conferences and co-operation of Shipowners in freight determination. Confident question capable of reasonable solution.

Inform Governor Southern Venturer expected to operate between the meridian and Grahamland till end of season. Ends.

32 2. Reference in my telegram to Falkland Islands Company rates ran "Government regards Falkland Islands Company rates as irrelevant and is not repeat not prepared to continue present negotiations if proposed conference with latter aims at mutual agreement in Falkland Islands Company interests on rates to be charged"

38 3. Assume "meridian" is meridian South Georgia but am enquiring.

4. Suggest replying Your Excellency prepared see Marshall but hopes visit South Georgia early February.

2 in 0623 5. From another telegram it appears Salvesen definitely intend go ahead. They intend leaving immobile corvette with doctor over-winter in Falkland Islands building whaling sealing station and offer free passage home and outward for Colonial Medical Officer. This might suit Arthur and I am enquiring.

18 in 2/10/47 6. Question of Pesca lease extension awaits final agreement with Salvesen now that United Whalers draft agreement sent to Secretary of State.

Se 43 GOVERNOR'S DEPUTY

16 1140.

G.T.C.

DRM.

Reply at 39

Record

38 removed bodily to D/S/48 -  
Salvesen's whaling stations at Litch  
& Stromness.

DECODE.

TELEGRAM.

From His Excellency the Governor

To Governor's Deputy

Despatched : 17th January, 19 48 Time : 14.30

Received : 18th January, 19 48 Time : 09.30

27 Your 161440. Passenger rate. Propriety SALVESENS entering into commitment this nature with Falkland Islands Company in advance of discussion of agreement with me is at least questionable and since Salvesen not a regular carrying agency relevance Ministry of Transport views not apparent. Question had certainly better be susceptible solution. Meanwhile action as in your paragraph 3.

49

171430.

G.T.C. JB.

Typed VP.



Record.

40 removed bodily to D/5/48

- Blüsen's Whaling Stations at Little  
& Stromness.

GOVERNMENT TELEGRAPH SERVICE.  
FALKLAND ISLANDS AND DEPENDENCIES.  
SENT.

Number	Office of Origin	Words	Handed in at	Date
				20.1.48.
To			Dep. A/C.	
	MAGISTRATE SOUTH GEORGIA			

36 No. 2. Your telegram No. 8 stop His Excellency  
prepared see Marshall but hopes visit South Georgia early  
60 February stop new paragraph 2 your telegram No. 11  
36 not understood stop please repeat your telegram No. 8 after  
quote operate unquote

COLONIAL SECRETARY.

See 41

~~Reply at 42~~

Reply at 42

Time

VP.

42  
DECODE.

TELEGRAM.

No. 231.

*From* Magistrate, South Georgia

*To* The Colonial Secretary

---

*Despatched* : 21st January, 19 48 *Time* : 21.00

*Received* : 22nd January, 19 48 *Time* : 14.30

4) 36 No. 13. Your telegram No. 9 paragraph 2 following is repetition  
my telegram No. 8 after operate begins between meridian and Grahamland  
till end of season ends.

2. Vessel at present well east South Georgia and expects remain  
area between meridian and Grahamland position depending on catch results.

3. Salvesen and Marshall hope to meet Governor South Georgia  
early February.

MAGISTRATE.

P. I.

Record:

- 45 removed bodily to 2/5/48
- Salvesen's whaling stations at Leith  
& Stromness.

44

GOVERNMENT TELEGRAPH SERVICE.

FALKLAND ISLANDS AND DEPENDENCIES.

**S E N T.**

Number	Office of Origin	Words	Handed in at	Date
				29. 1. 48.

To

MAGISTRATE SOUTH GEORGIA.

41

No. 15 My telegram No. 9 stop Please inform Salvesen His Excellency expects to arrive South Georgia 8th February.

COLONIAL SECRETARY.

Time

LJH.

DECODE.

Original filed in D/30/47 "United Whalers Ltd"

45

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 18. 2. 48 Time: 15.28 Received: ..... Time: .....

18 in D/30/47

No. 63. My telegram No. 6 Saving of 8th January. Whaling.

28 I formed impression in conversation with Marshall of Salvesens at South Georgia that they are quite likely to stall over proposed lease in Falkland Islands see my telegram No. 706 of 1947.

16 2. I should have no objection to judicious sounding of United Whalers as to whether latter would wish to operate here on similar terms to those set forth in my telegram No. 661 of 1947. The Couper Friend project ( correspondence ending with my telegram No. 717 of 1947) inspires little confidence and is being kept in reserve.

25 in 0497 "Sealing  
engines by Couper"

G.T.C.

GOVERNOR.

L.H.

PA G.B.  
192

Record of a Meeting held on the 5th of March, 1948, regarding Messrs. Salvesens' leases in South Georgia, export duties on oil, and proposals for a whaling-station on the West Falklands.

Present: The Honourable Mr. A.B. Mathews, O.B.E., Colonial Secretary; The Honourable Dr. J.E. Hamilton, Government Naturalist; The Honourable Mr. R.W.S. Winter, Legal Secretary; Mr. C.G. Marshall, Partner, Messrs. Salvesens'; Captain Begg, Manager, South Georgia Whaling Company, South Georgia.

Stromness.

The Colonial Secretary opened the Meeting by remarking that it was not the intention of Government to proceed to levy export duties on pelagic oil in storage, because such duties affected Messrs. Salvesens' alone, and also because it was not the practice to collect them in the United Kingdom. He remarked, however, that the reason why they affected Salvesens' alone was because they were using the lease on Stromness for purposes other than those for which it was intended.

Accordingly, Government proposed to give Messrs. Salvesens' six months' notice of the termination of the lease, though, in fact, it considered that it would be within its rights in terminating it forthwith. Mr. Marshall protested and his protest was noted.

Leith.

As regards the lease at Leith Harbour, which was now held on a year-to-year tenancy, Government proposed also to give notice of termination. It would be necessary for new agreements to be entered into for the 1948/49 season. Government was prepared to grant a 21 years' lease for both Stromness and Leith Harbour, the former to be used solely for the storage of pelagic-produced oil, ship repairing, and a depot: while Leith would remain an operating shore whaling-station. Mr. Marshall protested and his protest was noted.

Government did not intend that there should be more than three such operating stations in South Georgia.

The Colonial Secretary remarked that he understood that Salvesens' had used tanks at Leith also for storage of pelagic-produced oil and that Government considered that this contravened the lease. In future, if this lease was renewed, Government considered that such oil should be stored elsewhere.

He remarked that oil stored at Stromness in the first two months of 1948 represented a loss of £12,700 to Government if the export duties on pelagic oil were not levied, and asked Messrs. Salvesens' representatives what they considered reasonable as a rent which would in part off-set this loss.

It does & we must  
be consistent: see  
(a) on 128 m 21/6/47  
Vol. II

Rents at shore stations  
being low in view of  
revenue collected on  
oil.

Mr. Marshall remarked that Salvesens' would much prefer an all-round increase in export duties, and after some discussion the figure of 6/8 per barrel was provisionally suggested by him as export duty when oil was £90 a ton, with proportionate decreases to 5/- at £50.

The Colonial Secretary said that Government had not overlooked the desirability of such an increase in any case and wished Salvesens' clearly to understand that it would not necessarily be limited to 6/8. It was

further stressed that the increased rent proposed for Stromness and Leith should be regarded as in part compensation for the loss of anticipated revenue from export duties on pelagic oil.

Mr. Marshall suggested a rent of £750. After some further discussion, and in view of the administrative difficulties involved by limiting the storage of pelagic oil to Stromness, as well as the possibility that if Pesca began pelagic operations next season they would wish to store oil at Grytviken for similar reasons, it was generally felt that it would be more convenient when the leases for Stromness and Leith were renewed that they should be treated as one unit.

Mr. Marshall remarked that in that case there would be no difficulty about accounting for the origin of the oil for purposes of duty.

On that basis a rent of £5,000 was suggested by the Colonial Secretary for both stations as a unit. He added that if Pesca stored pelagic oil at Grytviken Government would increase their rent in a similar manner. Mr. Marshall said that he would have to submit this figure to his partners and the Colonial Secretary remarked that he hoped that it would be made clear that Government regarded this as a reasonable figure and not only as a basis for bargaining. If Salvesens' accepted £5,000 as the figure for rent for both stations, Government would undertake to view sympathetically a reduction in rent should they be unable at any time during the period of the lease to operate on account of adverse economic conditions affecting the whole whaling industry.

Formal notice of the termination of both leases was then handed to and accepted by Mr. Marshall.

#### Albemarle.

Mr. Marshall said that Salvesens' wished to take the lease of a site of an approximate area of some 3,000 acres on Government Reserve land in Albemarle Harbour for a shore whaling and sealing station for 21 years commencing 1st May, 1948 at £250 per annum rent. They wished to enjoy exclusive whaling rights in the Falklands.

Salvesens' proposed to beach the "Polar Chief" and use it as a shore station, but they would also erect installations ashore necessary for the operation of a combined whaling and sealing station, where they would carry out repairs to vessels.

They required permission :-

(i) to erect such dams as might be necessary in

adjacent



48

✓ adjacent streams to produce a water-supply of some 200 tons per day

- ✓ (ii) to put up tanks for storage of shore-produced (not "pelagic") oil
- ✓ (iii) if necessary, for plant for freezing mutton
- ✓ (iv) if necessary, for plant for trying tallow
- ✓ (v) for a maximum of 4 catchers
- ✓ (vi) to cultivate part of the land and depasture sheep and cattle.

✓ The above was agreed to in principle. Salvesens' to be responsible for all necessary fencing within the lot of land now leased to the Falkland Islands Company from whose lease it would be excised.

✓ Whaling season. The whaling licence should in the first instance be granted for the period 1st December, 1948 to 31st May, 1949, subject to modification in subsequent seasons in the light of experience of catch and weather conditions.

It was agreed that a Customs and Whaling Officer should be stationed at Albemarle.

Sealing.

/concerned

It was agreed that exclusive rights should be granted subject to the safeguarding of the rights of the three existing Sealing undertakings, by their being stated, together with a definition of the area of the licences, in the sealing licence to be granted to Messrs. Salvesens' which would be for up to 10,000 adult male sea lions and 1,000 adult male sea elephants. These figures are empirical and subject to modification in the light of experience. Season March-November and usual conditions prohibiting molestation of breeding grounds.

Passages.

Messrs. Salvesens' would always be agreeable to extend to Government passengers and cargo such facilities as might from time to time be available in their ships on a similar basis to the informal arrangement in use in the past between South Georgia and the United Kingdom. There is no question of mutual agreement between Salvesens' and the Falkland Islands Company as to rates to be charged.

(Sgd) A.B. Mathews

C.S.

(Sgd) R. Marshall

for Chr. Salvesen's & Co.

Copies filed in 2/3/39 - Lease of Stromness  
0157 - Sealing in F. Is.

Copy filed in 525/24 "Albermarle Govt. Reserve"  
Copy filed in D/3/39 "Vestfold Whaling Company"  
Copy filed in 0157 "Sealing in Falkland Islands"

DECODE.

## TELEGRAM.

From The Governor's Deputy.

To His Excellency the Governor, H.M.S. Nigeria"

Despatched : March 8th 19 48 Time : 14.20

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

Salvesens definitely wish to take 21 years lease Government land Albermarle commencing 1st May 1948 on basis terms discussed.

2. Leases of Stromness and Leith terminated on 30th September 1948. Salvesens wish to hold both stations under one lease for administrative reasons which I considered acceptable subject to Your Excellency's decision. There is no difficulty about accounting for origin of oil for purposes assessing duty. Accordingly Salvesens are considering consolidated rent at figure suggested by me at conference with Your Excellency, Winter and myself; but increase export duties 1948-49 foreshadowed and acceptable to Salvesens.

3. Complete record of meeting with Hamilton Winter Begg in attendance agreed and signed by Marshall and self ready for Your Excellency on return.

4. Marshall's departure delayed by repairs to "Stina" but expect leave to-day.

G. L. C. -VP.  
TYPED-LJH.

GOVERNOR'S DEPUTY.  
081420.

See 416-50

Ref. 46-48.

C.S.

Subject to marginal reservations, I am in agreement but it does seem to me (and I made a point of this in an earlier discussion) illogical to permit storage of belagic oil, at a shore station the activities and intentions of which are clearly presented in the lease. I would like you and L.S. & Dr. H. to discuss with me.

We should then let S of S. know what is towards, before Salvesen's representatives in United Kingdom appear on the doorstep of Church House.

(intld) M.C.

11/111

VP.

# TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 20. 3. 48 Time: 10.30 Received: ..... Time: .....  
122 - 3/6/47 Vol 2

No. 113. Confidential. Your telegram No. 59. Export Duty on Whale Oil.

At meeting held on 5th March, Salvesens representatives were advised on lines paragraphs 1, 2, 3 and 4 of my telegram No. 80 and formal notice terminating tenancies of Stromness and Leith Harbours were handed to Marshall (a partner).

2. Salvesens wish to take 21 years lease of both stations, treating them as one unit, commencing 1st October 1948 and are considering suggested rental of £5000 per annum therefor. While this figure may appear high in relation to rental of £250 elsewhere, latter figure is nominal and linked to expectation of revenue from duty on shore-based whaling activities. Salvesens cannot have it both ways.

3. I intend moreover to readjust present sliding scale duties by charging additional sixpence per barrel for every £5 per ton above present maximum of £50. Salvesens had anticipated and are (however reluctantly) resigned to prospect of increase.

4. Salvesens wish to take lease of approximately 3,000 acres of Government Reserve land in Albermarle Harbour, West Falkland for 21 years commencing 1st May 1948 at £250 per annum (see my telegram No. 664 of 1947). They require permission (i) to dam adjacent stream to produce a water supply of some 200 tons a day. (ii) to erect tanks for storage of shore produced oil and plant for freezing mutton and trying tallow and (iii) to cultivate part of land and depasture sheep and cattle.

5. Salvesens further seek (i) exclusive whaling rights in the Falklands which I am prepared concede. (ii) a maximum of four catchers operating from shore station which I consider reasonable and (iii) whaling licence in the first instance to be granted for the period 1st December 1948 to 31st May 1949 subject to modification in the light of experience for subsequent seasons, which I recommend.

6. In my telegram No. 105 of 1947 I invited attention to model conduct as tenants of Pesca. My recent inspection Grytviken factory confirms this view in every particular. They have invested and still are investing new capital in improvements and new techniques and I consider it in equitable and indeed impolitic to withhold from them the 21 year lease which they sought. I shall be obliged therefore if you will reconsider.

7. Your early consideration and approval of these proposals is requested.

Reply at 61

GOVERNOR.

G. T. C.

LJH.

3/6/47 'Export duties on Whale & Seal products'  
3/5/47 'Renewal of Whaling Lease Compañia Argentina de Pesca'  
3/31/47 'Terms & conditions of renewal of Whaling Leases in Dependencies'  
0157 'Sealing in the Falkland Is.'  
3/3/39 'Vestfold Whaling Company'

58

DECODE.TELEGRAM.From The Colonial Secretary.To The Administrative Officer, South Georgia

Despatched: April 13th 19 48 Time: 12.00.

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

No. 56. Have you heard anything of Salvesens intentions regarding commencing operations in West Falkland. You should not repeat not display any anxiety.

Reply at 59

COLONIAL SECRETARY.

G.T.C.

LJH.

B. 21/4 AB  
14. 4

DECODE.

TELEGRAM.

From The Administrative Officer, South Georgia.

To The Colonial Secretary.

---

Despatched: April 14th 19 48 Time: 15.00.

Received: April 15th 19 48 Time: 09.30.

58 No. 69. Your telegram No. 56. I have heard nothing definite but understand it was intention to commence work September 1948 and there is evidence to show that arrangements are proceeding in that direction.

ADMINISTRATIVE OFFICER.

G. T. C.

I.J.H.

7E 59 with 58  
I believe 'arrangements' include transport  
I plan for Stromness. I cannot see

Who has me his time back it may  
have been Capt. D. Watson: who is away  
in M.V. at present.

ABE  
15.4

Extracted to D/30/47  
"United Whalers Ltd applies  
for leave of land at Brighton"

Noted.

Let us now ask S&S if he has heard anything

United Whalers, or do we ask latter direct?

me 16.  
iv

all  
Extracted to  
16.4

B.O.

17.5

ABE  
19.4

DECODE.

**TELEGRAM SENT.**

No. 13.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 20. 4. 48 Time: 14.45 Received: 21. 4. 48 Time: 09.30.

57

No. 122. Confidential. Your telegram No. 113. Salvesen's whaling operations.

x | Harold Salvesen and Honourable R.C. Geddes called at Colonial Office  
y | on April 14th to discuss questions outstanding with Falkland Island  
φ | Government. As regards the proposed increase in rent they pointed out  
9 | that lease of Leith Harbour had been renewed annually since 1938 that  
α | station had been used for many years for storage of Pelagic oil as well  
z | as other materials such as coal and that hitherto Falkland Island  
Government had made no complaint nor claimed additional rental on account  
of such other use. Although Falkland Islands Government had abandoned  
proposal to levy export duties on pelagic oil they had stated proposal  
to raise rent of Leith Harbour and Stromness (which is also used for  
storage of pelagic oil) to combined figure of £5,000 per annum was  
aimed at obtaining approximately equivalent revenue to that which would  
have been yielded by such an export duty. Company's representative  
claimed that apart from their operations land in question was valueless  
and that Government provided no service for which payment in rent could  
be expected. Proposed rent increase (which was in their view ridiculous  
compared with £250 which Falkland Islands Government had asked for  
approximately 3,000 acres on West Falkland) was therefore a case of  
Government taking advantage of present short-term lease and of Company's  
vulnerable position to squeeze them to maximum. They protested in  
strongest terms against treatment by Government which they stated removed  
basis of confidence on which to plant future operations. They made it  
clear if Government insisted on rental which they regarded as extortion  
they would take steps to move their installations elsewhere and would  
drop altogether their proposal to open a new land station on West  
Falkland. It was pointed out to Company's representative that Falkland  
Islands Government was within its rights in suggesting adjustment of  
rental on annual lease and that past treatment of lease could not bind  
Government to maintain present rentals indefinitely. Company had  
admitted they were making large profit from their whaling operations.  
Falkland Island Government were entitled to get share of these profits  
to meet increased burden of Government expenditure and one possible  
means of doing so was to increase rent on shore installation.  
Representatives would not however admit principle of basing rent on  
profit earning capacity which they said was taken care of by sliding  
scale of export duty. The most they would concede was that rentals  
should be increased to correspond with decrease in value of money  
since present rates were fixed i.e. by order of 100 to 150%.

57 2. As regards the proposed alteration of export duty on whale oil  
Company would it is understood be prepared to accept extension of scale  
as proposed in paragraph 3 your telegram under reference. Representatives  
did however protest as this further tightening of screw by Government  
and repeated conviction apparent determination of Government to extract  
maximum revenue from whaling Companies without return by way of service  
could only destroy basis of confidence hitherto existing and drive  
operations out of Falkland Islands Territory.

3. As you will recall I have previously expressed some anxiety  
about effect of taxation policy upon future of land stations and I feel  
bound to say I am impressed by force of argument which Company has now  
put forward against increase in rental in amount which you have  
proposed. I would suggest therefore that you should reconsider matter in  
light of Company's representations and inform me by telegram how far  
you are prepared to meet them I consider it important that some  
acceptable compromise is reached on this issue particularly in view of  
effect on plan for new land station on West Falkland (see following  
paragraph) and I would urge you to consider possibility of limiting

See 71

Reply at 5771 increase

D/6/47/4 "Export Duty on Whale & Seal Products"  
D/6/47 "Renewal of Whaling Lease Arg de Pesca"  
D/6/47 "Terms & conditions of use in Lease in Dep"  
D/2/39 "Westfold Whaling"



62  
increase in rental to amount which Company's representatives indicated they would regard ~~it~~ as reasonable.

Land  
cannot  
4. In view of present attitude Falkland Islands Government towards their (South Georgia ?) operations Salvesen's have no alternative but to abandon project for new land station on West Falkland (possibly in favour of South Africa) unless they can be given assurance that they will ~~not~~ be subject to discriminatory taxation. They appreciate that Government bind itself in regard to future taxation policy and that precise form of any general undertaking would therefore be difficult to determine. I think it likely that if you were to meet Company on South Georgia rent they would be prepared to go ahead with West Falkland project on basis proposed in paragraph 4 and 5 of your telegram under reference which I approve. I should however be grateful for your views on possibility including in terms offered to Company some general assurance on lines requested.

5. ~~Your paragraph 6. I agree to extension of Argentine Company's lease to 21 years.~~

SECRETARY OF STATE.

G.T.C.

LJH.

Y.E.

61 with 57 and 46-48.

x/ That is so - but not with the free knowledge & consent of his host. R. see 1(a) of 127 in D/6/47/II & 46 herein ad sed.

2. Y n 61 R. see Y n 47. He can meet Salvemini, perhaps: but 2/ n

On second thought -  
? 2 x £250 £500  
+ 50%?

61 is ludicrous: even his harsher friend £750 (at x n 47).

3. φ n 61 Salvemini deliberately evade the issue wh. is that he is charging a high rent because they intend to store 'pelagic oil' at Stromness Leith. and - unless they do so without our know- ledge - not at Albemarle.

The piece about 'taking advantage' is silly. They bought Stromness 'with advantage' of the terms of the lease to store pelagic oil there. They did this also at Leith.

wh. I only discovered from Mr. Macaskill!

4. α n 61 This is nonsense. The sliding scale of export duty was designed to 'take care of' profit earning capacity of factory ships: provides 'dock-room charges' was to be paid.\* But S's red. has cri de com & we want to make good a net loss. This is done by increased rentals for stations used as stores for pelagic oil and (2) by increased

\* Otherwise we might have levied duties at higher rates

64  
export duties. But these last cannot  
be raised for 1947/48, when we have lost  
(U.E. computed) 10,000 - 15,000 tons of vic  
duties @ 30/- a ton: say £20,000.

5. 61. §2 This is <sup>substantially</sup> ~~per barrel~~  
that we now propose — 6<sup>0</sup>/ba every £5 of  
price: i.e. 9/- a ~~ton~~ <sup>barrel</sup> at present price  
of vic.

6. 62 This is holding a picture of  
our heads. S's have not been frank  
with the C.O. They talk about 'basis  
of confidence' (§1) but it has been some  
what one-sided so far. There is no objection  
that I can see to guaranteeing that  
as to transaction \$5 supra vice stand, - as  
to rent they can have a 21- year lease.

7. I personally (1) don't believe they  
will go to S. Office

(2) think we should  
not be hurried, should. K.I.V. 45 §2

(3) but suggest that  
we either (i) refuse permission to store  
pelagic vic at S.G. at all, which is  
going rather far, unless they pay something  
more like £5000 than £250 rent

or (ii) accept 6 1/2 on the under-  
standing that they commence operations  
in the Falklands in 1948/49 season,  
with a 'primary claim', a hint of an  
negotiations with United Whalers & Deception.

8. 62 £5 Better late than never.

9. D. Ash { D. Hamichon for <sup>their</sup> views?  
Mr. Wintour

C. B. L.  
21.4

Q2

I had anticipated 6 1/2 and am quite impressed;  
while I did not myself think in terms of £5000  
as an acceptable figure for revised rental for the lease  
I did accept and support it as a laudable attempt to  
recover some part of our losses on frequent ~~and~~ duty  
on pelagic oil stored ashore. This, as given to me  
by Mr. Marshall was between 10-15,000 tons at  
Strommen and (which I was not previously aware of)  
Lark as well; at, say, 12,500 tons our loss would have  
been in the neighbourhood of £18750.

(minute not completed and  
continued overleaf)

D. Hamichon

to: ~~Mr. Marshall~~ Mr. K. H.

for your early views re. prior  
to discussion with 10/2

C. B. L.  
22/4

Re: S.

Am drafting reply.

K. H. 22/4.

66  
I therefore left this figure as it was as I know  
that Salveson would attempt to employ the Albenmaile  
project as a counter and wished to have something  
up my sleeve.

To accuse us of 'discrimination' is idle chatter and  
should not have deceived the S of S - we are, it is true,  
taking separate action in regard to their untravailing  
of the terms and conditions of their lease against which  
they can only put the false argument that they have been  
allowed to do this in the past, unchecked !!

I am in part of fact quite prepared to let them  
have a combined lease in S. Georgia at £1000  
provided they undertake to  
put the Albenmaile project through; what I  
am concerned with as far as is additional revenue for the  
Colony . . . . but I dislike being 'bounced'.

Telegrams is to be dealt with fully on above lines  
and all Salvesonian shifts and shuffles are to be  
firmly pinned down. It is they and not the Government who have  
acted in bad faith and this must be made quite clear  
MC. 23  
iv

LS + D. Hamilton to see.

L.S.  
G.N. J.H.D.

to see papers sent here.  
early, pr.

2. H.E. wishes also to reply to  
96 - D/6/47/II by air mail re.  
furnish to the question: explaining  
that Schuman's alone in S.G. has  
caused sudden trouble by shifts &  
misapprehensions - recourse to C.O. over  
the Governor's head in the past (D.  
H. is fully aware of earlier H.P.).  
- it is not that any "basis of  
confidence" was not on our side  
but a basis - Confidence that they  
could lead us down the garden  
thence they wished.

+ H.E.  
with regard  
H.E. is S.G.

Prudently.

3. R. speak at 7pm <sup>early</sup> convenience  
with D.H.

A.B.C.  
23/4

H.E. Rept. after  
K.H.  
23/4.





9. I should be grateful if you would re-assure Salvendy  
that there is no discrimination against them and show them  
the ~~telegrams~~ at the same time expressing my regrets that  
they should have considered anything that has been done as  
other than a reasonable desire to increase the <sup>dependence</sup> ~~revenue~~ and  
thereby provide means for increased facilities for taking  
companies as a whole. There is no intention to destroy the  
basis of confidence hitherto existing; whatever has been done in  
this direction has been done by Salvendy in not observing  
over a period of years, the terms of their ~~has~~ <sup>and</sup> ~~in~~  
approaching you behind my back.

and in constant <sup>efforts to secure</sup> ~~apprehension~~ for special privileges.



YE

66 with Dr. Kern. W. I have papers  
in connection with L.S. G.R.

2. On when I will take action a  
67: Take the opportunity to mention  
'basis of confidence'.

C. Bl  
23.4

Issue as slightly amended; I had long since  
abandoned the intention to actually change duty as pelagic oil —  
I too may power; or should it be chess?

MC. 24  
— IV

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 24. 4. 48 Time: 16.15 Received: .....Time: .....

No. 186. Confidential. Your telegram No. 122. Salvesens. 61

1. It has been and still is open to Salvesens at any time to seek long term lease of Leith or Stromness, which latter has been used for storage of pelagic oil without knowledge of Government and contrary to terms of lease which might have been cancelled forthwith. Annual renewal has presumably been made to suit themselves during period of war uncertainty.

2. Question of storage of coal is irrelevant.

3. £5,000 combined rent for Leith and Stromness suggested by Colonial Secretary to Marshall was not based on profit earning capacity but was laudable attempt to recover some part of our loss in foregoing duty on pelagic oil stored ashore for which the law provides. Salvesens argument that such duty was discriminatory may be dismissed as special pleading of company which alone had been using shore station at nominal rent for purposes for which it was not let thus failing to comply with terms of lease. On Marshall's own figures of oil so stored as given to me at Grytviken this loss has been nearly £20,000 for 1947/48.

4. £250 rent was suggested for West Falklands on analogy of South Georgia land stations not repeat not used for storage of pelagic oil. Contention that Government was taking advantage of Company's vulnerable position may be met by suggestion that Company took advantage of Stromness and Government has only now learned of it.

5. Your paragraph 3. I apprehended that Salvesens would attempt to employ West Falkland project as pistol to my head and for this reason allowed £5,000 rental proposal to stand as a bargaining counter. I am however prepared to reduce combined rent on both South Georgia stations to £1,000 (Marshall himself having suggested £750) provided Salvesens undertake to go ahead in West Falkland this year as I am concerned primarily with securing additional revenue for Colony.

6. Your paragraph 4. ~~Suggestion that taxation is discriminatory~~ may be summarily rejected. But Salvesens may be assured, if you think it expedient, that export duties of 6d. per £5 or part of £5 of market price per ton on each barrel will stand for next 10 years anyway.

GOVERNOR.

G. T. C.

LJH.

See 78

D/6/47/II "Export duties on Whale & Seal Products"  
D/3/39 "Vesfold Whaling Company"  
D/31/47 "Terms & conditions of renewal of Whaling License in Den"

72  
YE

To Dr. to li: balance how per  
2. Pher, I think. At least the  
pieces are at all times visible!

Abel  
27.1

→ Ehrenkyn

Will do very well.

MC 27  
iv

27th April, 1948.

Dear Melville,

96 m D/4/47 Vol. I.  
Export duties on  
whale oil

77

Your letter No. 19781/54/47 of the 26th of November, 1947, has remained for too long without acknowledgement, but as you may know I have been away a good deal since Christmas and you will probably have been aware of subsequent developments, culminating with my Confidential Telegram No. 186, regarding the proposed conditions on which we hope Salvesens will go ahead in West Falkland.

27 m D/4/47 Vol. I.

I was of course aware that Salvesens was a partnership but I had hoped, from paragraph 3 of Telegram No. 179 Secret of 1947 from the Secretary of State for the Colonies, that some details of their profits from whaling might be obtained. I did not doubt that you shared my conviction that large profits were being made! And I sympathise with your natural wish to advise against turning the screw too hard. In any case, I have now dropped the export duty on "pelagic oil" stored ashore awaiting transshipment in favour of an all-round increase of shore-produced oil with which even Salvesens found themselves in reluctant agreement.

E. Melville, Esq.,  
Colonial Office.

VP.

I/.

I am much obliged for your remarks about the trend of prices and we have acted upon your suggestion that the Crown Agents should furnish us with such information.

I hope all will go well. But I think I should emphasise that Salvasons (-especially Harold himself!) are very suave and insidious negotiators: and should not be allowed to get away with more than the irreducible minimum in the way of bargaining. If you care to turn up my Saving Telegram No. 31 of 1947, and connected correspondence you will see that any "basis of confidence" such as that to which they blandly refer in telegram No. 122 confidential is mainly unilateral - the confidence of the big commercial concern that a small and vulnerable administration's flank can be turned by a simple attack from the rear via Downing Street.

It may interest you to know that I visited South Georgia in March very largely (as he well knew) for the purpose of seeing Harold Salvason and discussing his plans, especially with regard to starting whaling in the Falklands, with him. He was only an hour away from the Government station but did not trouble to call

4m 3/9/47  
Question of  
imitation of Sloe  
whaling & number  
of catchers.

61

and/

and see me, preferring to send Marshall, a very junior and inexperienced partner, in his place. This policy he pursued in sending Marshall to negotiate in Stanley: preferring to test the enemy's strength through his outposts and then make a crisis occur to the perhaps less obdurate General Headquarters at the Colonial Office.

The record of this meeting with Mathews here was agreed to and signed by both parties. I was away in the South at the time, but accepted it as generally reasonable and was content to let the \$5,000 proposal lie as a counter for future bargaining being well aware that they would employ the Albenale project to prod me with.

46-48. I enclose a copy of the minutes of that meeting.

Have you any further line on what United Whalers are up to?

Yours sincerely  
Lucas Clifford:

G.N. J.H.

71-75 p. & when through

L.S. H.

Abel  
284

X H.  
384.



76

A.

L.S.

according to,

J. E. D.

29-IV

Record

A.

L.S. has seen.

(see r on 75)

\$ 2/5

Box 24.6

~~24.6~~  
2/5

**TELEGRAM SENT.**

From GOVERNOR to SECRETARY OF STATE.

Despatched: 19. 5. 48. Time: 12.00 Received:..... Time: .....

52 in D/3447

No. 228. Your telegram No. 138 paragraph 1. Nilsen. Application is for a floating factory ship operating as such in territorial waters and not as a land station. He would thus come under limitations imposed by whaling convention. But I am not anxious to accede even to this if satisfied that United Whalers will commence operations at Deception since latter are a much sounder proposition and I am concerned also for the whale stocks. I do not think there is room for two operators in this area.

2. I shall be glad therefore if United Whalers can be persuaded to come to an early decision failing which I must close with Nilsen. While I fully appreciate political desirability of re-establishment of British whaling station at Deception any preferential treatment must lead to impossible situation vis a vis not only Salvesens in West Falkland but other Companies at South Georgia. For am I impressed by likelihood of difference between present export duty of 30/- a ton and proposed duty of 54/- when oil is £90 i.e. difference of 15% having serious effect on decision of United Whalers to proceed.

3. Having regard to their financial position as set forth in enclosure to d/o letter from Belville of 26th November 1947 I should be disposed to regard their present attitude as mere bargaining.

4. That they are not unique in this respect is borne out by fact that Salvesens are understood to have purchased £500 worth material from local trader and informed him that they intend to commence operations in West Falkland in October 1948 in spite of their representations in your telegram No. 122.

5. I understand from Knutsen United Whalers Company's engineer at Deception that they propose to make use of the digesters, the main steam pressure boiler and the storage tanks at the old station which are Government property and which had they to replace them would represent substantial capital outlay, I am prepared to let them have these for nothing and I should also be prepared to hand over ex-Mektor buildings to United Whalers in exchange for their undertaking to build for Government on another site new F.I.D.S. house to my specification.

G.T.C.  
LJH.

GOVERNOR.

D/6/47/II "Export duties on whale & seal products"



55  
Record:

78 removed badly to D/5/48.

Salween Whaling Stations at Leith  
& Stromness.

Original filed in 2/3/39 Westfold Whaling Company  
Copy to Dr. Hamilton for information.

78

DECODE.

No. 30.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 22. 5. 48 Time: 10.00 Received: 23. 5. 48 Time: 09.30.

No. 156. Confidential. Your telegram No. 186. Relevance.

Company express appreciation of offer of combined rent for Leith Harbour and Stromness of \$1,000 per annum and accept it on understanding that (a) lease will be for initial period of 5 years continuing automatically thereafter from year to year subject to 3 years prior notice of intention to terminate being given by either side; and (b) new lease will entitle them to engage in any activity associated with their whaling operations (e.g. to store pelagic oil) and will include right to use 4 whale catchers without payment of an additional licence fee for them.

2. Company suggest as there does not appear to be any likelihood of ground lying between Leith Harbour and Stromness being used for development, boundary should be re-drawn so that two stations become contiguous and that plan of property should be annexed to new lease.

3. The Company regret they are not yet in a position to give an undertaking to proceed with their West Falkland project. On account of difficulty over existing lease they had abandoned examination of this project but in view of prospective settlement of rent issue and of general assurance that you have now given they are resuming investigation in hope they will establish that project is reasonable financial risk.

4. Please telegraph your further views so that negotiations with Company may be concluded.

S.T.C.

L.S.

Reply at 8 Secretary of State.

See 79

TELEGRAM.

79

From The Governor's Deputy.

To His Excellency the Governor, S.S. Piteroy.

Despatched : May 26th 19 48 Time : 15.30.

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

78 Following from Secretary of State begins:-

( 78 quoted in full ) Ends.

2. Hamilton and I have following comments same paragraph numbers.

Paragraph 1. Leith is as present allowed 2 whale catchers licensed gratis paying 150 each on remaining 5. This should stand as we do not intend to license more than 7 catchers in respect of both stations.

Paragraph 2. Ground is valueless.

Paragraph 3. We have already told Secretary of State about Harry's information.

3. We suggest following reply same paragraph numbers begins:-

Paragraph 1 (a). Agree

Paragraph 1 (b). Two catchers only licensed gratis as at present with maximum 7 in all. Salvesens merely wish save 100.

Paragraph 2. No objection but Salvesens must survey and mark appropriate points with concrete posts. Ends.

S.T.C.

GOVERNOR'S DEPUTY.

LJE.

31-  
25-

TELEGRAMS  
"SALVESEN, TELEX," LEITH.  
AS AUTHORISED BY GOVT. OCT. 1939

ESTABLISHED 1846

TELEPHONE  
LEITH, 35211 (12 LINES)

IN REPLY  
REFER TO

## CHR. SALVESEN & CO.

CGM/EWC.

M. K. SALVESEN . . . I. R. S. SALVESEN  
T. H. HUMPHREYS . . . HON. R. C. GEDDES  
C. G. MARSHALL, D.F.C. . . L. M. HARPER GOW, M.B.E.

GLASGOW  
94 HOPE STREET, C.2  
GRANTON  
CUSTOM HOUSE BDGS.

29 BERNARD STREET,

LEITH, 20th April, 1948.

AIR MAIL.



The Colonial Secretary,  
Government Offices,  
Stanley,  
FALKLAND ISLANDS.

Sir,

46 We refer to the record of meeting held on the 5th March 1948 in connection with the proposed Whaling and Sealing Station on West Falkland.

You will observe that under the heading "Albemarle" the paragraph commences "Mr. Marshall said that Salvesens' wished to take the lease of a site of an approximate area of some 3,000 acres on Government Reserve land in Albemarle Harbour for a shore whaling and sealing station for 21 years commencing 1st May, 1948 at £250 per annum rent. They wished to enjoy exclusive whaling rights in the Falklands". We feel certain, however, you will recall it was said by Mr. Marshall at the meeting that negotiations were subject to subsequent authorisation by the Directors in the U.K. The phrasing of the minute as it now stands indicates a state of affairs which was not in the minds of either party at the time and in order that the minutes may represent a true record of our intentions we would be glad if you would note that should we consider proceeding with the proposed Whaling and Sealing Station ~~however~~, negotiations on the lines already undertaken would be desirable.

We have the honour to be, Sir,  
Your obedient servants,

*Ch Salvesen & Co*

*BU 3/5/48*  
*[Signature]*

Write  
across

4/ PRZ stat 194 1310 = 29 55  
 Governors Deputy By 60  
 Mc/A following for Secretary of 65  
 State from Governor on tour begins 70  
 your telegram no 796 / Salvansens / after / 75  
 all / proposals / except as regards / paragraph 80  
 1 / (b) since / proposals / are / to be / 85  
 treated as / one / I can / only / agree to / 90  
 issue / two / report / two / free / licences / 95  
 as in case of / Vesca / and / Tonsberg / 100  
 Impossible / discriminate / this / only / 105  
 involves / total / sum of / one hundred 110  
 pounds / p.a. / 2s / £50 / per / catcher / 115  
 and I / assume / Key can have / no 120  
 objections / will allow / total of / 125  
 ten / Catchers / to / operate / as in 130  
 case of / competitors / (2) / your / para 135  
 2. / Company / must be / responsible 140  
 for / survey / and / <sup>delimitation</sup> delimitation / in / 145  
 concrete / boundary / marks / as may be / 150

See 83 DELUNATION?

Write  
across

required / (3) / your Paragraph 55  
 3. / am / totally / unimpressed / 60  
 any difficulties / other / existing / leave / 65  
 me / entirely / to / their / contribution / 70  
 of its / terms / and / had / Captain / 75  
 saluted / cared / to / visit / me / at / 80  
 my / visit / (Colonial Secretary <sup>see my atot letter of 19/10/35</sup> 85  
 to / supply / reference / the whole / 90  
 matter / could / have / been / disposed / 95  
 of / in / half / hour / conversation / 100  
 see also / my / (Colonial Secretary <sup>77/54 122/10728</sup> 105  
 to / supply / reference / to / information / 110  
 given / to / him / recently / re / 115  
 local / arrangements / ends / 120  
 this / telegram / to / be / sent / in / etc / 125  
 and / marked / appropriately / 130  
 135  
 140  
 145  
 150

See 83

83  
DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 31. 5. 48 Time: 12.30 Received: ..... Time: .....

81-82 No. 248. Following from Governor on tour begins:-

76 Your telegram No. 156. Selvesens. Agree all proposals except as regards paragraph 1 (b) since properties are to be treated as one I can only agree to issue two repeat two free licences as in case of Tesca and Fongsberg. Impossible discriminate this only involves total sum of £100 per annum i.e. £50 per catcher and I assume they can have no objection. Will allow total of 7 catchers to operate as in case of competitors.

2. Your paragraph 2. Company must be responsible for survey and delimitation with concrete boundary <sup>mark</sup> as may be required.

3. Your paragraph 3. Am totally unimpressed any difficulties over existing lease due entirely to their contravention of its terms and had Captain Selvesen cared to visit me at Nytviken (see my 3/6 letter to Melville of 27th April page 2) the whole matter could have been disposed of in half hours conversation see also my

74  
77 telegram No. 228 paragraph 4. Ends.

G.T.C.

LJH.

See 92

GOVERNOR'S DEPUTY.

B. 396 4  
31.5

Act

Report to 73 in the Pe. column

early

late  
17





Confidential



Colonial Office,  
Dover House,  
Whitehall,  
S. W. 1.

19781/54/2/48.

21st May, 1948.

Dear Clifford,

Many thanks for your letter of the 27th April about whaling. We have since exchanged telegrams which I hope will result in a not too unfavourable settlement for your Government. I need not go into details here, but I would just like to assure you that we are well aware of the Salvesen tactics and are not in the least intimidated by Harold Salvesen's bluster. I should not, by the way, call him a "suave" negotiator. To us he was just downright rude. You may be cheered to know that we were rude back. Indeed, we almost had a stand-up fight when he came to see us, and we certainly did not give him any reason to believe that he could turn your flank by a rear attack in Downing Street. Witness the attached copy of an official letter which he sent in after Burt and I had seen him on the 14th of April. But in the end we did decide that we ought to recommend some concession to the Company's views as in our telegram No. 122 Confidential of the 20th April.

I am not surprised that you have had difficulties in negotiating with the Company locally. It is, I am afraid, a common complaint, as you will remember from your West African experience. But, again, I can assure you that we here take every opportunity to explain to people like Salvesen the difference between our present policy and the policy which was more commonly followed in earlier days. We are not prepared to commit Governments by discussions here, nor to issue any fiat about what should be done locally, without the fullest consultation with the Colonial Government concerned. This goes not merely for whaling, but for all other trades with important interests in London, and is gradually being appreciated by the London concerns themselves.

The oils and fats market is still very firm and the prospect of continued good profits for whaling companies remains. I am afraid we have nothing further at the moment to tell you about United Whalers. It is very difficult to disentangle fact from rumour, but we will continue to keep our ears open and pass on to you any information which we think may be of use in your dealings with the companies interested in the Falklands Dependencies.

You may perhaps be disappointed that we have been unable to get Salvesens to agree to link with the acceptance of your rent proposals for Leith Harbour and Stromness an assurance that they will go on with their West Falkland project. We are reasonably certain that they are not yet in a position to give such an assurance on ordinary commercial grounds, but they are pushing ahead with investigations and there seems to be a fair prospect that they will establish the commercial soundness of the venture and that the Board will agree to sink the necessary capital in it. We will, of course, let you know as soon as a decision is reached.

Amongst all our preoccupations here, it is very hard to keep you au courant with developments on the whaling front, but if there are ever any particular points on which you would like to have a line unofficially, I hope you will not hesitate to write and ask for it. One of the difficulties of dealing with your affairs is that one has to do so much by telegram, which is a very unsatisfactory medium for Government correspondence.

With kind regards.

Yours sincerely,

*Eugene Mulvree*

CLIFFORD, ESQ., C.M.G., O.B.E.

CHR. SALVESEN & CO.

29, Bernard Street,

LEITH, 21st April, 1948.

The Under Secretary of State,  
Colonial Office,  
Dover House,  
Whitehall, LONDON, S.W.1.



Sir,

In our letter of 15th March 1948 we expressed the hope that you would "reassure us sufficiently to enable us to resume negotiations with a view to placing before our Board a proposal to undertake Whaling and Sealing operations from the Falklands".

Capt. H.K. Salveson and Mr. R.C. Geddes attended a Conference at the Colonial Office on Wednesday, April 14th. We regret to inform you that their report of the discussion - far from encouraging us to enter into further commitments in the Falklands - has served only to increase our fears. No attempt was made to modify our view that it was the policy of the Falkland Islands Government to squeeze the maximum from industry irrespective of any benefits conferred upon industry; but it was suggested that such a policy was particularly appropriate in the case of a Company whose shareholders were resident in the U.K.

It was suggested however that consideration at a higher level might now be given to our representations. We trust that this will take place at an early date.

2. We are sending copies of this letter to  
the Ministry of Food and the Ministry of Transport.

We have the honour to be,

Sir,

Your obedient Servants,

(Sgd.) Chr. Salveson & Co.

G.N.

You will be notified - fortified to  
see 84-86

by  
2.7

H.C.S.

N<sup>2</sup>A. One would wish to have  
been there. 85-86 is in the old vein

2.00  
for

2.011-48

982 on 86 looks a lot like "I'll tell  
my big brother of you"

Bj.

19-76/5-7

(to info H.C.)

Record:

88 - 91 removed bodily to 0795 -  
Sea Elephant Experiments.

new full

DECODE.

No. 51.

TELEGRAM RECEIVED.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 9. 7. 48 n Time: 13.25 Received: 10. 7. 48 Time: 09.30.

No. 219. Confidential. Your telegram No. 248. Salvesens.

Company accept position that no more than 2 whale catchers may be used without payment of additional licence. They also accept responsibility of survey and delimitation Leith Harbour and Stromness.

2. Salvesens are still considering West Falkland project, and have not yet decided whether to go on with it. Meanwhile, Chairman Pesca, in a recent visit to this office had expressed eagerness/take it up if Salvesens will not.

3. Grateful if draft lease for Leith and Stromness may now be forwarded for transmission to Salvesens.

G.T.C.

SECRETARY OF STATE.

LJH.

G.N. 83. 92  
88342

Any remarks, pc.?  
L  
18.7

See 4 to  
in 0820  
"Whaling &  
Sealing in  
Falklands -  
Pesca"

H.B.

If Salvesens go on brooding much longer the egg is going to be addled.

Might they not be given a time limit ??

2 If Pesca did the whaling and Tilbury the sealing it would probably be better for the colony as there would be two firms working here instead of one, and such a one.

It is 16 months from the date of (1) herein.

3 If the Argentine Company accepted a lease from us it would be an acknowledgement of our right to grant the lease.

J. W. G. V.

13-vii-48

Submit that if possible the S. G. papers might be removed to another file. J. W. G. V.

Done. Sec.  
D/S/48.

X

DECODE.

Copy filed in D/30/47 "United Whalers Ltd."  
Copy filed in 0497 "Sealing - enquiries by Couper Friend"  
Copy filed in 0820 "Whaling & Sealing - 31 - Pesca"

## TELEGRAM.

From The Governor's Deputy.

To H.M. Consul, Montevideo.

Despatched: July 13th 19 48 Time: 16.45.

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

Following for Governor begins:-

64 in D/30/47 Secretary of State has approved draft lease Deception United Whalers which will be forwarded for completion next mail.

92 2. Secretary of States telegraphs Salvesens still stalling about West Falklands but Pesca Chairman in recent visit expressed eagerness to take it up if Salvesens will not.

3. Salvesens first démarche March 1947 and at November and March interviews it was understood they would lease Albermarle with effect from 1st May 1948. It is manifest that they will not repeat not now be able commence whaling beginning 1947/48 season.

4. In circumstances you may wish to put early limit on their procrastination and proceed with Pesca whaling only at Albermarle with option on sealing if Tilbury falls through. He should have prior consideration to Pesca for sealing.

5. In that case two firms would be working instead of one noted for unsatisfactory co-operation and there may be political advantage in Pesca taking lease in Falkland Islands as well as in South Georgia.

6. Some decision prior to Tilbury's departure mid-August would be welcome. He is aware that 10,000 limit on seals is overall limit and cannot be granted to both him and others irrespective of locality of station.

7. Hamilton agrees with this telegram. Ends.

GOVERNOR'S DEPUTY.

G. T. C.  
LJH.

Price

Can x on 93 be put  
with effect without  
work?

14.7

ACS.

X on 93 done, pl. see D/5/48.

15/9/48  
31/10/48



DECODE.

20. 22.

TELEGRAM RECEIVED.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 17. 9. 42 Time: 10. 20 Received: 18. 9. 42 Time: 09. 30.

No. 253. Confidential. Algeria project. Following from  
Bennett begins:-

Reply from Agah was received last week stating "I am definitely  
interested in lease". Owing to inconclusive nature of reply he was  
asked to give in writing more definite acceptance of your terms he  
has now telegraphed reply from Algiers stating that "Fully agree  
with terms of Governor's letter of August 21st minor details will  
discuss personally with Governor". Do you consider this can be taken  
as sufficient to justify

(a) not pressing for letter of confirmation.

(b) informing Salvenson's that offer to them is withdrawn. Ends.

Reply at 96

G.T.C.  
LKH

SECRETARY OF STATE.

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 18. 9. 48 Time: 15.15 Received: ..... Time: .....

95 No. 320 Confidential. Albernairic. Your telegram No. 263.  
Following for Bennett begins:-

(a) and (b) with reservations.

2. I consider Ryan should be asked for immediate and categorical assurance that Pesca intend to commence operations in East Falklands and for indication of amount which will be invested in project.

3. Action on (b) of your telegram can then follow and I will prepare lease.

60-0497  
4. Please see also my telegram No. 374. If Pesca close I will negotiate with Ryan as to possible employment of or contracting by Tilbury in sealing side of project. We have concrete evidence of Pesca's financial stability and none of Tilbury's. This must count first in interests of Colony.

G.F.C.  
LJH

GOVERNOR.

See 97

DECODE.

## TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 25. 9. 48 Time: 15.20 Received: .....Time: .....

96 No. 320. My telegram No. 380. Whaling and Sealing.

64 Now informed that Colonial Development Corporation are likely back  
0497 Wilbury under arrangements which give them complete financial control.

2. In circumstances grateful inform Salvesen that in view  
prolonged delay offer sea-lion concession withdrawn.

3. Am prepared offer Wilbury concession 10,000 sea-lions repeat  
sea-lions annually subject utilisation whole carcass.

4. Suggest Ryan Pesca be informed am prepared offer him exclusive  
whaling rights plus maximum 2000 sea-elephants.

G. F. G.  
J.H.

GOVERNOR.

Sean

PA

MO 4/X

B. 21/2/49

98  
Apr

He includes extract from his  
L. Day saying Salomon was not  
long on the W.F. project (Tol  
at present with 11<sup>th</sup>)

Original filed in 0497  
"Sealing - concession to Cooper Friend"

99

EXTRACT FROM SECRETARY OF STATE'S CONFIDENTIAL TELEGRAM No. 77

DATED 1st October, 1948.

97 No. 277. Confidential. Your telegram No. 390. West Falklands  
Whaling and Sealing.

Salvesens have now sent letter in which they state have  
dropped plan for establishing whaling and sealing station.

.....

I think they would  
have done so anyway.

SECRETARY OF STATE.

GT.C.

PAL  
6x

Saving.

From  Secretary of State for the Colonies.

To the Officer Administering the Government of FALKLAND ISLANDS.

Date 9 October, 1948.

COLONY

No. 117 Saving.

CONFIDENTIAL

See 99.

My telegram No.277 of the 1st October.

West Falkland Whaling and Sealing.

101

I enclose, for your information, a copy of a letter from Messrs. CHP. Salvesen & Co., notifying their decision not to proceed with the plan for establishing a whaling and sealing station on West Falkland.

SECEP.

*He.*

*The story is in the hand!*

*h. via - a. misleading.*  
*h*

COPY.

CHR. SALVESEN & CO.,  
29, BERNARD STREET,  
LEITH.

101

CCM/JSS.

24th September, 1948.

The Under Secretary of State,  
Colonial Office,  
Sanctuary Buildings,  
Great Smith Street,  
LONDON, S.W.1.

Sir,

We have the honour to inform you that we have given further and final consideration to the project for establishing a Whaling and Sealing Station on West Falkland. In spite of not having received from the Falkland Islands' Government what we considered to be satisfactory safeguards for operations over a number of years in connection with Export Duties, Taxes etc., considerable work was commenced and commitments entered into in order that should these assurances be forthcoming the commencement of operations would not be held up pending final agreement. We have, however, come to the conclusion that operations could not be economically undertaken at the present time. Since original estimates were formulated there has been a continued rise in the cost of materials and recently we have been faced with very considerable increases in the cost of labour - both of which have considerably altered original estimates. In addition to these additional costs, the Falkland Islands' Government have very substantially increased the Export Duties on Whale and Seal Oil and all By-products and levied Import Duties on a very considerable range of articles which it would be necessary to import for the successful operation of the station. In view of the foregoing, we have reluctantly come to the conclusion that taking into account the nature of the project, which is one involving very considerable risk, the probable return on the very heavy capital expenditure required for this undertaking could not possibly provide sufficient inducement to continue with the scheme.

We have, in the interim, we are pleased to say, been engaged in looking for further outlets for activities outside whaling and

/have

Cutting/s from letter/memo. from His Excellency the Governor to His Honour  
the Officer Administering the Government,

Whaling: CDC say they are interested but I  
have urged them to go in with an established concern.  
Facing this I will throw a fly over United Whalers.  
I have heard nothing further from Ryan but there is  
a rumour (from Gibraltar) that his Factory Ship  
project is hanging fire.



DECODE.

TELEGRAM.

104

From ~~TMM~~ Salvesen, Leith.

To The Colonial Secretary

Despatched : 29th November, 1954 Time : 1640

Received : 30th November, 1954 Time : 0845

See  
M.P. D/5/48/11

Telegraph confirmation that Governor will be in Stanley on my intended arrival December 12th or 13th.

Would greatly appreciate opportunity study any correspondence re New Island whaling station during period our operations there and especially our Managers annual report of catch etc. as our information incomplete.

See  
M.P. 0604/IV

Regret unable consider diversion SOUTHERN GARDEN as carrying crew for floating factory expeditions.

SALVESEN

Extract to relevant files.  
(Intld) W.H.  
30/11.

P/L.  
SM

Files pl.

1954

Forkling

Colonial Secretary's Office,  
Stanley, Falkland Islands.

105

6th January, 1955.

Dear Capt. Salvesen,

I was talking recently with Mr. J. Davis the present owner of New Island and he mentioned that the safe which used to be in the Whaling Company's Manager's House is still lying on the site.

I immediately thought of your search for records and he supplied the additional information that your father had once wanted papers out of this safe and had sent the keys out to a Mr. Scott, a former owner, who had however been unable to open it. This must have been about the late twenties or early thirties.

Though I imagine the safe is technically Mr. Davis' property he is quite prepared to let you have it if you want it and I was wondering if you would like me to arrange for its shipment to South Georgia.

It may prove to be a mare's nest and not worth the expense of freighting or you may know all about the safe and its contents from your records at home, but I thought I would mention the matter in case you wished to follow it up.

Yours sincerely,

(SGS) C. Campbell

fax 8/1/55

Captain H.K. Salvesen,  
29, Bernard Street,  
Leith,  
SCOTLAND.

Reply 106

See 114

CC/VP

DECODE.

106

TELEGRAM.

*From* Harold Salvesen, SOUTHERN COLLINS.

*To* The Colonial Secretary

---

*Despatched :* 31st January, 19 55 *Time :* 2000

*Received :* 1st February, 19 55 *Time :* 0845

105

Reference your letter to Salvesen would much appreciate shipment of New Island safe to Georgia. My regards to Governor and yourself. Expecting to arrive Georgia 5th and leaving early for U.K.

HAROLD SALVESEN

*copy sent HM.*

GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

107

SENT

Number	Office of Origin	Words	Handed in at	Date
				2.2.55
To				
DAVIS NEW ISLAND	HOA/C			

CAPTAIN SALVENSEN WOULD LIKE OLD SEALING STATION SAFE AND IS VERY APPRECIATIVE YOUR OFFER TO RELEASE IT STOP WOULD IT BE CONVENIENT FOR PHILMEL COLLECTOR FORTHCOMING VOYAGE.

CAMPERL.

Reply 108

Time

Then Rec. 2 weeks

19th Feb 55 C.C.

Rec 16/2

CC/SH

## GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

RECEIVED

108

Number	Office of Origin	Words	Handed in at	Date
2	New Island	20	0925	3/2/55
To Colonial Secretary Stanley				

107 Message received stop Yes convenient by Philomet stop Please confirm sailing date earliest opportunity because of cargo.

Davis

Reply 109

ACS Pre of trans  
from H.M. of Lab on D. know  
also confirm safe to  
10/2

Time

JRW

109

SENT

Date \_\_\_\_\_

4.2.55

DAVIS NEW ISLAND

HOA/C

YOUR TELEGRAM 3RD FEBRUARY STOP PHILMTEL LOADING EARLY NEXT WEEK.

SECRETARY

Pilmer did not make  
voyage in Feb.

Rev. 31  
18/3

Time

JB/SM

$\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$   
 $\frac{1}{4} \times \frac{1}{4} = \frac{1}{16}$   
 $\frac{1}{16} \times \frac{1}{16} = \frac{1}{256}$   
 $\frac{1}{256} \times \frac{1}{256} = \frac{1}{65536}$   
 $\frac{1}{65536} \times \frac{1}{65536} = \frac{1}{4294967296}$

110

GOVERNMENT TELEGRAPH SERVICE

RECEIVED

TELE

~~168~~

Reverse

Phoneme die het complete voyage omring  
ferry reversing gear. Bu to to K.V.?

8

31/3

1st April,

Sir,

There is an office safe at New Island which belonged to Salvesen's New Island Whaling Company and which Government is forwarding on to South Georgia. It would be appreciated if the "Fitzroy" could collect this safe from Mr. Davis on her forthcoming voyage and deliver it to the Secretary, Falkland Islands Dependencies Survey, here.

The cost of freight should be debited to Government.

Copies to: S.F., C.T., H.M.

The freight charges shd. be paid & recovered from Salvesens i.d.c. onward shipment by "Biscoe" will be free.

C.S.

The Manager,  
Falkland Islands Company, Limited,  
STANLEY.

I am,

Sir,

Your obedient servant,

(Sgd) C. Campbell

COLONIAL SECRETARY.



## GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

SENT

112

Number	Office of Origin	Words	Handed in at	Date
				1.4.55
To				
DAVIS NEW ISLAND				HOA/C

AS PHILOMEL TEMPORARILY OUT OF ACTION AM ASKING FITZROY COLLECT SALVESENS SAFE  
NEXT VOYAGE

SECRETARY

Sege is as old whaling Station as New Is. &  
'Fitzroy' are now have time to make  
specie voyage to Stead for it

Time

S/F informed

CC/SM

2/5

Bel. K XIV. on 30/6

2/5

Bel. 30/6

113

GOVERNMENT TELEGRAPH SERVICE

PALESTINE

SENT

Date

1865.

Handed in at

Word

Office of Origin

Number

105 - The intention was for "Phileas" to bring the safe to Stanley but she broke down. The "Ditzguy" was unable to collect & the safe is therefore still at New B.

2. Draft letter to Capt. Saeverson  
D. F. C. P.

①

24/6.

No. 0101

Colonial Secretary's Office,  
Stanley, Falkland Islands.

27th June, 1955.

Sir,

105 I am directed to refer to Mr. Campbell's letter of the 6th of January, 1955, regarding the safe at the old whaling station at New Island and to inform you that it was not possible to ship the safe to Stanley in time to catch the last ship to South Georgia before the winter. It is hoped however to have the safe in Stanley in good time for the first direct opportunity to South Georgia next summer.

I am,

Sir,

Your obedient servant,

(Sgd) S.G. Trees

ACTING COLONIAL SECRETARY.

Capt. H.K. Salvesen,  
c/o 29, Bernard Street,  
Leith,  
SCOTLAND.

Reply at 115

JB/VP

Copies to: Harbour Master

*With request to ship  
to Stanley on Phoenix  
when next she calls at New Is. 22/6.*

FIDS/65 - "John Biscoe" - Carriage of  
Passengers & Freight

TELEGRAMS  
INLAND: "SALVESEN, TELEX," LEITH.  
FOREIGN: SALVESEN, LEITH.

ESTABLISHED 1846

115  
TELEPHONE  
LEITH 35211 (13 LINES)

# CHR. SALVESEN & CO.

H.K. SALVESEN      I.R.S. SALVESEN  
~~T.H. HUMPHREYS~~      ~~C.G. MARSHALL~~  
L.M. HARPER GOW, M.B.E.

H.W. Holliyer, M.B.E.

G.H. Elliot.      29 BERNARD STREET.

GLASGOW  
94 HOPE STREET, C 2  
GRANTON  
CUSTOM HOUSE BDGS

YOUR REF. No. 0101

OUR REF. JB/VP

LEITH.      1st August 1955.

HKS/CLB

Colonial Secretary,  
STANLEY,  
Falkland Islands.

Dear Sir,

114      We are requested by Capt. Salvesen to acknowledge  
with thanks your letter of 27th June in regard to shipment  
of our safe at the old whaling station at New Island to  
South Georgia.

Yours faithfully,



Reply at 117

Safe brought to Stanley  
on 6.11.55 - safe brought  
6.7 cwt. It will be offloaded on  
to Govt. Jetty to await shipment. 7/11

24/9  
Rel. 28/9  
7/11  
7/11

116

SS

Reverse.

We promised in at least it was the intention to send the safe to S.I. by first opportunity but up/stand Bureau is full up. Ins. Protection is a possibility?

J  
7/11

Record

Safe was shipped per Ins. Protection on 14<sup>th</sup> Nov. 1955.

J  
22/11

117  
Colonial Secretary's Office,  
Stanley, Falkland Islands.

23rd November, 1955.

Gentlemen,

I am directed to refer to  
your letter HKS/CLB of 1st August,  
1955, regarding your safe at the old  
whaling station at New Island and to  
inform you that the safe was duly  
shipped to South Georgia by H.M.S.  
Protector on 14th November, 1955.

I am,  
Gentlemen,  
Your obedient servant,

(Sgd) J. Bound

for COLONIAL SECRETARY

Messrs. Chr. Salvesen & Co.,  
29, Bernard Street,  
LEITH.

JB/VP

10  
20/11