

D

(Formerly)

D/6/47/V

D/6/47/V

EXPORT DUTY ON WHALE PRODUCTS

First three volumes destroyed in Secretariat fire

CONNECTED FILES.

NUMBER

D/1/49

Collection and Refund of Duty on Whale Oil.

D/23/59

Taxation South Georgia



165

COLONIAL OFFICE
GREAT SMITH STREET, LONDON S.W.1
Telephone: ABBEY 1266, ext.

Our reference:
Your reference:

23rd August, 1963.

Dear Arrowsmith,

165-167
The enclosed letter from N.S.K. arrived the morning after you left and as I wondered whether it was something urgent I opened it. I see however it is the expected request for a reduction in the duty rate on whale meat which we told N.S.K. to address to you. I imagine that we shall be having your recommendations eventually on this and I therefore took the liberty of taking a copy of this for our papers.

*Yours sincerely
R.G. Pettitt*

(R.G. Pettitt).

Sir Edwin Arrowsmith, K.C.M.G.,
Government House,
Port Stanley,

Kiv Bu at 164.

CABLE ADDRESS:
"NISSUI TOKYO"

NIPPON SUISAN KAISHA, LTD.

TOKYO BLDG., MARUNOUCHI, CHIYODA-KU,
TOKYO, JAPAN

17
CODES:
BENTLEY'S COMPLETE
ACME

20th August, 1963

His Excellency Sir Edwin Arrowsmith
Governor of the Falkland Islands
C/O Colonial Office
Great Smith Street, London S.W.1
E n g l a n d

Dear Sir:

Re: Request for Reduction of Duty Rate on Frozen Whale Meat

On behalf of our company I wish to express my sincere and profound appreciation for Your Excellency's most considerate decisions regarding our application for sub-lease of the Leith Harbour whaling base from Messrs. Chr. Salvesen & Co. Ltd. for the 1963/1964 season, as conveyed to us by the Colonial Office in their letters of 8th and 11th July, 1963 (both references: FST 54/57/03) addressed to Messrs. Chr. Salvesen & Co. Ltd.

Your Excellency has been most accommodating in agreeing to grant a licence free for the experimental year for the freezing ship to be berthed at Leith Harbour and in agreeing also to exempt us from any charges for the experimental year in respect of additional administrative expenses resulting from our use of the base, not to mention various other benefits which Your Excellency has seen fit to grant us. For our part, we wish to assure Your Excellency that we stand ready to cooperate in every way possible with the Falkland Islands Government, such as, for instance, providing passage to and from South Georgia for Captain Coleman and any others.

With respect to Subject, our production plan for the South Georgia-based whaling operations calls for approximately 6,960 KT of whale oil, 7,500 KT of frozen and salted whale meat, and 1,200 KT of meat meal, and although we hope to achieve favorable production results, we cannot help entertaining serious misgivings at the same time, inasmuch as the venture is a new one for us. We understand that products produced at South Georgia would be subject to payment of a duty to the Falkland Islands Government, but since frozen and salted whale meat have not been produced there in the past, there is no clear indication of the duty rate applicable to such products. It would therefore seem that such products would fall under the category of "others" and made subject to a charge of 6d. per 100 lbs. We should like to emphasize the fact that the frozen and salted whale meat to be produced by us at South Georgia will be in the form of a primitive raw material, unsalable as such, to be brought back to Japan for processing into fish sausages, etc., in our own plants, and that by the time the frozen and salted meat reaches Japan it will have involved a great deal of expense, such as the cost of freezing, storage and transportation.

CABLE ADDRESS:
"NISSUI TOKYO"

NIPPON SUISAN KAISHA, LTD.

TOKYO BLDG., MARUNOUCHI, CHIYODA-KU,
TOKYO, JAPAN

CODES:
BENTLEY'S COMPLETE
ACME

His Excellency Sir Edwin Arrowsmith, 20th August, 1963, Page 2

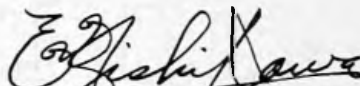
At a time when competition is so keen in the food processing industry and we are having to effect rationalizations in production management in order to achieve a lowering of cost, a duty rate of the order of 6d. per 100 lbs. (this would mean payment of a large sum amounting to £4,200 on the basis of 7,500 KT of frozen and salted whale meat) would seriously weaken our competitive power in the home market and likewise adversely affect the results of our operations at the Leith Harbour base.

May we therefore request your consideration of a possible reduction in the duty rate on frozen and salted whale meat to a level similar to that assessed on solubles, that is, 2d. per 100 lbs? Any consideration which Your Excellency may give to this request will be deeply appreciated. We shall also be much obliged if a reduction in the rate applicable to meat meal could also be considered.

In anticipation of Your Excellency's kind consideration, I remain

Yours faithfully,

NIPPON SUISAN KAISHA, LTD.



E. N. Nishikawa, Director

J. E.,

From what I can gather of the Japanese plans they intend to market their oil in Europe and their meat in Japan. It seems therefore that they might make a sizeable profit from oil but that the meat project will not be so profitable.

I base these conclusions on these facts.

Oil will be produced at Japanese costs and sold on a Western market.

Meat will be produced at Japanese costs and sold on a Japanese market.

Japanese costs are low; European costs (and therefore prices) are relatively high.

Oil would appear to be the backbone of the venture and our recent decision to reduce the export duty to 1/- per barrel now seems to have been a little premature. It was a move to influence the former whaling companies. Following the Japanese introduction to South Georgia whaling it would seem that with their low production costs they might well be able to pay more than 1/- per barrel. On the other hand

I feel that the duty on meat might well be relatively high as it is for sale on a Japanese market, where £4,200 is, I understand, ~~mean~~ about the equivalent of £10,000 on a Western market. May I suggest, however, that no immediate reduction

be offered but that Govt will undertake to review the matter when the reasons (financial) are cleared. Subject to your general approval I shall put up a draft reply.

170

L.G.

30.9.63

S.P.

2.10.63

171

J.E.

Draft reply submitted. Since I drafted it, however, a further communication has been received from C.O., forwarding a similar request from the other Japanese company and suggesting that the reply/replies be sent through C.O. Shall I draft please?

L.G.

11.10.63

DECODE.

172

TELEGRAM.

From..... H. E. THE GOVERNOR.....

To..... A. O. SOUTH GEORGIA.....

Despatched : 16th October, 19 63 Time : 1115

Received : 19 Time :

No. 197. For Coleman. All Japanese companies have submitted export duty of 6d. per 100 lbs on frozen whale meat and meat meal is high and suggest 2d per 100 lbs. This is low priced product and in view pelagic competition request seems reasonable. Grateful your views.

EPA/ER
G. T. C.

Reply at 174

DECODE.

No. 41.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched : 16.10.63 Time : 1600 Received : 17.10.63 Time

No. 65. Colonial Office telegram 19. Import duty on sperm oil. Suspension of duty on sperm oil for unspecified period now being considered on grounds that UK and Commonwealth surplus are now insufficient to meet demands here. This would mean automatic renewal of suspension on 1st January annually unless advice is received from any Commonwealth producing territories before the previous 1st July that they can meet a substantial proportion of total UK demand. UK producers prepared to continue to give first preference to purchase of Commonwealth crude sperm oil at world prices.

2. Grateful to learn by 1st November if you have any objections to these proposals.

P/L : LH
(Intld) HLB

No objection

Reply at 176

174

HCS

173 telegram at bc may issue pl?

D. Allen

18.10.63

For record

L. G.

19.10.63

DECODE.

No. 107

TELEGRAM.

File & return, pl. 1745

From Administrative Officer, South Georgia.

To H.E. the Governor, Stanley.

Despatched : 17th October 19 63 Time : 1900

Received : 18th October 19 63 Time : 0900

172

No. 204. Your telegram 197. Discussed with Miyata Director Nippon Suisan Kaisha as he had made personal representations to Pettitt for reduction in duty. Told him considered duty small for whale meat as Petfoods paying £75 per ton. Then found that Miyata was under the impression that duty on whale meat was six shillings per hundredweight i.e. £6 per ton. Explained it was only 12 shillings per ton. Miyata considered this very small duty and immediately agreed this was most reasonable and on his Company's behalf confirmed their willingness to pay. Asked if he thought other Companies had similar misunderstanding he thought this was most likely. Pointed out that Government may not be able to keep the duty at this low rate during future seasons and he said that he understood the difficulties. He went away delighted at finding he had so little to pay.

Administrative Officer.

G.T.C. : ER

Reply at 177

DECODE.

176

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 19.10.63 Time: 1110 Received: Time:

173 No. 88. Your telegram No. 65.

Sperm oil duty. No objection.

Governor

P/L : DRM/LH

KIV 175 AL

DECODE.

177

TELEGRAM.

From H.E. The Governor, Stanley.

To Administrative Officer, South Georgia.

Despatched : 22nd October 19 63 Time : 0845

Received : 19 Time :

175

No. 204 Your telegram 204. Japanese now basing their arguments on competition in food processing industry in Japan to which destination all whale meat is going. They have done their sums right on basis of 6d. not 6/- per 100 lbs and Leith calculate duty of £4,200 on 7,500 tons and Grytviken £2,800 on 5,000 tons. If they were selling to Petfoods I agree duty negligible factor but do you think there is anything in above argument ?

EPA/ER

G.T.C.

Reply at 180

Bu 28/10/63.

DECODE.

No. 129

TELEGRAM.

From Administrative Officer, South Georgia.

To H.E. the Governor, Stanley.

Despatched : 21st October 19 63 Time : 1920
Received : 21st October 19 63 Time : 1710

No. 209 Export Duty. All Japanese Companies anxious
duty be named other than "Export" as if so named Japanese Govern-
ment automatically charges equivalent amount "Import" duty.
Could Ordinance be altered to read "Customs" duty in respect of
whale and seal oil and all by products ?

Administrative Officer.

G.T.C. : ER

Reply at 179.

DECODE.

TELEGRAM.

From H.E. the Governor, Stanley.....

To Administrative Officer, South Georgia.

Despatched : 23rd October, 19 63. Time : 1200

Received : 19 Time :

178

No. 207. Your telegram No. 209. Export duty. Should be no difficulty in amending Ordinance. Regulations and forms on pages 149 and 150 of Volume II will also need amendment. Any objection to phrase "liable to customs duty on export" at end of forms.

Governor

Reply at 1885

G.T.C. : EPA/LH

KIV file of 177

DECODE.

No. 150

TELEGRAM.

From Administrative Officer, South Georgia.

To H.E. the Governor, Stanley.....

Despatched : 23rd October 19 63 Time : 1755

Received : 24th October 19 63 Time : 0900

177

No. 217 Your telegram 204. Consider Japanese argument not upheld by facts. Ringdal states that Japanese buy whale meat from Norwegian companies at £110 per ton. Manager Grytviken and Miyata Leith admit to Japanese market price of £100 per ton. Grytviken Company quoted £30 per ton bone meal F.O.B. Japan my telegram 210 refers. Products in order of ascending price per ton solubles bone meal meat meal whale oil whale meat meat extract. Should also be borne in mind that with whale meat main product for Japanese oil production will drop reducing revenue from that source. In view of the above respectfully recommend no justification for reduction in present duty.

Administrative Officer.

G.T.C. : ER

Reply at 181

SA

DECODE.

181

TELEGRAM.

From H.E. the Governor, Stanley.

To Administrative Officer, South Georgia.

Despatched : 24th October 19 63 *Time* : 1400

Received : 19 *Time* :

180

No. 210 Your telegram 217. Good. This
is just the information I needed. Entirely agree
your views.

GOVERNOR.

EPA/ER.

G. T. C.



COLONIAL OFFICE

GREAT SMITH STREET, LONDON S.W.1

Telephone: ABBey 1266, ext.

13th September, 1963.

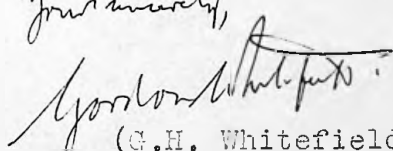
Our reference: FST.54/57/04

Your reference:

Dear Sir Edwin,

In his letter of 23rd August Pettitt enclosed a letter from N.S.K. in which the Company sought a reduction in the rate of duty on whale meat. A similar letter, which is enclosed, has now been received from one of the other Japanese Companies operating from Grytviken.

Both Companies are being informed that we are awaiting your recommendations.

Your sincerely,

(G.H. Whitefield)

SIR EDWIN ARROWSMITH, K.C.M.G.

TELEPHONES
CHIYODA (271)
1041-1049
1241-1249

CABLE ADDRESS
"OCEANFISH TOKYO"
CODES: ACME
TELEX: TK 2278

TAIYO GYOGYO KABUSHIKI KAISHA
(TAIYO FISHERY CO., LTD.)

NEW MARUNOUCHI BLDG., 6TH FLOOR
4, 1-CHOME, MARUNOUCHI, CHIYODA-KU,
TOKYO, JAPAN

Tokyo, September 2, 1963.

His Excellency Sir Edwin Arrowsmith
Governor of the Falkland Islands
c/o Colonial Office
Great Smith Street, London S.W.1

Dear Sir:

Re: Request for Reduction of Duty Rate on
Frozen Whale Meat

First of all we wish to express our sincere and profound appreciation for Your Excellency's kindest consideration given us in connection with our application for sub-lease of Grytviken Harbour whaling base from Albion Star(South Georgia) Co., Ltd.

With the beginning of our first and important enterprise of the South Georgia whaling operation at hand, we are making assiduous studies so that it may be carried out successfully not only for the economic prosperity of our country but also for further enhancing the position of South Georgia as a whaling base.

Since this is our first experience as mentioned above, we must bear in mind that we may suffer serious losses in spite of our supreme efforts. We must also take it into full consideration that in order to cope with the suppliers of the large quantity of whale meat from pelagic whaling and other protein materials produced and distributed here at very low prices, we must make every effort to lower the cost. Otherwise it is almost impossible to achieve successful results in this enterprise.

We know very well that we must pay the Falklands Islands Government the duty to be imposed on the products of our South Georgia operation. Presuming that frozen whale meat falls under the category of "others" prescribed in the customs duty law of the government and that the duty rate is 6d per 100 lbs., the duty we shall have to pay on the planned production quantity of 5,000 KT will reach the enormous amount of approximately £2,800 sterling.

When we take into account the various expenses incurred in bringing the products back to Japan, that is, those for freezing, cold storage, freight, etc., the cost of the products produced at the South Georgian base will be extremely high.

For information we should like to emphasise the fact that the whale meat to be produced by us at South Georgia will be in the form of primitive raw material to be brought back to Japan for processing into fish sausage, ham, etc. in our own plants. We understand that as frozen or salted whale meat has never been produced in the past in South Georgia, there is no clear indication of the duty rate to be applied on such products.

In this respect we wish to ask for Your Excellency's kindest understanding of the above conditions and thoughtful consideration to establish for the above products a new duty rate of 2d per 100 lbs., which we think is most reasonable from the point of profitability of the enterprise. Of course we should be much obliged if Your Excellency would kindly consider the same measure regarding fish meal to be produced by us there.

Before closing we wish to express again our heart-felt gratitude to Your Excellency and all other persons who have given us a kind and unusual cooperation, while assuring Your Excellency that we will do utmost so that we may be helpful in improving the South Georgian whaling base.

Yours faithfully,

K. Nakao

K. Nakao
Manager, Taiyo Gyogyo Kabushiki Kaisha

On behalf of

International Fisheries Co.
Kyokuyo Hogei Kabushiki Kaisha
Taiyo Gyogyo Kabushiki Kaisha

D/6/47/IV

Draft letter to Mr. E.N. Nishikawa (166).

I am directed by His Excellency the Governor to acknowledge the receipt of your letter of 20th August, 1963, and to say that he has read with interest your plans for the production and marketing of frozen and salted whale meat, together with your concern that the duty rate of 6d. per 100 lbs. might be a heavy burden for this type of product in a market where competition is extremely keen.

2. It seems that it would be untimely at this stage to go beyond assuring you that your request for a reduction in the duty rate from 6d. to 2d. will be given the most careful consideration and in this respect I am to ask you to keep me fully informed of all aspects of the South Georgia whaling venture. I would be particularly interested to know how production costs for oil as well as meat work out and what prices you have been able to obtain for these products, the overall gain or loss on the venture as a whole, and if possible, the return from each of the products that you market. You will appreciate the need for detailed information when matters such as this are put forward for consideration.

3. Finally I am directed to thank you for your kind offer to assist in any way possible and in particular with regard to passages, and to wish N.S.K. Ltd. every success in its South Georgia based whaling operations.

I am,

Sir, etc.

LG/LH
11.10.63

Saving

From the Secretary of State for the Colonies.

To the Officer Administering the Government of THE FALKLAND ISLANDS

Date 15 October, 1963

No. 111 Saving

Whaling Duty, South Georgia

Messrs. Salvesen have asked, in order to complete some historical notes, for a note on the South Georgia export tax rates from the season 1931-35 onwards. Records in this office seem to have some gaps and we would be grateful if you could provide the necessary information.

SECRET

183

to avoid 0 1/2 Custom help with this.

L.G.

2.11.63

Reply at 199

H.C.S.

I regret I cannot trace S.G. export tax rates beyond 1948, perhaps S.G. Customs have the necessary records. The rates from 1948 onward is as follows.

Year	1948	Whole Oil s/-	per barrel	Solubles 6d per 100 lbs.
Season	1948/9	9/-	" "	" " "
	1949/50	8/-	" "	" " "
	1950/51	11/6	" "	" " "
	1951/52	9/6	" "	" " "
	1952/53	7/6	" "	" " "
	1953/54	7/-	" "	" " "
	1954/55	8/6	" "	" " "
	1955/56	8/6	" "	2d per 100 lb
	1956/57	9/-	" "	" " "
	1957/58	8/-	" "	" " "
	1958/59	7/6	" "	" " "
	1959/60	7/6	No final statements available.	
	1960/61	7/6		

J.W. for C.G.C.

12.11.63.

2/6/47/v
DECODE.

No. 179

TELEGRAM.

From Administrative Officer, South Georgia.

To H.E. the Governor, Stanley.

Despatched : 29th October 19 63 Time : 1720
Received : 30th October 19 63 Time : 0900

179 No. 225 Your telegram 207 Export Duty. After careful study of Customs Regulations not at all sure that matter is as simple as I first thought. Would suggest obtaining legal opinion as although duties appear under Customs Regulations they are specifically mentioned as export duties on page 142 and apply to Colony as well as Dependencies. Rate of duty on whale oil produced 1963/1964 season also needs confirmation by Ordinance.

Administrative Officer.

G.T.C. : ER

183 186

J.E.,

Once the duty what we said, it cannot be denied that it is only payable on export. No export no duty. In view of (180) it would seem that the complaint about a crippling duty is groundless, and (175) shows that they were considering the matter in terms of rate per ton rather than on total duty payable. £2800 may not have been so ~~hard~~ easy to appreciate as the mistake of per cent. Would J.E. wish to reply D/O to the letter at b.c. from G.H. Whitefield?

~~From~~ last sentence of 182. We should exact for 1963/64 at 1/6 per tonne. No authority to impose on

~~187~~ 187

duty exists at present.
is attached.

copy of last Ordinance

L.G.

2.11.63

~~187~~ 188

HACS

X of 1836. next meeting

leg. Co.

TR 4.11.63

Ag R.S.C.

~~188~~ 189

Would you please draft Regs
to amend duty on whale, seal oil, with
effect from the 1963/64 season to 1/- per barrel
of 40 gallons.

L.G.

5.11.63

187
190

November 4, 1963.

(Dear Coleman,)

Please refer to our exchange of telegrams ending with your No. 225 of October 29, on Export Duty. I am enclosing photostats of correspondence between the Colonial Office, Salvesens and Nippon Suisan Kaisha, and at the end of the letter dated August 17 from N.S.K. exporty duties are mentioned. I think when we discussed this in the C.O., the worry they had was that the word was export tax and not export duty, although what they mean in their letter by "a duty paid as consideration for utilization" I do not know. The fact of the matter seems to be that the duty is paid only on export; they can keep the stuff at South Georgia for as long as they like and pay nothing. I do not see how we can get away from this fact, and, as you say in your No. 225, these duties apply to the Colony as well as the Dependencies. It seems to me that this is a matter the Japanese Companies should work out with their Government, but I would have no objection to your issuing a certificate as N.S.K. suggest in their letter.

I thought the suggestion that N.S.K. might not be required to pay a Company Tax (see page 1 of their letter) was rather naive. With the duty on whale oil at only 1/- per 40 gallons we shall not get much out of them and I doubt whether we would get anything in individual income tax, as we used to from the Norwegian and British workers.

I hope all goes well, and I am glad we are able to send the "Shackleton" down to you as soon as "Darwin"

gets....

CAPTAIN D.J. COLEMAN.

188
191

gets in. You have the ice at Siguy to thank for this!

(Yours sincerely,

Edwin Arrowsmith)

P.S. On the Operational Schedule (the last page of the enclosure) I see that the "Matsushima Maru" is due to leave South Georgia on March 30 and arrive Europe April 19. This would be an ideal way of getting the builders and any others back. They have not a hope of getting away from Stanley in April or May because the "Darwin" is completely booked up for these voyages.

Enclosures - D/9/63
(Savingram 103 of 7/10/63. Letter from R.G.Pettitt to Chr Salvesen & Co.Ltd. Letter from Salvesens dated 22/8/63. enclosing copy of letter and enclosures from N.S.K.Ltd.)

DECODE.

~~189~~

192

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 4.11.63 Time: 1615 Received: Time:

SG 26 Your letter September 13 FST.54/57/04
duty on whale meat. After careful consideration
regret duty can not be reduced.

RSC

~~190~~ 193

Asat ~~188~~ 189 Jc.

EPA/ER
P/L

2/15.4.63

KIV 186

194

Hon. Col. Sec.,

Draft Customs (Amendment of Duties)
Resolutions, submitted, please.

J.B.
16.11.63.

~~194~~ 195

A.C.S.,

This should be reviewed in the legs
agenda for 14th December 1963.

L.G.

18.11.63

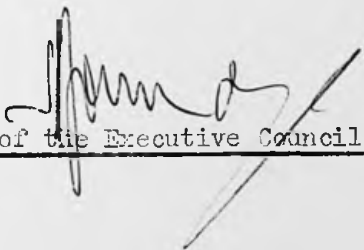
Extract from Executive Council Minutes of Meeting No. 4/63 held on
the 20th, 21st & 22nd November, 1963

~~193~~

196

CUSTOMS EXPORT DUTY ON WHALE AND SEAL OIL

The Honourable the Acting Colonial Secretary explained that this item had been erroneously included on the Agenda.


Clerk of the Executive Council

197

GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

SENT

Wt. P2809 5/61

Number

Office of Origin

Words

Handed in at

Date

Psy

30.11.63.

To

ADMINOFF SOUTH GEORGIA

(SG A/C)

No. 257 Can you provide rates of export duty on whale oil for
period 1931 to 1948

Secretary

LCG/IM

Reply at 198.

Ben 8.12

611 17

DECODE.

No. 83.

TELEGRAM.

~~197~~
198.

From Administrative Officer, South Georgia.

To Colonial Secretary, Stanley.

Despatched : 13th December, 19 63. Time : 2340
Received : 14th December, 19 63. Time :

197

No. 283. Your telegram No. 257. Whale oil export rates season 1931/32 two shillings per forty gallon barrel season 1932/43 one shilling six pence per barrel. From 1943 to 1946 cannot trace rate chargeable. 1947 Ordinance No. 3 states if average market price for season does not exceed £20 one shilling six pence exceeds £20 two shillings exceeds £25 two shillings six pence exceeds £30 three shillings exceeds £35 three shillings six pence exceeds £40 four shillings exceeds £45 four shillings six pence exceeds £50 five shillings. Order No. 6 of 1948 "on whale oil and seal oil up to and including the 30th September 1948 five shillings per barrel of 40 gallons. On and after 1st October 1948 the duty shall be assessed on the average market price per ton for the season of first grade oil and shall be at the rate of 6d per barrel of 40 gallons for each £5 or part of £5 of such average market price".

Administrative Officer

P/L : LH
(Intld.) HLB

SAVING TELEGRAM.

From: The Officer Administering the Government of the Falkland Islands.

To: The Secretary of State for the Colonies.

Date 3rd January, 1964.

No.1. SAVING. SOUTH GEORGIA

181

Your Saving No. 111 of the 15th October, 1963.

Whaling Duty, South Georgia.

The following are the rates of duty from 1931/32 season -

1931/32	2/-
32/33	1/6
33/34	1/6
34/35	1/6
35/36	1/6
36/37	1/6
37/38	1/6
38/39	1/6
39/40	1/6
40/41	1/6
41/42	1/6
42/43	1/6
43/44	no trace
44/45	"
45/46	"
46/47	"
47/48	5/-
48/49	9/-
49/50	8/-
50/51	11/6
51/52	9/6
52/53	7/6
53/54	7/-
54/55	8/6
55/56	8/6
56/57	9/-
57/58	8/-
58/59	7/6
59/60	7/6
60/61	no final statements available

GOVERNOR

*RU 27.1.64
for Customs
Resolution*

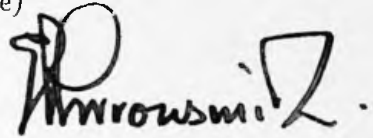
RU 25.2.64

RU 7.3.64

The Customs Ordinance (Cap. 16)

RESOLUTION

(under Section 5 of the Ordinance)



Governor.

No. 1 of 1963.

In exercise of the powers conferred by section 5 of the Customs Ordinance, it is hereby resolved by the Legislative Council as follows — Cap. 16.

1. This Resolution may be cited as the Customs (Amendment of Duties) Resolution, 1963. Short title.

2. Paragraph 3 of the Customs Order is hereby amended by deleting the words and figures from "Commencing with the 1960/61 season" to the words and figures "40 gallons exported." and by substituting therefor the following words and figures: Amendment of paragraph 3 of the Customs Order.

"Commencing with the 1963/64 season at the rate of one shilling, payable on export, for every 40 gallons or part thereof exported."

Resolved by the Legislative Council this 14th day of December, 1963.



Clerk of the Legislative Council.

Ref : D/6/47/V.

F. I. ref: D/6/47/V

CETEC. ref:

201

SAVING TELEGRAM.

From: The Officer Administering the Government of the Falkland Islands.

To: The Secretary of State for the Colonies.

Date: 29th February, 1964.

No. 51 SAVING. COLONY

Legislation.

Enclosed herewith are six copies of Resolution No. 1/63.

GOVERNOR

80-
1-2.3.60
Sent to (copy)
Sent in Protector to

(ESTABLISHED 1869)

DAVID GEDDES & SON LTD

DAVID GEDDES
P. G. GEDDES
R. D. MORTON, M.C.

CODES
A.B.C. 5TH & 6TH EDITION
BENTLEY'S COMPLETE
PHRASE CODE
BENTLEY'S SECOND
PHRASE CODE

202
TELEPHONE: MANSION HOUSE 7931 (5 LINES).

TELEGRAMS:
INLAND: "OSEDDEGO" LONDON, TELEX.
FOREIGN: "OSEDDEGO" LONDON.

TELEX { 28246
22879

OUR REF: RDM/GE

YOUR REF:

28 Bush Lane
London, 17th January, 1964
E.C.4.

His Excellency The Governor of the
Falkland Islands Dependencies,
Government House,
Port Stanley,
Falkland Islands.

Sir,

Whale and Sperm Oil

We have pleasure in enclosing a copy of our Whale and Sperm Oil Booklet for 1963/64 which now includes most of the By-Products produced by the Whaling Companies.

We are,

Your Obedient Servants
for DAVID GEDDES & SON LTD.

D. Houston
Director.

R.D.M. C.P.C. 203
He withdrew booklet
D.M. 6.4.64

H.G.S

204

Booklet Ltd as requested.

4/6

6 of 6.

7. 4. 64.

PAT

DECODE.

205

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 2.7.64 Time : 1010 Received : Time :

S.G. No. 28. Following for Pettit. Export duties whaling.

2. Now that both companies have announced their intention to operate coming season we should consider question duties. Recommend that duty 11/6 per ton on meat be maintained. In view short stay Japanese employees almost certain pay no income tax and we should offset this by returning to increased duty on oil at 2/6 per barrel.
3. Japanese fortunate during experimental year with nominal duty 1/- . No doubt Japanese will oppose increase but in view strength of their marketing organisation through subsidiaries they will not lose. Little doubt that I.W.C. will cut future pelagic quota and Japanese operating from South Georgia will benefit considerably by working from Land Station outside International quota.
4. Realise this is ahead of application and discussion your end but we should be prepared.

Officer Administering the Government

G.T.C.
DC/TB

Reply at 206, 210

Pa
2.7.64

DECODE.

No. 29.

TELEGRAM SENT.



From SECRETARY OF STATE to GOVERNOR

Despatched : 4.8.64. Time : 1900 Received : 5.8.64 Time : 0900

205

In Confidence. SG No. 34. Your telegram SG No. 28. Export duty.

X Grateful learn whether estimated revenue of approximately £7,000 for whale and seal oil 1964/65 operation included in South Georgia estimates is based on existing duty of one shilling or on proposed duty. Grateful also for approximate estimate of a barrel oil. X

Secretary of State

G.T.C. : LH

Reply at 209

DECODE.

TELEGRAM.

From Administrative Officer, South Georgia.

To Colonial Secretary, Stanley.

W1
11/8/64

Despatched :	10th August,	19 64.	Time : 1145
Received :	10th August,	19 64.	Time :

207

No. 263. Your telegram No. 210. Estimated revenue whale oil and seal oil based on the assumption 120,000 barrels whale oil plus 12,000 barrels seal oil all at one shilling per barrel. Whale oil quantity may be optimistic but ore on basis Grytviken approximately 20,000 barrels in two months last season and Leith approximately the same using only two boats for full season. With Grytviken operating full season and Leith using full catcher force they may achieve 120,000 barrels. Ends.

Administrative Officer

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 11.8.64 Time: 1430 Received: Time:

206

SG 39. In Confidence. Your telegram SG No. 34. Export duties.

Administrative Officer reports estimated revenue whale and seal oils based on one shilling per barrel.

Last season Grytviken produced 20,000 barrels in two months, and Leith the same over full season with only two boats. Both companies working full season with full complement catchers should be able achieve 100 to 120 thousand barrels total.

Officer Administering the Government

G.T.C. : WHT/LH

PAA

DECODE.

TELEGRAM SENT.

8

From SECRETARY OF STATE to GOVERNOR

Despatched :

Time :

Received : 21.8.64 Time :

205

Confidential. SG 38. Your telegram No. SG 28. South Georgia whaling export duties. After careful consideration it has been decided not repeat not to increase duty on whale and seal oil until the 1965/66 season. Duty for 64/65 season will be at existing repeat existing rates one shilling per barrel.

Grateful your advice on when Brandts and Salvesens should be informed of increase duty on oil in 1965/66 season. They must be told before next March at the latest.

Secretary of State

Reply at 213

Cypher
LH

DECODE.

TELEGRAM.

From Colonial Secretary, Stanley.

To Administrative Officer, South Georgia.

Despatched : 24th August, 1964. Time : 1015

Received : 19 Time :

No. 225. Whaling export duties: Colonial Office have decided not repeat not to increase duty on whale oil and seal oil until 1965/1966 repeat 65/66 season. Duty will remain at one shilling per barrel for this season.

Do not reveal that duties going up next season. Report on January 16th state of catch whether up or down and your re-estimate of final total. This will give us guide for early decision on next season's duty.

Colonial Secretary

G.T.C. : WFF/LH

211
Reply at 212

DECODE.

TELEGRAM.

From.....Administrative Officer, South Georgia.

To.....Colonial Secretary, Stanley.

Despatched : 25th August, 1964. *Time* : 1400

Received : 25th August, 1964. *Time* :

211 No. 275. Your telegram No. 225. Acknowledged.

Administrative Officer

P/L : LH
(Intld.) HLB

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 25.8.64 Time: Received: Time:

210 Confidential. SG 40. Your telegram SG 38. Whaling
duties.

Will obtain latest catch reports mid January and will then
advise you in time to tell Brandt Salvesen early February.

Officer Administering the Government

Cypher E : SC

LH

25.8.65

Saving

From the Secretary of State for the Colonies.

To the Officer Administering the Government of FALKLAND ISLAND
(DEPENDENCIES)

Date 14 AUG 1964

No. 13 Saving SG

Export Duty on Whale Products

214a

Enclosed is a copy of a letter and enclosures received from Chr. Salvesen & Co. Ltd. regarding a supplementary payment of export duties on whale products.

The Company has been informed that the amount of £53.3s:- has been accepted subject to your agreement that it is the correct amount due, and the cheque has been passed to the Crown Agents for Oversea Governments and Administrations for credit to South Georgia funds.

SECEP

See 917

214a
45

CHR. SALVESEN & CO. LTD.

DIRECTORS: L. M. HARPER GOW, M.B.E. G. H. ELLIOT E. C. YOUNGE (TECHNICAL)
R. B. WEATHERSTONE P. F. S. KITTERMASTER

GLASGOW
45 WEST NILE STREET · C.I

GRIMSBY
287/201 CLEETHORPE ROAD

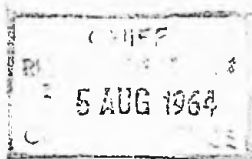
G.P.O. BOX 217
29 BERNARD STREET
LEITH
TELEPHONE
LEITH 4311 (14 LINES)

YOUR REF.

OUR REF.
GEH/MS.
Operations Dept.

DATE
1st August, 1964.

Colonial Office,
Great Smith Street,
London, S.W.1.



Dear Sirs,

Supplementary payment of Export Duties

We believe from Nippon Suisan Kaisha Ltd. that they are required to make payment to you of an additional amount of Export Duties due on the difference between the actual landed quantities of whale products from Season 1963/64, and the quantities declared as having been produced (to the Falkland Islands Government)

It appears that the official certificates of landing will not be produced by the competent Japanese Customs authorities for some time, and so N.S.K. have requested us to make payment on their behalf of £53. 3. Od. which they reckon to be the supplementary payment due. We enclose our cheque for this amount and also enclose various documents which N.S.K. have sent to us as evidence of the differences between quantities produced and quantities landed. In this connection, they mention that the certificate of landing for whale and seal oils landed at Rotterdam by m/v MATSUSHIMA MARU in April have already been forwarded to the Falkland Islands Authorities direct from Europe.

In order that N.S.K. may reimburse us for the above amount, they require a debit note in order to obtain the necessary authority for the remittance, and we would be pleased if you would let us have one to forward to them.

Yours faithfully,
Pro. CHR. SALVESEN & CO. LTD.

STATEMENTAdjustment of Export Duties for 1963/64 Season South Georgia

1. Difference between declared quantity and actual quantity landed

Product	Exporting Vessel	Unit	Quantity Declared at South Georgia	Actual Qty Landed	Difference
Whale oil	Matsushima Maru	K/T	3,210.0	3,310.609	100.609
Sperm oil	"	"	266.0	275.330	9.330
Seal oil	"	"	19.260	19.26	0
Total			3,495.260	3,605.199	109.939
Frozen Fin Whale Meat	Miyajima Maru	K/T	3,703.8	3,703.800	0
Frozen Sperm Whale Meat	"	"	9.8	9.800	0
Salted Fin Whale Meat	"	"	51.2)	70.100	13.300
Salted Sperm Whale Meat	"	"	5.6)		
Whale Teeth	"	"	0.1	0.100	0
Frozen Fish	"	"	6.096	6.096	0
Total			3,776.596	3,789.896	13.300
Meat meal	Shinyo Maru	K/T	644.6	661.943	17.343
Bone meal	"	"	57.9	57.870	0.030
Finners	"	"	10.0	16.240	6.240
Total			712.5	736.053	23.553
GRAND TOTAL			7,984.356	8,131.148	146.792

2. Supplementary payment due

a. Whale oils

109.939 K/T ÷ 167.84 Kg (4.196 Kg x 40 gal.) = 655.022 brls. = 656 brls.

656 brls. x 1 shilling = 656 shillings = £ 32-16-0

b. Others (by-products)

36.853 K/T ÷ 45.3 Kg (453 g x 100 lb) = 81,353 lbs. = 81,400 lbs.

814 cwt x 6 d = 4884 d = £ 20-7-0

Total supplementary payment due £ 53-3-0

27th April, 1964

Application for Release of Cargo Pending Import Approval

To : Chief, Tokyo Customs House

Applicant : Nippon Suisan Kaisha, Ltd.
3-2 Marunouchi 2-chome,
Chiyoda-ku, Tokyo

President : Haruo Nakai

Approval No. 697

Agent : Asagami Shipping & Warehouse Co., Ltd.
1, Fukagawa Shiozaki-cho,
Koto-ku, Tokyo

President : Mikio Hirata

Request is hereby made for release of the following cargo pending import licence, pursuant to the provisions of Article 73, Clause 1 of the Customs Law:

Designation or Number	Item	Packing	Qty	Value	Appraisal		
					Customs Schedule Number	Duty Rate	Duty
N/M	Frozen Whale Meat(Fin Whale) oll-820	22,958 C/K	329,100 Kgs	¥23,695,200	Duty <u>1</u> 0204	Free	
N/M	Salted Tail (Bulk) 012-900		70,100 Kgs	¥3,505,000	<u>2</u> 0206	15%	
N/M	Frozen Whale Meat(Guts)	6 C/K	100 Kgs	¥7,200	<u>1</u> 0504	Free	
Reason for application : As some time is required for a decision on reduction of the rate of duty on the processed goods, request is hereby made for release of the goods pending the issuance of an import licence.					Estimated no. of days required for import licence: one month		
Stored at : Igarashi Coldstores							
Import declaration No. :							
Date of import declaration :							
Estimated No. of days required for approval of import							
(Guaranty money deposited)				Date of approval of release pending import licence : May 23, 1964			
Date of issue of import licence :							

3rd June, 1964

Application for Release of Cargo Pending Import Licence

To: Chief, Tokyo Customs House

Applicant: Nippon Suisan Kaisha, Ltd.
3-2 Marunouchi, 2-chome,
Chiyoda-ku, Tokyo

President: Haruo Nakai

Agent: Asagami Shipping & Warehouse Co., Ltd.
1, Fukagawa Shiozaki-cho,
Koto-ku, Tokyo

Approval No. 1056

President: Mikio Hirata

Request is hereby made for release of the following cargo pending import licence, pursuant to the provisions of Article 73, Clause 1 of the Customs Law:

Designation or Number	Item	Packing	Qty	Value	Appraisal		
					Customs Schedule Number	Duty Rate	Duty
N/M	Finners Baleen 291-999	in bulk	16,240 Kgs	¥406,000	Duty 05154	5 %	
Reason for application: As some time will be required for a decision as to the applicable customs Schedule No., request is hereby made for release of the cargo pending the issuance of an import licence.						Estimated no. of days required for import licence: 30 days	
Stored at: Harumi B/S 4.							
Import declaration No.: 010-E-2606							
Date of import declaration: May 25, 1964							
Estimated No. of days required for approval of import: 30 days							
(Guaranty money deposited)				Date of approval of release pending import licence: June 11, 1964			
				Date of issue of import licence:			

Agc. T. 215
214 et seq

3-9-64

L.S., 216

Mr. Whitney has compared the figures for "Quantity Declared at South Georgia" with A. O.'s Annual Report for 1963/64 season (C.S. File D/4/50/11) and checked the calculations regarding the additional payment of £63. 3. -0.

Copies of DeRose's letter and the statement showing calculations have been made in the Survey and will be forwarded to South Georgia to file with the relevant export entries.

A draft reply to 216 is attached.

1.10.64.

H. issue draft at bc

2-11-64

F. I. ref: D/6/47/V

C. O. ref:

217

SAVING TELEGRAM.

From: The Officer Administering the Government of the Falkland Islands.

To: The Secretary of State for the Colonies.

Date: 4th November, 1964.

No. 25. SAVING. SOUTH GEORGIA

Export Duty on Whale Products FST 54/353/01.

214 I refer to your Saving SG No. 13 of 14th August, 1964 and confirm that the supplementary payment of £53. 3. -d. in respect of duties on whale products is the correct amount due.

GOVERNOR

BU 15.1.65 (213)

DECODE.

218

TELEGRAM.

No. 19.

From Administrative Officer, South Georgia.

To Colonial Secretary, Stanley.

Despatched : 5th January, 1965. Time : 1400

Received : 6th January, 1965. Time :

211

208

No. 5. Your telegram 225 and my telegram 263 of 1964. Whaling results to December 31st 1964. Grytviken 16493 barrels Leith 14633 barrels. On foregoing figures revised estimate end of this season figure approximately 45000 barrels. Over estimate in my telegram 263 due to Grytviken again operating for only 2 months instead of anticipated 6 months and Leith reducing their fleet from 10 to 4 boats on November 30th. Additional factor to date bad weather poor visibility plus lack of whales. Revised estimate revenue from whale and seal oil for 1964/1965 2750. Seal oil for production this season 9700 barrels.

G.T.C. : IM
LH

Copy to Customs

ACT
This affects
the estimate
materially
S,

(ESTABLISHED 1869)

DAVID GEDDES & SON LTD

DAVID GEDDES
P. G. GEDDES
R. D. MORTON, M.C.
A. B. MURPHY

CODES
A.B.C. 5TH & 6TH EDITION
BENTLEY'S COMPLETE
PHRASE CODE
BENTLEY'S SECOND
PHRASE CODE

219
TELEPHONE: MANSION HOUSE 7931 (5 LINES).

TELEGRAMS:
INLAND: "OSEDDEGO" LONDON. TELEX.
FOREIGN: "OSEDDEGO" LONDON.

TELEX { 28246
22879

OUR REF: RDM/GE

YOUR REF:

His Excellency The Governor of the
Falkland Islands Dependencies,
Government House,
Port Stanley,
Falkland Islands.

Sir,

Whale and Sperm Oil

We have pleasure in enclosing a copy of our Whale and Sperm Oil Booklet for 1964/65 which also includes most of the By-Products produced by the Whaling Companies.

We are,

Your Obedient Servants
for DAVID GEDDES & SON LTD.

R. D. Morton
Director.

Book sent to Customs.

28 Bush Lane
London, 21st December, 19 64
E.C.4.



220

DECODE.

No. 6.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 15.2.65 Time: 1405 Received: 16.2.65 Time

5/3

213

SG 1. Your telegram SG 40/64. Whaling duties grateful
learn present position

SECEP

Y.E.

This refers to our forecast for
next year.

P/L : LH

(Intld) WT

CS

Please discuss

(CH)

For discussion with you + CT on

15/3/65. LH 8/3

221

DECODE.

TELEGRAM SENT.

S 21 15/3

From SECRETARY OF STATE to GOVERNOR

Despatched : 8:3:65

Time : 1910

Received : 9:3:65

Time 1130

CONFIDENTIAL.

S.G. 3.

220

213

Your telegram S.G. 40/64 and our telegram 1/65 whaling duty.
Should Companies now be told? Please reply urgently.

CYPHER 'E' : SC

Reply at 222

DECODE.

223

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 16:3:65

Time : 1600

Received :

Time .

CONFIDENTIAL.

S.G. 4.

221

Whaling duties. Your telegram S.G. 3. refers.

Companies should be told of increase to 2/6d but subject your approval we propose suspend Companies tax with effect 1965/66 season. Savingram follows and should reach you first week April.

224

CYPHER 'E' : SC

F. I. ref: FST 426/57/02
C. O. ref: D/11/47/II

CONFIDENTIAL

224

SAVING TELEGRAM.

From: The Officer Administering the Government of the Falkland Islands.

To: The Secretary of State for the Colonies.

Date: 17th March, 1965

No. SG 3. SAVING. SOUTH GEORGIA

Company Tax.

D/14/47/II
223 Your saving No. 21 of the 27th November, 1964 and my telegram SG 4 of 16th March, 1965.

The sum of £350 was never accepted from either the Argentine or Norwegian companies as an annual amount in lieu of taxation. These companies were assessed to tax on the basis of the market value of whale oil which was geared to a sliding scale of notional profits expressed in terms of percentages of the capital investment. The £350 was an assessment based on an oil price below £60 per ton which, by reference to the scale, produced a notional profit of £2,000. £2,000 at the then rate of companies tax (3/6) is £350.

Insofar as the first season (1963/64) of operation by Japanese Companies is concerned it seems fair and reasonable to suppose that no profit would accrue. It was a short season and experimentally planned. For 1964/65 it would be reasonable to suppose that profits were realised. It is therefore considered that some form of tax should be paid, but it is very doubtful if any of the companies will produce figures proving a profit, and it would be wise to regard this as a further experimental year.

It has already been proposed that the export duty should be raised to 2/6 per barrel. As a barrel of oil is thought to be currently worth about £14 the tax would appear to be anything but excessive. However, whaling expeditions are expensive operations and both the British and Norwegians have been forced to abandon the South Georgia activities owing to unprofitability. As all profits are notional, and past experience shows we cannot prove them, it is agreed that for 1965/1966 onwards taxation should be in the form of an increased export duty and that companies tax should not be imposed.

As the proposal to increase export duty was made when it was presumed that tax on profits would continue it seems that the former could now stand further adjustment. Next year's total production is estimated at 80,000 barrels. At 2/6 per barrel this would produce revenue of £10,000. It is suggested that an export duty that would bring in £16,000 from a production of 80,000 barrels would not be too high a target. This would mean a rate of 4/- per barrel. The reaction of the companies concerned could at least be tested.

The Income Tax Ordinance will now be amended to allow the Governor in Council to suspend the payment of company tax by whaling companies. It is proposed that the Governor in Council must give at least twelve months notice of intention to reimpose it.

Governor

Extract from Minutes of Meeting No. 2/65 of Executive Council
held on the 6th - 11th April, 1965

D/6/47/V 12. SOUTH GEORGIA LEGISLATION.

Council advised that the following Dependencies legislation should be enacted -

- (i) Income Tax (Dependencies) (Amendment) Ordinance, 1965
- (ii) Customs (Dependencies) (Amendment of Duty) Order, 1965

D. R. M. ...
Ag Clerk of the Council

DECODE.

No. 11.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 12.4.65 Time: 1345 Received: 12.4.65 Time:

223

SG 6. Your telegram SG 4. Thaling duties.

224

Savingram not received. Grateful learn likely date of receipt and mail number.

If receipt savingram here unlikely written next week grateful you telegraph summary of contents.

S
12/3

Reply at 228

SECEP

Savingram ~~was~~ sent airmail by Protector on 20th March mail No. 3/65, Secret.

LS.

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 13.4.65 Time: 0930 Received: Time:

227

SG 7. Your telegram SG 6. Whaling duties. Savingram sent airmail classified bag by HMS Protector via Valparaiso and Santiago mail No. 3/65.

Governor

KN 226A

P/L : WHT/IS

Bu 26.4.65

Bu 14.5.65

Bu 9.5.65.

FALKLAND ISLANDS

The Customs Ordinance (Cap. 16)

ORDER

(under section 6(1) of the Ordinance)

No. 1 of 1965.

C. HASKARD,
Governor.

His Excellency the Governor in exercise of the powers vested in him by section 6 (1) of the Customs Ordinance, is pleased by and with the advice of the Executive Council to order, and it is hereby ordered as follows —

Cap. 16.

1. This Order may be cited as the Customs (Dependencies) (Amendment of Duty) Order, 1965, and shall be read as one with the Customs Order, hereinafter referred to as the principal Order.

Short title.
Revised Edition
Vol. II. p. 141.

2. Paragraph 3 of the Customs Order is hereby amended by deleting the words and figures "Commencing with the 1963/64 season at the rate of 1/-, payable on export, for every 40 gallons or part thereof exported." and by substituting therefor the following words and figures:

Amendment of paragraph 3 of the Customs Order.

"Commencing with the 1965/66 season at the rate of 2/6d, payable on export, for every 40 gallons or part thereof exported."

Made by the Governor in Council the 6th day of April, 1965.

D. R. MORRISON,
Acting Clerk of the Executive Council.

Ref. D/6/47/V.

Assented to in Her Majesty's name this 14th day of May, 1965.

C. HASKARD,
Governor.

LS

No. 3



1965

Falkland Islands Dependencies.

IN THE FOURTEENTH YEAR OF THE REIGN OF
Her Majesty Queen Elizabeth II.

SIR COSMO HASKARD, K.C.M.G., M.B.E.
Governor.

An Ordinance

Further to amend the Income Tax Ordinance. Title.

(1st January, 1965)

Date of commencement.

ENACTED for the Dependencies of the Colony of the Falkland Islands by the Governor of the Colony of the Falkland Islands and the Dependencies thereof, as follows—

Enacting clause.

1. This Ordinance may be cited as the Income Tax (Dependencies) (Amendment) Ordinance, 1965, and shall be read as one with the Income Tax Ordinance, hereinafter referred to as the principal Ordinance.

Short title.

Cap. 32.

2. The principal Ordinance is amended by the insertion immediately after section 9 of the following new section—

Addition of new section 9A.

"Whaling companies.

9A. The Governor in Council may by order exempt the whaling companies at South Georgia from all or any of the provisions of this Ordinance for any period which to him may seem sufficient:

Provided that at least 12 months notice shall be given of the reimposition of such provisions."

Promulgated by the Governor on the 14th day of May, 1965.

W. H. THOMPSON,
Colonial Secretary.

Ref. D/6/47/V.

160/43, D/6/47/V & 0466/II

F. I. ref:

C. O. ref:

230 229
~~229~~
29

SAVING TELEGRAM.

From: The Officer Administering the Government of the Falkland Islands.

To: The Secretary of State for the Colonies.
12th June, 1965.

Date:

95
No.

SAVING. COLONY

Legislation.

Enclosed herewith are six copies of the following:

Order No. 1/65

Order No. 2/65

Resolution No. 1/65.

GOVERNOR

D/6/47/V

LS

15th June, 65

Dear Sir,

I enclose for your information copies of the Income Tax (Dependencies) (Amendment) Ordinance, 1965, and the Customs (Dependencies) (Amendment of Duty) Order, 1965.

Yours faithfully,

(D.R. Morrison)

for COLONIAL SECRETARY

Messrs. Chr. Salvesen & Co. Ltd.,
29 Bernard Street,
Leith,
SCOTLAND.

Messrs. Wm. Brandt Sons & Co. Ltd.,
36 Fenchurch Street,
London EC3.

LS

Trudi
What has 129
to do with this file? (PCC)

DECODE.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 12/9/65 Time: 1945 Received: 13/9/65 Time: 0900

PRIORITY

CONFIDENTIAL

S.G.24. Export Duty. Whale Oil.

229
224
Salvesens enquiring whether N.S.K. informed by you of provisions of customs order No.1/1965 or were sent copies of relevant Gazette. No action taken here to inform Companies in view later proposals your savinggrams G.3. Grateful early advice on reply to be returned to Salvesens.

Cypher "E": EB

S.

Reply at 233, 234

24
G/b or 232
S. J. L.
W.

23#

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 14.9.65 Time : 1600 Received : Time :

SG 27. Whale oil duty. Tell Salvesen NSK not informed by me of Customs Order 1/65. You will recall last years complaint by Salvesens when I dealt with sub lessees concerning sealing. Any correspondence between myself and NSK could have been misconstrued on similar basis.

224

My savingram SG 3 preceded Customs Order 1/65.

5/11/47/11

Grateful you draw Salvesens attention to Income Tax (Amendment) Ordinance 3/65 which off sets Customs Order to some extent. In this respect refer my telegram SG 16 as I am still awaiting notice of non-disallowance.

CS
Noted
MA
21/9

Governor

Reply at 235

Y.E. Quite apart from above we could not have told NSK anything definite until non-disallowance notified.

DECODE.

✓A
22/9
235

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 21/9/65 Time: 1300 Received: 22/9/65 Time: 1000

CONFIDENTIAL

S.G. 27

234

Your telegram S.G. 27. Whale Oil Duty.

Your paragraph 3. Would prefer not to refer to this as proposal not yet finally agreed. Subject to your views prefer to inform Salvesens as in first (paragraph) your telegram only.

CYPHER "E": EB

Telegram sent.
S.I.
234

Reply at # 236

236

64
23/9

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 23/9/65

Time: 1600

Received:

Time:

CONFIDENTIAL

S.G. 30

64 236

Your telegram S.G.27. Whale Oil Duty.

I agree.

CYPHER "E": EB.

64

GOVERNMENT TELEGRAPH SERVICE

237

FALKLAND ISLANDS

SENT

Wt. P2809 5/61

Number	Office of Origin	Words	Handed in at	Date
	Stanley			8.10.65

To

etat ADMINOFF ZBH

SGA/c

No. 206. Increase in duties whale oil to 2/6 per 40 gallons stop
You have no doubt read Customs Order No. 1 in May Gazette sent to
you on midwinter Darwin

Secretary

Reply at ~~23~~ 238.

la

LS

ECODE.

TELEGRAM.

~~238~~
238

146.

From... Administrative Officer, South Georgia

To... Colonial Secretary, Stanley

Despatched : 9th October, 19 65 Time :

Received : 9th October, 19 65 Time :

237

No. 236. Your telegram No. 206. Customs
order No. 1 May Gazette confirm read.

Adminoff

239
D
12/10

P/L : IS
(Intld.) HLB

fa

Cs. Can CT advice please?

LA 24/12

230



COLONIAL OFFICE
GREAT SMITH STREET, LONDON S.W.1
Telephone: ABBEY 1266, ext.

Our reference: FST.30/29/01
Your reference: D.6/47/V

December, 1965.

Dear Sir Cosmo

I am sorry that we have still not signified non disallowance of your Ordinance to amend the Incom Tax Ordinance (3 of 1965). The Treasury have recently agreed that the whaling companies should be exempted from Company Tax but have said that they would like to review the situation for the 1966/67 estimates.

An order to exempt a company made now would, because of the proviso in the amendment clearly mean that the tax could not be reimposed for the 1966/67 tax year.

I am writing to the Treasury to tell them that we see no hope of the whaling industry recovering in the near future and that in the circumstances we consider the companies should be exempted. I will see that the non disallowance is signified as soon as possible.

I have taken advantage of the delay in the Dorwins sailing to let you know the position. Please telegraph if there is now any urgency for you to make exemption orders.

[Handwritten signature]
[Handwritten signature]

(A. St.J. Sugg)

SIR COSMO HASKARD, K.C.M.G., M.B.E.,
GOVERNMENT HOUSE,
STANLEY,
FALKLAND ISLANDS.

233

L. A.

There is urgency in the sense that we need to have the position clarified. Whether or not the Japanese Companies are legally exempted from tax liability they will pay no tax on the grounds of not having made profits.

L.G.

24.12.65

T.C.

As above

S.

24.12.

232.

Letter for
this file

CS

233

Ref.No. D/6/47/V

30 December, 1965

230

Thank you for your letter FST 30/29/01 of
- December regarding our Ordinance No.3 of 1965 amending the
Income Tax Ordinance, in order to regularise the position regarding
whaling companies.

There is urgency in the sense that we need to
have the position clarified. Whether the Japanese whaling companies
are legally exempted from tax liability or not, they will in fact
pay no tax on the grounds of not having made profits. The South
Georgia whaling season has been a poor one.

*Thank you for your help in getting this
matter kicked up.*
W

A. St.J. Sugg Esq., C.M.G.,
Colonial Office

W

234

(ESTABLISHED 1869)

DAVID GEDDES & SON LTD

DAVID GEDDES
P. G. GEDDES
R. D. MORTON, M.C.
A. B. MURPHY

CODES
A.B.C. 5TH & 6TH EDITION
BENTLEY'S COMPLETE
PHRASE CODE
BENTLEYS SECOND
PHRASE CODE

TELEPHONE: MANSION HOUSE 7931 (5 LINES).

TELEGRAMS:
INLAND: "OSEDDEGO" LONDON, TELEX.
FOREIGN: "OSEDDEGO" LONDON.

TELEX { 28246
22879

28 Bush Lane

London, 23rd December, 1965.
E.C.4.

OUR REF: RDM/MH.

YOUR REF:

His Excellency The Governor of the
Falkland Islands Dependencies,
Government House,
Port Stanley,
FALKLAND ISLANDS.

*Sp 6/1
p.a.*

Sir,

Marine Oils and By-Products.

We have pleasure in enclosing a copy of our annual Booklet for 1965/66 which we have expanded this year to include Fish Oils and the main By-Products of the whaling and fishing industries.

We are,

Your Obedient Servants
for DAVID GEDDES & SON LTD.

R. D. Morton
Director.

*Respyal
235*

*Ok. Please return
booklet for me to
take on biccoe
lw 6/1*

6th January, 1966

235

2/6/11

234

Sir,

I acknowledge with thanks the receipt of
your annual Booklet for 1965/66, "Marine Oils and By-Products".
His Excellency the Governor has asked me to thank you for sending
him this useful booklet.

I am, Sir,
Your obedient servant,



Private Secretary

R.D. Morton Esq., M.C.,
Director,
David Geddes & Son Ltd.
28 Bush Lane, London E.C.4

Pa.

Saving Our Ref. FST 54/353/01

~~2689~~
236

From the Secretary of State for the Colonies.

To the Officer Administering the Government of FALKLAND ISLANDS

Date - 5 JUL 1966

No. 5 Saving (SG)



South Georgia 1965/66 - Export Duties

a

Enclosed is a copy of a self-explanatory letter received from Chr. Salvesen & Co., Ltd., I should be grateful to learn if you wish the Colonial Office to arrange reimbursement of any amount which may be due.

SECEP.

Reply at 39
pl. see also 44

a/

CHR. SALVESEN & CO. LTD.

DIRECTORS: L. M. HARPER GOW, M.B.E. G. H. ELLIOT E. C. YOUNGE (TECHNICAL)
R. B. WEATHERSTONE P. F. S. KITTERMMASTER

GLASGOW
45 WEST NILE STREET · CI

GRIMSBY
287/291 CLEETHORPE ROAD

G.P.O. BOX 217
29 BERNARD STREET
LEITH
TELEPHONE
LEITH 4311 (14 LINES)

YOUR REF

OUR REF.

DATE

GEH/MS
Operations Dept.

7th June, 1966.

Colonial Office,
Great Smith Street,
London, S.W.1.

RECEIVED
REVENUE OFFICE
= 9 JUN 1966
CUSTOMS OFFICE

Dear Sirs,

PS
South Georgia 1965/66
Export Duties

N.S.K. tell us that they paid the Falkland Islands Government the provisional sum, in respect of Export Duties for Season 1965/66, of £2,738.19.6d.

In fact, in the light of the items discharged, it appears that N.S.K. are liable to pay £2,727.15.5d. Thus a balance of £11. 4. 1d. is due to be re-paid to N.S.K. by the Falkland Islands Government.

N.S.K. have sent the relevant accounts to the Administrative Officer at South Georgia and have asked that the outstanding amount should be remitted to us so that we may credit their account with it.

We await the remittance in due course.

Yours faithfully,
Pro. CHR. SALVESEN & CO. LTD.

J. J. J. J. *E. J. J. J.*

9 JUN 1966
REVENUE OFFICE

GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

SENT

237

P1676 P44 64

Number	Office of Origin	Words	Handed In at	Date
	Stanley			11.8.66
To	etat ADMINOFF ZBH		SGA/c	

No 147 NSK have paid £2733. 19. 6 for export duties 1965/66
but claim actual amount payable £2727. 15. 5 can you confirm

Secretary

Reply

Time

ER

See 115

Ru 20/8/66

DECODE.

2/6/47/12

#238

TELEGRAM.

From Adminoff South Georgia

To Colonial Secretary, Stanley

Despatched : 17th August, 19 66 Time : 1800

Received : 19 Time :

237 .
No 174 your telegram 147 cannot confirm until landing
certificates received. Certificates posted from Japan 3.6.66

Adminoff

P/D :AA

Intld. W.L.B.

239

0

I. ref: D/6/47/V
C. O. ref: FST 54/353/01

TELEGRAM

SAVING TELEGRAM.

From: The Officer Administering the Government of the Falkland Islands.

To: The Secretary of State for the Colonies.

Date:

19th August, 1966

No. SAVING.

18

SOUTH GEORGIA

g 3's

Your Savingram No. 5 (SG) of 6th July 1966.

2

South Georgia 1965/66 - Export Duties.

The landing certificates have not yet been received at South Georgia and it is therefore not yet possible to confirm that a refund is due. This will be done as soon as the certificates have been received and examined.

GOVERNOR

See 241

2.12.66

Ru ^{to} ~~Seaford~~ ^{mail} (check)

AA

Intld. H.L.B.

DECODE.

240

TELEGRAM.

From..... Administrative Officer, South Georgia

To..... Colonial Secretary, Stanley

Despatched : 30th November, 19 66 *Time* : 1250

Received : 30th November, 19 66 *Time* :

237

No 254 Your telegram No 147 Export duties NSK 1965. Have checked landing certificates received in respect of Kashima Maru discharge Kobe and Matsushima Maru discharge Rotterdam. The Kobe tally company show an out turn representing an overpayment of export duties on South Georgia figures of £44/10/0. Saybolt-Van Duyn Rotterdam show an out turn representing an underpayment of export duties on South Georgia figures of £33/5/11. Agree refund to NSK of £11/4/1. Before payment please deduct £5/7/4 being outstanding telegram account for telegrams sent after ship Kashima Maru sailed. Account refers to message No 175 sent on the 20th December 1965 destination Leith/Edinburgh 21 words £3/3/0 and message No 213 sent on 23rd December 1965 destination Stanley 38 words £2/4/4

Adminoff

P/L : ER
Intld. H.L.B.

h
19/12

241

F. I. ref: D/6/47/V
C. O. ref: PST 54/353/OL

SAVING TELEGRAM.

From: The Officer Administering the Government of the Falkland Islands.

To: The Secretary of State for the Colonies.

Date: 16th December 1966.

No. 25 SAVING. SOUTH GEORGIA

236 Your Savingsgram No. 5 SG of the 6th July 1966.

South Georgia 1965/66 - Export Duties.

The Administrative Officer South Georgia agrees that a refund of £11. 4. 1. is due to H.S.K. but states that H.S.K. still owe £5. 7. 4. for telegrams sent after the ship *Kashima Maru* had sailed.

The account refers to message No. 175 sent to Leith/Edinburgh (21 words £3. 3. 0.) and message 213 sent to Stanley (38 words £2. 4. 4.). The refund should therefore be for £5. 16. 9.

I shall be obliged if you will arrange for reimbursement accordingly.

5/6/47

242

(ESTABLISHED 1869)

DAVID GEDDES & SON LTD

DAVID GEDDES
P. G. GEDDES
R. D. MORTON, M.C.
A. B. MURPHY

CODES
A.B.C. 5TH & 6TH EDITION
BENTLEY'S COMPLETE
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BENTLEY'S SECOND
PHRASE CODE

TELEPHONE: MANSION HOUSE 7931 (5 LINES).

TELEGRAMS:
INLAND: "OSEDDEGO" LONDON. TELEX.
FOREIGN: "OSEDDEGO" LONDON.

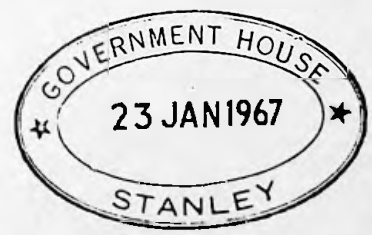
TELEX { 28246
22879

28 Bush Lane

London, 21st December, 1966.
E.C.4.

OUR REF: MDG/JEM
YOUR REF:

His Excellency The Governor of the
Falkland Islands Dependencies,
Government House,
Port Stanley,
FALKLAND ISLANDS.



Sir,

MARINE OILS AND BY-PRODUCTS

We have pleasure in enclosing a copy of our annual Booklet
which we trust will be of interest to you.

We are,

Your Obedient Servants,
for DAVID GEDDES & SON LTD.

M.D. Geddes
M.D. Geddes.

*CS. I shall pass
to you i.d.c.
pa. 24/11
LN 23/11*

Governor, F.I. D16147[V]



With the compliments of

D. Wellman

GIBRALTAR AND SOUTH ATLANTIC

COMMONWEALTH OFFICE
Great Smith Street, London, S.W.1

3.2.67.

2-13
YC 20/1

The Cashier,
Crown Agents for Oversea
Governments and Administrations,
4 Millbank,
London, S.W.1.

I should be grateful if you would arrange payment
of the sum of £5:16:9d. to -

Chr. Salvesen & Co. Ltd.,
G.P.O. Box 217,
29 Bernard Street,
Leith,
Scotland.

The payment represents the balance of the sum
overpaid by N.S.K. in respect of export duties in
1965/66, and should be charged to Falkland Islands
Dependencies (South Georgia) funds.

241
Would you please quote Falkland Islands
reference Savingsgram No. 25 (South Georgia)
of the 16th December 1966 to the Commonwealth Office
when notifying the colony of the charge to
South Georgia funds.

(D. F. P. WELLMAN)
Gibraltar and South
Atlantic Department,
Dependent Territories
Division,
Commonwealth Office, S.W.1.
2nd February, 1967

244
219
2nd February, 1967.

YC 20/1

Dear Sirs,

South Georgia 1965/66 - Export Duties

Would you please refer to your letter TEMBS/MS Operations Department of the 29th September 1966.

We have now heard further from the Governor of the Falkland Islands that while the Administrator, South Georgia, agrees that a refund of £11. 4s. 1d. is due to N.S.K., he states that the company owes £5. 7s. 4d. in respect of telegrams Nos. 175 (Leith/Edinburgh - 21 words, 23, 3s. 0d.) and 213 (to Stanley - 38 words, 22, 4s. 4d) sent after the 'KASHIMA MARU had sailed.

The Governor has therefore requested that the balance of (£5. 16s. 9d.) be remitted to N.S.K. and I am arranging for the Crown Agents for Oversea Governments and Administrations to send you a remittance for this amount.

Yours faithfully,

(D. F. P. WELLMAN)

Chr. Salvesen & Co. Ltd.,
G.P.O. Box 217,
29 Bernard Street,

Leith,

Scotland.

ALT

241

To see 243, 244 pl.

JA

17.3.67

A.S.

See the you

ca

1.4.67

per

C.A.

The attached draft Ordinance for the Dependencies is designed to convert 2d into its equivalent of 10.0083. This is found in the export duty levy on "shell solubles".

There is no urgency for the export of these things seems very remote.

Unless the matter must go to Exec I suggest HE might be prepared to sign without their advice.

L.E.

20/2/71

C.T. The original legislation did not go to Governor in Council. This need not either. The Ordinance can be prepared for His signature.
S/C to it? please. L.E. 19/3/71

SUE

26.2.71

17/3

Assented to in Her Majesty's name this 29th day of March 1971.

Ernest Gordon Lewis
Governor.



No. DS 1



1971

Falkland Islands Dependencies.

IN THE TWENTIETH YEAR OF THE REIGN OF
Her Majesty Queen Elizabeth II.

ERNEST GORDON LEWIS, O.B.E.
Governor.

An Ordinance

Further to amend the Customs (Depend- Title.
encies) Ordinance 1955.

(15th February 1971) Date of commencement.

ENACTED for the Dependencies of the Colony of the Enacting clause.
Falkland Islands by the Governor of the Colony of the Falkland
Islands and the Dependencies thereof, as follows —

1. This Ordinance may be cited as the Customs (Depend- Short title and commence-
encies) (Amendment) Ordinance 1971 and shall be deemed to have
come into operation on the 15th day of February 1971.

2. Section 3 of the Customs (Dependencies) Ordinance Amendment of section 3.
1955, is amended by deleting "two pence" and substituting therefor (2 of 1955)
"£0.0083".

Promulgated by the Governor on the 29th day of March 1971.

Colonial Secretary
Colonial Secretary.

Government House,
Stanley,
Falkland Islands.
5th April 1971

FAKLAND ISLANDS

SOUTH GEORGIA

NO. 4 of 1971

Sir,

248

I have the honour to forward herewith for the signification of Her Majesty's pleasure two authenticated and ten printed copies of Dependencies Ordinance No. DS 1 of 1971 entitled "An Ordinance Further to amend the Customs (Dependencies) Ordinance 1955."

I have the honour to be,

Sir,

Your most obedient, humble servant,

(Sgd) E. G. Lewis.

GOVERNOR

The Right Honourable
Sir Alec Douglas-Home, K.E., M.P.,
Foreign and Commonwealth Office,
LONDON, S.W.1.

FA

JA

See 25

G3 2/6/47/V

FOREIGN AND COMMONWEALTH OFFICE
LONDON S.W.1

250

No. HGF20/3

22/6 1971



Your reference:

Sir,

I have the honour to acknowledge the receipt of your despatch
No. ²⁴⁹ 4 of the 5/4/71 and to
inform you that the power of disallowance will not be exercised in
respect of the undermentioned Ordinance.

~~Law.~~
~~Act.~~

I have the honour to be,
Sir,
Your most obedient, humble servant,

The Officer Administering
the Government,

Saukh yappa

No.	Year	Short Title
DSI	1971	<p>"An Ordinance Further to Amend the Customs (Dependencies) Ordinance 1955"</p> <p><i>u a pl.</i></p>

257
30

GABRIEL HOOPER

Colonial Secretary's Office,
Suva, Fijiland Islands.

No: 29

9th July, 1971.

Intimation has been received from the Right Honourable the Secretary of State for Foreign and Commonwealth Affairs to the effect that Her Majesty will not be advised to exercise her power of disallowance in respect of the following Ordinances of the Dependencies:-

<u>No.</u>	<u>Title</u>	<u>Ref:</u>
DS1/71	Customs (Dependencies) (Amendment) Ordinance, 1971.	D/6/47/V

Rowling
f COLONIAL SECRETARY

65