

CONFIDENTIAL.

SGA/WHA/5 # 7

# SECRETARIAT

(Formerly)

D/I/49/VI

D/I/49/VI

## COLLECTION AND REFUND OF DUTY ON WHALE OIL.

CONNECTED FILES.

NUMBER

D/I/47/IV.

D/I/58.

Whale oil Exports - Tax on.

Chr. Salvesen & Co.



DECODE.

TELEGRAM.

From Tonsverg, Hvalfangeri, Norway.....

To Colonial Secretary, Stanley.....

Despatched : 18th May, 19 60. Time : 1650

Received : 19th May, 19 60. Time : 1000

Re your letter March 29th.

Outstanding duty.

X [ You will know about the very unfortunate conditions with low productions last two seasons at South Georgia and we hereby humbly ask you kindly to inform Colonial Office London about same and we will be grateful if you will recommend reductions in said export duty which we have contended to be exceptionally heavy.

Tonsberg Hvalfangeri.

P/L : LH

DECODE.

150  
729

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 20th May 1960

Time: 1500

Received:

Time:

FIDEP No. 43

I have received following telegram from Tonsberg begins

'You will know about the very unfortunate conditions with low productions last two seasons at South Georgia and we hereby humbly ask you kindly to inform Colonial Office, London, about same and we will be grateful if you will recommend reductions in said export duty which we have contended to be exceptionally heavy.' ends.

Tonsberg debt amounts to £22,407. for duty on 1954/55 and 1955/56 seasons whale oil. We have been pressing for payment since October 1958 and in addition are about to bill them for £10,034. for 1956/57 season making total of £32,441. to which must eventually be added tax on 1958/59 and 1959/60 operations. You will doubtless wish to discuss with the Governor. My views are:

- 1) We cannot possibly concede these retrospective reductions for apart from other considerations Salvesen and Pesca will justifiably expect similar concessions.
- 2) Some reduction in duty with effect from 1959/60 season is now imperative. FIDEPS 7 and 15 refer. I understand Salvesen will only operate one pelagic expedition coming season.

As it is now unlikely Tonsberg will pay this £22,000. which has been allowed for in current estimates before end of June consequential adjustments will have to be made in current revised revenue estimates and revenue estimates 1960/61.

O.A.G.

AGDT/MW : GTC

c.c. T.GEN/1 vol.iii  
D/6/47/II  
D/6/58  
FIDS/46 vol.vii  
Collector of Customs

## GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

SENT

151-730.

Number	Office of Origin	Words	Handed in at	Date
				20.5.60

To

Tonsverg, Hvalfangeri, Norway

728

Your telegram 18 May about whale oil duty has been referred to Secretary of State and Governor who is now in London but personally I consider it essential you should at least make substantial part payment while your representations are under consideration.

O.A.G.

Time

~~XXXXXX~~  
Butcode.

TELEGRAM.

From Tonsberg, Hvalfangeri

To Colonial Secretary

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Despatched : 23rd May 19 60 Time 1400

Received : 24th May 19 60 Time :

730 We are much obliged for your telegram and have  
to day paid £15,000. to Crown Agents.

Original on D/1/49/VI  
Copies on T.GEN/1 vol.iii  
D/13/58  
Copy to Collector of Customs

DECODE.

TELEGRAM SENT.

*From* GOVERNOR *to* SECRETARY OF STATE

*Despatched:* 25.5.60

*Time:* 1100

*Received:*

*Time:*

FIDEP NO.45

My FIDEP 43. At my request Tonsberg have made  
payment on account and inform me £15,000 paid to  
Crown Agents on 23rd May.

O.A.G.

Original on D/1/49/VI  
Copies on T.Gen/1 vol.iii  
D/13/58  
Copy to Collector of Customs

GTC/MW

DECODE.

TELEGRAM SENT.



From SECRETARY OF STATE to GOVERNOR

Despatched: 24:5:60

Time: 1050

Received: 25:5:60

Time: 1030

IMMEDIATE.

FIDEP 34.

Please inform me amount of Pesca's debt for duty whale and seal oil up to June 30th, 1960.

GTC : SC

C.C. A.O. FIDS

Reply d-734

Apes: C/Customs  
Pesca File  
T/GEN. 1/81. iii

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 25.5.60.

Time: 1545.

Received:

Time:

733  
No. 47. Your telegram FIDEP No. 54. Pesca are up to date with all payments for which they have been billed. We are now in process of billing them for \$14,115 for 1956/57 oil and statements will go to them next mail. Following are estimates repeat estimates their future liabilities:-

- (1) 1957/58 - \$15,800
- (2) 1958/59 - \$8,750
- (3) 1959/60 - \$6,100

Note that figures in (1) (2) and (3) above are calculated on difference between 5/- a barrel paid on export and estimated total duty of 8/- which can only be estimate because only figures we have to go on at this stage are Solvesens 1957/58 sales certificates which point to 8/- duty rate.

Officer Administering the Government.

GTC : AGDT/IM.

22247  
Copies in ~~158~~  
FIDS T.GEN/1 10.11  
a Customs.  
14.5.60



735  
DECODE.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 26.5.60

Time: 1808

Received: 28.5.60 Time: 1000

FIDEP No.35

Your FIDEP No.7, 15 and 43.

I agree Duty on whale oil at South Georgia may be reduced to a flat 5/-d per barrel with effect from 1960/1961 season. This must however be kept under review and I suggest you submit an annual report on position and position re introducing higher rates.

No.112. So far as Tonsberg's request is concerned I agree retrospective reduction cannot possibly be made and Tonsberg should be informed accordingly.

GTC

Original on D/6/47/II

Copies to D/I/49/vi

D/13/58

Collector of Customs

A.O. 1.2.7

DECODE.

TELEGRAM.

From ~~The Officer Administering the Government~~

To ~~The Administrative Officer, South Georgia~~

---

Despatched : 26th May 19 60 Time : 1000

Received : 19 Time :

No. 104

Secretary of State has approved proposal for reduction in whale oil duties to a flat rate of 5/-d per barrel with effect from 1960/1961 season. Managers should be informed accordingly but it should at the same time be made clear to them that the rate of duty will be kept under review and may be increased again if whaling improves.

P/L : MW

Original on D/6/47/II

copies on D/I/19/vi

Collector of Customs

DECODE.

TELEGRAM.

From The Officer Administering the Government

To Tonsberg, Hvalfangeri

Despatched : 28th May 1960

19

Time : 1100

Received :

19

Time :

Your representations have received the most careful considerations but much regret we are unable to approve retrospective reductions in rates of duty on whale oil. Secretary of State has concurred with this decision. For your information the rate is to be reduced to a flat 5/-d per barrel with effect from 1960/1961 season, but I appreciate that this does not solve your immediate problem and I regret adverse decision.

AGDT/MW : P/L

Original on D/I/49/vi  
copy to D/13/58

P.A.  
2/1/7  
28.5.60

CONFIDENTIAL

For consideration at the  
next meeting of Council.

SMP 1974  
8th July, 1960

MEMORANDUM NO. 29 FOR EXECUTIVE COUNCIL

Export Duties on Wool and Whale and Seal Oil

Members will recall that at the last meeting of Executive Council it was agreed that the present scale of export tax on wool should be replaced by an ad valorem tax with effect from and in respect of the 1960/61 wool clip and calculated on the following basis:-

	<u>Ad valorem rate of duty</u>
When the average gross selling price is less than 20d per lb . .	Nil
Reaches 20d but is less than 60d . . . . .	3½%
" 60d " " " 80d . . . . .	4%
" 80d and above . . . . .	5%

2. The provisions that will be required to give effect to this decision have been incorporated in the draft resolution which is attached to this memorandum and which will have to be submitted to the Legislature. It will be noted that the resolution provides for each farm to be assessed separately. The following comparative figures will be of interest to Members -

I Comparison between actual export duty paid and amounts payable had duty been assessed at an overall ad valorem rate of 3½% for the 1958/59 and 1959/60 financial years.

<u>Clip</u>	<u>Financial Year</u>	<u>lbs of wool sold</u>	<u>Average selling price</u>	<u>Export Tax at 3½%</u>	<u>Export Duty Paid</u>
1957/58	1958/59	4,551,347	41.408d	£27,484	£28,452
1958/59	1959/60	4,532,079	47.94d	£31,688	£28,389

II Comparison between receipts from the ad valorem rates and the present rates of duty based on a production figure of 4,468,750 lbs.

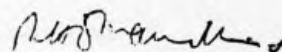
- See Appendix A -

3. Members are also asked to approve a proposal to reduce the incidence of taxation on the whaling industry in South Georgia by means of a reduction in the rate of duty on whale and seal oil production. At present duty is assessed on the average market price per ton for the season of first grade oil and is at the rate of 5/- per barrel of 42 gallons for each £5 or part of £5 of such average market price. The companies do in fact pay 5/- per barrel before export and the balance (usually about 2/- 3/-) when all the oil for that season has been disposed of and the average price determined.

4. The production costs of the industry have risen considerably. In addition to the normal increase in the costs of wages, supplies and equipment, the South Georgia based catchers are having to operate a good deal further out to sea, thereby increasing running expenses and the post mortem time of the whales before processing, a factor that effects the quality and grade of oil produced. After consultation with the Secretary of State (the United Kingdom Government is of course closely concerned financially because any reduction in revenue from South Georgia will mean a corresponding increase in H.M.G's contributions to the Dependencies Survey) it has been agreed that some

reduction/.....

reduction in taxation that will encourage the companies to continue operating is not only equitable but in fact essential. It is therefore proposed to reduce the rate of duty to a flat 5/- per barrel payable on export. The net effect will be a reduction in the South Georgia revenue of approximately £20,000 a year at the present average price of £75 per ton. The overall revenue from South Georgia will still be more than sufficient to finance the administration and the annual subvention to the Colony. The necessary provisions to give effect to this proposal are contained in the attached draft resolution.



COLONIAL SECRETARY

AGDT/LH



DRAFT

THE CUSTOMS ORDINANCE (CAP. 16)

RESOLUTION

(under section 5 of the Ordinance)

No. 1960.

In exercise of the powers conferred on the Legislative Council by section 5 of the Customs Ordinance, it is hereby resolved by the Legislative Council as follows:-

Short title 1. This Resolution may be cited as the Customs (Amendment) Resolution, 1960.

Amendment of paragraph 3 of the Customs Order 2. Paragraph 3 of the Customs Order is hereby amended as follows:

(a) by deleting the words and comma "Commencing with the 1950/51 season," at the beginning of the paragraph and by substituting a capital letter for the small letter in the word "the";

(b) by deleting the words and figures from "When the average gross selling price per lb. of the whole Falkland Islands clip does not exceed 15d., nil." to the figures and words "0.5d. per lb." and substituting the following words and figures:

"Commencing with the 1960/61 season at the following ad valorem rates on the average gross selling price per lb. of the whole clip of each farm and butchery specified in the Schedule hereto:

	Ad valorem rate of
When the average gross selling price is less than 20d	duty Nil
Reaches 20d but is less than 60d	3 3/4%
" 60d " " " " 80d	4%
" 80d and above	5 1/2%;

(c) by deleting the words and figures from "The duty shall be assessed" to the words and figures "£5 of such average market price" and substituting the following words and figures:

"Commencing with the 1960/61 season at the rate of 5/- per barrel, payable on export, for every barrel of 40 gallons exported."

Addition of Schedule to the Customs Order 3. The following Schedule shall be added to the Customs Order:

"SCHEDULE

Farms and Butcheries

1. Carcass Island
2. Chartres
3. Darwin (including Walker Creek and Lively Island)
4. Douglas Station
5. Fitzroy North and Bluff Cove
6. Fitzroy South (including Port Harriet and land in the holding of the Falkland Islands Company Limited to the North of the Wickham Heights)

7. Fox Bay East (including Dunnose Head and Packe's Port Howard)
8. Fox Bay West (including Spring Point)
9. Hill Cove
10. Johnson's Harbour
11. McGill's butchery
12. Moody Valley
13. Mullet Creek
14. New Island (including Hummock Island)
15. North Arm (including Bleaker Island)
16. Pebble Island Group (including Grand and Steeple Jason Islands)
17. Port Howard
18. Port Louis North
19. Port San Carlos
20. Port Stephens
21. Rincon Grande
22. Roy Cove
23. Salvador
24. San Carlos
25. Saunders Island
26. Sea Lion Islands
27. Sparrow Cove and Weir Creek
28. Speedwell Island Group
29. Teal Inlet
30. The Falkland Islands Company's butchery
31. Weddell Island Group (including Beaver Island and the Passage Islands)
32. West Point Island (including Dunbar and Low Islands).

Resolved by the Legislative Council this            day of  
    , 1960.

Clerk of the Legislative Council.

APPENDIX A

Average selling price	Amount received	Duty payable on Ad valorem basis	Duty payable on the basis of the present rate	
15d and under		-	-	
16	297,917	-	9,310	} $\frac{1}{2}d$
17	316,536	-	9,310	
18	335,156	-	9,310	
19	353,776	-	9,310	
20	372,396	13,034	9,310	} $\frac{3}{4}d$
21	391,016	13,686	13,965	
22	409,635	14,337	13,965	
23	428,255	14,989	13,965	
24	446,875	15,640	13,965	} $1d$
25	465,495	16,292	13,965	
26	484,115	16,944	13,965	
27	502,734	17,596	13,965	
28	521,354	18,247	13,965	} $1\frac{1}{2}d$
29	539,974	18,899	13,965	
30	558,594	19,551	13,965	
31	577,214	20,202	18,620	
32	595,833	20,854	18,620	} $1d$
33	614,453	21,506	18,620	
34	633,073	22,157	18,620	
35	651,693	22,809	18,620	
36	670,312	23,461	18,620	} $1\frac{1}{2}d$
37	688,932	24,113	18,620	
38	707,552	24,764	18,620	
39	726,172	25,416	18,620	
40	744,792	26,068	18,620	} $2d$
41	763,411	26,719	27,930	
42	782,031	27,371	27,930	
43	800,651	28,023	27,930	
44	819,271	28,674	27,930	} $2\frac{1}{2}d$
45	837,891	29,326	27,930	
46	856,511	29,978	27,930	
47	875,130	30,629	27,930	
48	893,750	31,281	27,930	} $3d$
49	912,370	31,933	27,930	
50	930,989	32,585	27,930	
51	949,609	33,236	37,240	
52	968,229	33,888	37,240	} $3\frac{1}{2}d$
53	986,849	34,540	37,240	
54	1 005,469	35,191	37,240	
55	1 024,089	35,843	37,240	
56	1 042,708	36,494	37,240	

Average selling price	Amount received	Duty payable on Ad valorem basis	Duty payable on the basis of the present rate	
57	1,061,328	37,146	37,240	2a
58	1,079,948	37,798	37,240	
59	1,098,567	38,450	37,240	
60	1,117,187	44,687	37,240	
61	1,135,807	45,432	46,549	
62	1,154,427	46,177	46,549	2 $\frac{1}{2}$ a
63	1,173,047	46,921	46,549	
64	1,191,667	47,667	46,549	
65	1,210,286	48,411	46,549	
66	1,228,906	49,156	46,549	
67	1,247,526	49,901	46,549	
68	1,266,146	50,646	46,549	
69	1,284,766	51,391	46,549	
70	1,303,385	52,135	46,549	
71	1,322,005	52,880	55,859	3a
72	1,340,625	53,625	55,859	
73	1,359,245	54,370	55,859	
74	1,377,865	55,115	55,859	
75	1,396,484	55,859	55,859	
76	1,415,104	56,604	55,859	
77	1,433,724	57,349	55,859	
78	1,452,344	58,094	55,859	
79	1,470,964	58,839	55,859	
80	1,489,583	74,479	55,859	3 $\frac{1}{2}$ a
81	1,508,203	75,410	65,169	
82	1,526,823	76,341	65,169	
83	1,545,443	77,272	65,169	
84	1,564,062	78,203	65,169	
85	1,582,682	79,134	65,169	
86	1,601,302	80,065	65,169	
87	1,619,922	80,996	65,169	
88	1,638,542	81,927	65,169	
89	1,657,161	82,858	65,169	
90	1,675,781	83,789	65,169	4a.
91	1,694,401	84,720	74,479	
92	1,713,021	85,651	74,479	
93	1,731,641	86,582	74,479	
94	1,750,260	87,513	74,479	
95	1,768,880	88,444	74,479	
96	1,787,500	89,375	74,479	

Average selling price	Amount received	Duty payable on Ad. valorem basis	Duty payable on the basis of the present rate
97	1,806,119	90,306	74,479 )
98	1,824,740	91,237	74,479 ) 4d
99	1,843,359	92,168	74,479 )
100	1,861,979	93,098	74,479 )
101	1,880,599	94,030	83,789 )
102	1,899,219	94,961	83,789 ) 4½d
103	1,917,839	95,892	83,789 )

Note: Figures in the ad-valorem column have been calculated as follows:

20-59	3½%
60-79	4%
80 and over	5%



AIR MAIL

TELEGRAMS  
INLAND & FOREIGN: "SALVESEN, LEITH, TELEX"  
TELEX, LEITH 72-222

ESTABLISHED 1846

TELEPHONE  
LEITH 35211 (14 LINES)

# CHR. SALVESEN & CO.

H. K. SALVESEN      L. M. HARPER GOW, M.B.  
H. W. HOLLYER, M.B.E.      G. H. ELLIOT

GLASGOW  
45 WEST NILE STREET, C.1

GRIMSBY  
MARSHALL'S WHARF  
VICTORIA STREET

YOUR REF.....

OUR REF. EN/IS.....

G.P.O. BOX 217

29 BERNARD STREET,

LEITH,      2nd August 1960.

The Collector of Customs,  
Customs Department,  
Stanley,  
FALKLAND ISLANDS.

Dear Sir,

*21/49/5*  
We are in receipt of your letter of 19th May, 1960, enclosing a statement of additional export duty due by us in respect of Whale Oil and Sperm Oil exported by us from South Georgia in season 1956/57.

*Not Recd.*  
We wrote to H. E. the Governor on 30th July, 1960, asking that the rate of 5/- per barrel, which we understand is to be the standard rate for the future, should apply retroactively to 1956/57 and subsequent seasons. Pending his decision we propose to defer taking any action on your statement.

Yours faithfully,

*Chr Salvesen*

A.C.S.

*746*

*The above received from Salvesen is in respect of the additional export duty on Whale Oil and Sperm oil. amounting to £8,895. 5. 5.*

*m. -*

H.C.S.

I have not received any letter yet from Salvesen about making the reduction in Duty retroactive. No doubt it will arrive by the next mail.

31st August 1960

RA m.

# CHR. SALVESEN & CO.

H. K. SALVESEN L. M. HARPER GOW, M.B.E.

H. W. HOLLYER, M.B.E. G. H. ELLIOT

GLASGOW  
45 WEST NILE STREET, C1

GRIMSBY  
MARSHALLS WHARF  
VICTORIA STREET

G. P. O. BOX 217  
29 BERNARD STREET,

YOUR REF.

OUR REF. GHE/JN

LEITH, 30th July, 1960.

Whaling Dept.

Rec'd 19.9.60.

H. E. the Governor,  
Government House,  
Port Stanley,  
Falkland Islands.

Dear Sir,

## Export Duty

We would be grateful if you would consider a remission of the excess of export duty on whale oil and sperm oil that is due to be levied on us from season 1956/57 onwards. At present we have only made the deposit of 5/- per barrel for these seasons. Since we understand that this rate is to be the standard duty for the future, a concession of which we are appreciative, we wish to apply for this arrangement to be extended back to season 56/57, so that no further duty will be payable.

As you well appreciate, whaling from South Georgia has become progressively less attractive in recent years. Despite an extensive programme of modernisation, it is a considerable time since we earned enough to cover depreciation of the capital employed at Leith Harbour, and in the past two seasons income has not covered operating costs. While we accept it as reasonable to pay tax on profits, it does not seem right that we should be obliged to add to our losses by contributing to government ventures from which we derive no benefit.

Any remission of this tax will help to prolong the life of the whaling industry at South Georgia which we presume is, as it should be, the main objective of government policy.

We understand that the other two whaling companies are writing individually to make the same application.

c.c. Col. Office.

Yours faithfully,

Chr. Salvesen & Co.

Replied 114

Ack. at 7.52.

COMPANIA ARGENTINA DE PESCA  
SOCIEDAD ANÓNIMA  
TELEGRAMAS "PESCA"  
CÓDIGOS: BENTLEY Y NEW BOE

BUENOS AIRES.  
25 DE MAYO 460

AIR MAIL

25th August, 1960.

H.E. The Governor,  
Government House,  
PORT STANLEY  
Falkland Islands.

Rec'd 19.9.60.

Your Excellency,

We have the honour most humbly to petition you to back date the recent export duty concession you have seen fit to grant the whaling industry so as to cancel our present unpaid liability of approximately £45,000. We would also ask you to reconsider the basis on which you assess such duty both in the past and for the future. We humbly submit that since it is only the oil which is produced in South Georgia, the fair basis on which to calculate export duty is the F.A.S. price and not a figure which includes the cost of insurance and freight. Further where the exporter produces various grades of oil a large proportion of which are low quality the price on which export duty is assessed should be the average price and not the price of the best quality oil. For example this year No. one oil fetched £72, No. two oil £56 and No. four oil £30 per ton. We would humbly suggest that it is unfair to charge duty on the above grades at a rate calculated on the highest price when there is such a divergence of value between the three grades.

Our reason for petitioning you to extend the concession you have granted is that during the last five years we have sustained heavy losses as a result of whaling from South Georgia becoming progressively more difficult and this has occurred despite the Argentine Government exempting us from their onerous tax code. The losses we have sustained are such that we have been unable to pay one single dollar of the two years charter moneys due to Compania de Navegacion Rosina S.A. for the hire of the "R" catchers. We spent £120,000 fitting Asdic equipment to these catchers, only to be forbidden by Your Excellency to use it.

Our losses have meant that we have been unable to replace our old catchers and transporters. Last season we chartered the m.v. "CALPEAN STAR" and five "R" catchers but as yet we have been unable to pay one single pound of their hire.

We accept as reasonable and indeed expect to pay taxes on profits but we do feel that an export tax such as we are being charged is unreasonable and can only increase our loss and so make it impossible for us to continue whaling and sealing from South Georgia and so indirectly affect the economy of South Georgia.

Rec'd at 753

../..

COMPANIA ARGENTINA DE PESCA  
SOCIEDAD ANÓNIMA  
TELEGRAMAS "PESCA"  
CÓDIGOS: BENTLEY Y NEW BOE

AIR MAIL

BUENOS AIRES.  
25 DE MAYO 460

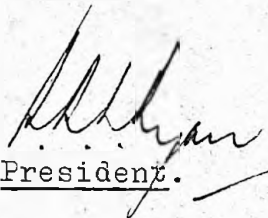
Sheet 2.

H.E. The Governor

As you know we have already agreed to lease our station at South Georgia this year to Albion Star (South Georgia) Limited and they have an option to purchase the unexpired residue of the lease for one hundred thousand pounds, this option to be taken up not less than thirty days before the 31st August, 1961. Your decision, therefore, may affect these negotiations.

We have the honour to remain, Sir, Your Excellency's most humble obedient servants.

COMPANIA ARGENTINA DE PESCA S.A.,

  
President.



# Details of Companies Income Tax paid by Whaling Companies.

5/1/49

## Pesca.

1955	CARV 65	February 1956		350	-	-
1956	CARV 71	November 1956	350	-	-	
	CARV 158	March 1958.	787	10	-	1,137 10 -
1957	CARV 158	March 1958		350	-	-
1958	LRV 2189	February 1960		350	-	-
1959	LRV 2441	September 1960		1,137	10	-

## Tonsberg.

1955	CARV 43	February, 1956		1,925	-	-
1956	CARV 54	November, 1956		1,925	-	-
1957	CARV 343	January, 1958	1,925	-	-	
	CARV 75	March, 1958	787	10	-	2,712 10 -
1958	DID NOT WHALE			-	-	-
1959	CARV 204	August 1960		1,137	10	-

## South Georgia Company.

1955/56	LRV 819	of August 1957		2,277	9	-
No record of any other tax payments.						

*[Signature]*

28/9/60.

F. I. ref: D/1/49/VI

C. O. ref:

748

SAVING TELEGRAM.

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

To: The Secretary of State for the Colonies.

Date: 5th October 1960

No. 176 SAVING. COLONY

735

at 11.30/13/58  
747 A-747B

With reference to your telegram RIDMP No. 5, I enclose copies of letters from the three whaling companies, who have clearly been in consultation, on the subject of the remission of arrears of duty on whale oil from the year 1956/57.

You will recall that in order to give some encouragement to the industry, you agreed to the reduction of export duty on whale oil to 5/-d a barrel with effect from 1960/61. This sum is the amount which the whaling companies have in the past paid by mutual agreement at South Georgia when the whale oil is exported, leaving the balance of usually between 2/-d and 3/-d a barrel to be paid after the oil is sold. The relevant section of the Customs Order under which this duty is collected reads as follows:

"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." (6 barrels = 1 ton)

The collection of this "difference" has never been easy, partly because of dilatoriness in the case of Tensberg and Pesca, and partly because oil is not necessarily sold as soon as it reaches its destination, and may be held over in the hope of an improvement in price.

The outstanding amounts of duty owing by the three companies are as follows, and I also indicate the financial year in which it is estimated these amounts will be brought to account:

PESCA

1956/57 Season	Actual	£14,115	1960/61
1957/58 Season	Estimated @ 3/-d barrel	16,233	1961/62
1958/59 Season	Estimated @ 2/6d barrel	7,292	1961,62
1959/60 Season	Estimated @ 2/6d barrel	<u>7,544</u>	1962/63
		£45,184	

./...

F. I. ref: D/1/49/VI  
C. O. ref:

SAVING TELEGRAM.

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

To: The Secretary of State for the Colonies.

Date: 5th October 1960

No. 176 SAVING. COLONY

- 2 -

TNSBERG

1954 to 1956		£ 7,408	1960/61	Dec 61.
1956/57 Season	Actual	10,034	1960/61	
1957/58 Season	Did not whale	-		
1958/59 Season	Estimated @ 2/6d barrel	3,625	1961/62	
1959/60 Season	Estimated @ 2/6d barrel	<u>3,262</u>	1961/62	
			£16,921	

SOUTH GEORGIA COMPANY

1956/57 Season	Actual	8,895	1960/61	
1957/58 Season	Estimated @ 3/-d barrel	11,463	1961/62	
1958/59 Season	Estimated @ 2/6d barrel	5,347	1961/62	
1959/60 Season	Estimated @ 2/6d barrel	<u>3,587</u>	1962/63	
			£29,292	

ESTIMATED TOTAL. £91,397

The sum of approximately £91,000 is a considerable one, and if the duty were remitted it would mean that H.M.C. would have to find a further £30,000 a year during the present financial year and the two or three following to pay for the activities in the Antarctic. If such a sacrifice would ensure the continuation of shore-based whaling in South Georgia for an indefinite period, I would recommend it unhesitatingly, for, as I pointed out in my telegram FIDEP No.7 of January 12th, if all three whaling companies were to close a grant-in-aid would be necessary for South Georgia as well as the Antarctic. Tonsberg, as you are aware, have to operate and are leasing their property to Albion Star (Pesca). The question is therefore whether the South Georgia Company (Salvesen) and Pesca - Albion Star (Ryan) - will carry on. I think much will depend on whether the forthcoming season is good or a bad one. Each would like the other to close and leave the sole company operating, but my guess would be, and is only a guess, that Ryan would continue longer than Salvesen.

It is not particularly easy to assess the accuracy of statements such as Ryan's - "we have sustained heavy losses" and Salvesen's - "in the past two seasons income has not covered operating costs".

SAVING TELEGRAM.

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

*To:* The Secretary of State for the Colonies.

*Date:* 5th October 1960

*No.* 176 SAVING. COLONY

- 3 -

The total number of barrels of whale oil exported from South Georgia for the past few seasons has been as follows:

	<u>WHALES</u>	<u>BARRELS OF OIL</u>
1955/56	3,001	172,363
1956/57	3,068	147,524
1957/58	3,356	161,485
1958/59	2,504	102,638
1959/60	2,300	97,673

In assessing the value of these figures, a breakdown of those of the South Georgia Company, who caught 721 whales of the 2,300 in 1959/60, gives the following picture:

Approximate Market Values

Whale Oil	£352,800
Sperm Oil	18,428
Meat Meal	220,500
Bone Meal	19,100
Solubles	16,704
Meat Extract	<u>261,040</u>
	<u>£888,572</u>

The meat extract business is comparatively new, and it is at present a most profitable one. I understand Pesca will be operating a plant to produce meat extract during the coming season. Its value is approximately £800 a ton, and Government charges a purely nominal export duty of 6d per 100 lbs. I would not recommend any increase in this duty at present, for I believe the success of meat extract last year was the main factor in influencing Salvesen to operate this year. If the market holds, however, and Pesca also succeeds in this field, a further reduction in duty on whale oil and an increase in the duty on meat extract would be worth considering.

To revert to the request of the Companies for the remission

751  
F. I. ref: D/L/49/VI  
C. O. ref:

SAVING TELEGRAM.

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

*To:* The Secretary of State for the Colonies.

*Date:* 5th October

*No.* 176 SAVING. COLONY

- 4 -

of duty, there is no doubt that they had bad whaling years in 1958/59 and 1959/60. The 1956/57 and 1957/58 seasons were better, and I would imagine the Companies made a reasonable profit. I think it would not be unreasonable to remit the duties for 1958/59 and 1959/60, which amount in all to £30,657, and I suggest this should be done.

GOVERNOR

K 17 745.

Bur 16.12.60 (mail)



752

Ref: D/1/49/IV.

COLONIAL SECRETARY'S OFFICE.

STANLEY.

17th October, 1960.

Sir,

747 B I am directed to acknowledge the receipt of your letter dated 30th July, 1960,  
regarding the remission of arrears of duty on whale oil.

I am,

Sir,

Your obedient servant.

(Sgd) D. R. Morrison.

for Colonial Secretary.

Mr. Salvesen & Co.,  
9, Bernard Street,  
with,  
OTLAND.

753

Ref: D/1/49/IV.

COLONIAL SECRETARY'S OFFICE,

STANLEY.

17th October, 1960.

Sir,

I am directed to acknowledge the receipt of your letter dated 25th August, 1960,  
747B regarding Export Duty.

I am,

Sir,

Your obedient servant,

(Sgd) D.R. Morrison.

for Colonial Secretary.

Compania Argentina de Pesca,  
de Mayo 460,  
LOS AIRES.

Sgt. 16.12.60 (mail)

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 2.12.60

Time: 1800

Received:

Time:

PRIORITY

No.161. My Savingsgram 176 Outstanding Duty on Whale Oil.

Clark of Albion Star has arrived in the Colony with all documents ready for exchange and I understand Slaughter & May have sent you documents to be forwarded to me. You will recall that when we discussed in London the question of duties owed by Pesca we thought it would be possible for Albion Star to accept responsibility for the payment of Pesca's outstanding duty. I now understand from Clark that Slaughter & May have advised Albion Star that they should not accept this liability. Clark also states that Ryan says Pesca is 'broke' and would have to go into liquidation but he admits that he cannot say whether this is really so.

2. The question is whether we should hold up the Albion Star transfer because we have not yet received whatever amount of outstanding duty it is decided we should attempt to recover from Pesca. On political grounds alone I would much prefer that a company registered in the Falkland Islands should operate at Grytviken rather than an Argentine company. Probably the correct thing to do would be to allow the transfer to Albion Star to proceed, and subsequently to attempt to recover any outstanding duty from Pesca. Whether or not we would succeed in so doing it is difficult to say and I am also doubtful whether we shall be able to recover any outstanding duty from Tinsberg. By allowing the Albion Star transfer to proceed I think we are more likely to see shore-based whaling continue in South Georgia than if we hold up the transfer on account of unpaid duties.

3. Clark is anxious to have all documents signed before he leaves the Colony of January 13th, and the only opportunities for you to have the documents sent here will be by 'Darwin' leaving Montevideo on December 15th or at the latest by 'Kista Dan' due to arrive Montevideo about December 24th.

GAC: ,W

755

S/c any mail \$L? 3.1.61

BU for use  
31/12/6

DECODE.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 20.12.60 Time: 1335 Received: 21.12.60 Time: 1100

206

202

201A in

5/3/60.

Unnumbered. Your telegram 19th December unnumbered. Herewith repetition by telegram No. 182. Begins.

Your telegram No. 162.

Documents were despatched from here November 17th.

2. Unwilling agree to revision of any part of arrears of tax which seems unlikely influence either Ryan or Salvesen's decision whether to stay or not. Salvesen indicated his company lack interest in this application when he visited office recently.

3. I am surprised Blaughter & May should give this advice in view of their advice at meeting with you on May 24th. I consider Ryan should sign letter on lines discussed at that meeting before transfer takes place. Ends.

Secretary of State.

Original filed in: D/3/60

G.T.C. : IM (Encls.) DM  
CORPVD : IM

DM Early please  
(Encls.) HUB

DECODE.

TELEGRAM.

From H.E. the Governor

To Salvesen, Leith Scotland.

Despatched : 16th January, 19 60 Time : 1700.

Received : 19 Time :

747A

Your letter July 30th 1960. Regret Government  
not prepared to remit arrears of tax.

#5 258

Bu 31.1.61

1 m to HE  
who says NFA was

F<sub>2</sub> 2/2/61

for

P/L : MW Copied IM

Copy in D/6/58 (Salvesen)

H.C.S.

I should be grateful if the position regarding the collection of additional whaling duty from Pesca, Salvessen and Tausberg could be clarified for estimate purposes, since it is not clear from this file for instance what has happened since (748).

There is no reply to this registered on the file although H.E.'s telegram at 114 to Salvessen says: "regret Government not prepared to remit arrears of tax".

Pesca asked a similar question about tax at 7476 but no reply appears to have been sent to them unless it is registered on another file.

Duty outstanding to date for which bills have already issued is as follows:-

<u>Pesca</u> 1956-57 Season	£14,115. 14. 3
<u>Salvessen</u> 1956-57 Season	8,895. 5. 5
<u>Tausberg</u> 1954-56 Seasons	7,407. 16. 6
1956-57 Season	10,034. 1. 4
 Total.	 £40,452. 17. 6

*W. J. Hall*  
 8/3/61.

DECODE.

No. 31.

**TELEGRAM SENT.**

From SECRETARY OF STATE to GOVERNOR

Despatched: 8.3.61 Time: 1030 Received: 8.3.61 Time: 1530

CONFIDENTIAL

202 in 3/3/60 No. 25. My telegram No. 122.

Duty on Whale Oil.

I have had an appeal in letter from Salvesen and in interview at this office from Clark of Albion Star for

- (i) remission arrears of duty as in your Savingsgram No. 176 and
- (ii) removal duty altogether with effect from October 1st 1960.

In supporting (i) Salvesen claimed operating losses £37,000 for 1959/60 season and "a total of £212,000" on operations in two seasons 1958/59 and 1959/60. It does seem therefore that Whaling Companies were harder hit in two bad years than was realized when your S/T was considered and if figures of losses for these years can be substantiated (as I suppose they must for Income Tax purposes) and information also provided as to profit in the years 1956/57 and 1957/58 I will reconsider question of arrears. Profitability years in question should also take into account any equipment (which understand was extensively) undertaken in these years (especially 1957).

I could not consider reduction duty below present level of five shillings unless it were clearly established that rate was so high as to cause danger of companies failing to make reasonable profit taking one year with another in the near future.

I should be grateful if you would obtain as far as possible figures from Companies to support claim mentioned in paragraph 2 of your Savingsgram and for your recommendations in the light of these and previous profits whether arrears of duty should be remitted for two bad years (or possibly for 1956/58 as well if companies results warrant going so far) and whether duty now charged should be reduced or removed.

Secretary of State

G.T.C. : LM IM  
Typed. : IM

Reply at 762.

(Intld.) DM

Original in: D/1/49/VI  
Copies in: D/6/47/IV  
D/3/60  
D/6/58

Loe Thorne

17.0  
19/3/61

C.C. To A.O., S.G. for information



Tiel.

y. 2

The

debated figures required are . . . ~~178~~

with O.T.I.T.O. and it would be much simpler

if S of S got them from him but as we

have been asked for a report & recommendations

I think it will be better for us to get the figures

from OTITO, make a report & tell S of S

that he can get further figures if necessary from OTITO.

We have of course already made our recommendation -  
see 751.

As regards losses Salween's South Georgia Company  
always shows a loss which is made up usually by  
profits on the Pelagic fleet. One of the ways this  
is achieved is by charging the South Georgia Co for  
hire of the catchers which belong to the Pelagic fleet.  
This is presumably merely a paper transaction but it  
has the effect of making a loss to the S. Georgia Co so  
that they pay no Company Tax.

Shall we ask OTITO for the information required?

52

1

762  
~~762~~

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 15.3.61

Time : 1530

Received :

Time :

CONFIDENTIAL

NO. 37

760.

Your telegram No.25. Duty on Whale Oil.

1. Companies tax paid by whaling companies in South Georgia is a matter which I had previously agreed Administrative Officer should take up with OTITO after his arrival in May. Position appears to me to be unsatisfactory. Salvesen has only indicated a profit in one year since he has been operating in South Georgia and constantly shows a loss. I understand he achieves this by various paper transactions involving his pelagic fleet and shore based company. Pesca have an arrangement with OTITO whereby they pay tax on a notional profit.
2. I could not hope to get any figures from Companies before mail arriving here May 8th by which time Administrative Officer will be on his way to England. I suggest you should ask the Companies to send you figures to support their claims that they have made these losses, and discuss these with Administrative Officer and with me in England in July.
3. I see no reason at present to agree to removal or reduction of duty now being charged.

765.  
Reply at ~~762~~

GTC : MW

c.c. To Administrative Officer, South Georgia for information

120  
16th March 1961

(Dear Coleman)

I enclose a copy of a telegram I have received from the Secretary of State about duty on whale oil, together with my reply. I am sending these to you just in case there are any relevant papers in South Georgia which you might like to consult or copy before you leave.

Yours sincerely,  
signed Edwin Arrowsmith

CAPTAIN D. COLEMAN

c.c. C.S.O.

764  
~~120~~  
+2+

H.C.S.

Reference 118. I do not think we would achieve much by getting figures out here, and you will see what I have suggested in my telegram to the Secretary of State at 119. I have sent copies of 118 and 119 to the Administrative Officer, with my letter at 120

16th March 1961

RA  
ju

BU 8.4.61

DECODE.

No. 22.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 23.3.61 Time: 1230 Received: 23.3.61 Time: 1500

762

#9

No. 36. Your telegram No. 37. Duty on Whale Oil.

Salvesen has now informed us Loith Harbour will be put  
on a "minimum maintenance only" basis.

Secretary of State.

Copy in: D/6/58-Salvesen

G.T.C. : LM

Reply at 767.

(Intls.) HED

S. L.

Seen. Fred

or  
27/3/61

DECODE.

TELEGRAM.

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

To ADMINISTRATIVE OFFICER, SOUTH GEORGIA.....

Despatched : 29th March 1961

19

Time : 1930

Received :

19

Time :

IMMEDIATE

CONFIDENTIAL

Secretary of State has telegraphed "Salvesen has now informed me Leith Harbour will be put on a "minimum maintenance only" basis". Presume this means 1961/62 season but have asked for confirmation. Any news at your end?

GTC : MW

Copy in 11/4/58.

767

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 29.3.61

Time :

Received :

Time :

NO. 44.

765

Your telegram No. 36. Duty on whale oil.

I have heard nothing from Salvesen since March 3 when he said he would accept eight catchers out of sixteen total for South Georgia for 1961/62 season. Your telegram implies he does not intend to operate Leith Harbour factory next season. Is this so?

GTC : MW

on

Copy in 1/6/58.

DECODE.TELEGRAM.*From* H.E. THE GOVERNOR*To* ADMINISTRATIVE OFFICER, SOUTH GEORGIA*Despatched* . 31st March 1961 19 *Time* :*Received* : 31st March 1961 19 *Time* :IMMEDIATECONFIDENTIAL

765

Secretary of State for the Colonies' telegram  
referring to Salvesen.

— Nothing known here. The men staying for the winter months at Leith number 207. Three catchers have been chartered to South Africa and three returning to Norway, remainder being overhauled here. Manager agrees season's results very good. —

GTC : MW

52.  
Copy in 1/6/58.



769

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 1.4.61

Time : 1200

Received :

Time :

CONFIDENTIAL

No. 47

767  
765

My telegram No. 44 Duty on Whale Oil. I repeated your telegram No. 36 to Administrative Officer, South Georgia, who has replied as follows, begins: Nothing known here. The men staying for the winter months at Leith number 207. Three catchers have been chartered to South Africa and three returning to Norway, remainder being overhauled here. Manager agrees season's results very good. Ends.

2. I am not clear what Salvesen is up to unless he considers the threat of closure will induce remission of duties.

GTC : MW

Copy in D/6/58.  
Reply at 769A

769.

DECODE.

No. 29.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched : 5.4.61      Time : 2350      Received : 6.4.61      Time : 1000

CONFIDENTIAL.

769

No. 42.    Your telegram No. 47.    Duty on whale oil.

Salvesen has told Scottish office that he meant that unless conditions significantly improved station would not operate next season. Eighty seven men who would otherwise have winter to overhaul station and catchers are being returned. Station could be operated next season without overhauling but with less efficiency.

Secretary of State

Reply at 760.

G.T.C. : LH

(Intld.) DM

Original in: D/1/49/VI

Copy in: D/6/58

770  
DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 13.4.61

Time : 1200

Received :

Time :

NO. 52

CONFIDENTIAL

769A.

Your telegram No.42. Duty on whale oil.

19 catchers are being overhauled at Leith this winter. Complement of 11 catchers is normal for each pelagic factory. It looks therefore as if Salvesen plans lay up one factory ship (as he originally planned to do for 1960/1961) next season and to operate land station as usual. Since number of catchers to be overhauled at Leith only 19 return of 87 men has little significance.

GTC/MW

Original in: D/1/49/VI

Copy in: D/6/58

Reference my minute at 759.


1 In view of 760 - 762 on this file I assume that Pescas' and Salvesen's arrears of whaling duty for 1956/57 will not now be paid in the Dependencies 1960/61 financial year.

2 What is Tonsberg's position in this matter please? If arrears are remitted for 1956/57 will Tonsberg benefit by this or are we only considering Pesca and Salvesen's applications because they are still whaling at South Georgia?

3 If it is the intention that Tonsberg should pay for 1956/57 I should be grateful if His Excellency would agree to the issue of a telegram to Tonsberg asking them when they expect to settle the outstanding accounts of £17,441. 17. 10 for additional duty on whale oil covering 1954 - 57. Tonsberg were informed on the 16th January 1961 that we were not prepared to remit the arrears (see 125 on D/13/58) but no payments have been made up until the 31st March 1961. (I have checked this with FIDS London Office).

4 For your information the figure of £17,441. 17. 10 includes £7,407. 16. 6 covering the 1954 - 56 whaling seasons. Tonsbergs were billed for this on the 29th October 1958 and even if it is decided to leave Tonsberg's duty for 1956/57 in abeyance I think we should press for some definite indication when the 1954 - 56 arrears will be paid. Both the other two companies have settled their accounts for 1954 - 56.

772



14. 4. 61

4. 3. 1. ? Exceedingly unlikely.

2. & 3. We have not heard from Tonsberg since

16/1/61 when we told them that it could not be remitted. 760 is to the effect that the other two companies claim remission on account of operating losses. I do not think we can assume at this stage that without any further application from Tonsberg the remission of tax due from them would automatically follow on the other two companies being able to produce facts or figures to prove that they lost money. Even if it were eventually decided that all 3 companies should be let off for 56/57 there is still Tonsberg for 54-56.

2. Telegram to go as suggested

5-  
12/4/61

HCS

1. Not a hope.
2. It must be assumed that if any remission is granted to Salvem & Pesca the same would apply to Jonsbers. This would only be fair.
3. Letters should go to Jonsbers asking for any evidence they can produce to substantiate losses or profits in the years 1956/57, 1958/59, 1959/60.
4. Letters also to go to Jonsberg enquiring when payment of £7,408 in respect of 1957 to 1956 may be expected.

RA 18.4.61

774 gm.

H.O. &amp; F.I.D.T.

Will you pl. put up suitable drafts to cover 3 & 4 above.

775

 19.4.61

H.C.S. draft letter to Jonsberg and also draft savinggram to S of S submitted for approval please. I have put up the savinggram to keep S of S in the picture. *Elst* 20/4/61.

Ref: D/1/49/VI.

Colonial Secretary's Office,  
Stanley,  
Falkland Islands.

20th April, 1961.

Gentlemen,

I am directed to refer to the correspondence between this Government and your company regarding the additional duty payable on first grade Whale and Seal Oil in respect of the 1954/55, 1955/56 and subsequent seasons.

2. It is observed that up to and including our March 1961 account with the Crown Agents for Oversea Governments and Administrations, the outstanding balance of £7,407. 16. 6d. covering the 1954/56 seasons does not appear to have been paid, and I am, therefore, to ask you to be good enough to indicate as early as possible when settlement of this long overdue account may be expected.

3. As regards the additional duty payable on Whale oil exported from South Georgia during the 1956/57, 1958/59 and 1959/60 seasons I am to request you to forward evidence of your company's losses or profits for these years to The Colonial Office, Great Smith Street, London, S.W.1 in order that further consideration may be given to your letter PF/MA dated the 8th August, 1960, requesting the remission of duty above the 5 shillings per barrel already paid for the years 1956/57, 1958/59 and 1959/60.

I am, Gentlemen,  
Your obedient servant,

(Sgd) H. L. Bound.

for COLONIAL SECRETARY

Tonsberg Hvalfangeri,  
Tonsberg,  
NORWAY.

CWH/FH

*copy placed on 2/13/58.*

*[Signature]*

*27/7/61.*

F. I. ref: D/1/49/VI

C. O. ref:

SAVING TELEGRAM.

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

*To:* The Secretary of State for the Colonies.

*Date:* 20th April, 1961.

No. 23.      SAVING.      DEPENDENCIES.

Duty on Whale Oil

760  
762  
776  
Please refer to your confidential telegram No. 25 dated the 8th March, 1961, and my reply, confidential telegram No. 37 dated the 15th March, 1961.

I attach for your information, a copy of a letter which has been sent to the Tonsberg Whaling Company requesting them to forward direct to the Colonial Office details of their losses and profits covering the 1956/57; (Tonsberg did not whale 1957/58); 1958/59 and 1959/60 Whaling Seasons, since I feel that the final decision regarding the remission of duty above the 5 shillings per barrel already paid at the time of export at South Georgia should be applied to all three Whaling Companies.

Bu. 10.6.61

for the remission of duty  
H5

F. I. ref:

C. O. ref: FIDST/FIK/2/11

SAVING TELEGRAM.

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

To: The Secretary of State for the Colonies.

Date: 27th April, 1961

No. 26 SAVING. (Dependencies)

Your telegram FIDEP 4 Dependencies Expenditure 1960/61.

Revenue and Expenditure return for quarter ending the 30th June, 1961.

(a) Estimated free surplus at beginning of quarter	£30,000
(b) Estimated Revenue excluding grant	47,500
(c) Estimated Expenditure Head 1	£30,500
Heads 2 - 8	<u>132,000</u>
Total	169,500

H.M.G. grant indicated above totals 292,000. This plus grants received to the 31st March, 1961, totals £636,355 which is £100,790 more than provided in 1960/61 printed Estimates.

The reason for this increase is more than covered by following changes in 1960/61 Revenue and Expenditure.

General Revenue Balance Deficit at the 1st July, 1960 £11,982

Additional Expenditure.

New Otter (your FIDEP 68)	49,700
"John Biscoe" Ice Insurance (Your FIDEP 7)	12,795
"John Biscoe" Refit (Your FIDEP 7)	20,273

Decreased Revenue

Tonsberg 54/56 Whaling Arrears	7,408
Tonsberg 56/57 Whaling Arrears	10,034
Pesca 56/57 Whaling Arrears	14,115
Salvosen 56/57 Whaling Arrears	8,895

Total - £135,202

Your FIDEP 68 dated the 7th October, 1960, put net cost of new Otter at £45,000. The £49,700 quoted above refers to actual expenditure to date.

All/...



7604 762  
01/12/61

All items under decreased Revenue were originally estimated to be received in 1960/61. As you know, Whaling Companies have made representations for additional duty for 1956/57 and onward seasons to be remitted (see your telegram No. 25 dated the 8th March, 1961, and my reply telegram No. 37 dated the 15th March, 1961) and pending the outcome the 1956/57 arrears are now provisionally estimated to be received in 1961/62 financial year. This also applies to Tonsbergs 1954/56 arrears. I am pressing for settlement but it seems unlikely account will be paid by the 30th June, 1961.

GOVERNOR.

EPA/SC

Bq 10

EXTRACT FROM RECORD OF DISCUSSION HELD AT GOVERNMENT HOUSE  
ON TUESDAY 11TH APRIL, 1961, BETWEEN HIS EXCELLENCY THE  
GOVERNOR, THE HONOURABLE THE COLONIAL SECRETARY AND CAPTAIN  
COLEMAN, ADMINISTRATIVE OFFICER, SOUTH GEORGIA

(Original in D/22/59)

Arrears of Tax on Whale Oil

It was decided to leave this subject open for discussion during  
His Excellency's visit to U.K.

HLB/JM.

By 10 6 61 (77)

781

DECODE.

No. 56.

TELEGRAM.

*From* Officer-in-charge, South Georgia.

*To* Colonial Secretary, Stanley.

*Despatched :* 9th May, 1961. *Time :* 1815

*Received :* 10th May, 1961. *Time :* 1000

736

No. 101. Your telegram No. 104 of 1960.

Secretary South Georgia Company has queried the use of six barrels per ton "we have always used 5.9765 and by using six barrels it shows we have produced and been charged duty on 206 barrels too much". However rate of six barrels has been accepted by all Companies for many years. Grateful for ruling please.

Officer-in-charge.

Original in: D/6/47/II  
Copy in: D/1/49/VI  
Copy to: C of C ✓

P/L : LH

Reply at 785.

(Intld.) DM

DECODE.

No. 16.

TELEGRAM.

*From* Officer-in-Charge, South Georgia.

*To* Colonial Secretary, Stanley.

---

*Despatched :*                      3rd June,                      19 61.                      *Time :* 1200

*Received :*    19                      *Time :*

No. 109.    Secretary Leith Harbour has given me a copy of telegram from Edinburgh which reads as follows:-

"Pending outcome negotiations with Government defer all payments export duties until you receive further instructions".

Officer-in-Charge.

Original in: D/6/58  
Copy in: D/1/49/VI

G.T.C. : DRM  
TYPED : LH

475.  
783

DECODE.

TELEGRAM.

No. 60.

*From* Officer-in-Charge, South Georgia.

*To* Colonial Secretary, Stanley.

*Despatched :* 8th June, 19 61. *Time :* 1200

*Received :* 8th June, 19 61. *Time :* 1530

174-12  
D/6/58/12

No. 110. Your telegram No. 103. Oil was shipped at the end of season and duty has not yet been recovered. Previous practice was for draft in payment to be received by May or June. No power of payment is vested in management here who must have approval of Head Office before signing draft. This was sought when shipment was made and Secretary South Georgia Company can offer no explanation as to why his Head Office have not authorised payment. He has no information other than that received in telegram quoted. Have pressed payment to be made and have now sent a stiff note to Manager who will no doubt inform Head Office of contents. Will inform you result.

Officer-in-Charge.

G.T.C. LH

Copy in: D/1/49/VI  
Original in: D/6/58/II

## GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS AND DEPENDENCIES.

SENT

(W. &amp; S. 250 Pd(7/59).

Number	Office of Origin	Words	Handed in at	Date
	Psy			12.6.61

To

etat SALVESEN LEITH SCOTLAND

(DEPSA/c)

182 Following message received from South Georgia begins Secretary Leith Harbour has given me a copy of telegram from Edinburgh which reads as follows Pending outcome negotiations with Government defer all payments export duties until you receive further instructions ends stop Presume some misunderstanding please instruct Secretary to pay taxes due immediately

Colonial Secretary

Original in: D/6/58/II

Coy in: D/1/49/VI/

Time

RHM/LH

DECODE.TELEGRAM.*From* Colonial Secretary, Stanley.*To* Officer-in-Charge, South Georgia.*Despatched :* 12th June, 1961. *Time :* 1500*Received :* 19 *Time :*

781

No. 105. Your telegram No. 101. See regulations. Only measure recognised by law is barrel of 40 gallons. Customs Department however accepts 9.25 lb. as equivalent of one gallon and accepts ton as equivalent to 6.05 barrels. Not clear how 6 barrels is accepted. Also not clear what is meant by "we have always used 5.9765".

Colonial Secretary

G.T.C.

RHDM/LH

Original in: D/6/58/II

Copy in: D/1/49/VI ✓

DECODE.

TELEGRAM.

No. 114.

From Officer-in-Charge, South Georgia.

To Colonial Secretary, Stanley.

Despatched : 15th June, 19 61. Time : 1745

Received : 16th June, 19 61. Time : 0930

783

No. 114. My telegram No. 110. Have received telegram today from Manager South Georgia Company which contains quotation one received by him from his Head Office which reads as follows "agree pay export duty but inform OIC Point without prejudice claim duty should be abolished". Draft for full amount has been promised when service boat from Leith Harbour comes to Point next week.

Officer-in-Charge

Bu(780) 29.6.61

G.T.C. : LH

Original in: D/6/58/II

Copy in: D/1/49/VI

Copy to: A.O./FIDT



<sup>1/4</sup>  
A.C.S. 202.

Reference 776 and 128 on  
on 2/13/58.

we are getting nowhere at all with  
Tonsberg and I think it is time we  
dropped the diplomacy.

Draft letter submitted for  
consideration please.

The £7,407.16.6 ~~which~~ has not been  
paid, neither have we had any acknowledgment  
to our letter from Tonsberg. *W.H. [signature]*  
11/8/61. *gm*

D/1/49/VI.

188

17th August, 61.

Sir,

776 I am directed to refer to the correspondence between this Government and your company regarding the additional duty payable on first grade Whale and Seal Oil in respect of the 1954/55 1955/56 and subsequent seasons, and to request your immediate reply as to when the £7,407. 16. 6. referred to in the letter from this office dated the 20th April, 1961 will be settled.

I am,  
Sir,  
Your obedient servant,

(Sgd.) D.R. Morrison

For COLONIAL SECRETARY

Tonsberg Hvalfangeri,  
Tonsberg,  
NORWAY.

Copy to A.O., F.I.D.T.  
D/15/58

CH/IM.

Bu 10.9.61 (780)  
Bu 22.9.61

779

G.E. Are we to have this?

8  
4/10/61

(6) 10 P 01 1.01

DECODE.

No. 5.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched : 4.12.61 Time : 1020 Received : 4.12.61 Time : 1500

CONFIDENTIAL.

No. 93. Duty on whale oil. I can now agree to:-

- (1) reduction duty to nominal 1 shilling per barrel for season 1961/62 position to be reviewed at end of present season
- (14) for companies which have continued to whale (Union Star) half of arrears on oil actually sold to be paid now.

Payment of amount remaining due on oil sold and arrears due to be paid later to be reconsidered at end of season.

2. If you agree I would be grateful if you will inform companies. I will inform Salvendy and Clark if you wish.

3. Please act on these assumptions in reply to my recent telegram about F.I.D.C. estimates.

Original in: D/2/49/2  
Copy in: D/6/47/IV  
Copies to: AO/PMH.  
C. of C.

C.I.C. : LV

12793

790

G.E. Submitted. I wrote to R.C. F.D.T.

The reduction for this season was as much a surprise to him as it was to me. I thought that negotiations were in respect of arrears and that the future had been settled by our ~~arrangement~~ to the reduction of export duty to 5% a barrel last year.

It is also not clear to me what action is contemplated in respect of arrears due by those who have NOT continued to whale.

5  
6/12/61

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 14.12.61      Time : 1500      Received :      Time :

CONFIDENTIAL

No. 149.

789

Your telegram No.93    Duty on Whale Oil.

What is position regarding arrears of companies  
which have ceased to whale?

n.

GTC : MW

BS roughly 22.1.62  
Reply at 792.

DECODE.

No. 33.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 18.12.61      Time: 1730      Received: 19.12.61      Time: 1015

791

No. 98.      Your telegram No. 149.      Duty on whale oil.

Tonsberg should pay all arrears.      Salvesen should pay all arrears unless they propose to whale in 1962/63. In these circumstances payment of arrears on oil yet to be sold and half that duty on oils sold may be deferred until end of present season when duty for 1962/63 and arrears of duty still due from Albion Star will be re-considered in the light of current year's operations.

Secretary of State

Copies in: D/6/58/II

D/13/58

D/3/60

Copy to: AO/FIDT.

G.T.C. : TB

TYPED. : LM

50793

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 22.12.61      Time : 1530      Received :      Time :

CONFIDENTIAL

NO. 158

789-792      Your telegrams 93 and 98 duty on whale oil.

Grateful if you will inform Salvesen.      Clark is now here and

I have informed him.

GTC : MW



22nd December,

61.

Sir,

I am directed to inform you that the Secretary of State has agreed to the reduction of duty on whale oil exported to a nominal one shilling per barrel for the season 1961/1962 - the position to be reviewed at the end of the present season.

2. With regard to the payment of arrears, the Secretary of State has agreed that half of the arrears on oil actually sold is to be paid now, and the payment of the amount remaining due on oil sold and arrears due to be paid later will be reconsidered at the end of the present season.

I am,  
Sir,  
Your obedient servant,

(Sgd.) R.H.D. Manders

COLONIAL SECRETARY.

D.J. Clark, Esq.,  
STANLEY.

Copy filed in D/3/60.

EPA/IN.

Pl. copy 794 to AO FIDT

Copy to AO FIDT,

Reply at 794



Albion Star (South Georgia) Ltd.,  
Grytviken,  
SOUTH GEORGIA.

5th January, 1962.

Dear Sir,

794

We have to acknowledge your letter reference D/I/49/VI dated 22nd December, 1961, on the subject of Whale Oil export tax and payment of arrears of taxes.

EXPORT TAX.

Whilst we cannot say that the concession which has been made with regard to export tax on Whale Oil is of no consequence, we must express our disappointment that the tax as such still remains - to some small degree on Whale Oil and presumably Seal Oil, and in its entirety as it applies to Meat, Meat Meal and Bone Meal.

We have constantly objected to the continuance of such a tax system which is obviously unfair in days when there is little difficulty in taxing the industry when profits are made. It is patently unreasonable to impose a tax on an industry irrespective of whether or not it is making a profit or a loss.

X

We had reason to believe in our discussions with H.E. The Governor and Colonial Office officials in London that this unrealistic state of affairs had been accepted and that as a result of our representations other methods of taxation more in line with generally accepted modern principles would be substituted. Our optimism seems to have been ill-founded.

We do not fail to note that the position will be reviewed at the end of the 1961/2 season, but we respectfully remind you that plans for our future operations have to be made long before each season ends. We are at present considering whether or not we should operate next season and can assure you that such matters as our tax liabilities for each season are of the utmost importance to us in days when every penny counts.

As we have said in previous letters to the Colonial Office, and in conversations, the Whaling industry needs help now, not next year or the year after - it may be too late then - and it should be clear to all concerned that neither Salvesens nor Tonsberg Hvalfangeriet would be out of business if what we are telling you was not in fact correct.

We trust that you will accept the urgency of the need for further action by the Secretary of State.

/With regard

CS. Do we expect to have a return to our argument as a result of our decision to raise the export tax from 1/6 to 2/6 a barrel? Are we satisfied that we have given due notice to our present operators? 11/6/62

Spoken  
AC.  
info.  
11/6/62

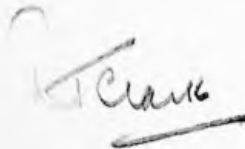
-2-

With regard to the payment of arrears: here again the Secretary of State has made practically no concession - a request for payment of half the arrears now and a promise to give further consideration to the matter at the end of the season. Perhaps it would be as well if the Secretary of State was advised that the Company expect to show a loss of £155,000 on 1960/61 workings, and present indications are that there will be a further loss on 1961/62 workings of approximately £200,000. You will readily appreciate that this state of affairs cannot continue much longer and it is only the possibility of producing frozen meat next season which makes us even contemplate further operations.

We lost money last year with No. 1 Oil at £73. 10. 0. per ton; today we cannot sell our production at £60. per ton, and we still have 3,000 tons of last year's production unsold.

We hope that you will give consideration to all these points at the earliest possible moment.

Yours faithfully,



DIRECTOR.

The Colonial Secretary,  
The Secretariat,  
STANLEY.

792

S.S.

Submitted

8  
8/1/62.

F. I. ref: D/1/49/VI  
C. O. ref:

CONFIDENTIAL

798

SAVING TELEGRAM.

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

To: The Secretary of State for the Colonies.

Date: January 8, 1962

No. 4 SAVING. DEPENDENCIES

789 792

Reference your telegrams Nos. 93 and 98 - Duty on  
Whale Oil.

795 I enclose a copy of a letter I have received from  
Mr. D.J. Clark, who is returning to England by the ship which  
leaves this evening. I do not think he exaggerates the position  
regarding the losses which his company expects to show, and  
indeed it is only the possibility of producing frozen meat next  
season which would induce them to operate.

We shall be the losers if Albion Star closes down, and  
I am sure the right solution would be to say that you are  
prepared to remit all arrears, and export duty, for next season,  
if the company is prepared to give you an assurance that they  
will operate.

I suggest that this matter should be treated as most  
urgent.

GOVERNOR

799

AC, BAS for

Above for information pl

*W. H. H.*

800

9.1.62

H.C.S. Seen and noted. Thank you.

*W. H. H.*  
9/1/62

CONFIDENTIAL

With the compliments of

A.s Tønsbergs Hvalfangeri, Tønsberg Norway.



18th December, 1961.

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

Dear Sirs,

Enclosed herewith please find cheque

£7.407. 16. 6.

in settlement of arrears of additional duty for the seasons  
1954/55 and 1955/56.

You will kindly acknowledge receipt.

Yours faithfully,

Aktieselskapet

TØNSBERGS HVALFANGERI

Encl.

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

802

FOR OVERSEA GOVERNMENTS  
AND ADMINISTRATIONS

4. MILLBANK,  
LONDON, S.W.1.

TELEPHONE: ABBEY 7730

TELEX NO. 24209

22nd January, 1962.

Islands 48/11  
CROWN, SOWEST, LONDON.  
CROWN, LONDON.  
7730 12 FEB 1962 22  
FALKLAND ISLANDS

2. The above amount was credited in the Falkland Islands Dependencies account for December, 1961.

I am, Sir,  
Your obedient servant.

The Colonial Secretary,  
Port Stanley,  
Falkland Islands.

CGFM TO A/O SG

Q 1016497 INS.—2/60

RFM

$$= 15.2.62$$

803.

S. 2. 802. Tansberg have at - last paid  
for 1954-5 & 1955-6

no reply has been received. to 798

8

7/4/62.

804

~~7/4~~

5.4.62

or.

B. 18.6.62. (798)

No more

ju

DECODE.

805

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 25.6.62

Time : 1055

Received :

Time :

271 m 12/3/60  
798  
S.G. No. 3. My telegram S.G. No. 2. Assume that  
my savingram No. 4 of 8th January, 1962 received due consideration  
and that nothing more can be done.

Officer Administering the Government

Bus mani 10.8.62

P/L : TB

Copy in : D/1/49/VI/



DECODE.

306

No. 33.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched 4.7.62

Time :

Received : 5.7.62 Time : 1030

CONFIDENTIAL

189  
SG. No. 5. My telegram No. 93 of December 4th 1961.  
Duty on whale oil.

Albion Star have complained that the old rates of duty have been demanded on No. 3 oil produced in 1960/61 because it was not exported until 1961/62.

2. I am advised duty should be at the rate in force at the time of export paragraph 2 of the Customs (Amendment) Resolution No. 1/1960 and definition "export" in paragraph 2 Ordinance No.6/1956.

3. Grateful your comments.

Secretary of State

G.T.C. : TB

Original in : D/1/49/vi  
Copy in : D/5/47/1v  
Copies to : Oic BAS  
C of C

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 9.7.62

Time : 1145

Received :

Time :

506  
SG. No. 7. Your confidential telegram SG No. 5.  
Duty on whale oil. My comments are being forwarded by next  
outward mail leaving here 23rd July

Officer Administering the Government

P/L : RB/TB

Original in : D/6/47/IV  
Copy in : D/1/49/VI /

DECODE.

808

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 2.8.62

Time: 1545

Received:

Time:

807  
SG. No. 11. My telegram SG. No. 7. Further consultation with Administrative Officer South Georgia was necessary and the reply has now been written and will be forwarded next mail.

Officer Administering the Government

PL : RB/TB

Original in D/6/47/IV  
D/1/49/VI

809

DECODE.

No. 30.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 4.9.62 Time: 1720 Received: 5.9.62 Time: 1015

CONFIDENTIAL.

S.G. No. 13. Your savingram No. 116. Whale oil.

Your paragraph 3. Clark not informed by me. Please  
see your telegram 158/61. Have you any record communication?

Secretary of State

Copy in D/6/47/IV

G.T.C. : LH

118 in  
D/6/47/IV  
119 in D/6/47/IV

793

810

I saw this file to-day in connection with 809 and am  
wondering whether this requires further action with 792.

This matter of recovering appears of what sort  
doubtless used to be dealt with by R. O. F. I. D. T.

and I wonder how far the Treasury is in to hide it.

It would appear to me that all appears

ought really to have been paid up by now  
since Alvin Karpis has not stolen very much.

H. C. T.

6/9/62

811

S.2. 789 - 792.

also 810

I spoke to H.C.T. and he said that Mr. Hall had told him that no further action was to be taken at present and he asked me to obtain instructions when S.2 returned

R 8/11/62.

812

HCS

The C.O. is still thinking about the arrears; I is taking the matter up with the Treasury.

2. I think action has been taken on 809 in another file.

TH 8.11.62

813

2 gen

1 of 812 to HCT to note  
R 8/11/62

N.C.S.

814.

Notes, thank you. I shall await your further instructions.

on.

815

L.E.

9.11.62

BU after mail on 14/3

BU 12.1.63 (8)

BU 30.3.63

*copy filed*  
**Saving**

FST.54/353/01

~~158~~  
816

From the Secretary of State for the Colonies.

To the ~~Minister~~ **Officer Administering the Government of** FAULKLAND ISLANDS

Date 13 February, 1963

No. 14 **Saving**



*128 in 1/6/47/10* Your savingram No. 172

Whale Oil Duty

817-820

~~817-820~~  
Copies of correspondence with Albion Star and Sir Henry Webb are enclosed.

*788 in 1/6/49/10*  
On the question of the arrears of duty careful consideration has been given to the proposals in your savingram of 8th January 1962 and earlier correspondence, but it is regretted that agreement cannot be given to the waiver of arrears of duty. Every effort must therefore be made to secure payment of the arrears by the whaling companies. This would mean in the case of Albion Star the full arrears of duty owed and not merely the 50% mentioned in Colonial Office telegram No.93 of 4th December 1961.

*789 103*  
2. The Companies concerned have not been informed of this decision.

*See 851.*

SECEP.

February, 1963

FST.54/353/01

Thank your for your letter of 28th November about whale oil duty.

The savingram No.99 was mistyped and the parenthesis should have read "(which Restrictions are normally prospective)".

Our legal adviser considered that it would be safer to enact a special ordinance rather than use the normal procedure of a Customs Declaration under § 5 of the Customs Ordinance because Customs Resolutions are generally prospective and in the case under reference the proposed legislation is to give statutory effect to a reduction of export duty in respect of a past transaction, namely, the export of which oil produced in the season 1961/1962 and has, in a sense retrospective affect.

(R.G. Pettitt)

SIR HENRY WEBB.



11 February, 1963

REF. 54/353/01

CJC/MC

Sir,

I am directed by Mr Secretary Duncan Sandys to refer to your letter of 3rd December about whale oil duty.

Government's decision as regards the duty on whale oil exported in 1961 is as expressed in the Government Secretary's letter of 2nd December 1961. The form of legislation to give effect to the reduction of export duty from 5 shillings per barrel to 1 shilling per barrel, in respect of whale oil produced in the seasons 1961/1962 has not yet been decided; but whatever form it takes it will bear no room for doubt that in accordance with the Government's decision referred to above, the reduced rate of duty applies only to oil produced and exported in the season 1961/1962.

I am Sir,

Your obedient servant,

D.J. CLARK ESQ.

Highlands Hotel  
Crowborough.

28. 10. 1962

Dear Pettitt,

Savingram No.99 of 19/11 - Whale Oil Duty - is not understood by me. The normal procedure for imposing or altering Customs duties is by Resolution under Section 5 of the Customs Ordinance. Why is it considered "safer" to enact a special Ordinance? And what does the parenthesis "(which Resolutions are usually prospected)" mean?

Yours sincerely,

(sgd)

Henry Webb.

820 ~~157~~

Treasury Chambers  
Great George Street, London S.W.1.

2-CF.234/235/01  
Your ref. FST.54/353/01

7th December, 1962

Dear Whitefield,

Thank you for your letter of 18th October about the question of remission of arrears of duty on whale oil produced in South Georgia in the years 1956/57 to 1959/60.

2. We have given careful consideration to this and we are not convinced that we should be justified in waiving the arrears of tax for the years in question. In spite of our agreement in 1960 to a reduction in tax to a flat rate of 5s. Od. a barrel and again in 1961 to a reduction in the tax to a flat rate of 1s. Od. a barrel, all whaling companies have now ceased to operate from South Georgia, and it is not suggested that waiving of arrears of tax would restore the position and the fact that the profitability of whaling has declined is not in itself a proof that the tax was inequitable. If it did in all the circumstances bear unduly severely on the whaling companies, that is still not necessarily a reason for remitting arrears; but only for reducing the current levels - which is what was in fact done.

3. In these circumstances, therefore, I am afraid we must insist on every effort being made to secure payment of arrears of tax by the whaling companies involved.

/4. We

G. H. Whitefield Esq.,  
Colonial Office,  
Sanctuary Buildings,  
Great Smith Street,  
LONDON S.W.1.

4. We note that it is unlikely that any revenue from this source will be forthcoming before 31st March, 1963, and since this will affect the amount of grant-in-aid required during the current year you will be writing to us in due course.

(F. G. Burrett)

mail from 153.

CONFIDENTIAL

Tel.: ABBey 1266

our Reference.....

My Reference...FST 54/353/01



COLONIAL OFFICE 822

THE CHURCH HOUSE

GREAT SMITH STREET

S.W.1

7th February, 1963.

My Dear Sir,

816

By this bag you will receive an official savingram giving at long last the decision about the arrears of whale oil duty owed by the whaling companies formerly operating in South Georgia. As John Marnham had kept you closely in touch with our correspondence with the Treasury on this matter I am writing (in his absence abroad) to continue the history following your meeting with him in September when it was decided to return to the Treasury on this issue.

2. As was agreed with you, we returned to the Treasury with the recommendation that all arrears should be waived. The Treasury were still unable to agree. We then reviewed the whole question again with some care. The arguments for remission seemed to be as follows:-

- (a) As an incentive to continue operations by the companies.
- (b) The old rate was fixed at a level which it was felt the companies could afford to pay and make a reasonable profit taking one year with another. We were wrong in our assessment. The rate had been shown to be too high for too long.
- (c) Recovering in the case of at least two of the three companies was likely to be difficult, might require legal proceedings, and might not result in payment in the end.

The arguments against remission appeared to be these:

- (a) All three companies had ceased to operate. The remission was therefore unlikely to have any bearing on the question of their resumption. A more direct incentive to continue operations was the reduction of the current duty to 1/- a barrel which had already been conceded. Other factors had been more important than the duty in causing the companies to close down.
- (b) The companies knew at the time what the rate was and chose to operate. Their arrears were analogous to commercial debts and there was no justification for letting them off.
- (c) If the arrears were not paid the loss of revenue would have to be made good by an increase in the grant-in-aid. There was no reason why the load should be transferred to the British taxpayer and it would be difficult to justify to Parliament, at any rate until it could be demonstrated that every effort had been made to recover.

/3.

SIR EDWIN ARROWSMITH, K.C.M.G.,  
GOVERNMENT HOUSE,  
PORT STANLEY,  
FALKLAND ISLANDS.

CONFIDENTIAL



3. Our conclusion was that while there was clearly a sufficient case to try to get the Treasury to agree to a remission, the balance of arguments was not so convincingly in favour of remission that having had the case twice turned down by the Treasury as the prime spokesman for the British taxpayer we would be justified in returning further to the charge or that there will be any prospects of getting the Treasury to reverse their earlier view.

816 4. I am sorry if this decision is going to lead to difficulties for you. As was said in the savingram we have not told the companies of the decision, but if there is anything which you wish us to do to help we will of course do it.

*Yours ever,*  
*A. R. Thomas*

(A. R. Thomas)

*sm*

824

*S. 4 for information*

*20/4/62*

825

HCS

*This shd. be in file D/1/49/v1.*

*Please have this done with also*

*153 (extract of first para to*

*be copied for this file) 157.*

*Pl. return early.*

*23.4.63*

Colonial Treasury,

Stanley, Falkland Islands.

Ref: D/6/47/IV

11th April, 1963.

Gentlemen,

The responsibility for the collection of South Georgia revenue having reverted to this Department I note in an examination of the statement of arrears that a considerable sum is owing by South Georgia Company in respect of Export Duty on whale oil produced during the seasons 1956/57, 1957/58, 1958/59 and 1959/60.

I enclose copies of the annual assessments to export duty for each of the years mentioned, showing the total amount payable together with the amount already paid and the balance still due. Would you please arrange for this latter sum of £29,774. 13s. 1d. to be paid at an early date.

I am,

Gentlemen,

Your obedient servant.

Lg.

Colonial Treasurer.

Chr. Salvesen and Co. Ltd.,  
29 Bernard Street,  
Leith,  
Scotland.

Reply at 849

LCG/CMc.

STATEMENT OF DUTY PAID AND DUTY DUE ON WHALE OIL EXPORTED DURING 1956/57 SEASON.

SOUTH GEORGIA COMPANY LIMITED.

<u>Export Date</u>	<u>Vessel</u>	<u>Quantity shipped</u>		<u>Duty deposited on export</u>	<u>Date landed</u>	<u>Quantity landed.</u>
22.3.57	Southern Harvester	6062 barrels	W.O.	£1,502. 5. -.	17.4.57	6,053.35 barrels
"	Southern Venturer	18959 "	W.O.	4,697. 10. 9.	23.4.57	19,190.05 "
"	"	1371 "	sperm	339. 12. -.	14.5.57	1,357.45 "
1.4.57	Southern Opal	16829 "	W.O.	4,207. 5. -.	6.5.57	17,042.67 "
"	"	11 "	sperm	2. 18. 6.	"	11.67 "
		<u>43232</u>		<u>£10,749. 11. 3.</u>		<u>43,655.19</u> "

Total Export Duty on 43,655.19 barrels @ 9/- per barrel  
 Less amount paid at South Georgia on 43,232 barrels

£19,644. 16. 8.  
10,749. 11. 3.

Additional amount due to South Georgia

£ 8,895. 5. 5.



828

STATEMENT OF DUTY PAID AND DUTY DUE ON WHALE OIL EXPORTED DURING THE 1957/58 SEASON.

SOUTH GEORGIA COMPANY LIMITED.

<u>Export Date</u>	<u>Vessel</u>	<u>Quantity shipped</u>	<u>Duty deposited on export</u>	<u>Date landed</u>	<u>Quantity landed.</u>
8.3.58	Southern Satellite	23,432.7 barrels	£5,859. -. -.	4.5.58	23,521.525 barrels
22.3.58	Southern Harvester	3,309.9 "	827. 10. -.	1.5.58	3,331.525 "
25.3.58	Southern Venturer	29,010.9 "	7,144. 18. 3.	1.5.58	30,371.025 "
2.4.58	Southern Opal	15,725.4 "	3,931. 7. -.	5.5.58	15,840.750 "
		<u>71,478.9</u>	<u>£17,762. 15. 3.</u>		<u>73,064.825</u>

Total export duty on 73,064.825 barrels @ 8/- per barrel  
 Less amount paid at South Georgia on 71,478.9 barrels

£29,225. 18. 7.  
17,762. 15. 3.

Additional amount due to South Georgia.

£11,463. 3. 4.

829.

STATEMENT OF DUTY PAID AND DUTY DUE ON WHALE OIL EXPORTED DURING THE 1958/59 SEASON.

SOUTH GEORGIA COMPANY LIMITED.

<u>Export Date.</u>	<u>Vessel</u>	<u>Quantity shipped</u>	<u>Duty deposited on export</u>	<u>Date landed</u>	<u>Quantity landed.</u>
30.3.59	Southern Venturer	42,779 barrels	£10,694. 15. -.	15.5.59	42,810.275 barrels

Total export duty on 42,810,275 barrels @ 7/6 per barrel  
Less amount paid at South Georgia on 42,779 barrels @ 5/-

£16,053. 17. -.  
10,694. 15. -. -

Additional amount due to South Georgia.

£ 5,359. 2. -. -

STATEMENT OF DUTY PAID AND DUTY DUE ON WHALE OIL EXPORTED DURING THE 1959/60 SEASON.

THE SOUTH GEORGIA COMPANY LIMITED.

<u>Export Date.</u>	<u>Vessel.</u>	<u>Quantity Shipped Barrels.</u>	<u>Duty deposited on Export.</u>	<u>Date Landed.</u>	<u>Quantity Landed. Barrels.</u>
24.3.60.	"Polarbris"	1501 (Sperma)	£375. 10. 0.	24.4.60.	1526.450
"	"	6885 (W.O. No. 2)	1721. 5. 0.	"	6908.975
2.4.60.	"Southern Harvester"	143 (Sperma)	35. 15. 0.	24.5.60.	142.675
"	" " "	3789 (W.O. NO.1)	947. 5. 0.	"	3789.325
16.4.60.	"Southern Venturer"	16010 (W.O.No.2)	4002. 10. 0.	20.5.60.	20108.750
"	" " "	4156.8 (Sperma)	1039. 4. 0.	"	
		<u>32484.8</u>	<u>£8121. 9. 0.</u>		<u>32476.175</u>

32476.175 barrels @ 7/6 per barrel	...	...	...	...	...	£1,2178. 11. 4.
Less amount paid at South Georgia	...	...	...	...	...	8121. 9. 0.
Additional amount due in respect of the 1959/60 Season						<u>£ 4057. 2. 4.</u>

Colonial Treasury,

831

Stanley, Falkland Islands.

Ref: D/6/47/IV

11th April, 1963.

Gentlemen,

The responsibility for the collection of South Georgia revenue having reverted to this Department I note in an examination of the statement of arrears that a considerable sum is owing by Compania Argentina de Pesca in respect of Export Duty on whale oil produced during the seasons 1956/57, 1957/58, 1958/59 and 1959/60.

I enclose copies of the annual assessments to export duty for each of the years mentioned, showing the total amount payable together with the amount already paid and the balance still due. Would you please arrange for this latter sum of £46,011. -s. 9d. to be paid at an early date.

I am,

Gentlemen,

Your obedient servant.

*Le.*

Colonial Treasurer.

Compania Argentina de Pesca,  
c/o Albion Star (Southampton) Ltd.,  
National Provincial Bank Chambers,  
Canute Road,  
Southampton.

*Reply at 848*

STATEMENT OF DUTY PAID AND DUTY DUE ON WHALE OIL  
EXPORTED DURING 1956/57 SEASON.

COMPANIA ARGENTINA DE PESCA

<u>Export Date</u>	<u>Vessel</u>	<u>Quantity shipped</u>	<u>Duty paid on Export</u>	<u>Date Landed</u>	<u>Quantity Landed.</u>
1.11.56	Conquistador	22,852 barrels W.O.) 6,550 " S.O.)	£7,350. 10. -.	18.12.56	23,406.3 barrels 6,770.175 "
3.4.57	"	33,780 " W.O.) 5,172 " S.O.)	£9,738. -.	15.5.57	33,969.825 " 5,196.400 "
		<u>68,354</u> "	<u>£17,088. 10. -.</u>		<u>69,342.700</u> "
342					
Total Export Duty on 69,432.7 barrels @ 9/- per barrel				£31,204. 4. 3.	
Less amount paid at South Georgia on 68,354 barrels				<u>17,088. 10. -.</u>	
Additional amount due to South Georgia				<u>£14,115. 14. 3.</u>	

(Sgd) W.J. Grierson,

Collector of Customs

STATEMENT OF DUTY PAID AND DUTY DUE ON WHALE AND SEAL OIL DURING THE 1957/58 SEASON.

COMPANIA ARGENTINA DE PESCA.

<u>Export Date</u>	<u>Vessel</u>	<u>Quantity shipped</u>	<u>Duty deposited on export</u>	<u>Date Landed</u>	<u>Quantity landed.</u>
12.10.57	Bloemendael	15,915 barrels	£3,978. 15. --	13.11.57	16,107.000 barrels
21.2.58	Conquistador	39,640 "	9,910. -- --	31.3.58 )	39,883.942 "
5.4.58	Teie	48,566 "	12,141. 10. --	11.4.58 )	49,223.240 "
15.5.59	Conquistador	1,180 "	295. -- --	15.5.58 )	1,180.000 "
				20.5.58 )	
				Buenos Aires	
		<u>105,301</u>	<u>£26,325. 5. --</u>		<u>106,394.182</u> "

Total Export Duty on 106,394.182 barrels @ 8/-  
Less amount paid at South Georgia on 105,301 barrels

Additional amount due to South Georgia.

£42,557. 13. 5.  
26,325. 5. --  
£16,232. 8. 5.

## STATEMENT OF DUTY PAID AND DUTY DUE ON WHALE AND SEAL OIL FOR THE

1958/59 SEASON.COMPANIA ARGENTINA DE PESCA.

<u>Export Date</u>	<u>Vessel</u>	<u>Quantity Shipped</u>	<u>Duty deposited on Export</u>	<u>Date Landed</u>	<u>Quantity Landed.</u>
31.12.58	Teie	36,350 barrels	£9,087. 10. --	11.2.59	36,918.125 barrels
9.1.59	Conquistador	755 "	188. 15. --	Buenos Aires	755.000 "
2.4.59	"	907 "	226. 15. --	Buenos Aires	907.000 "
5.4.59	Teie	20,321 "	5,080. 5. --	24.5.59	20,627.025 "
		<u>58,333</u> "	<u>£14,583. 5. --</u>		<u>£</u> <u>59,207.150</u> "

Total Export Duty on 59,207.15 barrels @ 7/6 per barrel  
 Less amount paid at South Georgia

£22,202. 13. 7.  
14,583. 5. --.

Additional amount due to South Georgia.

£ 7,619. 8. 7.

3. 2. 00

<u>Export Date.</u>	<u>Vessel.</u>	<u>Quantity Shipped. in Barrels.</u>	<u>Duty deposited on Export.</u>	<u>Date Landed.</u>	<u>Quantity Landed. Barrels.</u>
14.9.59	"Conquistador"	228 (Sperm)	57. 0. 0.	-	228.00 <sup>0</sup>
28.12.59.	"Teie"	13423 (W.O. No. 1)		25.1.60.	17788.425
	"	4051 (W.O. No. 2)	8890. 0. 0.		
	"	11845 (S.O. No. 1)		25.1.60.	12078.350
	"	6241 (Sperm)		25.1.60.	6335.625
5.4.59.	"Teie"	17995 (W.O. No.1)			
	"	2751 (W.O. No.2)	6141. 5. 0.	7.5.60.	22753.900
	"	1379 (W.O. No.3)			
	"	2440 (Sperm)		7.5.60.	2500.300
		<u>60353</u>	<u>£15088. 5. 0. .</u>		<u>61684.600</u>

61,684.6 Barrels @ 7/6 per barrel	...	...	...	...	...	...	£23,131.	14.	6.
Less amount paid in South Georgia	...	...	...	...	...	...	15,088.	5.	0.
Additional amount due in respect of 1959/60 season	...	...	...				£ 8,043.	9.	6.



Ref: D/6/47/IV

Colonial Treasury,

836

Stanley, Falkland Islands.

11th April, 1963.

Gentlemen,

The responsibility for the collection of South Georgia revenue having reverted to this Department I note in an examination of the statement of arrears that a considerable sum is owing by Tonsberg Whaling Company in respect of Export Duty on whale oil produced during the seasons 1956/57, 1958/59 and 1959/60.

I enclose copies of the annual assessments to export duty for each of the years mentioned, showing the total amount payable together with the amount already paid and the balance still due. Would you please arrange for this latter sum of £17,081. 8s. 3d. to be paid at an early date.

I am,

Gentlemen,

Your obedient servant.

*LE*

Colonial Treasurer.

Aktieselskapet Tonsberg Hvalfangeri,  
Tonsberg,  
Norway.

LCG/CMc.

*Reply at 850*

*See 856*

STATEMENT OF DUTY PAID AND DUTY DUE ON WHALE OIL EXPORTED DURING 1956/57 SEASON.

TONSBERG WHALING COMPANY.

<u>Export Date</u>	<u>Vessel</u>	<u>Quantity shipped</u>	<u>Duty paid on export</u>	<u>Date landed</u>	<u>Quantity landed.</u>
19.12.56	Teie	12,834 barrels W.O.	£3,208. 10. -.	3.2.57	12,904.96 barrels
7.4.57	"	35,631	8,907. 15. -.	8.5.57	36,317.97 "
		<u>48,465</u>	<u>£12,116. 5. -.</u>		<u>49,222.93</u> "

Total export duty on 49,222.93 barrels @ 9/-

£22.150. 6. 4.

Less amount paid at South Georgia on 48,465 barrels

12,116. 5. -.

Additional amount due to South Georgia

£10,034. 1. 4.

838

STATEMENT OF DUTY PAID AND DUTY DUE ON WHALE OIL FOR THE 1958/59 SEASON.

TONSBERG WHALING COMPANY.

<u>Export Date</u>	<u>Vessel</u>	<u>Quantity shipped</u>	<u>Duty deposited on export</u>	<u>Date landed</u>	<u>Quantity landed.</u>
27.12.58	Teie	11,525 barrels	£2,881. 5. -.	5.2.59	11,680.72 barrels
5.4.59	Teie	17,471 "	4,367. 15. -. -----	20.5.59 24.5.59	17,744.20 " -----
		<u>28,996</u>	<u>£7,249. -. -. </u>		<u>29,424.92</u>

Total export duty on 29,424.92 barrels @ 7/6 per barrel  
Less amount paid at South Georgia

£11,034. 6. 11.  
7,249. -. -.

Additional amount due to South Georgia

£3,785. 6. 11.

839  
STATEMENT OF DUTY PAID AND DUTY DUE ON WHALE OIL EXPORTED DURING THE 1959/60 SEASON.

TONSBERG WHALING COMPANY.

<u>Export Date.</u>	<u>Vessel.</u>	<u>Quantity Shipped Barrels.</u>	<u>Duty Deposited on Export.</u>	<u>Date Landed.</u>	<u>Estimated Quantity Landed.</u>
28.12.59.	"Teie"	5770 (W.O. No. 1)	£1442. 10. 0.	No Landing Certificates received.	5770 Barrels
	"	3475 (W.O. No. 2)	868. 15. 0.	"	3475 "
4.4.60.	"	15231 (W.O. No. 1)	3807. 15. 0.	"	15231 "
	"	700 (W.O. No. 2)	175. 0. 0.	"	700 "
	"	920 (Sperm)	230. 0. 0.	"	920 "
		<u>26096</u>	<u>£6524. 0. 0.</u>		<u>26096</u>

26096 Barrels @ 7/6 per barrel	...	...	...	...	...	£9786. 0. 0.
Less amount paid at South Georgia	...	...	...	...	...	6524. 0. 0.
Additional amount due pending receipt of Landing Certificates						<u>£ 3262. 0. 0.</u>

840

Y.G.

Correspondence at 822/823 transferred  
in accordance with gr. minute at 825 & e

24.4.63

DECODE.

841

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 26.4.63 Time: 0830 Received: Time:

816

S.G.No. 2. Your savingram No.14 Whale Oil duty stop

The Colonial Treasurer has written to three companies requesting  
that all arrears should be paid at an early date

GOVERNOR

EPA/ER

P/L

CONFIDENTIAL

May 2, 1963.

(Dear Ambler)

Thank you for your letter FST 54/353/01 of February 7, about the arrears of whale oil duty, and for all the Office has done to have the matter reviewed. The Colonial Treasurer has written to all the Companies asking for payment of the arrears, and no doubt they will return to the charge.

There are rumours that Albion Star may consider re-opening next season, but so far these are only rumours and, as I have said in a letter to John Marnham, they will have to make up their minds pretty quickly if they really do intend to do so.

(Yours ever,

Arrow)

521

Am. C.T.

843

to see fl

3.5.63

A. R. THOMAS, ESQ. C.M.G.

CONFIDENTIAL

844

H.C.S.

Recd. thank you.

L.C.

4.5.63

521

B.D. 31.8.63 (R 826  
831  
836)

Hon C.T.

845

Have you recd. any response to  
fols. 826, 831 + 836 pl?

3.9.63

Y.E.

846

Reprin to my (Transmissi) request for payment  
of amount of export duty are attached. I also  
attach a draft savingplan to S/S. I feel  
that the company must be told that their bid for  
a reduction or write off of amount has failed, and  
as this was addressed to C.O. it would seem  
proper that C.O. advise them of the failure.

L.G.

24.9.63

847

24.9.63

Isam pleau



848

# ALBION STAR (SOUTHAMPTON) LIMITED

DIRECTORS: D. J. CLARK, C. S. PERKINS, O.B.E.

AS U.K. REPRESENTATIVES FOR

## ALBION STAR (SOUTH GEORGIA) LIMITED

TELEPHONE: SOUTHAMPTON ~~260751~~ 28251

TELEGRAPHIC ADDRESS: ALBION SOUTHAMPTON

10/12, BRITON STREET,  
SOUTHAMPTON.

Your Ref. D/6/47/IV  
Our Ref. DJC/MC

10th June 1963

The Colonial Treasury,  
Stanley,  
Falkland Islands.

Dear Sirs,

831 We thank you for your letter dated 11th April 1963.

For a long time now we have been in correspondence with the Colonial Office on the question of the outstanding tax liability of Cia. Argentina de Pesca, S.A. We have also had several meetings on the same subject with Mr. Marnham and Mr. Pettit. Both these gentlemen agreed that our case for the waiving of these outstanding taxes would be considered at the highest level and as we have heard nothing further from them for several months, we have assumed that our case is being considered.

We therefore suggest that you refer this matter to the Colonial Office.

Yours faithfully,  
for and on behalf of  
Albion Star (Southampton) Limited



D.J. Clark  
Director

# CHR. SALVESEN & CO. LTD.

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

GLASGOW  
45 WEST NILE STREET C.1

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

GRIMSBY  
287/291 CLEETHORPE ROAD

YOUR REF.

OUR REF.

GEH/MI

DATE

21st June, 1963.

Colonial Treasury,  
STANLEY,  
Falkland Islands.

Dear Sirs,

## Export Duty.

826 We refer to your letter of 11th April and wish to inform you that our position is the same as that of Albion Star, as explained to you in their letter of 10th June, 1963, - i.e. we are at present awaiting the result of the representations which have been made to the Colonial Office in this connection.

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

*John E. Anderson*

c.c. Albion Star (Southampton) Ltd.

Tønsbergs Hvalfangeri

850  
AKTIESELSKAPET  
TØNSBERGS HVALFANGERI

Telefon: 11767

Telegramadresse: „Linde“

Telex: 1564 - Linde tb

Bankforbindelse:

Tønsbergs Industri- og Sjøfarts-Bank A/S

Bankgironr. T 1002/885



Tønsberg, 26th June, 1963.  
Nedre Langgt. 26

SE/MA

Colonial Treasury,  
Stanley,  
Falkland Islands.

Dear Sirs,

Export Duty.

836  
Under reference to your letter of 11th April we wish to inform you that our position is the same as that of Messrs. Chr. Salvesen & Co., Leith, and Messrs. Albion Star (Southampton) Ltd. As explained to you by the two other companies, we are also awaiting the result of our application to the Colonial Office regarding this case.

Yours faithfully,  
Aktieselskapet

TØNSBERGS HVALFANGERI

c.c. Messrs. Chr. Salvesen & Co., Ltd., Leith  
c.c. Messrs. Albion Star (Southampton) Ltd., Southampton.

F. I. ref: D/1/49/VI  
C. O. ref: EST.54/353/01

851

SAVING TELEGRAM.

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

*To:* The Secretary of State for the Colonies.

*Date:* 23rd September, 1963.

No. 8      SAVING.      SOUTH GEORGIA

86      Your Savingram No. 14 of the 13th of February, 1963.

Whale Oil Duty.

In accordance with the instructions contained in the above savingram the Colonial Treasurer prepared detailed statements of the arrears of duty owing by the Whaling Companies that earlier operated at South Georgia and requested each to take early steps to effect settlement.

848-850      Replies have now been received (copies attached) in which all three companies claim that the matter rests with the Colonial Office from where they appear to expect a reply to their representations for the waiver of the arrears.

Further requests for payment on the part of the Colonial Treasurer seem pointless so long as the Companies contend that the matter is under consideration at a higher level. It seems that they may well be expecting some further communication on the matter as paragraph 2 of your savingram under reference states that the companies concerned have not been informed of the decision not to waive the arrears of whale oil duty. It is suggested that the position should be clearly explained to each of the companies by direct communication from the Colonial Office, and the opportunity could be taken to advise them that responsibility for collecting the arrears now reverts to the Falkland Islands Government.

GOVERNOR

LCG/FH

2 N.T.A. for Kim  
p.a

Savingram

852

C.O. 1

From the Secretary of State for the Colonies.

To the Officer Administering the Government of Falkland Islands

Date 21. 10. 63.

No. S. G. 9

Colonial Office Reference FST 54/353/01

Your reference D/1/49/v1

851

With reference to ~~my~~ <sup>despatch</sup> savingram No. S. G. 8  
your telegram

of the 23 September 1963., I enclose, for your  
information,  
consideration, a copy of the paper noted below.  
observations,

SECR

Originator and date

Subject

Colonial Office  
18.10.63

Whale Oil Duty.

853

FST 54/353/01

18 October, 1963.

Sir,

849

I am directed by Mr. Secretary Sandys to refer you to your letter of the 21st June 1963 addressed to the Colonial Treasurer at Port Stanley in the Falkland Islands about export duty on whale oil in South Georgia.

2. The application by Albion Star Ltd., on behalf of Cia. Argentina de Pesca, S.A. for the waiving of outstanding tax liabilities was exhaustively considered by the British Government early this year but Government eventually concluded that it could not see its way clear to writing off these debts. The Colonial Treasurer therefore wrote to you on 11th April requesting payment.

3. I am to explain quite categorically that this matter is not under consideration by the British Government and that the British Government expects that the tax liabilities outlined in the Colonial Treasurer's letter of the 11th April will be met. The responsibility for collecting these arrears now lies with the Falkland Islands Government.

I am Sir,  
Your obedient Servant,

Sgd. R.G. PETTITT

Chr. Salvesen & Co. Ltd.,  
G.P.O. Box 217,  
20 Regent Street, London W.1

# Savingram

C.O. 1

From the Secretary of State for the Colonies.

To the Officer Administering the Government of THE FALKLAND ISLANDS

Date 23 OCT 1963

No. SG. 10.

Colonial Office Reference FST 54/353/01

Your reference D/1/49/vi.

851  
With reference to my despatch  
your savingram No. 8 - South Georgia  
telegram

of the 23<sup>rd</sup> September 1963, I enclose, for your  
information,  
consideration, a copy of the paper noted below.  
observations,

SE CER

Originator and date	Subject
Colonial Office - 18.10.63.	Duty on Whale Oil, Falkland Islands and Dependencies.

855  
PST 54/353/01

18 October, 1963.

Sir,

848  
I am directed by Mr. Secretary Sandys to refer to Albion Star (Southampton) Limited's letter D.6/47/IV of the 19th June addressed to the Colonial Treasurer, Port Stanley in the Falkland Islands about export duty on whale oil in South Georgia.

2. The application by Albion Star Ltd., on behalf of Cia. Argentina de Pesca, S.A. for the waiving of outstanding tax liabilities was exhaustively considered by the British Government early this year but Government eventually concluded that it could not see its way clear to writing off these debts. The Colonial Treasurer therefore wrote to you on 11th April requesting payment.

3. I am to explain quite categorically that this matter is not under consideration by the British Government and that the British Government expects that the tax liabilities outlined in the Colonial Treasurer's letter of the 11th April will be met. The responsibility for collecting these arrears now lies with the Falkland Islands Government.

I am, Sir,  
Your obedient servant,

Sgt. R. G. PETTITT.

For the attention of Mr. Horton  
William Brandt's Sons & Co. Ltd.,  
36 Fenchurch Street,  
London E.C.3



Ref:- C.S. D/I/49/VI

856  
Colonial Treasury,  
Stanley,  
Falkland Islands.  
31st December, 1963.

Sirs,

836 I am directed to refer to my letter No. D/6/47/IV of 11th April, 1963, on the subject of arrears of duty on whale oil exported from South Georgia, and to request you to take early steps to effect payment of the £29,774. 13. 1d. owing in respect of the seasons 1956/57, 1957/58, 1958/59 and 1959/60.

I am,

Sirs,

Your obedient servant.

Colonial Treasurer.

Chr. Salvesen & Co. Ltd.,  
29, Bernard Street,  
Leith,  
Scotland.

Reply at 862

LCG/CMc.

Ans 967

1

Ref:- C.S. D/I/49/VI

Colonial Treasury,  
Stanley,  
Falkland Islands.  
31st December, 1963.

8x6 A

Sirs,

I am directed to refer to the Colonial Office letter No. FST 54/353/01 of 18th October, 1963, on the subject of arrears of duty on whale oil exported from South Georgia, and to request you to take early steps to effect payment of the amount of £46,011. -. 9d. owing in respect of the years 1956/57, 1957/58, 1958/59 and 1959/60.

I am,

Sirs,

Your obedient servant.

Colonial Treasurer.

William Brandts Sons & Co. Ltd.,  
36, Fenchurch Street,  
London E.C.3.

LCG/CMc.

See P66

Ref:- C.S. D/I/49/VI

Colonial Treasury,  
Stanley,  
Falkland Islands.  
31st December, 1963.

Sirs,

I am directed to refer to your letter SE/MA of 26th June, 1963, on the subject of arrears of whale oil duty exported from South Georgia during the years 1956/57, 1958/59 and 1959/60, and to inform you that the matter is not under consideration by the Colonial Office and that the British Government expects that the liabilities outlined in my letter of 11th April, 1963, will be met. I am accordingly to request that you will take early steps to effect payment.

I am,

Sirs,

Your obedient servant.

Colonial Treasurer.

Aktieselskapet,  
Tonsbergs Hvalfangeri,  
Tonsberg,  
Norway.

LCG/CMc.

# Savingram

C.O. 1

From the Secretary of State for the Colonies.

To the Officer Administering the Government of *Falkland Islands*

Date *17 DEC 1963*

No. *131*

Colonial Office Reference *FST 54/353/01*

Your reference *D/1/49/VI*



With reference to my despatch  
your savingram No. 131  
telegram

of the information,  
consideration, a copy of the paper noted below.  
observations,

SECEP

Originator and date	Subject
<i>Wm Brandts Sons &amp; Co. Ltd 858 22.10.63</i>	<i>Whale Oil Duty</i>
<i>Chr. Salvesen &amp; Co. Ltd. 859 26.10.63</i>	<i>Whale Oil Duty.</i>

WM BRANDT'S SONS & CO LTD  
ESTABLISHED IN LONDON  
1905

DIRECTORS:

W. E. BRANDT      W. A. BRANDT  
H. A. BRANDT      J. M. BRANDT  
P. A. BRANDT

15  
858  
P.O. Box. No. 95

36, Fenchurch Street,

LONDON, E.C.3

Telephone: Mansion House 6599

Telegraphic: Brandtsens, London, E.C.3

Telex: 28219 & 28483

22nd October, 1963.

PRODUCE DEPARTMENT

Your ref. FST 54/353/01  
Our ref. CWC/SW

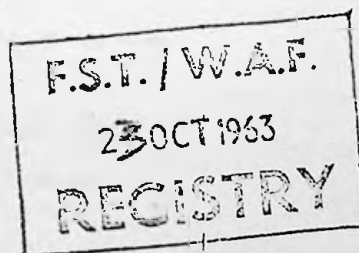
Colonial Office,  
Great Smith Street,  
LONDON, S.W.1.

Dear Sirs,

(10) We have for acknowledgment your letter of the 18th instant in connection with the tax liabilities of Messrs. Compania Argentina de Pesca S.A., and we are advising our principals accordingly.

We remain, dear Sirs,  
Yours truly,

*Wm. Brandt & Sons Ltd*  
*Wm. Brandt & Sons Ltd*



16 859

# CHR. SALVESEN & CO. LTD.

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

GLASGOW  
45 WEST NILE STREET - C1

GRIMSBY  
287/291 CLEETHORPE ROAD

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

YOUR REF.

OUR REF.

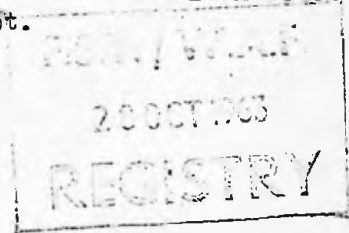
DATE

FST 54/353/01

GEH/FD  
Operations Dept.

26th October, 1963.

The Colonial Office,  
Great Smith Street,  
LONDON S.W.1.

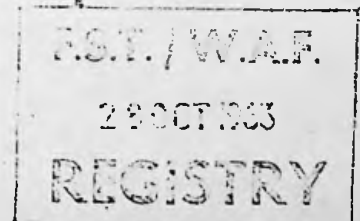
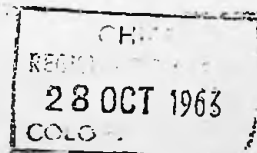


Dear Sirs,

(12) We have to acknowledge receipt of your letter of 18th October concerning Falkland Islands Export Duty and particularly the British Government's position in relation to our representations on this question.

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

*Gordon E. Hartman*



mail from 857

C.T. 860

for information

861

14.1.64

Yes

Rec. Thank you L.C.

14.1.64

Bu 12.4.64 (mail)

DECODE.

No. 5.

TELEGRAM.

862

From.....Salvesen Edinburgh Scotland.....

To.....Colonial Secretary, Stanley.....

Despatched : 5th February, 19 64. Time : 1705

Received : 6th February, 19 64. Time : 0900

856

Ref your letter CSD/1/49/VI of 31/12/63. Have  
already remitted arrears duty to Colonial Office for  
credit to appropriate account.

Salvesen

C.T.

8.2.64

L.E.  
10.2.64

P/L : LH  
(Initia.) HLB

By 12.4.64 (mail)



DECODE.

No. 39.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched : 14.2.64 Time : 2110 Received : 15.2.64 Time 0900

SG 8. Cheque for \$29,774. 13. 1. from Salvesens in respect of arrears of duty on whale oil has been paid into Dependencies account at Crown Agents.

Secretary of State

P/T : LH  
(Intld.) HLB

C.T. For inf. pl

864

2/19.2.64

865

LE.  
19.4.64

See 17 4.64

867

## CHR. SALVESEN &amp; CO. LTD.

DIRECTORS: L. M. HARPER GOW, M.B.E. G. H. ELLIOT, E. C. YOUNGE (TECHNICAL)  
R. B. WEATHERSTONE P. F. S. KITTERMASTERGLASGOW  
45 WEST NILE STREET C.I.GRIMSBY  
287/291 CLEETHORPE ROADG.P.O. BOX 217  
29 BERNARD STREET  
LEITHTELEPHONE  
LEITH 4311 (14 LINES)

OUR REF.

GEH/MS.

Operations Dept.

DATE

6th February, 1964.

Colonial Treasurer,  
Port Stanley,  
Falkland Islands.

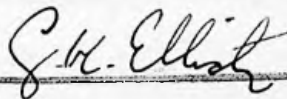
Dear Sir,

Falkland Islands Export Duty

856  
862

We refer to your letter of 31st December 1963 and confirm having sent to you today a telegram to inform you that the arrears of duty have been settled with the Colonial Office.

In settling this account, we wish to make it clear that we are doing so without prejudice to our later position - i.e. if any concessions are made to either Albion Star or Tonsbergs Hvalfangeri, in relation to these arrears of tax, we shall expect to receive exactly the same concession, and, in consequence, any appropriate rebate.

Yours faithfully,  
For and on behalf of CHR. SALVESEN & CO. LTD.

DIRECTOR

W<sup>M</sup> BRANDT'S SONS & CO L<sup>TD</sup>

ESTABLISHED IN LONDON  
1805

DIRECTORS:

W. E. BRANDT      W. A. BRANDT  
H. A. BRANDT      J. M. BRANDT  
P. A. BRANDT

Telephone: Mansion House 6599

Telegraphic: Brandtsens, London, EC3

Telex: 28219 & 28483

Produce Department

Your ref. C.S. D/I/49/VI  
Our ref. DTN/SW

The Colonial Treasurer,  
Colonial Treasury,  
STANLEY,  
Falkland Islands.

Dear Sir,

8564 We are in receipt of your letter of the 31st December on the subject of arrears of duty on whale oil exported from South Georgia due from our principals, Albion Star (South Georgia) Ltd.

8564 In this connection we would advise you that Mr. A. R. L. Ryan of Messrs. Albion Star (South Georgia) Ltd. has discussed this matter with Mr. R. G. Pettitt at the Colonial Office who wrote us under date of 17th January in confirmation as per enclosed photo copy.

We remain, dear Sir,  
Yours truly,  
For and on behalf of,  
WM. BRANDT'S SONS & CO. LTD.,

Director.

866  
P.O.Box No. 95  
36 Fenchurch Street  
London EC3

ALSO MIDLANDS OFFICE:  
Newater House, 11 Newhall Street, Birmingham 3  
Telephone: (021) Central 2981

4th February, 1964.

CT bse  
Si



COLONIAL OFFICE

GREAT SMITH STREET, LONDON S.W.1

Telephone: ABBey 1266, ext. 169

Our reference: FST 54/353/01

Your reference: CWC/SW

17 January, 1964.

Dear Norton,

Mr. Ryan and you came to see me this morning about the question of the arrears of duty on whale and seal oil owing by Pesca and the liability to which Albion Star had taken over with the transfer of the lease of the Grytviken station from Argentine de Pesca Ltd.

Mr. Ryan enquired whether Government would see it possible to remit these arrears in view of the abundant evidence that whaling duty had in the period concerned been retained at too high a level, which was amply shown by the losses which Albion Star Ltd. had sustained during its period of operation, and in view of the fact that the same rates of duty had been charged in the past on the three grades of oil in spite of the extremely low price being obtained for the lower grades, if they were sold at all. This had been a grievance which had been made known many years before but as far as Mr. Ryan knew it had not figured in the correspondence between the companies and the Governor. I explained that the question of the remission of the arrears of duty had been exhaustively considered and the decision not to agree to the remission which the Governor of the Falkland Islands had recommended had been taken at an extremely high level and after great thought as is inevitably the case when recommendations by a Governor are rejected. The decision took into account the proposition that the old rate had been fixed at a level which with hindsight might be argued to have been too high and retained that level too long. It was however the view of the British Government that as the companies knew at the time what the rate was and chose to operate their arrears were analogous to commercial debts and there was no justification for remitting these debts if, as was the case now, the load would be transferred to the British taxpayer. As you know in order to help whaling companies to continue operation the rate of duty was reduced to one shilling a barrel, a reduction which will mean that the South Georgia administration will be a liability to the British taxpayer. The British Government now considered that the matter was closed and it expected the repayment of the arrears.

Mr. Ryan explained that the company would not be able to pay the arrears of duty because of the extensive losses over the last years unless the Japanese companies at present operating Grytviken exercise their option to purchase. The company could exercise its option in April of this year or

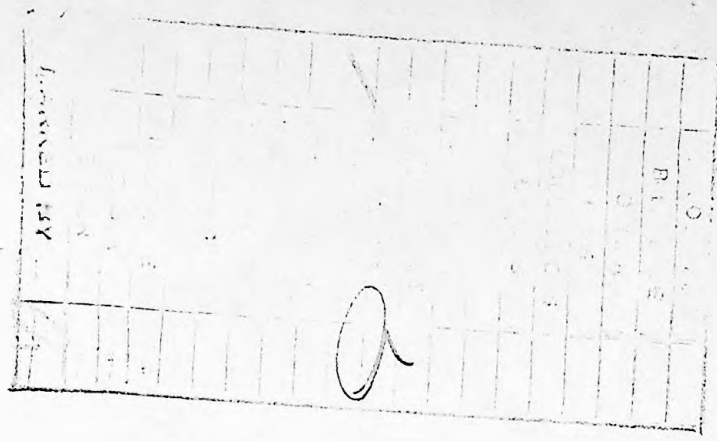
/could

L. T. NORTON, ESQ.,

Mr. BRANDT'S SONS & CO., LTD.,

36, FENCHURCH STREET, E.C.3.

8601B



could continue to rent the station for a further one or two more years. He fully accepted that the arrears of duty would have to be paid at the time of the sale of the station. The rent from the station did not however cover even the costs to Albion Star and the company would not be able to pay the arrears of duty as a result of the receipt of the rent money. He mentioned however that Albion Star might be in a better position to pay some or all of the arrears if the Grytviken station were granted the sealing licence for next season, for which you have already applied. /X

I said that we noted that no payment would be forthcoming until after the decision of the Japanese company in April or May on the purchase of the station. If the sale went through we would naturally expect the arrears to be paid at the same time. If the Japanese declined to buy we would expect a letter from you with proposals about when and in what manner you would be able to make the payment. We should certainly in any event expect them to be repaid before the period during which the Japanese company are able to exercise their option to buy ~~expired~~.

In the meantime I would ask for a telegraphic reply on the subject of the sealing licence if the reply did not come from the Governor in the near future.

Yours faithfully  
R. G. Pettitt

(R. G. Pettitt)

Cs. Xf is of interest. Noted  
S.  
14/6/65

Have from 807.

6866/c

Have b. n. 30. 7. 64.

L.C.

24.3.64

# Saving

867

From the Secretary of State for the Colonies.

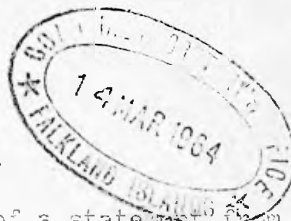
To the Officer Administering the Government of

FALKLAND ISLANDS

DEPENDENCIES

Date 4 March, 1964

No. 2 'SG' Saving



51

863

My telegram No. SG.8.

867a

Enclosed is a copy of a statement from Chr. Salvesen & Co., Ltd. which shows a final balance in their favour of £286 lls. 4d. in respect of adjustments between monies deposited by them with Falkland Islands Dependencies Government for duty on whale oil and sperm oil in season 1960/61, and for By-Products in seasons 1955/56, 1956/57, 1957/58, 1958/59, 1959/60, 1960/61, and monies, in fact, payable by them on outturn quantities.

2. If you agree the enclosed statement grateful if you would arrange any payments that may be necessary through the Crown Agents direct.

SECEP.

867a

SOUTH GEORGIA  
F.I. EXPORT DUTY

	<u>Due to FI</u>	<u>Due by FI</u>
1) <u>WHALE OIL/SPERM OIL</u>		
1950/51	<u>£ 75. 4. 8</u>	<u>-</u>
2) <u>BY-PRODUCTS</u>		
1955/56	29. 6. -	24.16. 6
1956/57	11. -. -	45.16. -
1957/58	-. -. -	163. 3. 4
1958/59	1.17.11	52.11. 5
1959/60	9. 1. 6	32.10. 8
1960/61	-. -. -	85. 3. 6
	<u>£ 42. 5. 5</u>	<u>£404. 1. 5</u>

Due by F.I. Government £404. 1. 5

Due to F.I. Government £117.10. 1

.. Balance due by F.I.  
Government to C.S. &  
Co. Ltd. £286.11. 4

GEH/MLC  
14th February, 1964.



1960/61

WHALE OIL

EX POLARBRIS, THORSHAVN AND SOUTHERN VENTURER

Duty Paid to Account	POLARBRIS	£3218. 5. 0
	THORSHAVN	£6073. 5. 0
	SO. VENTURER	<u>£3324. 0. 0</u>

£12615.10. 0

Duty Due on Out-Turn:-

POLARBRIS	13,017.125 brls.	
THORSHAVN	24,444.825 "	
SO. VENTURER	<u>13,296.175 "</u>	

50,758.125 " @ 5/- £12689.10. 7

. . Due to F.I. Government £ 74. 0. 7

SPERM OIL

EX THORSHAVN Duty Paid to Account £528.15. 0

Duty Due on Out-Turn 2,119.825 brls. @5/- £529.19. 1

. . Due to F.I. Government £ 1. 4. 1

SUMMARY

Due to F.I. Government on WHALE OIL £ 74. 0. 7

Due to F.I. Government on SPERM OIL £ 1. 4. 1

£ 75. 4. 8

GEH/MLC

14th February, 1964.

SEASON 1955/56

WHALE MEAT MEAL

EX SOUTHERN GARDEN

Duty Paid to Account on	11,906,900 lbs.	
	@ 6d. per 100 lbs.	£ 2,976.14. 6 ✓
Duty Due on Out-Turn	12,024,040 lbs.	
	@ 6d. per 100 lbs.	<u>3,006. 0. 6</u> ✓
. . Due to F.I. Government		£ 29. 6. 0 ✓

WHALE BONE MEAL

EX SOUTHERN GARDEN

Duty Paid to Account on	3,143,100 lbs.	
	@ 6d. per 100 lbs.	£ 785.15. 6 ✓
Duty Due on Out-Turn	3,052,256 lbs.	
	@ 6d. per 100 lbs.	<u>763. 1. 6</u> ✓
. . Due to C.S. & Co. Ltd.		£ 22.14. 0 ✓

WHALE BONE MEAL

EX SOUTHERN OPAL

Duty Paid to Account on	947,900 lbs.	
	@ 6d. per 100 lbs.	£ 236.19. 6 ✓
Duty Due on Out-Turn	939,586 lbs.	
	@ 6d. per 100 lbs.	<u>£ 234.18. 0</u> ✓
. . Due to C.S. & Co. Ltd.		£ 2. 1. 6 ✓

WHALE MEAT EXTRACT

EX SOUTHERN GARDEN

Duty Paid to Account on	9,445 lbs.	
	@ 6d. per 100 lbs.	£ 2. 8. 0 ✓
Duty Due on Out-Turn	9,337 lbs.	
	@ 6d. per 100 lbs.	<u>2. 7. 0</u> ✓
. . Due to C.S. & Co. Ltd.		£ 0. 1. 0 ✓

GEH/MLC

14th February, 1964.

SEASON 1956/57

WHALE MEAT MEAL

<u>EX POLAR MAID</u> Duty Paid to Account on	8,648,200 lbs.✓	
<u>EX SOUTHERN OPAL</u> " " " " "	664,100 lbs.✓	
	9,312,300 lbs.✓	
@ 6d. per 100 lbs.		£ 2,328. 1. 6 ✓
<u>EX POLAR MAID</u> Duty Due on Out-Turn	8,619,858 lbs.✓	
<u>EX SOUTHERN OPAL</u> " " " " "	659,521 lbs.✓	
	9,279,379 lbs.	
@ 6d. per 100 lbs.		£ 2,319.17. 0 ✓
. . Due to C.S. & Co. Ltd.		£ 8. 4. 6 ✓

WHALE BONE MEAL

<u>EX POLAR MAID</u> Duty Paid to Account on	2,729,200 lbs.✓	
@ 6d. per 100 lbs.		£ 682. 6. 0 ✓
Duty Due on Out-Turn	2,579,321 lbs.✓	
@ 6d. per 100 lbs.		£ 644.17. 0 ✓
. . Due to C.S. & Co. Ltd.		£ 37. 9. 0 ✓

WHALE MEAT EXTRACT

<u>EX SOUTHERN OPAL</u> Duty Paid to Account on	18,800 lbs.✓	
@ 6d. per 100 lbs.		£ 4.14. 0 ✓
Duty Due on Out-Turn	18,223 lbs.✓	
@ 6d. per 100 lbs.		£ 4.11. 6 ✓
. . Due to C.S. & Co. Ltd.		£ 0. 2. 6 ✓

WHALE SOLUBLES

<u>EX SOUTHERN HARVESTER</u> Duty Paid to Account on	7,986,700 lbs.✓	
<u>EX SOUTHERN VENTURER</u> " " " " "	9,649,800 lbs.✓	
	17,636,500 lbs.	
@ 2d. per 100 lbs.		£ 1,469.14. 2 ✓
<u>EX SOUTHERN HARVESTER</u> Duty Due on Out-Turn	8,046,468 lbs.✓	
<u>EX SOUTHERN VENTURER</u> " " " " "	9,722,019 lbs.✓	
	17,768,487 lbs.	
@ 2d. per 100 lbs.		£ 1,480.14. 2 ✓
. . Due to F.I. Government		£ 11. 0. 0 ✓

GEH/MLC

14th February, 1964

SEASON 1957/58

WHALE MEAT MEAL

<u>EX SO. GARDEN</u>	Duty Paid to Account on	13,653,584 lbs.✓	
<u>EX SO. OPAL</u>	Duty Paid to Account on	<u>1,522,752 lbs.</u>	
		15,176,336 lbs.	
	@ 6d. per 100 lbs.		£ 3,794. 9. 6
<u>EX SO. GARDEN</u>	Duty Due on Out-Turn	13,363,016 lbs.✓	
<u>EX SO. OPAL</u>	Duty Due on Out-Turn	<u>1,467,762 lbs.✓</u>	
		14,830,778 lbs.	
	@ 6d. per 100 lbs.		£ 3,707.14.0
	. . Due to C.S. & Co. Ltd.		£ 86.15. 6

WHALE BONE MEAL

<u>EX SO. GARDEN</u>	Duty Paid to Account on	4,342,576 lbs.✓	
	@ 6d. per 100 lbs.		£ 1,085.13. 0
	Duty Due on Out-Turn	4,310,536 lbs.	
	@ 6d. per 100 lbs.		£ 1,027.13. 0
	. . Due to C. S. & Co. Ltd.		£ 58. 0. 0

SPERM WHALE TEETH

<u>EX SO. OPAL</u>	Duty Paid to Account		£ 0. 8. 0
	Duty Due on Out-Turn 616lbs. @ 6d. per 100 lbs.		£ 0. 3. 6
	. . Due to C. S. & Co. Ltd.		£ 0. 4. 6

WHALE SOLUBLES

<u>EX SO. GARDEN</u>	Duty Paid to Account on	3,306,240 lbs.✓	
<u>EX SO. HARVESTER</u>	" " " "	" 7,935,648 lbs.✓	
<u>EX SO. VENTURER</u>	" " " "	" 7,191,296 lbs.✓	
<u>EX SO. OPAL</u>	" " " "	" <u>4,677,120 lbs.✓</u>	
		23,110,304 lbs.	
	@ 2d. per 100 lbs.		£ 1,925.17. 6
<u>EX SO. GARDEN</u>	Duty Due on Out-Turn	3,270,310 lbs.✓	
<u>EX SO. HARVESTER</u>	" " " "	" 5,996,825 lbs.✓	
<u>EX SO. VENTURER</u>	" " " "	" 6,982,023 lbs.✓	
<u>EX SO. OPAL</u>	" " " "	" 4,745,700 lbs.✓	
<u>Ands damaged</u>	<u>EX SO. HARVESTER</u>	<u>1,897,549 lbs.✓</u>	
		22,892,407 lbs.	
	@ 2d. per 100 lbs.		£ 1,907.14.2
	. . Due to C.S. & Co. Ltd.		£ 18. 3. 4

GEH/MLC  
14th February, 1964.

SEASON 1958/59

WHALE MEAT MEAL

<u>EX SO. GARDEN</u> Duty paid to Account on 7,876,273 lbs. @ 6d. per 100 lbs.	£ 1,969. 2. 5
Duty Due on Out-Turn 7,763,280 lbs. @ 6d. per 100 lbs.	<u>£ 1,940.16. 6</u>
. . Due to C.S. & Co. Ltd.	<u>£ 28. 5.11</u>

WHALE BONE MEAL

<u>EX SO. GARDEN</u> Duty Paid to Account on 2,853,872 lbs. @ 6d. per 100 lbs.	£ 714. 3. 5
Duty Due on Out-Turn 2,773,361 lbs. @ 6d. per 100 lbs.	<u>£ 693. 7. 0</u>
. . Due to C.S. & Co. Ltd.	<u>£ 20.16. 5</u>

WHALE MEAT EXTRACT

<u>EX SO. OPAL</u> Duty Paid to Account on 365,317 lbs. @ 6d. per 100 lbs.	£ 91. 5. 7
Duty Due on Out-Turn 372,633 lbs. @ 6d. per 100 lbs.	<u>£ 93. 3. 6</u>
. . Due to F.I. Government	<u>£ 1.17.11</u>

WHALE SOLUBLES

<u>EX SO. GARDEN</u> Duty Paid to Account on 6,823,040 lbs.	
<u>EX SO. VENTURER</u> " " " " " 1,149,568 lbs.	
7,972,608 lbs.	
@ 2d. per 100 lbs.	£ 664. 8. 5
Duty Due on Out-Turn <u>SO. GARDEN</u> 6,804,085 lbs.	
" " " " <u>SO. VENTURER</u> 1,127,504 lbs.	
7,931,589 lbs.	
@ 2d. per 100 lbs.	<u>£ 660.19. 4</u>
. . Due to C.S. & Co. Ltd.	<u>£ 3. 9. 1</u>

GEH/MLC

14th February, 1964.

SEASON 1959/60

WHALE MEAT MEAL

<u>EX SOU GARDEN</u> Duty Paid to Account	£ 2,913.19. 0 ✓
Duty Due on Out-Turn 11,620,275 lbs. @ 6d. per 100 lbs.	£ 2,905. 1. 6 ✓
. . Due to C.S. & Co. Ltd.	£ 8.17. 6

---

WHALE BONE MEAL

<u>EX SO. GARDEN</u> Duty Paid to Account	£ 639.19. 0 ✓
Duty Due on Out-Turn 2,489,761 @ 6d. per 100 lbs.	£ 622. 9. 0 ✓
. . Due to C.S. & Co. Ltd.	£ 17.10. 0 ✓

---

SPERM WHALE TEETH

<u>EX SO. GARDEN</u> Duty Due on 285 lbs. @ 6d. per 100 lbs.	£ 5. 1. 6 ✓
--	-------------

Which is due to F.I. Government.

WHALE SOLUBLES

<u>EX SO. HARVESTER</u> Duty Paid to Account	£ 209. 0. 4 ✓
Duty Due on Out-Turn 2,434,268 lbs. @ 2d. per 100 lbs.	£ 202.17. 2 ✓
. . Due to C.S. & Co. Ltd.	£ 6. 3. 2 ✓

---

GEH/MLC

14th February, 1964.

SEASON 1960/61

WHALE MEAT MEAL

<u>EX SO. OPAL</u> Duty Paid to Account	£ 3,360. 7. 0
Duty Due on Out-Turn 13,196,965 lbs. @ 6d. per 100 lbs.	£ <u>3,299. 5. 0</u>
. . Due to C.S. & Co. Ltd.	£ 61. 2. 0

---

WHALE BONE MEAL

<u>EX SO. OPAL</u> Duty Paid to Account	£ 774. 0. 0
Duty Due on Out-Turn 3,014,330 lbs. @ 6d. per 100 lbs.	£ <u>753.12. 0</u>
. . Due to C.S. & Co. Ltd.	£ 20. 8. 0

---

WHALE MEAT EXTRACT

<u>EX SO. OPAL</u> Duty Paid to Account	£ 251.17. 6
Duty Due on Out-Turn 1,007,383 lbs. @ 6d. per 100 lbs.	£ <u>251.17. 0</u>
. . Due to C.S. & Co. Ltd.	£ 0. 0. 6

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WHALE SOLUBLES

<u>EX SO. OPAL</u> Duty Paid to Account	£ 415.10. 8
Duty Due on Out-Turn 4,942,524 lbs. @ 2d. per 100 lbs.	£ <u>411.17. 8</u>
. . Due to C.S. & Co. Ltd.	£ 3.13. 0

---

GEH/MLC

14th February, 1964.

868

Collector of Customs.

Can you confirm these figures  
please.

H.C.

20.3.64



Reference Salvesen's Statement at 867 (a).

Seasons 1955/56 and 1956/57 figures confirmed.

Season 1957/58. Figures do not agree with Bills of Entry covering shipments of Whale Solubles. The total quantity of this commodity exported during the 1957/59 season is as follows:-

		<u>Duty paid S.G.</u>
Southern Garden	3306240 lbs.	£275. 10. 6.
Southern Harvester	7935648 lbs.	661. 6. 2.
Southern Venturer	7613760 lbs.	634. 9. 8.
Southern Opal	4677120 lbs.	389. 15. 4.
	<u>23532768 lbs.</u>	<u>£1961. 1. 8.</u>

Quantities landed amounted to 22,892,407 lbs = £1907. 14. 2. making refund due to Salvesens as £53. 7. 5. and net £18. 3. 4.

Season 1958/59 and 1959/60. Figures confirmed.

Season 1960/61. At the commencement of this season South Georgia took over full control of export duties. I have no information to help you in this matter.

*L. J. Grinnon*

Collector of Customs  
26.3.64.

810

DECODE.

No. 6

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 6.4.64

Time: 1440

Received: 7.4.64

Time: 0900

IN CONFIDENCE

SG 15. Whale Oil Duty.

Am informed Albion Star intend paying shortly £20,000  
on account arrears leaving balance over until next season.

Is this acceptable to you ?

Secer

Reply at 872

871

HCS Pl. show HCS. Answer is -

GTC : ER

Yes. I don't think we wd. achieve  
anything by pressing for full amount  
this year.  
EPA 7.4.64

872

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 7.4.64

Time : 1430

Received :

Time :

870

SG 11. Your telegram SG 15. Whale oil duty. Yes.

Governor

P/L : WHI/LH

Si

873

HCT

869

Don 8.4.64

KIV 869

Stanley,

Falkland Islands.

9th April, 1964.

867 Please pay to Chr. Salvesen and Co. Ltd., 29 Bernard Street, Leith, the sum of £286. 11. 4d. being the balance due to them after adjustment of deposits made in respect of export duties during the period 1955 to 1964. The Secretary of States Saving S.G. 2 of 4th March, 1964 refers.

The South Georgia account should be charged with this sum.

Colonial Treasurer.

The Crown Agents for Oversea Governments  
and Administrations,

4, Millbank,

London S.W.1.

LCG/Chc.

875

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 10.4.64 Time : 0900 Received : Time :

867

SG 12. Your saving No. 2 SG 4th March 1964. Salvesen refund  
£286. 11. 4. grateful telegraphic authority issue special warrant £287  
B other charges item 17 savings cannot be hypothecated.

Governor

P/L : LH

Copy to: Treasury

Reply at 876

LU 22.4.64

876

DECODE.

No. 49

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 15.4.64

Time: 1623

Received: 16.4.64 Time: 0900

875

SG 16.

Yrtel SG 12.

Salvesen.

Special Warrant £287 B. Other Charges, Item 17 approved.  
Sufficient savings likely under Head C 41 Administrative Officers  
House according to latest information available from Crown  
Agents.

Secer.

P/L : ER

Copy to: Treasury

Ru 30700  
260

DECODE.

No. 39.

TELEGRAM.

From Crown Agents, London SW1.

To Colonial Secretary, Stanley.

Despatched : 29th April, 19 64. Time : 1415

Received : 29th April, 19 64. Time : 1430

£20,000 received from William Brandts 28th  
towards arrears whaling duty.

Crown

E/L : LM  
(Intld.) WLD  
Copy to: Treasury

SI. pa.  
//

AT  
266/c SR

BU 30.7.64 (546/6)

875

Mr L. S.,

copy of letter to Treasury Co. ~~sent~~ is at L.C.

For filing pl.

Please L.C. this file for 14/12/24.

All

19.8.16.



18th August, 1964.

51 ✓

Sirs,

8366

I am directed to refer to my letter D/1/49/VI of 31st December, 1963, (copy enclosed) on the subject of arrears of duty on whale oil exported from South Georgia and to request that immediate action be taken to effect payment of the amount of £17,081. 8s. 3d. owing in respect of the seasons 1956/57, 1958/59, and 1959/60.

Failing a reply before the 30th October, 1964, legal advice will be taken.

I am,

Sirs,

Your obedient servant.

*M.*

Acting Colonial Treasurer.

Aktieselskapet,  
Tonsbergs Hvalfangeri,  
Tonsberg,  
NORWAY.

*bu 50.060*

HTR/CMc.

FST.54/353/01

ing

the Secretary of State for the Colonies.

the Officer Administering the Government of FALKLAND ISLANDS  
(DEPENDENCIES)

date 23 SEP 1964

No. 17 Saving SG



872 Your telegram No.SG.11 of 8th April 1964

Whale Oil Duty

A cheque for £26,011.09d. has been received from Albion Star (South Georgia) Ltd., being the balance of the arrears of export duty on whale oil exported from South Georgia during the period 1956 to 1960. This sum has been credited to the Falkland Islands Dependencies Account at the Crown Agents for Oversea Governments and Administrations.

SECEP

AT

To note pl

*[Signature]*

13.10.64

24th December, 1964.

Sirs,


I regret to inform you that I have received no reply to my letter of the 18th August, 1964, in which I asked for immediate action to be taken to effect payment of £17,084. 8. 3d. for arrears of duty on whale oil owing in respect of the seasons 1956/57, 1958/59, and 1959/60.

May I urge that this matter be given your immediate attention.

I am,

Sirs,

Your obedient servant.

  
Acting Colonial Treasurer.

Aktieselskapet,  
Tonsberg Hvalfangeri,  
Tonsberg,  
NORWAY.

WTR/CMe.

BU 13.65

BU 1.3.65

Reply at 882

ANTON VON DER LIPPE  
SKIBSREDERI

DISPONIBLER FOR:  
AKSJESELSKAPET ANTARCTIC  
AKTIESELSKAPET  
TØNSBERGS HVALFANGERI

C.S. A/1/49/vi

Colonial Treasury,  
Stanley,  
Falkland Islands.



882  
Telefon: centralbord .....14 701  
« Bror von der Lippe, privat 13 105  
Telegramadresse: linde  
Telex: 1564 - linde tb

TØNSBERG, 25th January, 1965.  
(NORWAY)

SE/MA

Dear Sirs,

88: Under reference to your letter of 24th December 1964 we beg to advise that we have taken this matter up with the British Embassy in Oslo, Norway, and are awaiting to hear from them.

Yours faithfully,  
Aktieselskapet  
TØNSBERGS HVALFANGERI  
*Anton von der Lippe*

15 5  
Bu 30/4/65  
to A/T

P.a.  
31.5.65

Plum for the  
meeting  
24/4/65  
M.

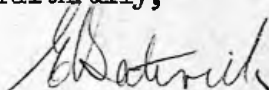
24th January 1967

88

Dear Sirs,

I have been asked by the Governor to thank you  
for so kindly sending him your interesting booklet on Marine  
Oils and By-products.

Yours faithfully,



Private Secretary

Messrs David Geddes & Son Ltd.,  
28 Bush Lane,  
London E.C.4

CS  
In secretariat

164 29/3/67

