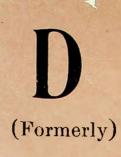
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INTERNATIONAL WHALING COMMISSION

SEVENTEENTH MEETING

Session of Thursday, 1st July, 1965

In the Chair: Mr. M. N. Sukhoruchenko (U.S.S.R.)

Mr. J. GRADEM (United Kingdom): Mr. Chairman, I do not wish to detain the meeting, but since there has already been evidently some differences of interpretation and misunderstanding about this resolution, I think that I should make perfectly clear the position of the United Kingdom and its understanding of the effect of this resolution.

On the main problem of South Georgia and other land stations, the position is perfectly clear, we accept that if there must be restrictions to preserve the stock of whales, it is only right that all eatchers of those whales should suffer the restrictions, and therefore that if the pelagic catches are being restricted, there should be corresponding restrictions on land stations. We accept that principle, and will certainly consider sympathetically the recommendation here that the catches of land stations should be limited in the coming year to the level of last year, though we shall have to consult the colonial governments first.

Also, we agree about the study to be given to the problem more generally. That is the only part of this resolution dealing strictly with land stations, and the other parts dealing with the catch limit are, I think, to some degree extraneous to the question of land stations. But we saw no reason to object to their inclusion.

It is evidently necessary that in future the Commission must do what it failed to do this year, and fix the catch limit for the pelagic expeditions at such a level that allowing for the additional whales taken by the land stations, the total interctic catch is kept within the limits which are desirable. To that extent, there is a relationship between the two problems, but there seems to be, in some delegations, a view that the connection runs deeper than that. When this resolution was considered, I made quite plain the view of the United Kingdom that the rights of land stations to fish whales were solely a matter for the governments having jurisdiction over them, and that they were not implicated in the entirely septrate rights of the pelagic expeditions under a quota agreement. In particular, I stress that I would certainly not be able to accept, on behalf of the United Kingdom, the view that if a United Kingdom expedition were operating, its title to catch could be in any way affected by what might be the antitlement of a land station under British jurisdiction.

Therefore, I construe the reference in this resolution in the first place where it says that the Commission shall take into consideration the catch of whales from land stations, as not really adding anything to what the Commission had already decided in May when it recegnised that future reductions in the pelagic catch would be such as to bring the total catch below the sustainable yield, and I regard the last paragraph of this resolution as merely a counterpart to that, warning the countries concerned that in future seasons the total number of units available to the pelagic expeditions will have to be ascertained after making allowance for those that will be caught from land stations but not as implying that there is any other relationship between the two factors. It is on that understanding that I should be able to support the resolution for the United Kingdom.

Mr. J.M. FIGUERERO-ANTEQUED. (Argentine): Mr. Chairman, in the consideration of Item 3 of the Technical Committee's Agenda, my delegation came to this plenary meeting prepared to express its appreciation to the delegations represented at the Technical Committee for their constructive attitude in the task of achieving a text which, meeting our position, enabled my delegation to continue to pledge its support to appropriate measures to check the depletion and to foster and further the rebuilding of whale stocks. It is unfortunate, under the circumstances, that the modifications which were agreed at the very last moment on the text of the resolution on land stations, adopted by the Technical Committee, do not enable my delegation to vote in the affirmative on these resolutions. I say this because my country does want to concur fully and to participate actively in any measure designed to further conservation measures of whale stocks, and therefore, for the record, I wish to state that our concurrent affirmative vote at the Technical Committee, when the proposal was first approved, in no way prejudices or medifies explicitly, implicitly or inherently the former reservation over the South Georgian Islands and other territorics entered by my delegation on behalf of the Argentine Government at the first plenary meeting.

Mr. J. GRAHAM (United Kingdom): Mr. Chairman, having heard the Argentine delegation's remark, I would just like to say that I feel we owe him an apology for having altered, in his absence, the wording of a resolution which everybedy who voted for it was ready to adopt. After having heard him speak, I propose to move now that we return to the wording which he was ready to accept, if that would enable him to endorse the resolution.

I would like to move that the references in this resolution to South Georgia and other land stations be changed back to their original form to land stations, in the southern hemisphere, without specifying South Georgia separately.

/Mr. I. FUJITA (Japan)

CS. Jo his appropriate Walking file please Station lite 21/2 ADMINISTRATIVE OFFICER, 21/2 SOUTH BEARD

SOUTH GEORGIA.

7th February 1966.

Dear Six Cosmo.

Thank you very much for your letter of the 7th January.

It is unfortunate that the visit of the Commander-in-Chief South Atlantic and South America and shipping difficulties have made necessary the cancellation of your visit. I had been looking forward to seeing you again.

The NSK results were poor, but this is to be expected if they only operate for two and a half months. The sei whale catch usually takes place from mid January to March, sei whales now form the major portion of the catch. It is to be hoped that they operate for the full six months next season.

With regard to Grytviken, I understand Ryan again approached the Japanese, but they were not interested, I imagine the Japanese Government may restrict the South Georgia operations to one Japanese company. There are rumours that Ryan may operate on his own, using only two catchers, but at the moment this is unconfirmed. I may hear something more definite from the new winter crew arriving on "Shackleton".

I am looking forward to the Colonial Secretary's visit, and the opportunity for discussions.

My wife has been telling me how much she enjoyed her Christmas in Stanley. It was indeed kind of Lady Haskard and yourself to make her so welcome.

Jonne smanley

Sir Cosmo Haskard,K.C.M.G.,M.B.E. Government House, Stanley, Falkland Islands.

WHALING AT SOUTH GEORGIA 1904 - 1959

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In 1959 Salvesen will mark their fiftieth anniversary of Whaling at South Georgia, and this talk is given in that connection. I am not going to review the idea whole period in the title in detail, but will concentrate on the early years, about which most of us know very little. I must say at the beginning that there will be many omissions and inaccuracies. Most of the papers needed to give a proper history of whaling here are not available on the island. What I shall give you is such information as I have been able to collect mainly from our own old files and partly from talking to whalers with long memories. So some of the individual dates and facts may be wrong.

Tile in Wheels

Firstly, something of South Georgia's earlier history. The island was discovered by Captain Cook in 1775. It was reputed that Amerigo Vespuccio sighted the coast in 1500, and that Anthony de la Roche saw it in 1675, but these claims are too vague to be upheld. Not many years after Cook sailed round the island sealing ships started to come down to the area in large numbers. They were in particular after fur seals, of which there were tremendous colonies on South Georgia and South Shetlands, but also took sea elephants and penguins for their oil. Whaling ships came down too, to hunt sperm and right whales from their open boats. Fur seals were taken in such large quantities between 1820 and 1822 that they were almost exterminated. It was estimated that 300,000 were killed in these three years. By the middle of the century there were no fur seals to be found at South Georgia, and it is only recently that they have started to come back in fair numbers. in fair numbers. Nost One of the most active of the sealing and whaling ships were British and American. sealing companies in the middle of the 19th century was run by the Enderby Brothers. One of their sealers discovered the land that bears their name.

There are few remains of the early sealers and whalers on the island. They seem to have landed mostly in Cumberland Bay. A number of the cast iron pots which they used for cooking out seal blubber can be seen at Grytviken, and on the Point. There are 19th century sealers' graves at Grytviken, Prince Olaf Harbour, and Maiviken. (These last were moved to Grytviken some years ago). It is interesting that old-style American whalers were still coming down here after modern whaling had started. The last ship of this sort was the 'Daisy', which was down in 1913. Cushman Murphy, who later became curator of the National History Museum of New York and wrote 'Oceanic Birds of South America', was on board the ship and put down his experiences in 'Logbook for Grace'.

The pioneer of modern whaling in the South, as SvendFoyn was in the North, was the Norwegian sealing Captain C. A. Larsen. In 1892 Chr. Christensen, a sealing ship owner of Sandefjord, decided to send one of his sealers, the 'Jason', to look into the possibilities of catching seals, and more particularly right whales, around South Georgia and the South Shetlands. Larsen was appointed Captain. 'Jason' made two voyages, in 1892/93 and 1893/94, but neither gave the success that had been expected. The ship found plenty of seals, but practically no right whales, and these were the only type of whale that she was equipped to take. Christensen gave up for the time being his ideas of whaling, and Larsen went off to be Manager of a station in Finnmark.

In the year 'Jason' made her first voyage, some whaleship owners in Dundee, who were still working the almost defunct old-style Arctic whaling, had the same idea. The sent an expendition of four ships down, led by 'Balaena', and these met 'Jason' in the Weddell Sea. Like 'Jason', the ships fid well on seals but got no whales. Among the crews were Burn-Murdoch who described the voyage in 'From Edinburgh to the Antarctic' and Dr. Bruce, who organised the 'Scotia' scientific expedition ten years later.

The next important event was the sending out in 1901 of the Swedish scientific expedition ship 'Antarctic' led by Nordenskjold with C. A. Larsen as Captain. The ship was crushed by ice off the South Shetlands, and Larsen and his crew spent some time on the ice before being picked up by the Argentine sloop 'Uruguay' and taken to There he was received as a hero. His ideas of whaling in the South Buenos Aires. aroused great interest and he managed to raise enough money to start the Compania Argentina de Pesca. Pesca started operations at Grytviken in 1904. The first transports were 'Rolf' and 'Louise', and the first whalecatcher 'Fortuna'. 'Louise' still lies as a hulk off the station. 'Fortuna' is said to be the boat of which some wreckage can still be seen between the Point and Jason. The story goes that the ship was on her way out after collecting her mail, and that the gunner was so taken up with reading his letters that he did not watch where she was going. The first floating factory to come down to the Antarctic was Christensen's 'Admiralen', which fished at the South Shetlands in 1905/06. As soon as it became clear that whaling/

/whaling in the south could be a success a number of other companies took out licences for South Georgia and the South Shetlands, including Salvesen.

Let me now go back some years to tell you something of the history of the firm of Christian Salvesen & Co. Christian Salvesen was the son of a business man in Mandal, South Norway. In 1849, at the age of 22, he came over to Scotland to join his elder brother Thomas, who had started as a shipping agent in Leith. Thomas then decided to move to Grangenouth, where the opening of the Forth-Clyde canal seemed to offer better opportunities, founding the firm of J.T. Salvesen & Co. Christian was left in Leith and soon built up a thriving business. The firm became big coal exporters and timber importers and ran ships on the Norwegian coast. Salvesen's first connection with whaling came when they started to deliver coal to Sven Foyn's whaling stations on the Norwegian coast. This led to their becoming selling agents for the whaleoil in Scotland. Finally they took a direct interest by buying Bull's station in Iceland in 1899. During the next few years they went to Faroes and Shetland. The Shetland station at Olna started in 1904, and operated up to 1930. It was Theodore Salvesen, Christian's youngest son, who brought the firm into these ventures, and who developed it into the largest concern in Antarctic whaling.

The first whaling venture in the South was in 1903, when a station was put up at New Island, West Falkland. It was a small station, which fished with three catchers. The catch was mainly fin and sei whales, and was never over 7,000 barrels. In 1916 it was closed and moved to South Georgia, or rather what was left of it was moved, as there had been a serious fire during the season which destroyed one of the barracks. The manager was 0. Danielsen, and later Corneliussen.

Next year, 1909, the transport 'Coronda' was sent down to start a station at South Georgia. The factory equipment was partly taken from one of Salvesen's stations in the North. At that time it was quite usual, when whaling fell off in one area, to dismantle the station and transport it to a more favourable site. The Hanager was Henrik Henriksen, of the Tønsberg family of harpoon-smiths, and most of the crew were from Tønsberg or district. Total numbers, including four catchers, were 139. There were also 20 Britishers under Captain Sinclair forming 'Coronda's' crew. (This was old 'Coronda' lost during the war, not the newer ship of the same name, which was bought in 1923).

Salvesen had a licence to whale from two stations, Leith Harbour and Allerdyce Harbour, (now Rosita) in the Bay of Isles. Only 2 catchers were allowed to each station and a second lease had to be taken to get four boats, though the Government did not require the second lease to be used. One of the conditions of the licence was the full utilisation of the whale. Salvesen's was the first licence for which this applied. The earlier ones contained no conditions for working up the whales.

The station was put up on what we now call 'Jericho'. The old Lancaster boilers and guano driers can still be seen among the ruins there.

With 'Coronda' came down the islands first resident magistrate, Mr. J. Innes Wilson, who set up at King Edward Cove.

Catch was good from the start. In 1909/10, despite the late start, Leith got 16,000 barrels, in 1910/11 49,900 and in 1911/12 42,800. Whaling at that time was carried on the whole year round, but most of the catch was got in the summer months.

There are not many left who were down in the earliest years. Dahlberg, who retired from the whalecatcher store here a few years ago, came down with the first ships to Leith Harbour. Fangstleder Hans Abrahamsen started whaling as a fireman on a catcher at the Falklands station. Strand, the Grytviken blacksmith, came down to the Ocean station in 1917, and our own blacksmith Studyd, was at New Island in its last two years of operation and then moved to Stomness. One of the first gunners was Edmund Paulsen, the father of our gunner Georg.

A number of other companies started operations from South Georgia at about the same time as Salvesen. Strómness started in 1907, operated by Sandejford Whaling Company. The lease did not require full working up of the whale into guano as well as oil, and to begin with they worked with the floating factory 'Fritjof Nansen'. You can still see the fresh water dam, on the way between Leith and Stomness, that was made to supply fresh water for the factory. The manager was Chr. Castberg, and the first two boats 'Hercules' and 'Samson'. The ship was wreched, I think in about 1916, on the bank now called Fr. Nansen Bank, off the coast here. Building of a land station was started in 1912, and all operations were carried out from there after the loss of 'Nansen'./

-2-

/Nansen.

^{(SV} Tonsbergs Hvalfangeri started also in 1907, in Husvik Harbour, with Soren Berntsen as Manager. They had the same licence without conditions for working up, and they too started with a factory ship, 'Bucentaur' (hence the later 'Busen'). The first catchers were 'Carl' and 'Mathilde'.

Bryde and Dahl, with the same type of licence, started at Godthul in 1908 with the factory ship 'Avimore', replaced the following year by 'Admiralen'. No station was ever build at Godthul, which was used only as a harbour for floating factories.

Ocean Whaling Co., managed by Chr. Nielsen of Larvik, began in New Fortuna Harbour in 1909 (now called Ocean). Their licence required full utilisation, and they had a land station from the start.

Finally, Southern Whaling and Sealing ^Co. went into production in 1911 with the factory ship 'Restitution'. Their licence was also on full utilisation terms, but it seems that the building of a land station was not started until 1917; much of the material coming from a station in South Africa belonging to the same owners. 'Restitution' was lost off the Scilly Isles in heavy weather on her way south for the 1916/17 season. Thus there were no less than seven stations or factories working from the north coast of the island, in the seasons immediately before the war.

In the first years catches were high and easy to get. There were a few right whales to be had, but the main catch was humpbacks, of which there were tremendous numbers close in to land. One gunner in an early season took three humpbacks in succession without moving his engine. The humpbacks were taken in very large numbers and quickly disappeared. Here are some figures which show how things went. In 1910/11 total catch from the island, for those species, was 76 blue, 97 fin, and 5299 humpback. In 1917/18 only 70 humpbacks were caught, 1800 blue and 1100 fin. When the humpbacks started to disappear opinion was divided between the optimists, who thought that they had merely moved elsewhere, and the pessinists, who thought that they had been killed out. The pessinists turned out, of course, to be right, as they usually are in arguments about whale stocks.

The companies which were not obliged to work up their carcasses often discarded them after taking off the blubber. But enterprising owners sent down factories which anchored in the vicinity, bought the skrotts for £l each, and got good production of oil from them 'Nor','Ems' and 'Fulwood' were three such factories. Salvesen found some difficulty in carrying out the conditions of the licence in the first years, as the station was evidently not big enough to process the large catches that came in. So an auxiliary factory, 'Horatio', was fitted out and sent down in 1912. The intention was that 'Horatio' should work up the carcasses which the station could not digest, and also buy them from other factories such as 'Fritjof Nansen' and 'Bucentaur'. But the ship seems to have been an unlucky one. Shortly after her arrival in 1912 she was sent with two catchers to whale off Madagascar, Capt. Jacobsen being manager. But catch was far below expectations, and she had a very low production. The amounts she cooked out of carcasses in the following years seem also to have been very modest. And finally she went on fire in 1916 with 11,000 barrels of oil and had to be towed out into the bay and sunk.

Another ship that came down in 1912 was the 'James Turpie'. She was an iron steamship built in 1881 and was provided to be a coal bunkering hulk. Turpie was used as this up to the early thirties, when coal-firing of the catchers gave way to oil. She sank at her moorings in the early forties. ^Her side plates can still be seen at Jericho at low tide.

The first Salvesen whaling factory was 'Neko', which came down for the 1911/12 season. The master was British, and the whaling manager Norwegian. This was Alex Lange, who had been Christensen's first manager on 'Admiralen'. Lange was after the first season succeeded by Arnt Skoptorp.

Unfortunately I have no note here of the catchers that opened the station in 1909/10. The next season they were 'Scapa', 'Silva', 'Sonja', and 'Semla'. 'Sonja' (that is old 'Sonja', not the catcher of the same name built in 1924) was still working as a catcher off the coast of Greenland until quite recently. She was a popular ship, as every whale she caught meant winter food and warmth for a large number of Eskimos, and there was a special song, "Sonja has whale", which was sung when she was successful. The early catchers were about 100 gross tons, less than a third of the size of our present standard Smith's Dock boat. In 1912 Ocean came out with two boats of 180 gross tons, which were considered to be well in advance of their time,/ /time, 'Karakatta' and 'Pagadroma'. You can still see 'Karakatta' on the slip at Husvik.

Salvesen tried various other activities at South Georgia in the first years besides whaling. They leased the mineral rights and sent down a geologist, Ferguson, in 1912 to survey the island. Ferguson was taken round the coast on a catcher and put ashore in the various harbours. On his return home he wrote a long report about the island's geology, which was published. Unfortunately he found neither gold, oil or coal, and the company had no joy of its lease. A number of sheep and goats were sent down. The intention was that they should be pastured round Strømness Bay, staying out all winter, and provide a permanent supply of fresh meat for our own and other stations. But this experiment was a failure, as have been all later plans to start sheep-farming on the island. Some reindeer also came down, but I do not think they have left any descendants. I believe that the herds round Cumberland Bay come from animals imported by C. A. Larsen.

A slip for hauling up catchers was built - it can be seen beside the boiler shop - and provided services for other companies as our drydock does now.

A good deal of transport was required to bring coal and empty drums south, and take full drums and sacks home. Here is a list of some of the ships used in the first ten years with their masters: 'Coronda' (Sinclair), 'Imbrehorne', 'Pentaur' (Mowat) 'Overdale'(Lawson), 'North Sands' (Bowman), 'Blenheim' (Potts), 'Ranleh' (Begg), 'Albuera' (Ridland), 'Cameron' (Smith).

There was some doubt at the beginning whether Leith Harbour was the most suitable site for the station, and the company went so far as to apply for a lease at Prince Olaf Harbour (or St. Olaf as it was then called) with the idea of transferring there. But the conditions required by the Government were unacceptable and the proposal was fortunately dropped.

Then came the war. There was great shortage of fats in U.K., and the price of oil rose steeply. Just after the war it reached as high as £90 per ton, a staggering price for that period. Whaling companies were urged to produce as much whale oil as possible. Accordingly the conditions of full utilisation of the whales were considerably relaxed. The bones on the beaches round the station probably date back to that time. All the companies were given permission to operate with extra catchers. Leith used 6 in 1915/16, plus three from 'Neko' when she returned from the South Shetlands. In 1917/18 there were 11 boats fishing from the station. Coal became expensive, and there were great difficulties in getting coal and drums south because of the shipping shortage. Guano production was also affected by the coal situation. 'Neko' continued to fish at South Shetlands up to 1916, but for the rest of the war, she seems to have stayed the whole season at Leith to help with the catch.

The result of this concentration of catching material was a series of very high production figures. Production for 1913/14 was 37,400 barrels, 1914/15 63,000, 1915/16 105,000, 1916/17 70,000 and 1917/18 94,000. None of the other stations came anything near these figures. They mostly continued to operate, but the non-British companies were probably handicapped considerably in getting down their coal and barrels.

I mentioned earlier that Southern Whaling's factory 'Restitution' was lost in late 1916. For the next two seasons the company leased Sandefjord Whaling Companies' station at Strømness and fished from there with their 'Southern' boats.

In 1916 Shackleton came down to Strømness station after crossing the island from King Haakon Bay. He and his companions had been shipwrecked on Elephant Island and had sailed from there to South Georgia in a lifeboat.

After the loss of Horatio in 1916 it was decided to build a new station at Leith. The original station consisted of factory and workshops at Jericho with the barracks extended round Coronda jetty. A. and C. may well be original barracks, and I understand that Vilen was the first villa. A new factory was now built beyond the barracks and catcher slip, i.e. where the factory is now placed. The new factory was called Jedderen (after the hard labour institution for criminals in South Norway). The name survived until recently in the old Jedderbrakke, which was converted into the new laboratory in 1954. Much of the equipment came from the old Falkland station. The arrangement was that the old factory continued to take mainly blubber, while the new factory dealt with the skrotts. When the end of the war came in sight, and it became clear that the station would have to go back to a more modest level of/ /of production, and that two factories were unnecessary, it was uncertain which one was to be preferred. But there was a serious fire on the old station in March 1918, whit^{OL} destroyed the blubber factory, and in 1920 an avalanche took away the guano factory. After that there was no choice but to concentrate activity on the new station and let the old one go. The powder store and general store remained at Jericho, and are there still. Some of the workshops were also kept there for a time. I believe that what is now no. 4 store was the old machine shop. Another avalanche came in 1929, taking away the smithy and foundry and killing the blacksmith and two of the foundry workers. The old sites were then finally abandoned and the shops moved to their present position.

Between 1918 and 1920 there was a lot of unrest on the stations. The trouble started with Pesca, but spread to all the other stations. The whalers wanted (as whalers often do) higher pay and bonus than in their contracts, better food and lower prices in the slopchest. They went on a series of strikes to get their demands accepted. Part of their discontent arose from war conditions. Proper food supplies were difficult to get from home, and prices were rocketing. This both raised slopchest prices and reduced the value of earnings. But another reason was that at that time it was almost impossible to get hold of Morwegian or British whalers, and the crew lists had to be filled with doubtful characters from the dock quarters at Buenos Aires. At one time it looked as if South Georgia would become the first bolshevik republic outside Russia, but a British warship turned up at the appropriate noment, and most of those concerned were shipped back to Buenos Aires where they nearly lynched the agent, who refused to pay out the money to which they thought they were entitled.

It is perhaps not surprising that there was occasionally some discontent. The story goes that about that time two Swedes came back to Tonsberg after a season at South Georgia and complained to the hiring agent that he had told them they were going to a land station in the tropics. He said that there must have been a misunderstanding, but that next time he would see that they got to Sunny Africa. So they signed on again - and found themselves once more at South Georgia.

At that time it was usual to ship Portuguese down to complete the station crew when the transports went into Cape Verde islands for bunkering. 'Overdale' took 40 men on her way south in 1918. This practice continued for a number of years, and after it had been stopped many Portuguese still found their way to South Georgia as stowaways. They were usually put into the coal gang, which was considered one of the worst jobs on the station.

From the end of the first war onwards it is not necessary to go into the same detail, as there are many whalers here whose memories stretch back well into the twenties. Catching continued from Leith Harbour each season. There were, as there are now, good years and bad years. Thus in 1924/25 the station reached 100,000 barrels, while in 1919/20 production was no more than 32,400 barrels. The station operated every season up to the second war except 1932/33, when it was brought in on a quota agreement, and its quota was transferred to Salvesen's floating factories. In 1941/42 the catchers were requisitioned for war service and sent to South Africa, and there was no fishing for the rest of the war.

The other stations were less fortunate. Only Grytviken operated continuously through the twenties and thirties. Ocean and Strømness amalgamated in 1921 in A/S Vestfold, managed by Rasmussen of Sandefjord, and operations were concentrated on the Strømness station. Fishing went on to the end of 1930/31, when the station was shut down owing to the world slump. A lot of new building was put into the station in the years before it closed, and it was considered a model of its kind. After 1931 Salvesen rented the floating dock for catcher repairs, and finally, in 1945, bought the station and dock. When the station closed, Salvesen took over the tanker and transport ship 'Peder Bogen' and ran her until the war, when she was lost.

Husvik stopped operations in 1930/31, but started again after the war.

Prince Olaf Harbour was also a casualty of the slump, and did not operate after 1930/31. Salvesen then bought the station together with the transport 'Southern King' which was re-named 'Saluta', and survived up to several seasons after the war.

Bryde and Dahl continued to fish from Godthul with a floating factory, mostly 'Thor I,' but stopped at the end of the twenties.

A word should be said about the Managers of that period. At Leith Harbour/

/Harbour there was the famous Leganger Hansen, Hjalmar Andersen at Husvik, Esbe sen at Grytviken, Sórli at Strómness and Abrahamsen at Prince Olaf Harbour. On one occasion one of the Southern Whaling office staff was sent down to learn about whaling at Prince Olaf. Abrahamsen refused to let him land, and he was only allowed ashore after he had sent a telegram back to head office, and they had wired back a direct order to the manager.

'Neko' went back to the South Shetlands after the war, and fished there up to season 1922/23. In 1923 she was wrecked at the entrance to Rio harbour on her way home after the season. The story goes that she was racing another of the company's ships and that the Master thought he knew a short cut. 'Sevilla' came out as a floating factory first in 1922/23, and 'Saragossa' joined her in 1925/26. Neither shiphad a stern slip. 'Sevilla' was later sold to a Norwegian company and 'Sourabaya' and 'Salvestria' were brought in. Both were converted passenger liners, and were fitted with a stern slip. During the so-called lay-up year, 1931/32, when only Salvesen and Unilever operated their floating factories, 'Saragossa' was lost by fire in the ice. The company then bought the newly converted factory 'New Sevilla', with the company that owned it, and old 'Sevilla' thus returned to finish her days as a transport. The factory 'Strombus' was bought in 1935 and used as an auxiliary factory and transport. All the floating factories were lost in the war, as were Unilever's 'Southern Empress' and 'Southern Princess' which Salvesen bought, with their catcher fleets, during the war. The company adopted the 'Southern' named for all their whaling new buildings after the war.

With the end of the second war, the building of 'Southern Venturer' and 'Southern Harvester', and the re-opening of Leith Harbour, we come into modern times that are fresh in the memory of most of us. So I will conclude with the hope that whaling can be continued in the south for fifty years in the future as it has for fifty years in the past.

TRANSCRIPT OF A TALK GIVEN BY MR. C. H. ELLIOT IN LEITH HARBOUR CINEMA 12.1.59.

TB

DECODE.

17 ELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Received : 5.5.66 Time Time: 1500 0900 Despatched: 4.5.66 NO 62 Colonial Office Saving 43 of 1966 Leith Harbour Whaling Station

Salvesens pressing for urgent repayment of 2400 (repeat 2400) and grateful early telegraphic reply to my Saving under reference which should reach you Muy 6th

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P/L : ER Early tocs. Intld. (H.L.B.)

Cl_ 152 3 hors letter it almos Certainly wrong. would You please for ACS to phone hose Balisick with a more Appropriate one Phoned Miss Battuck 100 No. 5)[4]64] [] la 6/1 -

D/4/50.III

153

7 May 1966

CS DI CT f.y.i.

Would you please refer to your letter FUT 54/57/015 of 146.147 in 10th December on whaling and South Georgia which I acknowledged on Vel.1 29th December.

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I should like to draw attention to some of the points which I feel need to be borne in mind during the next few months regarding whaling from South Georgia.

Blo in WR. I

You have on your files a copy of a lotter dated 27th October 1965 addressed to me by G.N. Elliot of Salvesens which gives an interesting picture of the position seen from his point of view. Not unnaturally he cannot be expected to be disinterested. Salvesens have during this century put a considerable amount of capital into their installations in South Georgia. The historical background is well presented in a record of a talk given by Elliot at Leith Marbour in 1959 on the occasion of the 50th anniversary of the establishment of Salvesens in South Georgia. I enclose a copy for the sake of interest.

You will remember from Elliot's letter of 27th October 1965 that he says "for the future, the whole question of Antarctic restriction is bound up with the division of pelagic catch in a new quota agreement. The present one finishes at the end of the 1965/66 season. This year's discussions ended in stalemate. The Russians have refused to talk about a new quota agreement unless the other countries agree to talk first about adjusting quotas under the present agreement.....it is not clear whether the Russians vill denounce the quota agreement for the current season. It hardly matters if they do so, since they very probably do not observe its provisions anyway".

Elliot goes on to say that when serious negotiations start for a new pelagic quota agreement, matters will be complicated by the need to bring in land stations and to set aside part of the total quota for them. He says that it seems reasonable that in a new quota agreement the United Kingdom should be allowed to get some benefit

/1 TOL.

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

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from her quota (only 5% of the current quota agreement) by selling it to other countries or by amalgamating it with the South Georgia quota. He says that there can be no reasonable objection to an aralgamation of the United Kingdom pelagic and land station quotas and thinks that the United Kingdom Government should do its utmost to get this and, indeed, believes that it will do so although opposed by the pelagic countries.

Elliot ends his letter: "If we get a fair quota for South Georgia in relation to the other land stations and in relation to the pelagic catch and if we can add to it by the transfer of the United Kingdom pelagic quota, the total should provide a useable catch ceiling for South Georgia within which at least one station should be able to continue in future and so preserve the United Kingdom interest in Antarotic whaling". There are two fairly big "ifs" in that last paragraph and at present I am ignorant of the stage which negotiations may have reached.

146 a in Vol. I

The letter dated 2nd December 1965 from Henshaw of the Ministry of Agriculture, Fisheries and Food, of which you cent we a copy, is pessimistic enough about the prospects of whaling from South Georgia. Equally depressing are the comprehensive reports sent to you by Henshaw and from the point of view purely of conservation one is naturally inclined to agree that there ought to be drastic reductions in catches if anything at all is to remain of the industry.

I do of course realise that our voice in these matters is a very small one and I suppose that the Russians and the Japanese will in fact do much as they please. On 18th April we had a Russian factory ship, the Sovietskaya Ukraina, anchored some four miles north of Pebble Island, off the north coast of the West Falkland, in order to refuel some of her whale catchers and on 20th April one of these catchers called in at New Island, the most westerly inhabited island of the Falklands. The Russians have of course been whaling in these waters for years. They seem to appear here rather late in the season. Last year the Sovietskaya Ukraina was at New Island on 22nd May.

It appears from the report by the Fisheries Division of It BAO dated May 1965 (TMC/SM/3), one of the papers sent with your letter of 10th December, that in 1964/65 at least it was in the western part of the South Atlantic that the greatest number of sei whales were caught. Sei whales are now receiving particular attention and if they are going to be caught anyway, whatever the international whaling agreement may say, then one is tempted to press the claims of South Georgia for a reasonable quota. The stock of sei whales is presumably being reduced very rapidly; indeed, the FAO report says that the exploitation of sei whales appears to be following the same unhappy trend as did that of blue and then fin whales though at a greatly increased rate.

/.....

The South Georgia quota last season, as you know, was 340 EWU and this quota was based on the results of the previous season's catch. Of course, to obtain the best possible quota for South Georgia one would like to base it on the average of the years 1958/61 when the two South Georgia stations were fully occupied for six months and employing a normal number of catchers. However, that is rather academic. What we can do is to try to hold out for a retention of the 340 BWU which was South Georgia's quota in 1965/66.

Both Japanese companies which have operated from South Georgia have tended to concentrate on the first part of the season (October to December) and then to send some or all of their catchers to join their pelagic fleets. It is in the second part of the season, from January to April, that the majority of sei whales are caught and it is these whales which are popular with the Japanese because of their comparatively high ratio of meat to oil and it is meat in which the Japanese appear to be principally interested.

It may be that the poor catches from South Georgia in 1965/66 will be quoted as a reason for reducing the South Georgia quota below 340 BMU. Against pressure for such a reduction, I think we should point out that in the 1965/66 season only one company operated from South Georgia; that was the Nippon Suisan Maisha based on Leith Harbour which was sub leased from the South Georgia Company Ltd (i.e. Salvesens). Catching started on 1st October and ended on 15th December although the company was entitled under the terms of its licence to continue until 51st March 1966. The catcher force consisted of 10 ships but only 6 of these were in action during the whole of the 24 months that M.S.K. operated from Leith; two catchers operated for two months only and the remaining two for only one month and 24 days.

This short period of operations meant that the Japanese left South Georgia before the sei whale season started in January. Presumably the Japanese went on to catch sei whales from their pelagic fleets and I suppose they found it more profitable to operate in this way; had they wished, they could have remained at South Georgia up to the end of March.

I have heard from the Administrative Officer in South Georgia that it has been reported on Oslo radio that Japanese companies do not in fact intend to operate from South Georgia during the coming season. Albion Star, the owners of the Grytviken station, are reported to be distantling some of their more expensive equipment with a view to removing it from Grytviken. We have no news of the intentions of Salvesen or N.S.K. at Leith.

I fear that there may be pressure to abolish the South Georgia quota altogether in the interest of a general reduction of the quota throughout the Antarctic and the South Atlantic. This I feel is something which should be resisted because once we have lost a quota we are unlikely to get it again. I think that we should make every effort to retain our existing small South Georgin quota, keeping our feet in the door just in case the world whaling outlook proves to be less depressing than the FAO scientists and others lead us to believe.

I are due to visit South Georgia in June and should like to go there armed with the latest information. In view of the infrequency of mails, a brief indication by telegram of the latest developments at your end would be welcome.

DECODE.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 6.5.66

Time: 0104 *Received*: 6.5.66

Time

No 63 Whaling.

You should have received Salvesens letter of April 28th. We intend claiming 9 per cent total catch agreed to at Whaling Commission Conference on June 27th but this may be difficult to maintain because Hervester has not whaled for 3 scasons. Total catch might be between 3000 to 4000 B W U. Explanation follows by next mail. Grateful your comment before pre conference meeting on June 22nd

Secer

Ace 161 + 162

GTC : ER

DECODE.

TELEGRAM.

From Administrative Officer, South Georgia

To Colonial Secretary, Stanley

Despatched :	3rd May,	19	66	Time :	1900
Received :	3rd May,	19	66	Time :	



<u>No 107</u> From the information received from Ryan and intention as given in my telegram 106 it appears unlikely grytviken will lease to another Company or operate themselves during the next whaling season

Adminoff

156 To See 153 pl. 9.5.66

GTC : ER (Intld H.L.B.) FST 426/57/02 Your Ref: D/4/64

Saving

Date

a

From the Secretary of State for the Colonies.

Saving

To the Officer Administering the Government of FALKLAND ISLANDS

E 5 1. .. 1968

41 No.

130 in Jol. 1 attached. What is a started in the second se

See, 54

Leith Harbour Mhaling Station

I enclose a copy of Chr. Salvesen letter of the 8th April 1966 requesting refund of the sum of £400. It would appear from the company's letter that the sum mentioned, which represents the amount due for Whalecatcher licences for the 1965/66 season, has been paid twice by Nippon Suisan Kaisha Ltd., and I should be grateful to learn what reply may be given to Chr. Salvesen & Co. Ltd.

SECER

TELEGRANS ... INLAND & FOREIGN, "SALVESEN, LEITH, TELEX" ... TELEX, LEITH 72222

CHR. SALVESEN & CO. LTD.

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

GRIMSBY

a

GLASGOW

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

YOUR REF.

GEH/MS Operations Dept.

8th April, 1966.

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

Dear Sirs,

Leith Harbour - Season 1965/66 Whalccatcher Licences

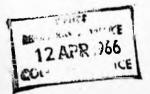


We refer to our letter of 19th August, 1965.

When we debited Nippon Guisan Kaisha Ltd. with the Administrative Officer's account for September, 1965 we were only aware of the total amount - i.e. £518. 2. 6d. However, we have now had it drawn to our attention by N.S.K. that of this total a payment for whaling licences for £400 was included, and, of course, we have had to reimburse N.S.K. for this amount. It would appear, therefore, that you had little success in implementing the last paragraph of our letter of 19th August!

We look forward to receiving from you a refund of £400.

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



DECODE.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched : 13.5.66 Time : 1915 Received : 14.5.66 Time 0900

151 Reply urgently required Colonial Office Telegram No 62. 64. Leith Harbour Whaling Station. Grateful early reply

Secer

Reply 159 16. A.,

P/L : ER

refumi os en order. Les

17.5-66

GOVERNMENT TELEGRAPH SERVICE

80

FALKLAND ISLANDS

P1676 P4416 8/64

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6TH 1965	/66 NSK L4	66 TR6603	L460 1 12A	ł

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY FOR TECHNICAL CO-OPERATION

Despatched: 17.5.66 Time: 1500 Received: Time: 151155No 67 Your 62 and 64. Leith Harbour.

Refund of four hundred pounds is in order.

Governor

1.6, 5.60

B1, 23/5/66 (rail)

P/L : ER

1601

GRIMSBY

287/291 CLEETHORPE ROAD

DATE

CHR. SALVESEN & CO. LTD.

IRECTORE & M. HARBER DOW M.B.E. G. M. ELLIGT E. C. VOUNGE (TECHNICAL) R. G. Weatherbiome P. F. B. Kittermarter Marty E. Beley

GLASGOW

G P.O. BOX 217 29 BERNARD STREET LEITH TELEPHONE

LEITH 4311 (14 LINES)

YOUR REF

OUR REF

GEH/MS Operations Dept. 13th April, 1966.

The Governor of the Falkland Islands, c/o The Colonial Office. Great Smith Street, London, S.W.1.

Dear Sir,

Company News

Up to now our annual Company News has been a fairly humble production and its distribution has been kept almost entirely within the Company. However, we have now decided to branch out by producing the News in magazine form and we enclose a copy of the first Edition which we hope you will find of interest.

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

Encl.

160

13th April 1966.

GILL/CLB

J. Graham, Esc., Ministry of Agriculture, Fisheries and Food, Whitehall Place, LUNDOF, S.W.1.

Dear Len,

Many thanks for your letter of jrd March, which I found on my return from Peru lest week. I am afreid that your proposals read to me like a prescription for a home-made suicide kit. I feel that you have argued yourself into the view that U.K. should accept a quote which would very quickly eliminate completely this country's interest in Antarctic whaling.

The negotiations this year will be directed towards dividing a total Antarctic catch among the interested nations, which will now include South Africa and possibly Chile. Although there has been up to now a distinction between floating factories, whose catch was regulated, and land stations, with no catch control, this will disappear for the future. This was the assumption underlying all last year's discussion on land stations, and was explicitly brought up by U.S.S.K., with some support from Norway, when she insisted that the Japanese catch from South Georgia should be brought into her pelagic quota. If land stations are now to be brought under the same unbrella as floating factories, U.K. has the strongest possible case for insisting that her land station and pelagic interests be consolidated and for refusing to accept a quota agreement unless she gets satisfaction on this point.

Of course it is to the interest of other countries to eliminate U.K. in order to leave more for themselves, and some of them might try to do this by claiming that pelagic and land station quotas should be separate. If we accepted this claim, which has no logical basis, we would be allowing the U.K. stake, which when consolidated could have considerable value, to be divided into two worthless fragments. The pelagic 5% by itself has / has no value since it is already too low for the economic operation of a floating factory, and the land station part might well prove equally unusable. To accept this would be tentemount to giving away our substantial interests in Antarctic whaling.

T. Smatter, Last.

This leads to the conclusion that pelagic and land station quotas will have to be dealt with in a single international negotiation. Luite spart from the special U.K. position, negotiations for these two categories are interdependent. It would be unacceptable if a quota sgreement was made by one group while the other failed to reach agreement and fished unrestricted, and this is quite likely to happen in the present position of pelagic negotiations.

As regards figures, I think that it would be a mistake to propose to calculate a mota for South Georgia on catch records of ten years ago. I do not think that any of the negotiating coartries would accept this as a proper basis. The initial negotiating position will surely be the catch ceilings imposed for 1965/66 on the agreed recommendation of the L.W.C. This starts us off with 340, plus 225 from SouthEEN HA VESTER, and lowes for scope for us to come down during negotiation. Within the U.S. total there might have to be an allocation of the S.S. figure plus a beith Harbour duote to Salvesen, and a Grytviken cupta to Albion, if they operated.

In remeral 1 feel that E.M.C. should be more cautious this year about assuming the traditional U.K. role of saviour of the whaling industry. Basically this is a problem for Hussia and Japan which they must work out between themselves. At present there appears to be no sign of a rapprochament, and since, as far as 1 know, no special meetings have been called before the I.W.C. meeting, there does not seem to be any great will to make an agreement. The South Georgia quota is a small part of the whole affair, and no doubt could be settled easily if the main conflicts in the Antarctic were solved. I would think that sli we can do is to put our case and them sit back, keeping roady to negotiate on it if it would contribute to an overall settlement. But if we start suggesting concessions on our own position at an early stage it will not help towards resolving the Hussian/Japanese conflict and we shall very quickly be left with nothing at all. The most likely outcome, which we should be prepared to accept, is a complete breakdown of the international talks. Then each country will presumably impose its own quota, an We must nope that the total will not exceed by too much the recoments of the scientists.

I/

J. Grahan, Lso.

13.4.66

I shall be in London on 21st and 22nd April, and will contact you before ther to try to errange a mosting to discuss the position.

Yours sincerely,

3.



MINISTRY OF AGRICULTURE, FISHERIES AND FOOD WHITHALL PLACE, LONDON S.W.I TILLPHONE: TRAFALGA 7711, 1X1, 128

21/5 Jek. 1 \$3/40

1100

Dear Berald,

I am afraid I have not seknowledged your letter of 31st January though have been turning over in my ring the problem of how to proceed at the next meet no of the heling Contission. In the meantime we have not do the enclosed table of figures which gives the stations, both in absolute for the and as a percentage of total catches, to see what would be the less line or us to argue on.

I am sorry that I am for from clear in my own mind about the best way of reconciling the various arguments which we might use, and so I am very much thinking aloud.

I assume that the object of the discussions will be to arrive at some entitiement for land stations expressed as a percentage of total match (land stations + pelagic) and that this percentage will be based on performance during a datum period.

The first point that the enclosed table brings out is that because of the steady decline in the land stations' share of the total catch, the earlier the datum period on which their quotas might be based the better for them. In the first 5 years of the 10 years covered by the table they average 16.2 per cent of the total catch as compared with 12 per cent for the second 5 years. And of course there are a variety of arguments one could use for choosing the first 5 years. One could say that they were more representative of the normal situation, and that land station results in the second 5 years were depressed by the failure of the relagic expeditions to cut down their catches to levels that were reasonable in view of the deteriorating stock position.

These considerations suggest that we might try to get the Commission to approach the problem in two stages:-

- Agreement should first be reached on the respective shares of land stations collectively and pelagic expeditions collectively.
- (2) When (1) was settled the land station countries would then agree on the division of their share of the total catch between themselves.

G. H. Elliot, Esc., Chr. Salvesen Co. Ltd., 29 Bernar. treet, LAITH. /On

On (1) we should argue in favour of the earlier datum period. It would clearly be all to the good if the land stations presented a united front. But here there is the difficulty that South Africa would be better off if the second 5 year period were adopted. We might get over this by privately assuring her that if the earlier period were adopted for settling the total land station share, we would make up to her at the expense of South Georgia what she would otherwise lose by the selection of the earlier datum period. This would only involve a reduction of South Georgia's quota from 7.6 per cent to 6.3 per cent and would still leave South Georgia better off than if the second 5 year period were chosen for all land stations.

I have not worked it out in detail but I should think that something along the above lines would be possible if we only had South Georgia to consider. This, however, brings me to the problem of the SOUTHEN HARVETTER. It is very difficult to combine the argument that land stations and pelagic expeditions should be put in two separate compartments as it were, with the argument that the notional entitlement of a pelagic expedition should be transferred to a land station. If we were going to chaim that this should be allowed we should have to do it right at the beginning of the discussions, which would mean that it would become impossible to discuss land station entitlement separately from pelagic entitlement, and the whole lot would be thrown into the melting pot. Bearing in mind the difficulty that even a handful of pelagic countries have in settling their differences I would see no hope of any agreement being reached.

If the pelagic countries took up the position that they were quite ready to agree that the HARVESTER should have its 5 per cent if it ever operated but not that its quota should be transperred to a land station when it was not operating, this might seem not unreasonable to most countries and certainly it would hardly seem to be a sufficient ground to allow us to prevent any agreement being reached. Looking at it from the point of view of the pelagic countries, what incentive have they to agree to the transfer of the HARVESTER quota since the addition of it to the land station quota would directly reduce the catine perilable to pelagic expeditions? In short, they lose, and gain solutely nothing by agreeing to the principle of transferability.

As far as I can see the only way we could offer anything to them would be to agree that if there was a suitable adjustment of the South Georgia quota we would undertake that it would be final, and that there would be no revival of our claim to a pelagic quota. But even this would only be attractive if the addition to the South Georgian quota were small, and substantially less than the quota which the SOUTHERN HARVESTER would have in its own right.

Thinking along these lines I think we should seriously consider proceeding as follows.

(1) We propose that land stations quotas should be based on performance during the 5 years 1954/58.

/(2)

- (2) If necessary to secure the agreement of the pelagic countries to (1), we should be prepared to liquidate all claims to a U.K. pelagic quota.
- (3) If we could get general agreement on this, and isolate South Africa we might not have to make any concession to her, but in the last resort we might have to consider giving her something extra at the expense of South Georgia.

You will see from the table that if we could get (1) accepted South Georgia would get a buota of 7.6 per cent as against 3.7 per cent on the second geer period, which would be very nearly as good as the addition of the SOUTHERN HARVESTER's notional 5 per cent (which I regard as not on the cards) to a datum based on the second 5 years.

I should be interested to have your comments on these ideas, or better still a talk if you happened to be in London.

Yours sincerely,

(J. GRAHAM)

15. Romine is now will and back in circulation

Catches of Boleen Whales by Polecic Exceditions and Land Stations

18 2 stan 1957/22

* 4 year average

Auge -	Felagio Season Lod Station Season	1954/55 1954	1955/56 1955	1956/57 1956	1957/58 1957	1958/59 1958	5 year Average	1959/60 1959	1960/61 1960	1961/62 1961	1962/63 1962	1963/64 1963	5 year averses	
1	Pelagic Satch Limit	15,500	15,000	14.,500	14,500	15,000	-	15,000	Suape	en d ed	15,000	10,000		
	Palagic Catch	15,324	14,874	14,745	14,850	15,300	15,019	15,512	16,433	15,252	11,306	8,447	13,390	
Î	Land Stations	2.994	2,921	2,91,5	2,747	2,901	2,902	2,511	2,458	2,332	1,267	539	1,625	
	Votel Gate"	10,310	17,3795	17,690	17,597	1c,201	17,920	16,023	18,891	17,584	12,593	8,966	15,215	
	iand Stations as 70 of State Catab	16.3	10.4	10,6	15.6	15.9	16.2	13.9	13.0	13.3	10.2	6.C	12.	- my
	3. Ceorgia	1,404	1,458	1,385	1.199	1.285	1.362	(817)	768	830	405	34!	564	hent
	or Total Catch	mu 1	8.2	7.8	6.5	7.1	7.6	4.5	4.1	4.7	3.2		3.7(42)	
1	Australia	816	738	796	784	725	772	677	512	593	292	27	140	
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ł	New Scaland	72	45	60	74	73	65	128	144	32	13	42.	61,	
-	W of Total Catch	C.L	0.2	0.3	Osly	0.4	0-4	0.7	0:8	0.2	0.1	0.1	0.1	
	Africa	290	293	343	528	591	409	716	633	554	415	406	545	
	of Total Catch	1.6	1.6	2.0	3.0	3.2	2.3	4.0	3.4	3.1	3.3	4.5		
	Drail	38	37	.39	19	22	31	52	141	170			3.6	
k	For Total Catch	2.2	0	0.2	0.1	0.1	0.2				131	64	112	
1	Chale	291	337	319	14.3		1 1	0.3	0.7	1.0	1.0	0.7	0.7	
	Sof Total Catoh	1.6	1.9	1.8	0.8	205	25.9	119 0.6	160 0.8	153 0.9	31	38	100	
	Peru	- 3	13	5			1 = 24		0.0		0.3	0.4	0.7	
	S of Total Catch		0.1	-		-	-		-		-		-	

160C

GHE/CLB

31st January 1966.

J. Graham, Esq., Ministry of Agriculture, Fisheries and Food, Whitehall Place, LONDOF, S.W.1.

Doar Isn,

Thank you for your letter of 15th January with Wall's very clear and concise report on the Tokyo Conference. With the discussions developing in the way they have done it will certainly be more difficult to insist on our U.K. 55 in a future quota agreement simply in order to sell it to one of the active pelagic countries. The hope was that Japan would support our claim in order to secure, by arreement and by purchise from us, the quots share she wanted, but she has not done this. If, as was suggested at the Tokyo meeting, the three pelagic countries decide to make an agreement without us there is nothing we can do about it, since a threat to whale outside the agreement is no longer accoromically realistic. A clause such as suggested in paragraph 7 providing for a review of the agreement if U.K. returns to pelagic whaling might be enough to safeguard our hypothetical rights.

In negotiations over South Georgia the U.K. position is much stronger, because we have specific interests to safeguard and can refuse to enter a quota agreement if we do not get fair treatment. We can argue that we must have our pelagic 55, not to sell but to amalgamate with our South Georgia quota. This is entirely logical. Since a 55 pelagic quota is too small for the operation of our pelagic expedition we must be allowed to consolidate it with the South Georgia quota to provide a single basis for U.K. operation in the Antarctic.

We should have to consider now this should figure out in blue-whele units. In the first instance our company would be concerned to a figure its lease at South Georgia with the Japanese, / Japanese, expiring after 66/67 season. They can demand revision of the lease if new government regulation restricts their catching. They did take only 195 units in 64/65 and 110 this year, but they were operating for only half the season. Next year they might well want to catch all season and might claim against us if less than 500 units was available. Further, the U.K. must ensure that its consolidated quota is enough for catch to continue from South Georgia even with a considerable further cut in quota. This suggests that a consolidated quota of, say, 400 units would be about right. But I should prefer not to put down definite figures until we get more information from this season and up-to-date predictions or stocks.

In conclusion here are some comments on the general negotiating position. The Norwegians have clearly strengthened their unholy alliance with the Russians. On the basis of their performance they should not get more than 20%, say twofifths of the Japanese quota, but the Russians are supporting them in claiming over 25%. The Russian arguments on Japanese catch from South Georgia and Chile have no validity though Norway has chosen to support them, and we must reject them completely. If they were logically applied they would rebound on Norway. The bulk of the catch of Horwegian floating factories this densor had been supplied by Japanese whale catchers and much of the meat processed on Japanese ships, so that a large proportion of the Norwegian quota is now as Japanese as South Georgia.

I suggest that when arrangements start to be made for new negotiations you get in touch with me to arrange a meeting.

I hope that Ronnie has not had too such trouble in hospital and will soon be back.

Yours sincerely,

2.

COPY

161A

FOR INFORMATION OF

FROM - CHR. SALVESEN & CO. LTD., LEITH.



GHE/CLB

28th April 1966.

21

H.E. The Governor of the Falkland Islands.

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

For attention of Mr A. St J. Sugg.

Dear Sir,

Whaling at South Georgia

I attach copies of my letters of 51st January and 13th April to the Ministry of Agriculture, Fisheries and Food, and their letter of 3rd March. I have since had discussions with the Fisheries Secretary, Mr Tame, and with Mr Graham on U.K. policy in the forthcoming negotiations. I have stressed that, if a quota has to be fixed for South Georgia, U.K. negotiators should make every effort to get 350 to 400 units and must in any case not go below 300 units. I have also emphasised the danger of U.K. getting into the position of making an agreement to which she is bound while other countries are fishing without restriction in pelagic whaling. I believe that the Fisheries Secretary has now accepted the policy suggested in my letter of 13th April and in the following discussions, and that he will follow it in the negotiations which will take place at the time of the meeting of the International Whaling Commission at the end of June. But we may have to ask for further backing from the Colonial Office.

I need hardly say how important it is for the British position in the Antarctic that whaling should be enabled to continue at South Georgia. If operations are forced to stop there, British interests in South Georgia, the Dependencies, and even the Falkland Islands would be considerably weakened. I see no reason why this should happen. We have a strong negotiating position and there is no reason to abandon it.

We are providing copies of this correspondence for H.E. The Governor / Convial Office, London.

FROM - CHR. SALVESEN & CO. LTD., LEITH.

2.

FOR INFORMATION OF

Governor of the Falkland Islands and would be grateful if you could forward them by the quickest possible means. But in view of the time taken by mails and of the importance of this question you may think it wise to brief him on the situation by telegraph.

Yours faithfully, For and on by fell of C. Superson & CO. LTD. DIRECTOR.

Enc.



SAVING

File No. FST 54/57/013.

From the Secretary of State for the Colonies

To the Officer Administering the Government of, FALKLAND ISLANDS.

Date 10 MAY 1965 Saving



15/6

154

My telegram No.63 of 6th May.

Whaling

1. Countries concerned with land stations will be meeting before the start of the International Whaling Commission Conference on 27th June to formulate proposals for regulating catch by land stations.

2. Catches by South Georgia in recent years expressed as percentage of total catch (pelagic plus land stations) are as follows:-

1959/60	4.3%	768 B.W.U.
1960/61	4.4%	830 "
1961/62	2.3%	405 "
1962/63	no whaling	
1963/64	3.8%	344 "
1964/65	4.2% (est.)	336 "

These figures suggest it would be difficult to sustain a claim for a quota of more than 4% on basis of the actual performance of the South Georgia land stations.

3. It may be possible to improve on this if we can negotiate the transfer to South Georgia of the U.K's residual interest in pelagic whaling as a result of return to U.K. ownership of the SOUTHERN HARVESTER. See correspondence between Salvesens and M.A.F.F. of which you have been sent copies. The quota attaching to the HARVESTER under the quota agreement which has now expired, was 5% of pelagic catch equivalent to between 4% and 5% of total catch, so that we could make an opening bid of say 9% altogether for South Georgia.

4. We propose therefore to take the following line at Whaling Commission.

- (a) Any new quota arrangements should allow the U.K. to consolidate its pelagic and land station quotas in the same way as pelagic countries can concentrate their quotas on a reduced number of expeditions.
- (b) We should seek for South Georgia a quota of not less than 8% (including the U.K's transferred pelagic entitlement).

/5.

Mal from 110



5. We cannot say what figure will be agreed to for the total catch or indeed if any agreement will be reached at all. We would, however, expect the figure to be between 3000 and 4000 B.W.U's but it could conceivably be higher or lower than this.

6. We foresee considerable difficulty in maintaining our claim to the pelagic entitlement involved in 4(b) considering that the HARVESTER has not been under the U.K. flag and has not whaled at all for the past three seasons. But in view of the differences so far irreconcilable between the claims of the pelagic countries we should hope to avoid a position where a failure to reach agreement could be blamed on our insistence on 8% for South Georgia. If this position did arise we should seek further instructions from Ministers.

7. We should be grateful if you would let us have your views before the 20th June please.

SECER

CS praction please IN 25/1-

DECODE.

SENT. TELEGRAM

From SECRETARY OF STATE to GOVERNOR

Despatched: 25/5/66

Time: 0940 Received: 25/5/66 Time a.m.

162

CONFIDENTIAL

S.C. 2 Whaling.

In connection with forthcoming IWC Conference (see Colonial Office Saving 49 of May 10th), grateful to learn total South Georgia catch for 1965/66 expressed in terms of Fin. Sei, etc. whales.

S/c & putup figures required 1/2.4.66

Reply 164

TELEGRAM SENT.

. . .

62

From SECRETARY OF STATE to GOVERNOR

Despatched : 24.5.66

Time : 1700

Received 25.5.66

Time 0900

N/C 68 My Savingram 49 Whaling.

Commission will also consider arrangement for Inspection of land station by Inspector from Countries other than countries operating station assume that you have no objection such an Inspector on South Georgia

Secer

Kelly 16B

GTC : ER

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 6.6.66 Time : 1600

Received :

Time:

162

Your telegram SG2 Whaling Fin 218 Sei 4 Sperm 17 No 76

total 239

Governor

Byphe - EB

TELEGRAM SENT.

OF STATE From GOVERNOR to SECRETARY FOROTECHNICAL COFORERATION

Despatched: 6/6/66 Time: p.m. Received:

Time

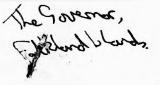
165

CONFIDENTIAL

S.G. 3

6 Your saving 49. Whaling.

I agree with your paragraph 4. My views already 153 expressed in letter of 6th May.





With the compliments of

A.St. J. Sugg Eq, C.M.G. 26 5 66

COLONIAL OFFICE GREAT SMITH STREET LONDON S. W. 1

Je Roly: D/4/64. 5. dy 6 Marg 1966. 153



MINISTRY OF AGRICULTURE, FISHERIES AND FOOD WHITEHALL PLACE, LONDON S.W.I TELEPHONE: TRAFALGAR 7711

25th May 1966

de

Your ref: FST 54/57/013

Dear Sugg,

(W) Thank you for your letter of 19th May.

I have read the Governor's letter with /\$3 great interest. It is very useful to have the detailed information he gives about the operations from South Georgia, and from his penultimate paragraph I deduce that he will be well satisfied with the line we are proposing to take in the Whaling Commission to protect South Georgian interests as best we can.

Yours sincerely, Add 9961 AVW92 (J.) A. St. J. Sugg, Eso., Colonial Office, Great Smith Street, S.W.1.

166 Y.E., 163 Acem to have been mostavit in the changeorn of CS: I presume these is no objection but we would work to know a) is this inspector is according to the provided by A.G. Raministration of b) at will be replace one of them, and) who will pay him. Our reply cauld encleade request for any information about possible Japanere operation this reason LG 167 10.6.61 1 agree with you. Please repry accordingly Any news re whating in coming Should be dignalled to me please. 10 15/6

1

DECODE.

163

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 22.6.66 Time: 1000 Received: Time:

No 81 Your telegram No 68 no objection but wish to know whether inspection is in addition to those provided by South Georgia dministration or whether he would replace one of them and who would pay him. Grateful for news of likelihood of Japanese operations South Georgia 1966/67

Governor

P/L : ER

Bu 12

CS. player but up with bit. Up 11/7 169/A TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 8/7/66 Time: 2200 Received: 9/7/66 Time

PRIORITY

RESTRICTED No.91. Whaling

Commission agreed to total pelagic catch of 3,500 BWU and to land stations taking same as 1964/65. Subject to your views intend informing Commission without delay that South Georgia catch will be limited to 340 BWU for 1966/67 season.

Japanese intentions for 1966/67 uncertain but Salvesens might 2. persuade NSK to continue operations. Can you tell us how you propose to allocate 340 BWU between Salvesens and Brandts.

3. Your telegram 81. Outside observer scheme unlikely to be implemented 66/67 season. Observers would be additional to present inspectors and paid for by participating governments.

July 1966

Thank you very much for your letter of 13th April, with which you kindly sent me a copy of the first edition of Salvesen News.

I found your magazine most interesting and I look forward to receiving future copies.

With the decline in whaling our thoughts in the Falkland Islands and South Georgia naturally turn towards the exploitation of deep sea fisheries in these waters. I wonder whether your Company, which has such a long connection with this part of the world, is likely to be interested in extending its activities in this direction?

L.M. Harper Gow Esq., M.B.E., Chr. Salvesen & Company Ltd., 29 Bernard Street, Leith, Scotland

C.S.

9342

The second copy of this letter is for an appropriate Fisheries file in the Secretariat.

7/7/66

Bu 12/7/66

TELEGRAM.

From Colonial Secretary, Stanley

To Administrative Officer, South Georgia

Despatched :	12th July,	19 66	<i>Time</i> : 1600
Received :		19	Time :

Whaling. International Commission agreed total pelagic No 138 catch 3500 BWW and to land stations taking same as 1964/65. Colonial Office are informing Commission that South Georgia catch will be limited to 340 repeat 340 BWU for 1966/67. Japanese intentions uncertain but Salvesen may persuade NSK to operate. Will keep you informed. Meanwhile grateful any indication renewed interest at either station at your end.

171

Ch 17

Secretary

GTC : ER

Reply 176

Fue 19/7/66

172

		- 1	12 1	4	
From	Salvesen, Leith, Edinbur	gh	12/	1	
То	Governor Port Stanley				
Despatched	: 11th July,	19	66	Time :	1650
Received :	12th July,	19	6 6	Time:	0900

TELECRAM AM

To assist NSK operational plans could you please confirm soonest that catch limit for South Georgia 1966/67 will be 340 units and minimum Leith Harbour catch limit 195. May also be of great importance to ask to know at early stage if full 340 units will be available to them. We shall revert later on this

Salvesen

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

Reply 175

TELEGRAM SENT.

Chin Kle

From GOVERNOR to SECRETARY EORODECHNICATOCOCOCORERODDOCK

Despatched 12/7/66 Time p.m. Received Time

RESTRICTED PRIORITY

No. 94 Youke 91.

Whaling. Agreed South Georgia catch should be 340 BWU 1966/67.

173

2. In South Georgia Brandts i.e. Albion Star, show no sign of preparing for whaling. If I could be sure that Brandts or their Japanese associates will not whale I would like to allocate 340 BWU to Salvesen on same terms as last season namely their acknowledgment that this does not prejudice allocation between operating companies in following season. Grateful you ascertain Brandts' intentions.

I intend high hir thegram thould be encyptured by Mits Bilhick. Before the doce to, have you any comments to make please? Use 12/7 You aherly have C.O. the 91. 00

Decode.

CS. We dotensed. 13/7 17+

TELEGRAM SENT.

From GOVERNOR to SECRETARY FORXICE CHARGE CONTREMATION

Despatched: 13/7/66 Time: p.m. Received: Time

RESTRICTED

No.95 Whaling

Further to my telegram 94 Salvesen has telegraphed pressing for 340 BWU for NSK. Grateful any news Brandsons intentions.

Reply or 178

DECODE.

TELEGRAM.

CS. be distanted UN 13/2

From GOVERNOR FALKLAND ISLANDS

To SALVESEN LEITH EDINBURGH

Despatched:	13/7/66	19	$Time: p_m$
Received :		19	Time :

172

Your telegram eleventh July. South Georgia catch limit expected to be 340 but not yet confirmed. Reply to your other queries follows.

PL: EB

KIU HE'S ME ON 175

TELEGRAM.

1 2/21/7

176

From Administrative Officer, South Georgia

To Colonial Secretary, Stanley

 Despatched :
 16th July,
 19
 66
 Time :
 1240

 Received :
 16th July,
 19
 66
 Time :

(7)

<u>No 164</u> Your telegram No 138. Only Company with representative here Albion Star and although Manager cabled Company about two weeks ago he has no information on this matter

Adminoff

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

TELEGRAM.

From Administrative Officer, South Georgia

To Colonial Secretary, Stanley

Despatched :	20th July,	19	6 6	Time :1745
Received :	20th July,	19	66	Time :

PRIORITY

Confidential 17/

Your telegram No 138 Whaling. Ryan intends joining <u>No 167</u> with Company BALLENERA DEL NORTE Lima operating from their station PAITA commencing January. Ryan supplying two of his "R" type Whale Catchers and later plant and equipment from Grytviken. He has informed Manager Grytviken that he intends shipping from Grytviken meat meal plant, meat extract plant, drier plant, freezer plant, all electronics and whale boat equipment. Brandt's may approach B.A.S. for shipping space for plants and equipment on Kista for discharge Montevideo on the other hand he may use one of their own ships for direct shipment to Peru. Brandt's have informed Manager Grytviken Japan still undecided on forthcoming season but will inform him of outcome soonest. No doubt Ryan will use Peruvian venture to exert pressure upon Japan but he may also be considering Japanese help in dismantling plant

* This is wear him Peruvian boden with Econdor

Adminoff

GTC : EB & ER X corrupt group

CS. From hAVS I would guess have by wiken will not operate with season. This as lear would kimplify on dealing with Salvesa las 22/7

1 am drapping a those difical to Seca Summarizing above.

TELEGRAM SENT.

OF STATE

Time

From GOVERNOR to SECRETARY FOR COECHING AND CONOPERATION

Despatched: 22/7/66 Time: p.m. Received:

RESTRICTED 98.

174 Your telegram 95. Whaling.

Administrative Officer South Georgia reports Brandtsons have informed manager Grytviken that Japanese still undecided. Meanwhile manager is preparing to ship much plant to Peru. Our chances of encouraging Salvesen and NSK to operate would be improved by knowledge that Brandtsons will not operate, therefore grateful you maintain pressure on latter.

la

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched : 20/7/66 Time : 1822 Received :21/7/66 Time a.m.

RESTRICTED

95

174 Your telegram 95. Whaling.

Brandts are consulting Japanese associates. Hope to advise you of their intentions within next week or two.

STANL

(A 27/7

5th July, 1966

806

INTERNATIONAL WHALING COMMISSION

EIGHTEENTH MEETING

PRESS NOTICE

The Eighteenth Meeting of the International Whaling 1. Commission was held in Church House, Great Smith Street. London, S.W.1. from 27th June to 1st July 1966 under the Chairmanship of Mr. M. N. Sukhoruchenko (U.S.S.R.), There were present Commissioners and Delegates of Contracting Governments from Argentina, Australia, Canada, Denmark, France, Iceland, Japan, The Netherlands, New Zealand, Norway, South Africa, United Kingdom, United States of America and the Union of Soviet Socialist Republics. Observers also attended from Chile, Portugal, Peru, the Food and Agriculture Organisation of the United Nations, The International Council for the Exploration of the Sea. The International Union for the Conservation of Nature and Natural Resources, World Wildlife Fund, the Fauna Preservation Society, and The International Society for the Protection of Animals. The Opening Session was addressed by the Joint Parlia-2.

mentary Secretary to the Ministry of Agriculture, Fisheries and Food, Mr. J. H. Hoy. Mr. Hoy said that in the course • of three years the Commission had reduced the Antarctic pelagic catch limit more than threefold and had accepted the need for further reductions in the next two seasons which would ensure that the 1967/68 catch would be below the scientifically assessed maximum sustainable yields of the fin and sei whale stocks. Thus after many years the Commission was now in sight of the objective of the 1946 Convention. There were still many problems but the actions taken in the last few years encouraged him to believe that members of the Commission would not lack the resolution to deal with them.

1.

3. Ten expeditions (5 Japanese, 3 Soviet and 2 Norwegian) operated in the Antarctic in the 1965/66 season and caught a total of 1 blue whale, 2,318 fin whales, 1 humpback whale, and 17,583 sei whales amounting to a total of 4,091 blue whale units (1 blue whale equals 2 fin, $2\frac{1}{2}$ humpback or 6 sei whales). In addition these expeditions caught 4,538 sperm whales in the Antarctic. In the previous season there were 15 expeditions (7 Japanese, 4 Soviet and 4 Norwegian) which caught a total of 20 blue whales, 7,308 fin whales and 19,874 sei whales amounting to <u>6,986</u> blue whale units in all and also 4,211 sperm whales. The total production of baleen and sperm oil from the 1965/66 Antarctic pelagic season amounted to 678,708 barrels (1 barrel = approximately onesixth of a ton); this compared with 1,017,611 barrels from the 1964/65 catch.

One land station at South Georgia was operated in 1965/ 4. 66 catching a total of 239 whales (218 fin, 4 sei and 17 sperm) yielding 9,964 barrels of oil. These figures compare with a total of 1,150 whales taken from the two South Georgia land stations in 1964/65 from which were produced 45,805 barrels of oil. Outside the Antarctic 26 land stations and 7 factory ships operated in 1965 and a total of 29,736 whales were taken (593 blue, 4,506 fin, 452 humpback, 4,924 sei, 18,964 sperm and 297 other species). In addition the Antarctic pelagic expeditions caught 2,219 sperm whales on their way to and from the Antarctic bringing the total catch outside Antarctic waters to 31,955 whales. Total oil production was 929.194 barrels. Comparable figures for 1964 were 33,059 whales (including 4,316 sperm taken by Antarctic pelagic expeditions north of 40° South Latitude) and 887,722 barrels of oil.

5. The Commission decided that the pelagic catch limit for the 1966/67 Antarctic season should be reduced from 4,500 to

2.

3,500 blue whale units and confirmed the decision taken last year that the total catch for 1967/68 should be less than the combined sustainable yields of the fin and sei whale stocks as determined on the basis of more precise scientific evidence. Countries with land stations in the Southern Hemisphere were invited to continue the restrictions which they adopted voluntarily at last year's meeting of the Commission.

6. It was decided to extend the ban on the killing of humpback whales in the North Pacific for a further year to cover the 1967 season, and to extend to the whole of the Southern Hemisphere the existing ban on the killing of the blue whales in the Antarctic. This completes the protection of blue and humpback whales in all seas.

The International Observer Scheme was discussed. This 7. Scheme provided for inspectors of one nation to travel on board factory ships of another. The Scheme was embodied in an agreement between the pelagic whaling countries which has now expired, without being implemented. The Commission agreed that an international observer scheme covering both factory ships and land stations should be implemented as soon as possible and agreed to set up a working group to draft such a scheme. In the meantime it recommended the pelagic whaling countries to implement the scheme immediately. It was reported to the Commission that the Commissioners 8.

of Japan, Norway, the Union of Soviet Socialist Republics and the United Kingdom met to discuss proposals for the allocation of national quotas, which are outside the Commission's powers. As they did not reach agreement before the end of the meeting, the discussions are shortly to be resumed in Tokyo.

9. The Commission expressed concern at the numbers of whales being caught by land stations situated in non-member countries.

3.

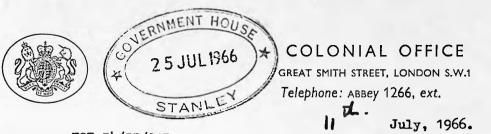
The Commission decided to get in touch with these countries about the adoption of measures to secure the better protection of the stocks, particularly of blue and humpback whales. In the North Pacific the Commission decided that there 10. was no need for further regulation of the sei and sperm whale stocks, as these whales were not overfished at present. It was agreed that scientific assessment of the fin whale stocks in this area should continue with a view to bringing the catch below the sustainable yield by 1969. 11. During the past year extensive assessment work had been carried out on baleen whale stocks by a Joint F.A.O./I.W.C. Working Group of Scientists. The Commission approved a recommendation to continue this work in the coming year and to extend it to cover sperm whale stocks. It recommended that the governments actively engaged in whaling should make increased financial contributions to cover the cost of this

12. The Commission elected Mr. W. C. Tame (U.K.) as Chairman and Mr. Fujita (Japan) as Vice-Chairman for the next three years.

work.

Office of the International Whaling Commission, Whitehall Place (East), London, S.W.1.

4.



Our reference: FST 54/57/013. Your reference:

Den line borno.

I am taking the opportunity of a mail to enclose a copy of a letter I have just received from the Ministry of Agriculture and Fisheries giving the background to our telegram to you about the South Georgia whaling quota and a copy of a press notice issued on the Whaling Commission Conference.

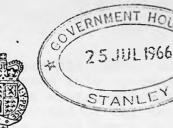
2. Brandt's are not at present committing themselves about their whaling operations this year, they want to know what their quota is likely to be before they make a decision. We understand that the Japanese are losing interest in whaling from South Georgia which they regard as uneconomic. We have, in fact, just been told by Salvesens that N.S.K. have said that they will not operate unless they can get the whole of the South Georgia quota of 340.

3. I do not know what factors you take into account in determining the allocation of the quota between the two firms. I assume you feel bound to make some division between them although this may well result in **the** whaling taking place unless the firms themselves come to some agreement.

(A. St.J. Sugg)

Cs. Please to with file so with reply. Us 27/7

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



MINISTRY OF AGRICULTURE, FISHERIES AND FOOD Whitehall Place, LONDON S.W.I Telegrams: Agrififood London Telex Telephone: TRAfalgar 7711

Please address any reply to THE SECRETARY and quote: FGB.24505 Your reference:

7th July 1966

1800

Dear Ma. Sugg,

In Graham's absence I undertook to let you know the outcome of last week's discussions in the International Whaling Commission on those matters which are of particular interest to the Governor of the Falkland Islands.

I enclose two copies of the Press Notice which was issued at the end of the Commission's meeting. You will see from this that the pelagic catch limit for the 1966/67 Antarctic season has been fixed at 3,500 blue whale units but that no specific quota arrangements have been introduced for land stations. Countries responsible for land stations have been asked, however, to continue the restrictions which they applied voluntarily last year. We intend therefore, subject to any views which your department may wish to express on behalf of the Governor of the Falkland Islands, to inform the International Whaling Commission without delay that the United Kingdom will take steps which should ensure that the catch of baleen whales at the land stations at South Georgia for the 1966/67 season does not exceed that in the 1964/65 Antarctic season. This will mean in practice that the catch should be limited to 340 blue whale units, i.e. the rounded figure which was agreed with the Governor last autumn (the actual 1964/65 catch was 335 B.W.U.). As a matter of interest, the U.S.S.R. proposed in the course of the discussions that the global 1966/67 catch limit for the Antarctic should be 2,800 blue whale units including not more than 300 units for land stations in the Antarctic. We supported this proposal at the time it was made, when it was uncertain how land stations would fare under the original Norwegian proposal for a pelagic catch limit of 3,500 units, but in the event it was defeated.

In agreeing to deal with land stations in this way the Commission has accepted the advice of the Special Group of member countries concerned with land stations in the Southern Hemisphere which was set up at the 17th Meeting to elaborate suggestions to bring into order the catching of whales at those land stations. Briefly, in its report to the Commission

/this..

A. St. J. Sugg, Esq., C.M.G., Colonial Office, Church House, Gt. Smith Street, London S.W.1.

this Group had agreed that catches of land stations would have to be taken into account in bringing the Antarctic whale catch below the sustainable yield but had noted that the Commission was prevented by the terms of the Convention from fixing a specific quota for a group of land stations. The alterna The alternatives available therefore were either to fix a combined catch limit for pelagic expeditions and land stations which should be divided amongst themselves by the countries concerned or to seek the voluntary agreement of the countries operating from land stations to a restriction of their catch and to take this into account when fixing the pelagic catch limit. The Group rejected the first alternative as being impracticable in view of the difficulties which pelagic whaling countries had experienced in dividing the pelagic catch and recommended the second, noting that South Africa and the United Kingdom were the only members of the Commission operating from land stations taking baleen whales in the Southern Hemisphere. The Group considered that it might be sufficient to continue the existing voluntary limitations but thought this would have to be examined further in the light of the scientific evidence and the Commission's views on the total catch of baleen whales and the It was upon the recommendation of this pelagic catch limit. Group also that the Commission agreed to get in touch with nonmembers Chile and Peru (whose catches from land stations, particularly of blue and humpback whales, had shown considerable increase) about the adoption of protective measures.

Allocation of national quotas of the total authorised annual catch was discussed by the pelagic whaling countries in the week prior to the Commission's meeting and in intervals during the meeting itself but no agreement was reached and it was eventually decided to hold further talks in Tokyo later this year in the hope of reaching a conclusion. During these discussions we deployed the arguments supporting our case that the United Kingdom should be permitted to consolidate its pelagic and land station quotas. As had been foreseen these were not very sympathetically received, in view of the inactivity of the SOUTHERN HARVESTER, but they were not closely examined and it was eventually agreed that, with the United Kingdom reserving her position as regards her claim to a pelagic entitlement, discussion of the division of the total catch should be confined to the three countries actually engaged in pelagic whaling.

Little progress was made with the implementation of the International Observer Scheme. Although the matter was on their agenda the pelagic whaling countries hardly mentioned it in their discussions and the Special Group on Land Stations, which had been asked to consider the possibility of applying a scheme to land stations, had merely expressed willingness in principle to co-operate in the International Observer Scheme but had declined to make any specific proposals in the absence of information about the future of the Scheme generally. When the matter was discussed in the Commission some countries, notably Norway, saw practical difficulties in extending a system to cover land stations but it was eventually agreed that a scheme covering both factory ships and land stations should be implemented as soon as possible and that a working group should be set up to draft it. It was also agreed that in the meantime the pelagic whaling

/countries..

A. St. J. Sugg, Esc., C.N.G., (continuation)

countries should be urged to implement the Scheme which, although agreed never came into operation and expired at the end of the 1965/66 season.

As regards telegram No. 81 from the Governor of the Falkland Islands, therefore, the question there about inspectors is academic so far as the 1966/67 season is concerned and it is impossible to give a precise answer because the details of a scheme have yet to be settled by the working group set up by the Commission. You could say, however, that the observers operating under a scheme would be additional to the inspectors now provided by the South Georgia administration. As to the cost of observors, this would be shared in some equitable way between the governments The latter would probably be defined as those concerned. governments having jurisdiction over the land station involved (as distinct from those whose nationals happen to be operating stations under some arrangement, e.g. the Japanese lease in South Georgia) but this point has yet to be discussed.

We hope you will feel that the outcome of the meeting is satisfactory so far as the catch limit for the South Georgia station is concerned. In the event the position seems to be rather better than it would have been had circumstances enabled us to follow the agreed line and seek an 8% quota.

Yours sincerely,

(F. H. GOODWIN)

CS plass note

30 July 1966

181

Thank you for your letter FST 54/57/013 of 11th July on the subject of whaling.

I am grateful to you for sending me a copy of Goodwin's informative letter from the Ministry of Agriculture, Fisherics and Food dated 7th July and for the press notice of 5th July enclosed with it.

You ask what factors we take into account in determining the allocation of the South Georgia quota between Leith Harbour and Grytviken. The answer is that we have so far not been forced into a position of dividing the quota because when both whaling stations were operative there was no quota.

340 BWU is insufficient for two whaling stations and that is why you will have seen from my recent telegrams that I am anxious that the whole quota should be allocated to one firm. Since Salvesens appear at present to be the more active of the two firms, I hope that it will be possible to allocate 340 BWU to Leith Harbour.

If we were really forced into the position of making a division, we could either allocate 170 BMU to each, or 195 BMU to Leith and 145 BMU to Grytviken. The figure of 195 is the Leith Harbour catch in the season 1964/65 and my preference for Leith would be because they at least operated last season, whereas Grytviken did not operate at all.

However, the theoretical divisions mentioned in the above paragraph would satisfy nobody and I think the short answer is that any expectation that two stations could operate at South Georgia is unrealistic.

MA

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

180

Bu upplito (179)

TELEGRAM SENT.

04 9,

From GOVERNOR to SECRETARY FOR TECHNICAL CO-OPERATION

Despatched : 9/8/66

Time: a.m. Received: Shundi in G5 Time

152

RESTRICTED

No. 109 SG 8

Your telegram 98. Whaling.

Grateful news Brandtsons and Salvesens intentions. So far I have not attempted recruit whaling inspector.

51 31.8-66

Decode.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 15/8/65 Time: 2822 Received: 26/9/66 Time: 2.5.19 Received: 26/9/66 Time: 2.5.2

187

105

182 Tour S.G.S. Thaling.

Boundt's say still have no firm decision from Japanese. To understand NCK are negotiating termination agreement with Salvesen's question of part or whole quote not affecting decision.

Cs. I faking from hirs hire in whole maken is in a state of morpulat animation.

14 16/8

TELEGRAM.

From Salvesen Leith Edinhurch

Governor Falkland Islands T_{0}

Despatched :	18th	August,	<i>19</i> 66	Time :	1628
Received :	19th	August,	19 66	Time :	0900

Regret that NSK have now informed us they do not intend operate Leith Harbour coming season. Too late now for us to make other operational arrangements for 1966/67 but we are investigating possibilities of operation for 1967

Salvesen

CS. Please pass verbation to SE

Intld. H.J. B.

P/I. : AA

173



No 152 Following them Selvesen begins reprot that MSI have now informed us they do not intend operate Loith Humbour coming season stop Ree late new for us to make other operational errangements for 1966/67 but we are investigating possibilities of operation for 1967 ands

Secrebury

TELEGRAM SENT.

Lee, 88

Bu 14/9/66

From GOVERNOR to SECRETARY OF STATE

Despatched : 25.8.66 Time : Received : Time :

No SGll Your telegram 95. Salvesens report NSK will not operate Leith this season. Grateful any news Brandtsons

Governor

P/L : ER

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 9/9/66 Time: 2130 Received: 10/1/66 Time: a.m.

PRIORITY RESTRICTED

S.G. 6.

185

Your telegram S.G. 11, Whaling.

Am informed by M.A.F.F. that Brandts will not repeat not operate this season from South Georgia.

CYPHER "E": EB

Lee 188.

64 186

		FALKLAND ISLANDS		1
576 P4416 8/64		SENT		
Number	Office of Origin	Words	Handed in at	Date
	Stanley			12.9.6
etat ADMIN				SGA/

No 159 Brandts not operating 1966/67 recruitment whaling inspectors cancelled

Secretary

Jaena	nd halando
Please	ref. 10 C. C. Jele. no. 566 of 9/9/66.
	Bab ref. to your tele
*	2333 SG.12.
	List ind

With the compliments of

C. C. Ref :

THE UNDER-SECRETARY OF STATE

FOR THE COLONIES

57/013

Commenceertth Cotonial OFFICE

GREAT SMITH STREET, LONDON S W 1

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

> ALSO MIDLANDS OFFICE: Newster House, 11 Newhall Street, Birmingham 2 Telephone: (021) Central 2981

88

12th September, 1966.

The Secretary, Ministry of Agriculture, Fisheries & Food, Whitehall Place, London, S.W.1.

Your ref: FGB 24505

Dear Sirs,

29-66/68 416

We thank you for your letters of the 13th July and 6th September regarding next season's whaling operations at South Georgia.

: 200a 1%

P1956

As advised Mr. F.H. Goodwin verbally we have taken this matter up with our Principals, Messrs. Albion Star (South Georgia) Ltd., and we have now been advised by them that in view of the limitations being placed on the South Georgia catch they cannot see their way to operate at Grytviken, South Georgia, during the coming season, which is a decision they have arrived at with much regret.

We shall be glad, therefore, if you will advise the Govenor of the Falkland Islands accordingly.

Ve, remain, dear Sirs, Yours truly, For and on behalf of WM. BrANDT'S SONS & CO. LTD.

Director

RESTRICTED

File No. FST 54/57/013.

Saving

C

From the Secretary of State for the Colonies.

To the Officer Administering the Government of FALKLAND ISLANDS

Date 2.3 SEP 1950 4 1 6 00T 1966 No. 94 Saving ANU ISLAND

Tokyo Whaling Quota Talks

Enclosed is a copy of a cabled report from our Embassy in Tokyo about the recent talks that were held there. It is hoped to send you a copy of a full report on these talks in due course.

SECER

Please have a Lopy of 189 + 189 a sent to AO BG for information by Pheceleton int monto. Us u/11/66

Mail from 188.

Cs.

Copies of 159 + 1899 Sent to AD S.G.

RESTRICTED

- CYPHER/OTP From TOYKO to M.A.A.F. From Sir F. Rundall

5th September, 1966

1

LE TOP TEY

Following from wall for Tame.

Welling talks on national quotas have resulted in agreement between delegations of Japan, the doviet Union and Horway, subject to the approval of Gevern cuts now being sought, to share global quota of 3,508 blue-shale units for 1906/07 as to 1,031 for Japan, 1,007 for J viet Union and 800 for Horway. Not get decided whither to limit agreement to 1966/7 or whether to make it in form of two-year agreement. The same figures to a ply if the Commission sets the global quota at 3,500 units and the parties to meet next year to reconcider the figures if the global quota's ould be set at a lower figure. Intelation is to make tread stationent on Tuesday and sign agreement on Thursday. The three delegations have full powers for signature.

The above figures represent encentages of ASS. 30 and 25%, it there will not appear and Norway will expressly strie, probably in a written communication, that accentance of SCO units is althout rejudice to her claim for 263% of any plebal quota lower than 3,500. Jopan and the coviet Union may similarly reitorate their claim for 25% and 33% in such circumstances.

3. There are the U.K. josition clear so for informally and propose it the of similative at intest to and following statement for the record and then committee it by letter to helds of other three delegations. thends of physicitiens or approval at evilient.

The head of the U.S. collegation to the takes in Torko no: could add interemption of the Govern Introduct with the outtion of Antarctic palacic chaling fleets, I am instructed to the following communication. The F.K. over sent considers itself of filed to share, in respect of the whaling factory solp under its the the global mote prescribed by the International Whaling for the mission of Antarctic relatic whaling, and refrainsfrom doing so for the mission of Antarctic relatic whaling, and refrainsfrom doing so for the mission of Antarctic relatic whaling, and refrainsfrom doing so for the mission of Antarctic relatic whaling, and refrainsfrom the issues the finite fliggement now encoded into between the for mission of Antarctic relative level of the plobal quota, to each the factory ship in question to overste at an economic level of catch.

At the local tile there is a continuing fulted Hingdom interest in Antable challing from established land stations in <u>cost morgin</u>. By Jovern and incorports we to state in this regard that it considers that the foregoing of its pelaric entitlement should be fully taken into use at in the determination of the quote entitlement of the both Georgia land at those if, at a time when the United Lingdom is not particle ting in Antarotic relation wholing, the International Theling Combined clobel quota for Antarotic pelagic wholing and land stations taken whether. My Government trusts there will be full uncerstanding of its viewbolkt in this latter. I as addressing combinations in the there is no the Hends of the Delegations of the truth and the Hends in

My divit 1 ther preaks of the imposing of land station quotes by the Consistent and does not cover the present regime of volutary restrictions. I would not be understood here if we were to increase our voluntary dusta above 356 units with the present peragio catch list stending et 1,00 units and likely to go higher.

the agreement will provide for termination if a nonsignatory, being party to the convention, should engage in An estic pelagic shaling. Will take raph full text them available.

Flease pres copy to General Dect., Foreign Office.

DECODE.

TELEGRAM.

From Crown London S.W.l.

To Colonial Secretary, Stanley

Despatched :	21st October,	19	66	Time :	13 1 5
Received :	21st October,	19	66	Time :	1445

Received 10/- a fee for closing register whale catcher R7 on behalf of Messrs. Albion Star

Crown

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

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 2.11.666 Time: 1928 Received: 3.11.66 Time: 0900

No 180 Letter from Salvesens states that since NSK have decided not (repeat not) operate from South Georgia in 1966/67 they trust you will excuse them from obligations which fall upon them under terms of clause 1 (repeat clause 1) and subclauses 4(b), 4(c), 4(d), and 4(e) repeat 4(b), 4(c), 4(d), and 4(e) of schedule to lease dated 1st October 1951. Grateful learn what reply may be given to Company

Secer

Please see forio II in DI 6158/c and also copy of a lease at back cour

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

Replaing

CS. 1 april with your conclusion. However, before rephying to • 1E., hondon, plasse telegraph 191 plus you conclusion to AO. So for any comment he may with to make. He should be (191) 191 firm his opportunity. Chause 1. refers to the annual 4/11 Payment of 21000 Acheante H(b) requires company to employ a manager the week he responsible for The management of the land static and for the due observance of scholary laws and condition of the leave 4 (c) requires company to take meleorological observation 4 (a) requires the company in the event of an emergency to accent worker reasonable measure any ship requiring repain rupation fine a provincion

In the committeness it somes he fulle to ensuit on the fulfilment of Mederauce nebelainer H b, e rd, but the question of blann 1 is another matter. The annual payment of £1000 is not concidenal on these being an actor whaining set up at hand Georgie, it is to enable • an action whereas the operate. The occupation of the land, whether or not relating is conducted, must be of value to Natures, and the blunt truth of the matter is that if Actioner, are allowed any reduction the I senal, advin Hong that their great is Increased by the amount of the reduction . My win in that Saturn shows he excured from obligation of the Aclance that not from the fee that give them the night to occupation of the land. The payment, a nn-payment, of the free phones he related to whether or not the leave continues. L.G. 4/11/66

GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

SENT

Number	Office of Origin	Words	Handed in at	Date
	Stanley			/ e 22000
То				
ett	rt adminopp zez			SGA/c

No 191 Salvesens request that since NOK have decided not operate from South Georgia in 1966/67 they may be encoused from obligations under terms of lease dated lat October 1951 clause 1 and subclauses 4(b) 4(c) 4(d) 4(c) of schedule stop My opinion is that they should be encoused from obligations under the schedule but fee should be paid so long as loose and consequently right to occupy the land continues stop Grateful your company

Secretary

Ray 196

TR

THE FOLLOWING REFERENCE AND THE DATE OF THIS LETTER SHOULD BE QUOTED IN COMMUNICATIONS.

CROWN AGENTS

FOR OVERSEA GOVERNMENTS AND ADMINISTRATIONS

4, MILLBANK, LONDON, S.W. J.

R/FALKLAND IS. 2373,02375 & 19/3. Telegrams: "Crown, London-S 2 NOV 1966 Telephone: Abbey 7730 Telex No. 24209

12th October 1966

Dear Sir,

We are pleased to report that Chr. Salvesen & Co. Ltd. have made payment of £1,050, which sum was credited to the South Georgia account held in this office on the 29th September 1966. This is in respect of the annual rent payable in advance on 1st October 1966 for the whaling stations at:-

> Leith Harbour £ 250 Stromness Whaling Station 750 Prince Olaf Harbour 50

> > Yours faithfully,

Wahard J. Price

M. J. Price for the Crown Agents.

Taxee

The Colonial Secretary, PORT STANLEY, Falkland Islands.

GOVERNMENT TELEGRAPH SERVICE

1-15

5/1/2/16

FALKLAND ISLANDS

P1676 P4416 8/64

	Number	Office of Origin	Words	Handed in at	Date
		Stalloy			4.11.66
То	etat ADT.	10177 STM			SGA/o

No 290 Grown Aganas report receipt of ten shillings from Albion Star fee for clesing register shale entster 27

Secoptary



DECODE.

TELEGRAM.

From Administrative Officer, South Georgia

To Colonial	Secretary,	Stanley
-------------	------------	---------

Despatched :	8th November,	19	66	Time :	1800
Received :	9th November,	19	66	Time :	0900

193

No_221 Your telegram No 191 Salvesens lease. Agree clause 1 and subclauses 4(b) 4(c) 4(d) 4(e) of schedule should be waived. Also agree annual rent should be paid as long as lease and request to occupy land continues. Albion Star are treated in same way in respect of Grytviken and Husvik

Adminoff

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

Lor contrain

1916

DECODE.

TELEGRAM.

From /dministrative Officer, South Georgia

To Colonial Secretary, Stanley

Despatched :	8th November,	<i>19</i> 66	Time :	1800
Received :	9th November,	<i>19</i> 66	Time :	0900

No 222 For your information following cable received

"Coleman Administrative Officer South Georgia regret various circumstances obliged us to cancel South Georgia operation. Your past co-operation appreciated. Best wishes. Osoegawa" Osoegawa is Manager NSK whaling Department Tokyo

Adminoff

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



Colonial Secretary,

From:

66.

10th November

To: The Administrative Officer,

SOUTH GEORGIA.

Whaling Quota.

The attached correspondence is self-explanatory.

(Sgd.) M.H.I. Thompson. - COLONIAL SECRETARY

1/1V 197 with 191

TB

DECODE.

TELEGRAM SENT.

191

From GOVERNOR to SECRETARY OF STATE

Despatched : 11.11.66 Time : 14.30 Received : Time

No 164 Salvesens Lease South Georgie. Your telegram No 180. Agree subclauses 4(b) 4(c) 4(d) 4(e) of schedule be waived when station not operating but cannot agree to waivure of annual rent which should be paid as long as lease continues. This payment not conditional on active whaling. Point out that non payment will increase grant-in-aid

Governor

P/L : ER

overnor, ford li With the complements NOV 1966 A. St. 5. 8/1 COMMONWEALTH OFFICE Great Smith Street, London, S.W.1 : Our Saving 94 / 23/9/66

(13)3/12/50)

1. 162,

20

Lugation of Jupan

-

Scotonboy 1966

Is the Head of the United Mingdom Delogation to the talks In To yo now concluded between representatives of the Governments included with the operation of ant retic polagic shaling fleets, in instructed to make the following communication.

The United Kinglow Government considers itself entitled to have, in respect of the wholing factory ship under its flag, in the clobal quote prescribed by the International Turking Consistent or interactic gelagic wholing, and revains from doing so for the posted covered by the Arvan ement now entered into between the Governments of Japan, Korwy and the Soviet Union only because the shale which the United Kingdom could properly claim would be too small, at the current and prospective level of the clobal motor, to enable the factory ship in question to operate at an economic level of eater.

At the same time there is a continuing United Kingdom interest in Antarctic Maling from established land stations in South Georgin. By Government instructs are to state in this populations to be a fully taken into account in the determination of the quote entitiement of the South Georgia 1 ad stations if, at a time when the United Kingdom is not participating in Antarctic elegic Waling, the International Maling Journission hould impose hand station quotes or should prescribe a consider tobal quote for Antarctic pelogic Waling and land stations taken by other.

By Government krasts there will be fall understanding of its viewpoint in this matter on the part of your Government.

I maddressing comministions in identical terms to the He di of the Delegations of Norway and the Union of Soviet Cocialist opublics.

Yours sincorely,

A POST AT

(R.J.R. Mall) Head of United Kingdom Delegation

Tokyo, 8th September 1966.

17E/2

Dear Mr. Fujita,

In connection with the signature of the Arrangement for the Regulation of Antarctic Pelagic Whaling, dated 8th September 1966, the Norwegian Government wants to make the following declaration:

According to the division of the global quota for the season 1966/67, agreed upon in the Arrangement of 8th September 1966, a national quota of 800 BWU's is allocated to Norway for that season.

This quota expressed as a percentage of the global quota does not correspond to the minimum requirements of the Norwegian whaling industry should the global quota for subsequent years be fixed by the International Whaling Commission at a level under 3,500 BWU's.

The Norwegian Government therefore reserves its right to claim a national quots which is higher, expressed as a percentage of the global quota, should the Commission authorize a catch below the figure of 3,500 BWU's.

Yours sincerely,

W. G. Solberg Representative of the Government of Norway

Mr. 1. Lujita, Head of the Japanese Delegation, <u>Tokyo</u>.

Sept. 6th 1966

IT E/3

DRAM PRESS COMMUNIQUE

As a result of the discussions in Tokyo starting on 31st August under the chairmanship of Mr. R.G.R. Wall (United Kingdom), agreement has been reached between the Governments of Norway, Japan and the U.S.S.R. on the distribution between the whaling fleets of the three countries of the Antarctic pelagic catch of 3,500 blue whale units prescribed by the International Whaling Commission as the maximum permissible pelagic catch for the 1966/67 season for which preparations are now being made.

Under an Arrangement for the Regulation of Antarctic Pelagic Whaling which will be signed this week and will be operative until the end of the 1966/67 season, the three Governments have agreed upon the following allocations;

Norway	 800	blue	whale	units
Japan	1,633			
U.S.S.R.	1,067		н	

It has been further agreed that the allocations shall not be transferable as between one country and another, and that the Arrangement shall terminate if a factory ship under the jurisdiction of another Government which is a Party to the International Whaling Commission should engage in Antarctic pelagic whaling.

As agreed 17 E/4

DRAFT

ARRANGEMENT FOR THE REGULATION OF ANTARCTIC PELAGIC WHALING

The Governments of Japan, the Kingdom of Norway and the Union of Soviet Socialist Republics, being Parties to the International Convention for the Regulation of Whaling, signed at Washington on December 2, 1946 (hereinafter referred to as "the Convention");

Have agreed upon the following arrangements:

ARTICLE 1

For the purposes of the present Arrangement, the term "season" shall mean the season during which the taking of baleen whales in the Antarctic is permitted under paragraph 7(a) of the Schedule to the Convention.

ARTICLE 2

The total annual catch of baleen whales authorised under the Convention to be taken in waters south of 40° South Latitude by pelagic expeditions shall be allocated among the countries of the signatory Governments in the following manner:

Japan							1633	lue wha units	le
Norway .	·	• •	• • •	•				Ħ	-
Union of S Republic	Soviet	Soc:	ialist	•		•	1067	n	

ARTICLE 3

The allocations mentioned in Article 2 are not transferable as between one country and another.

ARTICLE 4

If a factory ship under the jurisdiction of a Government which is not a party to the present Arrangement should engage in Antarctic pelagic whaling and that Government is or becomes a Party to the Convention, the present Arrangement shall be terminated.

AFTICLE 5

The present Arrangement shall enter into force on the day upon which it is signed by all the Governments referred to in the Preamble.

ARTICLE 6

The present Arrangement shall be operative until the end of the 1966-67 season. In witness whereof the undersigned, being duly authorised thereto by their respective Governments, have signed the present Arrangement.

Done at Tokyo the $\int g^{t}$ _7 day of \int September 7 1966 in the English language in a single copy which shall be deposited in the archives of the Government of Japan. The Government of Japan shall transmit certified copies thereof to all other signatory Governments.

Decode.

TELEGRAM.

From Administrative Officer, South Georgia

To Colonial Secretary, Stanley

Despatched :	lOth	December	19 66	Time :	1230
Received :	10th	December	19 66	Time :	1145

Ho. 263. Confidential. Please refer to my telegram No. 167. I have heard from Manager Grytviken that Ryan's Feruviant negotiations have fallen through.

Adminoff

GTC : TB (Intld) DRM 201

12

UUPI

CHR. SALVESEN & CO.,LTD GPO Box 217 29 Bernard Street LEITH

3rd November 1966

2020

Our Ref GEH/MS OPERATIONS DEPT

Colonial Office Gt.Smith Street London S.W.1

Dear Sirs,

LETTH HARBOUR

We presently have an amount of £222.15.3 standing to our credit with the Administrative Officer at Leith Harbour. This balance has been carried forward unaltered from December 1965 and, N.S.K. will not be operating from Leith Harbour in the coming season, it is unlikely that any items will arise for our account in the near future. In the circumstances, it would seem to be best to close the account and remit to us the balance due, and we look forward to having your comments.

> Yours faithfully, Pro. CHR.SALVESEN & CO.LIMITED.

> > (Sgd.) Gordon E. Mardstan

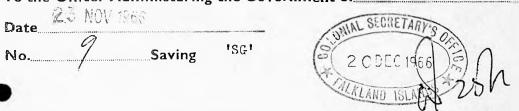
FST 426/57/02

Saving

From the Secretary of State for the Colonies.

To the Officer Administering the Government of...

FALKLAND ISLANDS



Leith Harbour

Enclosed is a copy of a self-explanatory letter received from Chr.Salvesen & Co.Ltd., and I should be grateful to learn what reply may be given to the company.

SECER

Reply at 207

GOVERNMENT TELEGRAPH SERVICE



FALKLAND ISLANDS

SENT

Number	Office of Origin	Words	Handed in at	Date
	Stanley			21.1.67
То				
e	tat ADMINOPP 288			SCA/c

No 13 Salveson Account stop Salveson asking payment 2222 15 shillings 3 pence being balance North Mextour account stop Please comment

Secretary

DECODE.

TELEGRAM.

From Administrative Officer, South Georgia

To Colonial Secretary, Stanley

Despatched :	23rd January,	19	67	Time : Time :	1800	21	^
Received :	23rd January,	19	67	Time :	1625	- 31	1

No 18 Salvesen Account. Confirm balance of South Georgia Company deposit account £222/15/3 my telegram 4to Treasurer dated 1st July 1966 refers. Also confirm we have no outstanding claims against Salvesen therefore they are entitled to repayment in full. Your telegram on above dated 21st was numbered 11 have already received telegram No 11 re John Biscoe dated 13/1/67 please advise

Adminoff

P/L : ER Intld. H.L.B. Copy to C.T.

an cuer. Sha have been 17. F. I. ref: D/1./61./II C. O. ref: FST 426/57/02

SAVING TELEGRAM.

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

To: The Secretary of State for the Colonies.

Date: 26th January 1967.

No. 3. SAVING. SOUTH GEORGIA.

202

Your Savingram No. 9 of 23rd November 1966.

Leith Harbour.

TB

The balance of £222. 15. 3. credit of Chr. Salvesen and Co. Ltd. is confirmed. We have no outstanding claims and they are entitled to repayment in full.

I shall be grateful if this can be arranged.

GOVERNOR

COPY

FROM - CHR. SALVESEN & CO. LTD., LEITH.



GHE/CLE

24th April 1967.

I fugger time a com to find to A.D. SG week

7.7

FOR INFORMATION OF

J. Graham Esc. Ministry of Arriculture, Fisheries and Food, Fisheries Department. Whitchell Place, LONDON, 3.V.L.

Dear Lang

Anvarctic Mhaling

I an writing, as in previous means, to give you our views or policy for the summer's negotiations on Antoretic whiling.

As I think you know, the Japanese company which leased South Georgia from us for the 1966-67 season decided not to operate, though they accepted that this decision was not due to any government restriction, and paid us our lease money In full. For the could season there seems little prospect of Leith Herbour being operated by ourselves or by Japanese. All that is then required is that South Georgie Lond stations are left outside any quote arrangements, so that our position is not prejudiced if and when we do take up operations again in the future.

As regards pelagic whaling R.M.G. soons to have secured the position for British whaling adequately by reserving the right to enter at any time. SOUTHERN HARVESTER is still in our hands but it is likely that we shall dispose of her during the next two years for other uses.

We have not yet received a full report from the recent whaling season but proliminary reports indicate that the catch of fin whales has again reduced considerably and that sei whales now comprise a very large proportion of the catch. One of the Norwegian expeditions, KOSMOS, had a very good season and caught her quota well before the end, whereas the other, THORSHAVET, did pretty badly. As the price of whale oil and meat extract is now very low it seens quite probable that the owners of THORSHAVET will not want to operate next season.

born peul to Ato 1991.

I /

FROM - CHR. SALVESEN & CO. LTD., LEITH.

2.

FOR INFORMATION OF

I understand that F.A.O. are engaged on an exercise to show what the gain to world economies could be of a five-year holiday from whaling succeeded by catching the renewed stocks at a higher level as against the present arrangement of bringing the quota down to near what the present stocks can bear. Whatever figures they may produce it is hard to see that anyone will be persuaded by this. I would expect that the operators will have a strong preference for continuing catching at a lower level rather than leaving the whales to be preserved for the future with the danger of numbers of previous operators or new countries coming in.

I expect to be in South America for the next three weeks or so but could be available for a chat after that if you wanted it.

Yours sincerely,

G.H. Ellion

Copy to H.M. The Governor, Felkland Islands.

CHR. SALVESEN & CO. LTD.

DIRECTORS :

R. B. WEATHERSTONE P. F. S. KITTERMASTER BARRY L.

HARPER OW MARE ON FILIOT F. C. YOUNGE (TECHNICAL)

GLASGOW 45 WEST NILE STREET . C.1

g. p. o. box 217 29 bernard street LEITH

> TELEPHONE LEITH 4311 (14 LINES)

YOUR REF.

OUR REF.

GEH/MS Operations Dept.

The Colonial Secretary, Colonial Secretary's Office, Port Stanley, Falkland Islands.



GRIMSBY

287/291 CLEETHORPE ROAD

DATE

Dear Sir,

As you are aware, our Stations at Leith Harbour and Stromness are presently not inhabited.

As you may also be aware, your Police Department has already been in contact with us with regard to items which have been removed recently from Leith Harbour, and we have had to confirm that, as far as we are concerned, neither Leith Harbour nor Stromness have been abandoned by us, and no one has any permission to remove anything from either Station without our prior authority.

We are particularly distressed about the possibility of unauthorised visits to our Stations and the possible stealing of our equipment and we hope that for the future you will arrange to give us any help you can to protect our interests.

Yours faithfully, Pro. CHR. (SALVESEN & CO. LTO)

Copied to AO SQ. -210

Sec 216



Dear Sirs,

Thank you for your letter of 6th June 1967 concerning the security of your stations at Leith Harbour and Stromness.

201

The Administrative Officer at South Georgia has been given instructions to do all in his power to stop any unauthorised visits to both places.

We are just as worried about the matter as you are and I am glad that on one occasion, at least, we have been able to punish an offender.

Yours faithfully,

(W.H. Thompson) COLONIAL SPCRETARY

Messrs. Chr. Salveson & Co. Ltd., G.P.O. Box 217, 29 Bernard Street, LEITH.

pmc.

n.o.o. A.O. South Georgia:

I attach a copy of the letter to which I refer. I know how difficult it is for you to take valid action but I hope you will do your best. The odd court case for "Vagrancy" might be useful.

10

67

210

211

TELEGRAMS, INLAND & FOREIGN. "SALVESEN, LEITH, TELEX" . TELEX. LEITH 72222

CHR. SALVESEN & CO. LTD.

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

GLASGOW 45 WEST NILE STREET. C.1

G.P O. BOX 217 29 BERNARD STREET LEITH

> TELEPHONE LEITH 4311 (14 LINES)

YOUR REF

OUR REF

DATE

GRIMSBY

287/291 CLEETHORPE ROAD

GEH/MS Operations Dept.

4th September, 1967.

W.H. Thompson, Esq., Colonial Secretary, Colonial Secretary's Office, Stanley, Falkland Islands.

Dear Sir,

210

Thank you for your letter of 8th August.

It is heartening to hear that you view the problem in the same serious light as ourselves, and certainly, in instructing the Administrative Officer as you have done, you have now ensured that the situation is covered as far as it can be in the present circumstances.

We can only hope, now that there has been one successful prosecution, that there will be no further unauthorised visits, and, meanwhile, would like to thank you for the co-operation which you have shown in the matter.

Yours faithfully,

For end on behalf of CIR. SALVESEN & CO. LTD.

H. Ellit DIRECTOR.





CROWN AGENTS

for Oversea Governments and Administrations,

4, MILLBANK, LONDON, S.W.1

Telegrams "Crown, London-S.W.1." Telephone Abbey 7730 Telex No. 24209

5th October, 1967.

Dear Sir,

We are pleased to report that Chr. Salveson & Co. Ltd. have made payment of £1050. O. O. which sum was credited to the South Georgia account on 28th September.

The above payment relates to the annual rent payable in advance on 1st October for the following Whaling Stations:-

Leith Harbour	£250
Stromness Whaling Station	£750

Prince Olaf Harbour

Yours faithfully,

£50

to. marney (

for the Crown Agents.

The Colonial Secretary, Port Stanley, Falkland Islands.

To see p!

1. S. Seen, that on Oth 25 10.67

KM/WPS

CROWN AGENTS FOR OVERSEA GOVERNMENTS AND ADMINISTRATIONS,

Sender's name and address:

4 MILLBANK,

LONDON, S.W.1,

ENGLAND

AN AIR LETTER SHOULD NOT CONTAIN ANY ENCLOSURE; IF IT DOES IT WILL BE SURCHARGED OR SENT BY ORDINARY MAIL.

The 'APSLEY' Air Letter

A John Dickinson Product

Form approved by Postmaster General No.—71995/1Z

Second fold here->



First fold

ChOON, A 1967 5 001 6 1967 OFFICIAL PAID

The Colonial Secretary,

Port Stanley,

FALKLAND ISLANDS.

cur

THE FOLLOWING REFERENCE AND THE DATE OF THIS LETTER SHOULD BE QUOTED IN COMMUNICATIONS,

R/FALKLAND IS. 69+49

Telegrams: "Crown, London-S.W.1" Telephone: 01-222 7730 Telex No. 24209

CROWN AGENTS

GRETARVIO FOR OVERSEA GOVERNMENTS AND ADMINISTRATIONS

10V1967

4. MILLBANK, LONDON, S.W. I.

913

19th. October 1967

Dear Sir,

We have received from Wm. Brandt's Sons & Co Ltd. a payment of £ 500, being the annual rent due 1st. October 1967 in respect of the whaling stations at Grytviken and Husvik Harbour, South Georgia Island (\pounds 250 each). This payment was made on behalf of Albion Star (South Georgia) Limited.

The relevant credit will appear in the South Georgia account on 17th. October 1967.

> The Colonial Secretary. Port Stanley.

Yours faithfully,

for the Crown Agents

0 FALKLAND ISLANDS

F. I. ref: C. O. ref: D/4/64/II

Copy on file D2/64/11

SAVING TELEGRAM. DESP.

DESPATCH

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

To: The Secretary of State for the Colonies.

Date:

3rd May, 1968. No. SAVING.

SOUTH GEORGIA

Whaling and Sealing Activities. Run Company Limited. South Georgia.

In my Savingram No. 2 (South Georgia) of the 7th March, 1968, I sent you a report made by the Administrative Officer, South Georgia, concerning the fishing vessel "Run" owned by the Run Company Limited, a Norwegian Company apparently registered in the Bahamas.

This Company has now requested a whaling licence for South Georgia in the coming season.

The complications of whaling licences plus the advisability of leaving the door open for British whaling through either Salvesens or Brandts has led me to tell the applicants that it is not proposed to issue any whaling licences from a South Georgia land station for this year.

GOVERNOR

21

Copy

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD, WHITEHALS PLACE.

LONDON, S.M.1.

Cur ref: FGB 25990 Your ref. Y07/11

Run Fishing Company Ltd.

Thank you for your letter of the 21st May. As you probably know, we have bad some discussions and correspondence with a London firm of solicitors Mesars. Norton, Rose, Botterell and Roche, about this company. The solicitors say that the company is a Bahamian company and its vessel "Run" is registered under the British flag in the Bahamas. The owners wanted a licence from us to enable them to kill and to trat whales in the South Atlantic.

We had doubts about this project from the start. We could not believe that a former whale catcher of 683 tons, even though it was now equipped with flensing dock and cold store, could treat whales of the size stipulated by the United Kingdom legislation in order to comply with the requirements of the International Whaling Commission. However, since the Captain of the ship told us that he did not intend to look for whales South of 40°S. Lattitude we realised that he could not legally kill baleen whales anyway. Because our legislation is out of date he could have caught sporm whales but we are closing this loophole by amending our legislation. We, therefore, told the firm that it would be advisable for them to stick to non-protected species such as the pilot whale, killer whale and bottlenose whale. At the same time, we are unable to the that they do not catch and treat undersized protected whales.

If we had licensed them it would have meant the whole paraphernalia of inspectors, etc. since they intended to treat whales on board. Similarly, if the Falkland Islands Authorities had licensed the firm to whale for balean wholes from South Georgia they would have had to provide inspectors and the expenditure and trouble would not have been justified by the catch. In addition, the United Kingdom would have had to explain the developments to the International Whaling Commission, which might have been embarrassing.

I am sure that the Governor of the Falkland Islands did the right thing in refusing a license.

Yours sincerely,

L. Goldthorpe

A.St.J. Sugg, Msg., Commonwealth Office, Curtis Green Building, S.W.1.

215

216

5.

COPY

Ref. YC 7/11

SAVING DESPATCH

UNCLASSIND

From the Secretary of State for Commonwealth Affairs

To The Governor, Falkland Islands

No. 33 Saving

Date 4th June, 1968.

Your Saving No. 4. South Georgia

Whaling and Sealing Activities Ran Company Limited

Thank you for the information about this Company which was passed to the Ministry of Agriculture, Fisheries and Yood. The Ministry have themselves had contact with the Company and a copy of their letter about this which is self-explanatory, is enclosed.

COPY

Ref. YC 7/11

SAVING TRSPATCH

UNDIAS TRUMD

From the Secretary of State for Commonwealth Affairs

To The Governor, Falkland Islands

No. 34 Saving

Date 4th June, 1968.

Your Saving No. 2. South Georgia

SEALING - SOUTH GEORGIA

The Administrative Officer's report enclosed in your Saving has been read with interest. With regard to the statement in Paragraph 3 of the Report which says that the ship did not have the required Safety Certificate, you may wish to know that the position is as follows: -

"A ship of Class X is not required to hold a Safety Equipment Certificate under the Merchant Shipping Acts. Further as a ship registered in the Bahamas, which is not a signatory to the International Convention for the Safety of Life at Sea, 1960, a Safety Equipment Certificate could not be issued even if the ship were of a Class which would normally require one.

In view of the Class of this ship and her registry status it is difficult to see how the Master will be in a position to comply with the Administrative Officer's request to obtain Certificates"

<u>h h</u> .

DI.

217

RESTRICTED

5 + bupl. M



(HGF 7/11)

LL. Levidy

I then som file Gibraltar and South Atlantic Department, Foreign and Commonwealth Office

London S.W.1

5 May, 1969.

May I refer to your letter to me of 1 May last year in reply to my letter about the renewal of Salvesen's lease on South Georgia? I have now had a further letter from them and attach a copy of this.

- 180 2. You have said that you are in favour of extending the present lease. I see that the terms of the lease do in fact allow for it to continue on a yearly basis, but as its purpose is not now being fulfilled and as Salvesens seek to reduce the rent, it may well be better to negotiate an entirely new lease.
 - ? (augnoble) 3. While it would appear that there is some obligation on you to extend or renew the lease, it does seem to me that it might be advisable to extend or renew it for a comparatively short time, I had in mind something in the region of five years, in view of the fact that no whaling or fishing is being carried on now and uncertainties about the future. It is understood that the Russians are getting a good deal of fish in the area, and this may spur other countries on to similar activities. Good harbours and bases in South Georgia could then become valuable again and it would be unfortunate if you were hampered from putting up sites for tender because Salvesens had leases for the best of these at nominal rents but were not using them. In any case you would presumably have a clause put in any new or extension of the original lease allowing for adjustment to rent if whaling or other activities were started up.

I have discussed this briefly with Sir Vivian Fuchs and although 4. he is not very favourably disposed towards Salvesens because apparently they were not co-operative about the use of their stations by the Survey in the past, he is I think in agreement generally with the foregoing.

I see that the present lease took at least four years to 5. negotiate and that the negotiations were apparently done through the Colonial Office. I suppose that in view of the fact that you have no legal assistance in the Falklands and South Georgia is basically grant-aided, the same sort of arrangement will have to be continued now!

I should in the circumstances be grateful if you would let me 6. know what you think about this and send us your proposals so that these can be put to Salvesens.

(A. St.J.

Sugg.

ALENT HC

2 3198496

STANLL

Sir Cosmo Haskard, K.C.M.G. M.B.E., Stanley, Falkland Islands.

RESTRICTED

TELEGRAMS - INLAND & FOREIGH, "SALVESEN, LEITH, TELER" - TELER, LEITH TEER

CHR. SALVESEN & CO. LTD.

G.P.O. BOX 217 29 BERNARD STREET LEITH EH8 85W TELEPHONE: 031-554 4311 (20 LINES)

> our ref. TEMBS/PR

Operations Dept.

DIRECTORS: LM. HARPER GOW, M.B.E. G.H. ELLIOT R.S. WEATHERSYON Barry E. Bealey R.S. Balveben

GRIMSBY

DATE

April. 1969.

rsce (on 4016/4

Commonwealth Office, Curtis Green Buildings, Victoria Embankment, LONDON, S.W.1.

For the attention of Mr. A. St.J. Sugg

Dear Sirs,

.....

GLASGOW

YOUR REF

It is some considerable time since you wrote to us to tell us that the Governor of the Falklands was in favour of negotiating an extension of our leases at South Georgia and would let you know further on what terms the extension would be granted.

As our leases expire on 1st October, 1969, we shall be grateful if you will let us know promptly how the matter now stands.

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

gen ing

2181

СОРҮ

Commonwealth Office, Curtis Green Building, London, S. W. 1.

9th April, 1968.

YC 16/4

Dear Sir Cosmo,

I attach a copy of a letter we have received from Salvesen's about the renewal of their leases on South Georgia. Possibly you would let us know what you think about this in due course please.

(sgd. A. St. J. Sugg)

Sir Cosmo Haskard, K. C. M. G., M. B. E., Stanley, Falkland Islands.

2186

COPY

CHR. SALVESEN & CO. LTD.

LEITH

GEH/MS Operations Dept.

11th March, 1968.

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

Dear Sirs,

Our leases for the stations at Leith Harbour, Stromness and Prince Olaf terminate on 1st October 1969.

There are, of course, no operations taking place from these stations at the moment, nor do we immediately envisage the possibility of any whaling operation being reundertaken. However, in the long term, it would seem to be in all of our interests for us to continue to have a base at South Georgia, possibly from which eventually to undertake fishing or other operations. In any event, we do have much valuable equipment at South Georgia which might be salved and used in some way.

In the circumstances, we feel that there would be some merit in now negotiating a further extension of the lease, but, in so far as no operations are being carried out at present, at a fairly nominal sum.

Perhaps you would let us have your views when you have considered the matter.

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

(sgd. Gordon Ellardsmen)

2180

COPY

Government House, Falkland Islands.

10th May, 1968.

Dear John,

Thank you for your letter YC 16/4 of 9th April enclosing a copy of a letter which you had received from Salvesens about the renewal of their leases in South Georgia.

In principle I am in favour of negotiating extension of the leases and I shall be writing to you further when we have considered on what terms the extensions should be granted.

Meanwhile, perhaps you would care to pass on the gist of this letter to Salvesens?

(sgd. C. H. Haskard)

A. St.J. Sugg, Esq., C.M.G., Commonwealth Office, London, S.W.1. DECODE.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched : 13/8/69

Time :

Received : $\mu_1/8/69$ Time :

219

No. 104

RESTRICTED

For Jones from Sugg.

Salvesens lease.

I have discussed this with Haskard who asked me to let you know before 21st August that decision on the lines indicated in my letter of 2/2_5th May would be acceptable to him.

2. Salvesens have been pressing for some progress in this matter and I should be grateful your views.

Sec 220

Cypher : SJS

Decode.

TELEGRAM SENT.

22,

From GOVERNOR to SECRETARY OF STATE

Despatched: 15/8/69 Time: Received: Time No. 126

RESTRICTED

For Sugg from Jones.

219 Your telegram 104.

Expect to be in position to reply end August opproximately.

Cypher : SJS

Als In this in Whating the said buck by you in box of this are.

Message from Mr H. Bennett .-

The Land Ordinance does apply to the Dependency.

2. Prince Olaf Harbour in Possession Bay was the subject of a separate lease. This was for a period of three years from 1st October 1935. The rental was £250 per annum. As far as Mr Bennett knows there is a derelict whaling station there and he imagines that since the lease expired they have become year to year tenants.



18/8/69.

CONFIDENTIAL

19th August, 1969.

....

Issued roday. AA 20/8/69. No. 67/69.

EXECUTIVE COUNCIL

Chr. Salvesen & Co. Ltd: South Georgia Leases Memorandum by the Acting Colonial Secretary

The current lease of Leith and Stromness Harbours in South Georgia to Chr. Salvesen and Co. Ltd. expires on the 30th of September this year. The lease runs from the 1st of October, 1951, and was negotiated at a time when Crown Lands could only be dealt in with the sanction of the Secretary of State, a situation which has since been altered through anamendment to section 18 of the Land Ordinance, Cap. 36, which gives the power to dispose of such lands to the Governor- in-Council. Salvesen & Co., though not at present actively engaged in whaling at South Georgia, have, as the terms of the existing lease permit them to do, asked for renewal, but with a lower rent.

2. The main terms of the current lease may be summarised thus:--

- (i) Term 18 years from 1.10.51 to 30.9,69, Thereafter from year to year, provided the conditions of the lease are observed;
- (ii) Consideration Rent of £1,000 per annum.
- (iii) Conditions In broad terms, to carry on the business of whaling.

3. While there is provision, as stated in the preceding paragraph, for the lease to continue from year to year when the 18 year term runs out on the 30th of September, Salvesen & Co. are in technical breach of the conditions of the lease since they are not carrying on the business of whaling in South Georgia. Similarly, the intention of the lease is such that it can be considered that there is an obligation on the government to extend or renew it.

4. No whaling or fishing is being carried on at South Georgia at present and the future is uncertain: but it is understood that the Russians are getting a good deal of fish in the area and this could spur other countries to similar activity. In that case good harbours and bases in South Georgia could again become valuable. In these circumstances it would seem advisable for any new lease to Salvesen & Co. to be for a comparatively short term, say, five years, since it would be unfortunate if the government was hampered from putting up sites for tender in the event of renewed interest in a South Georgia-based fishing industry because Salvesen & Co. had the best of them at nominal rents but were not using them. By the same token it would seem advisable that any new lease to Salvesen & Co. should contain provision for an adjustment to rent if whaling or other activitics started or were re-started.

BU Xco 1.9.69

5. The current lease took four years to negotiate, the negotiations being carried on by the Colonial Office. It would seem sensible for the new lease to be negotiated by its successor, the Foreign and Commonwealth Office, in a situation where South Georgia is basically grantaided and its administrative basis about to be altered.

- 6. Council is invited to advise:
 - (1) that Salvesen & Co's. South Georgia lease be re-negotiated, such renegotiation to include
 - (a) a maximum term of five years;
 - (b) a lower rent;
 - (c) provision for adjustment of rent in the event of whaling or fishing activity being started or re-started;
 - (2) that the new lease be negotiated on behalf of the Dependency by the Foreign and Commonwealth Office.

L. herman

(L.C. GLEADELL) ACTING COLONIAL SECRETARY

Rof: D/1/65/11

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CONFIDENTIAL

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223

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 2/9/69

Time :

Received :

Time :

No. 126

RESTRICTED

For Sugg from Jones. 220 Your telegram 104 and my telegram 116. Salvesen's lease.

Appreciate F.C.O. negotiate new lease Dependency's behalf View grant-aided status.

2. Recommend new lease be negotiated maximum term five years. Agree lower rent and suggest negotiate around figure £200 per annum. Lease should contain provision enable upward revision rent in the event whaling or other significant fishing activity starts.

Cypher : SJS

SIS SIS A.C. I have taken webin, vide ators, on Exc. decision of 2/9/69 upon here 67/69 (p.222). Filo sectured by you printentin extruct tores. Advice i.d.c. 2 Front of file should be work defenced to the file with you, for mention in Exec, see fishig is there to lands. 3 This the Dell's In to be Ble to us toplo.

*

1/3/9

EXTRACT FROM LINUTES OF MEETING NO. 11/69 OF EXECUTIVE COUNCIL HELD ON 2ND & 3RD 225 SEPTEMBER 1969

1/4 11 1.0.

CHR. BALVESEN & CO. LTD., - SOUTH GEORGIA LEASES (MeLo 67/69)

Council considered an application from Chr. Salvesen & Company Limited to renew, at a lower rental, their South Georgia leases which expire on 30th Ceptember, 1969 and advised as follows:

- 1) that Salveson & Co.'s South Georgia lease be re-negotiated, such re-negotiation to include:
 - a) a maximum term of five years;
 - b) a lower rent;
 - c) provision for adjustment of rent in the event of whaling or fishing activity being started or re-started;
- 2) that the new lease be negotiated on behalf of the memory by the Foreign and Commonwealth Office.

Clerk of Council

Minute from Colonial Secretary.

Your Excellency,

will I assume be aware of the situation regarding Salvesen's South Georgia lease. The decision on the matter resulting from the September Exco. Meeting (Meeting No. 11/69) is emblocked in the telegram at p.223

(J. A. Jones) Colonial Secretary.

File Ref. D/4/64/II October, 1969, /JML

CI Yes, I believe his ball now to be with falveson. M

RL2 lolis

Decode.

C. Ma 29/10

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 28/10/69

Time :

Received : 28/10/69 Time :

227

No. 133

RESTRICTED

Salvesen's lease. Your telegram 126. 223

Salvesen's have agreed to the conditions given in your telegram. Grateful to know what other conditions in the old lease you consider should be retained in the new.

See 238, 232 236

Cypher : SJS

See 24



With the compliments of

FOREIGN AND COMMONWEALTH OFFICE

A. St. J. Sugg

RALLEG FM/11 CS. For distances id c plan LONDON, S.W.1 1/11 1/

Ma

To send to R.S.C. to whom main file have altready been hast for above.





124

Gibraltar and South Atlantic Department,



Foreign and Commonwealth Office London S.W.1

(HGF 7/11)

October, 1969.

Thank you for your letter of 8 October about the renewal of your lease in South Georgia.

2. The intention in the last sentence of the penultimate paragraph of my letter was that there should be provision for the termination of the five-year lease on a year's notice in the same way that in the previous lease there was provision for termination by the giving of a three-years' notice. However we would have no objection to the grant of a lease for five years in the first instance without any break clause, if you would prefer this.

3. With regard to the continuation of the lease after the five-year period, our suggestion is that it should continue from year to year unless determined by either party by notice. We would prefer this notice to be a years' notice. It would, of course, be open to you to seek another new lease after the five-year period.

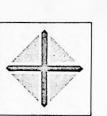
4. I should be grateful to know whether this would be agreeable to you. Perhaps too you would indicate whether you wish the new lease to be drawn up, as was the previous one, in the name of the South Georgia Co., Ltd., please.

(A. St. J. Sugg)

Christian Salvesen (Managers) Limited, GPO Box 217, 29 Bernard Street, Leith, EH6 6SW, Scotland. Christian Salvesen (Managers) Limited G.P.O. Box 217 29 Bernard Street Leith EH6 6SW Scotland Telephone 031-554 4311 (20 Lines)

Telegrams, Inland & roreign 'Salvesen, Leith, Telex' Telex Leith 72222

Gibraltar and South Atlantic Department, Foreign and Commonwealth Office, London, S.W.1.



RECEIVED IN REGISTRY No. 17 ry 26J. 1969)

Date 8th October, 1969.

Our Ref. TBMBS/MB Operations Dept.

Your ref.

For the attention of Mr. A.St.J. Sugg

Dear Sirs,

We thank you for your letters of 1st and 2nd October concerning the renewal of the lease at South Georgia.

In principle we agree with the terms outlined in your letter of 2nd October and we await your draft in due course.

With regard to the last sentence in the penultimate paragraph of your letter, we are not quite clear what you intend. Our reading would be that in the first place the lease would be for 5 years and would continue thereafter on a 5 yearly period but after the expiry of the first 5 year period either party would have the right to determine the lease on say a years notice.

Yours faithfully, Pro. CHRISTIAN SALVESEN (MANAGERS LIMITED

Directors: L.M.Harper Gow, M.B.E. G.H.Elliot R.B. Weatherstone Barry E. Sealey R.S.Salvesen W. M. Bruce

File Ref. D/4/64/II

Minute to Registrar, Supreme Court, Stanley.

We spoke telephonically with regard to the telegram at page 227. I should be glad of your advice regarding the conditions in the old lease which you consider should be retained in the new one. The leases themselves are with you and the recent relevant correspondence with the Foreign Office is in this file for your information.

J. A. Jones. Colonial Secretary

31st October, 1969 JML

64. THE FOLLOWING REFERENCE AND THE DATE OF THIS LETTER SHOULD BE QUOTED IN COMMUNICATIONS.

CROWN AGENTS

FOR OVERSEA GOVERNMENTS AND ADMINISTRATIONS

'O' Department 4, MILLBANK, LONDON, S.W.I.

10th October 1969

Telegrams: "Crown, London S.W.I" Telephone: 01-222 7730 Telex No. 916205

07/FALKLAND IS. 28/2 & 3.

Dear Sir,

We are pleased to report that Chr, Salveson & Co Ltd., have made payment of £1050, which sum was credited to the South Georgia account on 7th October 1969.

The above payment relates to the annual rent payable in advance on 1st October for the Whaling Stations.

MIAL SEGRETARY'S

1010 1969

Leith Harbour	£250	
Stromness Whaling Station	£750	
Prince Olaf Harbour.	£ 50	

Yours faithfully,

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£1050. 0. 0.

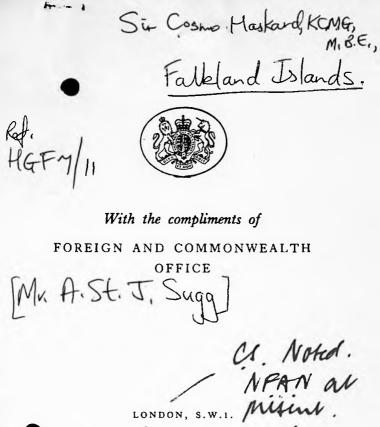
for the Crown Agents

Sec 250

/FC

The Colonial Secretary, Port Stanley, Falkland Islands.

OS INTA CAL 67



3.10.69,

y 3. 10,6 7.5. Sue minded the April 10 suberand fibe to you. April 10

25/10 D/4/64/IL

Un



(HGF 7/11)

Gibraltar and South Atlantic Department Foreign and Commonwealth Office London S.W.1 921

2 October, 1969.

In my letter to you of 26 August I said that I hoped to get something from the Falkland Islands about the renewal of your lease in South Georgia before 1 October and I have now heard from the Governor.

The purpose of your present lease was clearly to allow you to carry out whaling operations but I see that your letter of last March says you do not immediately envisage the possibility of whaling being reundertaken. In these changed circumstances, it would seem preferable that a new lease should be negotiated.

The Governor has proposed that any new lease or extension of the old one should be for a period of 5 years at a rental of $\pounds 200$ per annum but that there should be provision for an upward revision of the rent should you encode in any commercial whaling, fishing or other activity from the area or should you desire to transfer the lease or sublet. There should, I suppose too, be clauses to allow for determination of the lease by either party on say a year's notice and a continuance of the lease after the 5 year meriod on a year to year basis.

I should be grateful, if you egree, that something on these lines would be acceptable to you, you would let me know and I will have a draft lease drawn up for your consideration.

(A. St. J. Sugg)

W. M. Bruce, Esq., Chr. Salvescn & Co. Ltd., 29, Bernard Street, GPO Box 217, Leith, Scotland.

S/C FrR in D/+/6+/1

Gibraltar and South Atlantig Department

218A

HC7 7/11

1 October, 1969

Thank you for your letter of 25 September about your South Georgia lease letting me know that you have paid the rent for this year.

I am writing to you about the renewal of the lease separately but in the meantime, I can confirm that it will not be determined by the Governor while these negotiations are proceeding, provided of course you continue to observe its terms. I accept too that the payment of the full rent for this year is without prejudice to any reduction in the rent that may be agreed to subsequently.

(A. St. J. Sugg)

3

ant-

W. M. Bruce, Esq., Chr. Salvesen & Co. Ltd., 29 Bernard St., Leith.

16

TELEGRAMS - INLAND & FOREIGN, "SALVESEN, LEITH, TELEX" - TELEX, LEITH 72222

218B

GRIMSBY

DATE

CHR. SALVESEN & CO. LTD.

GASGOW

YOUR REF.

1 2

- 10

DIRECTORS: LM. MARFER GOW, M.B.E. G.H. ELLIOT R.B. WEATHERSTONE BARRY E. SHALEY R.B. SALVESEN W.M. Bruce G.P.O. BOX 217 29 BERNARD STREET LEAG OSW TELEPHONE: 031-554 4311 (20 LINES)

> TBMBS/MB Operations Dept.

25th September, 1969.

Gibraltar & South Atlantic Department, Foreign and Commonwealth Office, London, S.W.l.

For the attention of Mr. A. St. J. Sugg

Dear Sir,

We thank you for your letter of 26th August regarding the renewal of our lease at South Georgia.

On the lat October under the existing agreement a sum of fl,000 is payable in respect of the yearly rental of Leith Harbour and Stromness Stations. A rental of £50 is also due at that time for Prince Olaf Harbour.

We are, therefore, remitting the sum of £1,050 to the Crown Agents. Perhaps you will be good enough to confirm that by so doing our present lease of the stations will not be determined until such time as we have had an opportunity to agree new conditions with the Governor of the Falkland Islands. Our payment is made, of course, without prejudice to any reduction in rents that may be agreed subsequently with the Governor in the new lease.

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

c.c. Crown Agents, 4 Millbank, London, S.W.l.

dr. 11

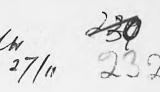
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11



DECODE.

TELEGRAM SENT.



From GOVERNOR to SECRETARY OF STATE

Despatched: 27/11/69

Time :

Received :

Time

No. 181

RESTRICTED

Your telegram 133.

Salvesen's lease.

Suggest advisable seek views of Fuchs regarding conditions of new lease. Grateful if his views may be conveyed to me.

Cypher : SJS

290. Thinke & 229 for your consideration place. It has only how become possible to wake the fito available again.

23B

Col. Sec.,

I think a simple lease for the purpose of maintaining the land station (and for no other purpose whatsoever) would suffice. Such lease should contain provision of a new comprehensive 2. lease to be negotiated, even during the 5 year period, should the lessee desire to commence or re-commence any commercial enterprise. 3. The existing lease which requires modification to meet existing circumstances could be used as a model. Paragraphs 1, 2, 3, 4(d) and 4(f) of the Schedule may be retained in modified form. Б. The Schedule consists of : I ho mud her. para. 1. Lease for purpose of maintaining land station. 2. Lessee prohibited from killing seal or other animals without Governor's consent. 3. Mineral rights reserved to Crown. 4. (a) Only licensed vessels to be used. (b) Employ a manager. (c) Keep meteorological observations. (d) Assists ships in an emergency with fuel and provisions. ~ (e) Maintain two leading beacon lights. (f) Facilitate access to the land by authorised persons (g) Furnish information required under International Convention for Regulation of Whaling. (h) Conduct operations in accordance with Whale Fishery Ordinance and above Convention. (i) Erect Concrete boundary posts.

JP.B

2. 811.69.

will recall that it has been agreed that Salvesen's South Georgia lease should be renegotiated on the basic terms contained in the extract at p. 225. F.C.O. telegraphed us some weeks ago informing us Salvesens had agreed to these conditions and F.C.O. asked to know what other conditions in the old lease we considered should be retained in the new lease.

2. Proposals which I have discussed with him are made by R.S.C. at p.231. They appear acceptable to me except for

- the fact that clause 2 of the Schedule does not appear to need any modification; and
- (2) The consideration that the two leading beacon lights referred to at clause 4 (e) of the Schedule may have to be retained. I would think the retention of the beacon lights should be a requirement of the lease since we know that, for example, the "Lindblad Explorer" will be visiting Leith and Stromness next year. No doubt the visit will be made in daylight but it would be presumably angenerous when we know ships will be visiting, not to require the continued maintenance of these aids to navigation. How and the function of the clause of the second to be been all being the function of the clause. The lease will be found at the inside back cover of the file.

4. I take it we agree that the principle on which the new lease is to be founded having been agreed in Exco. there is no need to refer back to them matters which can be considered to be ones of detail.

J. A. Jones 22 December 1969

134

File Ref. D/4/64/II JML.

(1 1 aprec with proposals made by RSC at (231) secept hour 1 agree with you have Clause 2 of tolechile leans all right as it Stands. 2. As for as beacon lights are concerned, have are now maintained and its present himmences we can not lepter falseting to maintain him . hindblad Explace + mehlike Viking ships with have to take hings as they find them. In hits onnekion will you please draw altertion of hath of hindblad Explore to when this calls in Stanley to absence of lights as J. Stafa. 2/12 3. Please now earry on with FCO

Harboumaster.

Y.E.

3.

D/4/64/II c.c. 2443 -

235.

2nd January,

70

To: Harbourmaster.

From: Colonial Secretary

Beaconlights, Leith/Stronness Harbour.

You will recall that we recently discussed the above nentioned subject.

2. I shall be obliged if, when you are clearing the "Lindblad Explorer" on her arrival in Colony waters, you will invite the attention of her master to/the fact that beacon lights are not maintained at Leith/Stromhess Harbour.

> J. A. Jones Colonial Secretary.



6th January,

70

236

Your Ref: HGF/7/11

Salvesen's Lease

In your telegram No. 133 of the 20th October last you asked to be informed of which other conditions, in addition to those referred to in our telegram No. 126 of the 2nd September last, it is considered should be retained in the new lease. The following is our view of the matter.

A simple lease for the purpose of maintaining the land station and for no other purpose whatsoever is desirable. It should contain provision for a new compichensive lease to be negotiated oven during its five year life should the lessee desire to begin or to restart any connercial fishing enterprise. (This has a bearing upon the second sentence of paragraph 2 of your letter of the 17th October to Salvesens.)

The existing lease which needs modification to meet current circumstances can be used as a model. Persgraphs 1,2,3,4(d) and 4(f) of the Schedule should be retained, some of them in modified form. Paragraph 1 should be modified so as to render the purpose of the lease that of — intaining the land station. Paragraphs 2 and 3 on prohibitions on killing seal and other animals and on reserving mineral rights to the Grown, will need no modification. Paragraph 4(d) should be retained but so modified as to take account of the practicability of implementing it in the changed elecusstances where the purpose for which the station is maintained has altered. If it transpires that its application would not be practicable it should be dropped. Paragraph 4(f) should stand unchanged. Sub-paragraphs 4 (a), (b), (c), (c), (g), (h), and (j) should not be retained.

> J. A. Jones Colonial Coretary.

A. St. J. Sugg, Maq., C.M.G. Foreign and Commonwealth Office, LONDON S. 1.

Sec. 240

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UNCTASSINIE



Foreign and Commonwealth Office London S.W.1

(HGF 7/11)

lo December, 1909

Gibraltar and South Atlantic Department

you hi bors.

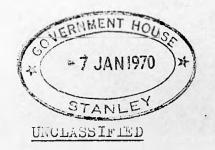
In your telegram No. 181 of 27 November, you asked us to get Sir Vivian Fuchs' views about Salvesens' lease. I wrote to Sir Vivian about this and enclose a copy of his reply.

2. The reference to Prince Olaf Harbour is in reply to my query as 1 noticed that Salvesens referred in their letter to Leith, Stromness and Prince Olaf Harbours, but the lease makes no mention of Prince Olaf. Could you tell me what the position is please?

3. Sir Vivian's suggestion; seemed reasonable to me, but perhaps you would let me have your comments and any further proposals you may wish to make. I will then try and get a new form of lease drawn up taking in the conditions proposed in my letters to Salvesons of 2 and 17 October which were copied to you.

(A. St. J.

Sir Cosmo Haskard, K.C.M.G., M.B.E., Government House, FORT STANLEY, Falkland Islands.



CS. Can you plan produce draft. It sounds quite sounds quite

lus E/1

Reply at 240

BRITISH ANTARCTIC SURVEY

FORMERLY FALKLAND ISLANDS DEPENDENCIES SURVEY DIRECTOR: SIR VIVIAN FUCHS

30, GILLINGHAM STREET, S.W.I TELEPHONE: 01-834 3687 TELEGRAMS: POLASURVEY, LONDON-S WI

RESTRICTED

AS/164/9 AS/164

10th December, 1969.

Herewith my comments on the proposed lease of Leith and Stromness harbours, South Georgia. I am afraid I have no knowledge of the situation regarding the lease of Prince Olaf Harbour. Recent reports indicate that it is in a very delapidated condition and I very much doubt if Salvesen would want to re-establish there.

Comments on The Schedule

Para 1: I doubt if Salvesen would be willing to maintain the stations when they are not operating it. Therefore it might be reasonable to omit the last part of this paragraph.

<u>Para 2</u>: If the word 'animal' does not legally include birds I think the para should read ".... any product, seal, bird or animal whatsoever," The paragraph might also be extended to prohibit the taking, without a permit, of "fish, marine algae (including kelp) or any other marine life within territorial waters".

<u>Para 3</u>: To stand - not that there is anything of value!

Para 4(a): I suggest that this should read "..... purpose of taking whales, seals, fish or other marine life, any vessels" I would delete the sentence permitting two vessels without licence.

<u>Para 4(b)</u>: It might be wise to say "when a station is active will employ a manager who shall be"

<u>Para 4(c)</u>: I consider you could omit the recording of meteorological observations although they are, of course, always useful.

<u>Para 4(d)</u>: Here again you could vary the sense by saying "When a station is operating will be prepared in the event of an emergency arising to"

Para 4(e): Navigation lights are valuable, but this clause could be omitted if the Governor sees no need for it.

Para 4(f): Presumably stet.

<u>Para 4(g)</u>: Vary to include 'operating season' thus: "Will furnish to the Governor at the end of each season when operations have taken place, a report containing"

Para 4(h)(ii): Alter to "..... any other International Convention for the Regulation of Whaling or of sealing, to the same"

Para 4(j): Either delete, or alter to include maintainance, thus: "..... and erect and maintain concrete boundary posts"

New para (k): "Will not knowingly import any living bird, animal, fish or plant without the consent of the Governor."

In making these points I have had in mind the increasing emphasis on the preservation of natural conditions in the Antarctic, and the expectation that commercial operations other than whaling may soon become attractive.

Lastly, I have had at the back of my mind the possibility of laying the ground for any future arrangements which might become necessary for joint administration of the island.

All this is just my personal view, I hope it is of some help.

V.E. FUCHS.

A. St. J. Sugg, Esq., C.M.G., Commonwealth Office, Decode.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 20

20.1.70 *Time* :

Received :

Time :

NO. 14. Your telegram 157. Salvesens Lease. Letter containing recommendations reparding conditions in old lease to be retained in new sent by outward mail of 16th January. Unfortunately it did not prove possible at same time to comment on suggestions made by Tuchs in attachment to our 2. Actter HGP 7/11 of 18th December. Expect to send these comments by next / outward mail of 20th February

Haslard

P/L : ARA

2301

Leith from ners Lioro

Pine Olaf L'so

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Pandap & 30 Reptimber 1970

terem Guto Ref.

07 FALKLAND ISLANDS 28/2

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23rd Jamary.

237

.F.C.O. REF: HOF/7/11

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10

Salvesens Lease

The Governor has asked no to reply to your letter dated 18th December, Last.

The situation regarding Prince Olar Herbour is that, unlike the loass for Leith/Stronness, it was for a term of three years only from the 1st October, 1935 and did not contain the automatic prolongation clauses which were incorporated in the Leith/Stronness lense. However, it appears that Salvesons have in fact been paying to the Grown Agents for our account, the sum of 250 per annua in respect of Prince Olaf Marbour over since the lease was first signed and payments are complete up to the 30th Sentember this year. You will presumably wish to consult appropriately regarding the legal position in these circuistances and advise me before we take the question of Prince Shaf Harbour lease any further.

As regards the Schedule to the Leith/Stronness lease, we have suggested in our letter of the 6th January that the new lease should alter the purpose for which the stations are maintained. Acceptance of this, which seems not only desirable but a matter of commonsence in the circumstances where an early resumption of wheling operations is unlikely, autoactically renders void certain of the provious conditions, particularly in peragraph 4 of the Schedulo. Gur letter of the 6th January proposes the emission from the new lease of the conditions contained in the following sub-percyraphs of percyraph 4 of the Schedule to the existing lease (a), (b), (c), (c), (g), (h) and (j); and the provision for re-negotiation of the terms of the less if the company wishes to start or to re-start consorcial fishing operations. It would be preferable for the new lease to be so drafted. Apart from this, however, we are in agreement with Sir Vivian Fuchs' comments, in particular as regards his proposed amendment to paragraph 2 of the Schedule, although birds are in fact protected by legislation. The extension of prohibition to, for example, the taking of help is sensible. We are also in agreement with the proposed new sub-paragraph (k) and suggest, in the light of the proposals in our letter of the 6th January & dropping the sub-paragraphs itemised above, that (k) becomes a sub-paragraph of paragraph 2, the first part (a) of which would deal with the prohibition on taking bird, animal, fish or plant life without a permit while the second part (b) would contain the provision prohibiting the import of bird, animal, fish or plant life without consent.

As we and Sir Vivian Fuchs are substantially in agreement on our attitude to the new heith Harbour/Stronness lease for Selvesans it can be hoped that it will now be able to go chead without difficulty.

J. A. Jones Colonial Secretary. A. St. J. Sugg, sq., C.M.G., Cibraltor and South Atlantic Department, Foreign and Commonwealth Officer LONDON S.U.1.

Jui De 1/ withig in heartice above, Bli 2/+ Bli 10/5 M2/+

2 -

Sir Cosmo Haskard, K.C.M.G., M.B.E., Port Striley, Falkland Islands.



With the compliments of

FOREIGN AND COMMONWEALTH OFFICE

HG

2

17/3 (A, St. J. Sug

LONDON, S.W.1



17 March 1970

HGF16/2

a/4/70

I akked the Legal Adviser (at 6 on HGF 16/2) if he would draw up, on the lines agreed by the Governor and Salvesens, a lease for an area of land on South Georgia. Sir Lionel Brett, in his minute of 16 March, has said that it should be done by you and I am therefore taking the liberty of sending the papers to you because the matter has been outstanding for a long time and Salvesens are getting restive.

2. I asked the Legal people here to do this because South Georgia is grant-aided and its finances are quite separate from those of the Falkland Islands. In November last year the island's previous administration was withdrawn. A British Antarctic Survey Base has been set up and the base leader is to carry out any administrative duties necessary. The position up to and including this financial year is that South Georgia has paid a sum of 210,000 per annum to the Falkland Islands for "services rendered" by the Islands' Administration. So I suppose it would be reasonably fair to include your services.at present. But the question of the £10,000 for next year has not been settled and any work you do after the end of June, the end of the Colony's financial year, on behalf of South Georgia should I think be charged to a South Georgia Vote.

3. I am sending a copy of this to the Governor so perhaps he will write to you direct about this.

(A. St.J. Sugg)

Sir Hubert Flaxman, C.M.G., K.B., Ashton Cottage, Waxley, Eye, Suffolk

Done (hude for the file on Twinial Relations with Depunding "I punce to CT for current. SIC See numbe above write praying certin today on whereabouts of J. 0161 Phil Bogs as PL nee temp "ier now betweeked. O. 9. 10.70.

PS to serion IIC lungy 4 Ch 9/4 to be p. 2+1 with prostantian sufferme to X therear. 2 The brain file Oib1: triand array cauts between the blowy t Dependencies has gone hurssing. Grudeful of you would be hind enough to have P.S. check that it is att at G.H. G 1/4/+ Heave be on my when from camp lu 9/4 Bli 15/10 1195 CS. Refuence X/- on (241), mis 13 C.T. an item which mand puhaps appear in 59 ethimates -(.T. How here a copy of UN p. 241, where are set foot that p. 971-170 parced & you for the pupper initiated for 15/17/70 in HE's humbe above.

17 April 1970.



With the compliments of

FOREIGN AND COMMONWEALTH OFFICE

(Gibraltar & South Atlantic Dept.)

A.C.W. LEE



LONDON, S.W.1

H.E. Sir Cosmo Haskard, K.C.M.G., M.B.E., PORT STANLEY. Gibraltar & South Atlantic Department,

243.

17 April 1970.

HGF 16/2

Many thanks for your letter of 6 April returning the papers about the lease of land in South Georgia to Christian Salvesen Limited. As I mentioned on the telephone, I thought it was incumbent upon me, since H.M.G. has a financial interest in what happens in South Georgia, to ask the Legal Adviser here whether he had any further comments. As a result of this, Mr. Greenwood has suggested alterations to the proviso at the end of the main document itself and also to paragraph 1 of the Schedule. I attach one copy as originally drafted plus a copy of these amendments.

If I do not hear from you I will take it that you are in agreement with these changes and that we can consider the lease documents finalised so far as we are concerned. I would then, if you agree, send a copy to Christian Salvesen in order to find out from them if they are prepared to subscribe to such a document.

I am sending a copy of this letter to the Governor with a request for him to send me any comment by telegram.

CS. Please let me know if we want to comment when you have had a chance to look at papers. Us it.

(A.C. Lee)

Sir Hubert Flaxman, C.M.G., K.B.M., Ashton Cottage, Yaxley. EYE. Suffolk.



c.c. H.E. Sir Cosmo Haskard, KCMG, MBE, PORT STANLEY.

5/2 FAR in f. 8/4/6+ 1/14/5

243

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1. Proviso

"Provided also that if at any time during the continuance of this lease the lessee shall notify the Governor in writing that it desires to start or restart whale fishing or any commercial fishing or other activities in connection with the land hereby leased or to assign underlet or part with possession of the whole or any part of such land, the rent hereby reserved shall be subject to increase and the other terms of this lease shall be subject to modification. The Governor and the lessee shall forthwith enter into negotiations with a view to agreeing such increased rent and such other modifications as shall be appropriate having regard to all the circumstances and in particular the commercial operations to be undertaken and/or the rent or premium to be obtained by the lessee from such assignment underletting or parting with possession. If the Governor and thelessee shall have been unable to agree the amount of the increased rent and the other modifications to this lease within six months of the notification provided for above, they shall be decided by an arbitrator to be agreed upon by the Governor and the lessee within one month of the end of the six month period, and if not so agreed within such one month to be appointed by the President of the Law Society of England on the application of either the Governor or the lessee. Pending the decision on such increased rent and other modifications by agreement or arbitration, the proposed commercial operations, assignment underletting or parting with possession shall not take place unless the Governor so consents, and the Governor in granting such consent may impose such conditions as he thinks fit."

2. First paragraph of the schedule

C

"1. The lot and parcel of land hereby leased is leased to be used by the lessee for the purpose of preserving and keeping in repair its existing whaling base against the eventuality of its restarting whale fishing or starting fishing or other commercial operations and it is hereby expressly declared that nothing in this lease shall permit the use of the land hereby leased in connection with whale fishing, fishing or other commercial operations or for any other purpose whatsoever except as expressly mentioned in this paragraph or elsewhere in this lease."

245

R.P.C. Pp. 243- G.

I am shightly happended at the relaboratedars of the proposed hew provise at p. 243 F brough I have the poblection to 7. Il hust be arrand to be acceptable to be F.L.U. + it would leep to provode the fairent privitle way if dealing with disapproximits hetween beason I bernee. That, it hears to one, it fetters the freedom of action of the brown I for theat season could be segurised as deprogramed. I am not sure I am all that happy with the chrise of the hundrent of the haw lovety us the fiel arbitre. I wonth prefer The final arbitra to be a human thinkah Gommannet lawyner, by which I do not herersarily been a political lawyer. I have entirely in favour of p. 2+3 G. Had in a green ask the drest of the dreft which follows our p. 2+0 dread with his Rusan Inchs' better attached to p 237. 3 17 p. 2+3 HE asks to be informed whether we wish is lowbent. HE will wich to be able to aream p. 2+3 by the sutgining wail of the June. I shall be away from thankey from 18th - 22nd thay & afree that an likely to be hearing enjugued with hickning hund of 22nd thay I he down up to toxic. I haper. to take anonestances please hundre your comments to H.K. Is'a H.C.S. To that they are all held up by my abene on town. In commenting

I to that they are all held up by my abene in tour. In connecting for are, of course, free to comment wit only on the paper tembered but on pungraph 1 of this minute. Addendrum free also pena. 2, p. 2+4: ph is headed Miss chendere after 5/243 hos been completely actioned. bol. Sec.

I do not particularly like the proviso at p. 243 F either. It is true that the brown's freedom of action is, to a certain extent, fettered by the arbitration provision which would also oblige the gormon to accept Salvosen as lessee at the rental dictated by the arbitrator.

246

It is my opinion that an agreement between parties free to negotiate should be freely regotiated by them and chat an arbitrater may be called in when conditions or terms of an existing agreement are in dispute.

> H.B. 19. I. 70.

A.c.S., Pe. see X/ on 245, with Regultar's minule above. \$ 19.5.70.

VG RSCis comments submitted pe 219.52.

ACS BU please to ls on his return to Stanly 120/5/70

Decode.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 20/5/70

Time :

Received :

Time :

No. 114

RESTRICTED

(243)

Your letter HGF 16/2 of 17th April lease to Salvesen.

In view of situation developing regarding South Georgia I would advise taking this slowly. I am not too happy about proviso regarding arbitration and I am asking Jones to discuss with you next month.

Cypher : SJS

ACS plan see (246) 1.C.S. To beer or she to be 1/23/-

D/4/64/II

Y.E.

P.247

We have referred to this matter orally. Lee explained to me that the F.C.O., through its lawyers, is satisfied with the proposed arbitration procedure and I intimated to him that in that case we were not likely to press our objections which were in any case layman's hesitations in the face of what appeared to be inadequate legal procedural provisions. Provided the F.C.O. legal staff are, as a result of our query and any further consideration they have given the matter, satisfied that the legal and political position is fully protected, there can be no objection to proceeding with the lease. However, I understand Salvesens have come back to the F.C.O. with some objections; and there will be no need for us to move in the matter until we have heard further from Lee.

(J. A. Jones) 13/8/70

248

CI Noted, manke zon. CT and RSC thanks be you

In 14/8/70

S/c Bl 22/8 171+ 18

minute please

She I passed out, justinday, further papers for this herein. 1722/5 N. J.a. 97

D121641

Gibraltar & South Atlantic Dept.,

July, 1970

HGF 16/2

Further to our correspondence concerning the leasing of land on South Georgia to Christian Salvesen ending with your letter of 21st April, 1970, I have recently had a reply from the company and I enclose a copy of their letter and of their suggested alterations.

I am not sure whether the Colonial Secretary, John Jones, has been in touch with with you since he arrived ten days ago; he has tried unsuccessfully to reach you by telephone but is not in today so I cannot confirm whether he has done so or not. It occurs to me that the best way of dealing with the Salversen lease might be for the three of us to get together some time between now and when Mr. Jones leaves on 22 July, and if this is convenient to you and you would be willing to some up to London for it, perhaps you would telephone me.

Incidentally we had a brief note from the Governor recently who seems to be worried about the method of appointment of an arbitrator but I must confess that I do not understand what the difficulty is.

(A. C. W. Lee)

Sir Herbert Flaxman, C.M.G., K.B., Ashton Cottage, Yaxley, Eye, Suffolk.

R FiR in file (? Which Poly) on leaky in P. Songsa. M20/8

Christian Salvesen (Managers) Limited

G.P.O. Box 217 29 Bernard Street Leith EH6 6SW Scotland Telephone 031-554 4311 (20 Lines)

Telegrams, Inland & Foreign 'Salvesen, Leith, Telex' Telex Leith 72222

Pacific and Indian Ocean Department, Foreign and Commonwealth Office, London, S.W.1.



Our Ref. TBMBS/MB Operations Dept.

Room 273

Date

24th June, 1970.

A sau. RECEIVED IN

For the attention of A.C.W. Lee. Esq.

Dear Sirs.

We refer to your letter of 30th April concerning the proposed new lease for South Georgia.

Our general difficulty over your draft is that the Schedule pre-supposes that we shall have some personnel at South Georgia during the lease.

This, of course, will not be the case and we shall have no representatives there at all. Our people would only return to the island in the event of the possibility arising of starting or re-starting some operation down there. In this event, of course, a new lease would have to be negotiated, if we decided to start or re-start operations.

For that reason we have re-drafted the Schedule to the lease and we would draw your attention particularly to the changes which we have made in it. In particular for the reasons given we cannot undertake to preserve and keep in repair the existing station; nor can we undertake to provide any assistance in an emergency.

With regard to access, we, of course, would be agreeable to any authorised person having access to our stations, but we could not agree to have anyone there to show them around. We have, therefore, attempted to cover that point somewhat differently.

We await your reaction to our draft in due course. You will note some minor drafting alterations.

> Yours faithfully, For CHRISTIAN SALVESEN (MANAGERS) LIMITED 1. B.M. 1421. 1. M.

> > T.B.M. Bell-Scott

Directors: L.M. Harper Gow, M.B.E. G.H. Elliot R.B. Weatherstone Barry E. Sealey R.S. Salvesen

Sa 255

Your Ref.

HGF 16/2

FALKLAND ISLANDS

THIS LEASE is made this day of one thousand nine hundred and seventy BETWEEN Her Most Gracious Majesty Elizabeth 11: by the Grace of God, of the United Kingdom of Great Britain and Northern Ireland and of Her other Realms and Territories Queen, Head of the Commonwealth, Defender of the Faith, of the one part, and Christian Salvesen Limited whose registered office is situate at 31 Bernard Street, Leith, Scotland (hereinafter called the Lessee) of the other part WITNESSETH that Her Majesty doth hereby lease unto the Lessee and its assigns ALL THAT piece or parcel of land situate at Leith Harbour and Stroaness Harbour in the Island of South Georgia, one of the Dependencies of the Colony of the Folkland Islands containing eight hundred acres or thereabouts and more particularly delineated on the plan annexed herato and thereon edged with a red verge line LXCEFT and reserved to Her Majesty a road measuring thirty feet wide along the coast line of the land hereby lessed and the right of access for Her officials servants and agents to such road. TO HOLD the same unto the Lasses and its assigns for the term of five years from the day of 19 , and thereafter from year to year subject to determination as hereinefter provided YIELDING and paying therefor the clear yearly rent of TWO HUNDRED POUNDS STERLING payable in advance on the first day of Octiber in every year to the GROWN AGENTS for Overseas Governments, or the Treasurer of the said Colony of the Falkland Islands: and the Lessee does hereby for itself and its assigns covenant with Her Majesty to pay, or cause to be paid unto Her Majesty her heirs end successors that said clear yearly rent or sum of two hundred pounds at the times and in the manner hereinbefore appointed for payment thereof: AND that they will not at any time during the said term hereby granted without the previous consent in writing/

writing of the Governor of the Colony of the Felkland Islands (hereinafter called "the Governor") assign, underlet, or part with the possession of the said lot or parcel of land hereby leased or any part thereof.

- 2 .

PROVIDED that this lease is granted subject to the reservations, conditions and restrictions set forth in section twenty-sight of "The Land Ordinance 1949" of the Colony of the Falkland Islands save and except in so far as any reservations, conditions and restrictions in whole or in part are herein expressly excluded and subject also to the covenants, reservations, conditions and restrictions, set forth in the SCHEDULE hereto and PROVIDED always that if the said yearly rent of two hundred pounds shall be unpaid sixty days after any of the said days whereon the same is hereinbefors made payable (whether lawfully demanded or not) or if the Lessee or its assigns shall not observe, perform, fulfil, and keep all and every the covenants, conditions and agreements, hereinbefore and in the Schedule hereto contained which on their part ought to be paid and performed and more particularly shall omit to use the land hereby leased in the manner and to the extent specified in the Schedule hereto then and in either of the said cases it shall be lawful for Her Majesty, her heirs and successors, unto and upon the land hereby leased or any part thereof in the name of the whole, to re-enter and repossess the same as Her and former estate. PROVIDED also that the Governor or the Lessee may on be the first day of in any year on and after the first day of interest on and after the first depof 19, determine the tenancy hereby created by giving to the other one year's notice in writing. AND Her Majesty for herself, her heirs and successors doth hereby covenant with the Lessee and its assigns that they the Lessees and assigns, paying the said yearly rent of two hundred pounds on the days and times and in the manner aforesaid and observing, performing and fulfilling and keeping all and every the covenants, conditions and agreements in this/

this Lease and the Schedule hereto contained on their part to be observed, performed, fulfilled and kept shall and lawfully may pesceably and quietly have, hold, use, occupy, possess and enjoy the said lot or parcel of land hereby leased for and during the said term hereby granted.

Provided also that if at any time during the continuance of this lease the lessee shall notify the Governor in writing that it desires to start or restart whale fishing or any commercial fishing or other activities in connection with the land hereby leased or to assign underlet or part with possession of the whole or any part of such lend, the rent hereby reserved shall be subject to increase and the other terms of this lease shall be subject to The Governor and the lessee shall forthwith enter modification. into negotiations with a view to agreeing such increased rent and such other modifications as shall be appropriate having regard to all the circumstances and in particular the commercial operations to be undertaken and/or the rent or premium to be obtained by the lessee from such assignment underletting or parting with possession. If the Governor and the lesses shall have been unable to agree the amount of the increased rent and the other modifications to this lease within six months of the notification provided for above, they shall be decided by an arbitrator to be agreed upon by the Governor and the lessee within one month of the end of the six month period, and if not so agreed within such one month to be appointed by the President of the Law Society of England on the application of either the Governor or the lesses. Pending the decision on such increased rent and other modifications by agreement or arbitration, the proposed commercial operations, assignment underletting or parting with possession shall not take place unless the Governor so consents. and the Governor in granting such consent may impose such conditions as he thinks fit.

THE SCHEOULS referred to:-

1. The lot and parcel of land hereby leased is leased to be used by the lesses against the eventuality of its restarting whale fishing or starting fishing or other commercial operations and it is hereby expressly declared that nothing in this lease shall permit the use of the land hereby leased in connection with whale fishing, fishing or other commercial operations or for any other purpose whatsoever except as expressly mentioned in this paragraph or elsewhere in this lease.

2495

2. Except with the consent in writing of the Governor or an Officer authorised by him in that behalf the Lesses -

- (a) is prohibited from taking, removing, appropriating,
 killing or in any way using, either for his own benefit
 or for the benefit of any person or persons, any product,
 seal, bird or animel whatsoever in South Georgia or any
 Island adjacent thereto, and any fish, marine algae
 (including Kelp) or any other marine life within
 territorial waters; and
- (b) will not knowingly import any living bird, animal, fish or plant.

3. The right to take and win minerels, including minerel oil, on the lot or parcel of land hereby leased is reserved to the Crown.
4. The Lessee shall be permitted to take fresh water for all purposes in connection with the land station and shall have the right to take such steps as may be necessary to ensure that an adequate fresh water supply is available at both Leith and Stromness Harbours.

5. The Lessee hereby for itself and its assigns covenants with Her Majesty her heirs and successors that during the continuance of the above written Lease all persons holding leases granted by Her Majesty her heirs and successors or who proceed to South Georgia with the sanction of the Governor will have full facthings of access to the above on which the lot or parcel of land hereby leased is situate.



IN WITNESS whereof His Excellency Sir Cosmo Dugel Patrick Thomas Haskard, Knight Commander of the Most Distinguished Order of St. Michael and St. George, Member of the Most Excellent Order of the British Empire, Governor and Commander-in-Chief in and over the Colony of the Falkland Islands and its Dependencies, hath with the special sanction of the Secretary of State for Foreign and Commonwealth Affairs hereunto set his hand for and on behalf of Her Majesty and caused the Fublic Seel of the said Colony to be hereunto affixed, at Stanley in the said Colony, and the Lessee has caused its Common Seel to be hereunto affixed the day and year first above written.

5

Sgd: Governor and Commander-in-Chief. By His Excellency's Command, Colonial Secretary 131/8

(HGF 16/2)

29 July, 1970

Gibraltar and South Atlantic Dept., 250

249



I am most grateful for your letter of 24 June, 1970 concerning the proposed new lease for South Georgia and for your useful and constructive comments concerning the proposed document. I had hoped, since we had the Colonial Secretary over for a few weeks from the Falkland Island to be more positive in our response to you that I now can be: for various reasons we were unable to get together with Sir Hubert Flaxman to discuss your suggestions and in the end all I could do as to ask the Colonial Secretary when he gets back (which was yesterday) to talk the matter over with the Governor and let us have his views. I will keep you informed.

(A. C. W. Lee)

T. B. M. Bell-Scott, Esq., Christian Salvesen (Managers) Ltd., C.P.O. Box 217, 29 Bernard Street, LEITH, Scotland

> c.c. Mr. J. A. Jones, Falkland Islands

SICFIR early in file he balances have (? While; Big) to mable me to hunte to hear by next muit. Bills

see 255

FIG ref: D/4/64/II FCO ref: (NGF 16/2)

4th September, 1970

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250

Flease refer to your letter of the 29th July to Salvesen Ltd. Since returning here I have discussed with the Covernor the question of the proposed proviso for covering ro-negotiation of the lease in circumstances where whale fishing or other activity is started. As your legal advisors are satisfied that the roposed procedure is in order we are prepared to accept the position.

I am afraid I have not yet had time to provide considered comments on Salvesen's letter INDS/NB of the 24th July which covered their redraft of the Schedule of the lease. I hope to be able to let yeu have comments on this by our outgoing mail of the 27th of this month.

> (J. A. Jones) Colonial Secrets y

A. C. L. Lee, Esq., Poreign and Commonwealth Office, London, S.T.1 R.S.C.

I shall be grateful for your comments on the redraft of the Salvesen lease which is at pp 249B-F and is covered by the explanatory letter p. 249A from Salvesen to the F.C.O.

2. I want to get an answer containing our comments off to the F.C.O. by the outgoing mail at the end of this month and will be glad if you can let me have your comments no later than the 17th September (or earlier if possible).

(J. A. Jones) Colonial Secretary 4/9/70

252

Col. Sec.,

yes.

I think Salvesen's suggested amendments to paragraphs 1 and 5 of the schetheeSchedule to the Lease are reasonable.

2. I understand the whaling stations at Husvik Harbour (Albion Star (South Georgia) Limited), Stromness Harbour (Christian Salvesen Limited) and Leith Harbour (Christian Salvesen Limited) all situated in Stromness Bay are all in a sad state of disrepair. I also understand there is not a caretaker at any of the stations and the reindeer wander in and out of the buildings as they please.

3. I do not consider it reasonable to expect Salvesen to keep a whaling station, already in a state of deterioration, in tip top repair when there is no income and not likely to be any from the Station.

4. Although I believe as stated in paragraph 2 supra that there is no caretaker at Husvik the following is extracted from paragraph i of the Second Schedule to the Husvik Lease made on the 12th January 1961:

"A land station shall be deemed to be maintained within the meaning of this clause if the Governor is satisfied that the establishment is adequately equipped, supervised, in good repair and operated.".

Albion Star appear not to have complied with or have been unable to comply with this requirement.

5. As there is no staff and probably no fuel or provisions at the Salvesen stations they can hardly be expected to comply with paragraph 5(a) of the Schedule.

6. In the absence of staff at the stations I would suggest that prior notice is given to Salvesen of any entry authorised under paragraph 5(b).

7. Further the station at Husvik is in min, and at Seith the cinema hall has collapsed and ships are sunk in the harbour and at the jetty.

> H.B. 16.IX.70.

MAE: R.S.C. has seen like at 253-4.

DECODE.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 16th September Time: 0305 Received: 16th SeptembErne:

No. 170. Lees letter HGF 16/2 of 29/7 to Salvesens copied to Jones refers. South Georgia leases.

2. Grateful for your further views on terms to be included in new lease.

3. Salvesens have informed Crown Agents that they do not propose remitting revised rent for 1970/71 having paid sum of £1,050 in respect of year 1969/70 although leases expired on 1/10/69 they advise that when final negotiations are concluded some of this payment will be refundable Crown Agents confirm verbally that sum of £1,050 was received on 25.9.69 and credited in South Georgia account on 7.10.69 Salvesens request your consent to this arrangement may this be given on your behalf.

Douglas-Home.

213

Sec. 25%.

Copy to R.B.C.

PL : AC.

Decode.

TELEGRAM SENT.

From GOVERNOR to MINISTRY FOR OVERSEAS DEVELOPMENT

Despatched : 17. 9. 70 Time : 1620 Received : Time :

2.2

No. 217. Your telegram 170 Salvesens South Georgia Leases. Intend forward views by outward mail of 27th September. Meanwhile financial arrangements mentioned your telegram acceptable.

Haskard

254

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P/L:

Copy to C.T.

KIV- RSci minute on 252.

D/4/64/II

18th Sentember.

70

755

F.C.O. ref: (HGF 16/2)

DUAA In my letter of the 4th September I sold that I had not yet had time to consider Salvesen's letter to you of the 24th June. The draft attached to Salvesen's letter has been studied and appears reasonable in the current physical situation at the whaling stations concerned.

As you know, we more not able, while I was in London, to have a se ting with Sir Hubert Flamman on this subject. I take it that you all not have been able to consult him and, provided he sees no snegs, I suggest that Salvesen's draft should be accepted.

> (J. i. Jon s) Colonial Secretary

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Repey 257

A.C. . . .ce, Msg., Cibralter and South Atlantic Department, Forci a and Commonw alth Office. London, S. 1

Pic? Mytig in hund of he /12. 1/16/12

Mr. no mail pl. Bili 12/70

1 Bustiz

20/6 Ble 16/12 Ble 29/1/71

Christian Salvesen (Managers) Limited

G.P.O. Box 217 29 Bernard Street Leith EH6 6SW Scotland Telephone 031-554 4311 (20 Lines) Telegrams, Inland & Foreign 'Salvesen, Leith, Telex' Telex

Leith 72222

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Under-Secretary of State, Foreign and Commonwealth Office, LONDON, S.W.1.



Our Ref. GHE/ELB

Date 17/11/70

Your Ref.

Dear Sir,

South Georgia

We notice from a press announcement that HMG has refused to give permission to Senor Alfredo Ryan to sell two whaling stations to Russia to be used as a base for fishing operations. As you will know we own two stations on the island, with tanks, docks etc., on a scale considerably larger than Ryan's stations, though they have not been maintained for several years. These are built on ground taken on long lease from the Falkland Islands It would interest us to know what is HMG policy in respect of government. transfer of the station to foreign ownership. Some years ago there was a possibility of selling our station at Leith Harbour to a Japanese company, and this was eventually approved by HMG. In the event the sale fell through, and we leased the station to another Japanese company for a total of four years. The Russians were in touch with us recently about buying or leasing Leith Harbour, but they made no serious approach and evidently were more interested in Ryan's stations which, though with poorer harbours, had been better maintained and had a refrigerated store which might have been of use to the Russians.

Is it HMG's policy that the Russians should not be allowed to lease or buy a station at South Georgia? We can see that there may be security reasons for this, though up till now HMG has never shown any interest in South Georgia from that point of view, or suggested that we should maintain our installations there on defence grounds. Against this there might be some economic advantage to UK if South Georgia was developed, even by the Russians, as a fishing base. There are undoubtedly stocks of fish in the area, and, if the Russians did pioneer work, other countries, including UK, might exploit the fishing later.

Yours faithfully,

G.H. Ellion.

c.c. Governor, Falkland Islands A.J. Aglen, Scottish Fisheries Dept. * LMHG

1.71. (255)

Directors: L.M.Harper Gow, M.B.E. G.H.Elliot R:B.Weatherstone Barry E.Sealey R.S.Salvesen W.M.Bruce



Foreign and Commonwealth Office London S.W.1

5 January 1971

HGF 16/1

J A Jones Esq Colonial Secretary Falkland Islands

Dear Jones

Please refer to your letter D/4/64/II of 18 September to 1. Tony Lee about the Salvesen's Lease. We have now finally been able to complete the necessary action at this end, and I now enclose two copies which have already been signed and sealed by the Company.

255

Please would you arrange to have the same done on behalf of 2. your government and keep one copy for yourselves, returning the other to me so that I can send it to Salvesens.

3. You will notice that at various places a date has to be filled in, and I presume that the new Lease will commence from 1 October 1969, when the old one was terminated. In addition, the Company refer to Prince Olaf, for which they say they can find no formal Lease; up to 1969/70 and 1970/71 they say they have paid an annual rent of £50, and suggest this might be reduced to say, £25 per year.

4. I should be grateful for your views.

Yours ever, Antony Southour

A L Southorn Gibraltar and South Atlantic Department

R F (the better mby) & R, with the beaus loose. Ref.

258 Y.E. has not previously seen this file the action in which, since whaling at/from S. Georgia has ceased, is the dull one of drawing up new leases, at lower rentals, for Salvesen's land stations. The issue is now almost completed and I shall be writing to Southorn to say that the Prince Clav lease consideration may be reduced to £25. 2. The blank dates on the lease (2 copies of lease for your signature are at i.f.c.) will be as follows: p.l. Date you sign. 'October' and 'October, 1969' p.2. 3. If you will sign the two leases in the space indicated on them and return file to me, I will take all other action. (J. All Jones) Colonial Secretary 28/1.71/

1st February 1970

FIG ref: D/4/64/II FCO ref: HGF 16/1

D

Thank you for your letter of the 5th January about Salvesen's lease. The two copies of the lease sent with your letter have now been signed and sealed here and one copy is returned to you with this letter.

I agree that it has not proved possible to find the formal lease here for Prince Olaf. In the circumstances it would seen best that one should be drawn up and there will be no objection to the consideration being reduced from £50 to £25 a year.

> (J. A. Jones) Colonial Secretary

A. L. Southorn, Esc.,

R.S.C.

One copy of the lease referred to in the above letter is forwarded herewith for your retention.

(Intld) J.A.J.

COLONIAL SECRETARY

Jet Mitig in from FCD the pana. 2 above Mile

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18 Merch 1971

HGF 16/1

Sir Hubert Flaxman CMC KB Ashton Cottage Yaxley EYE Suffolk

SOUTH GEORGIA LEASES

Please refer to correspondence you had with my predecessor Tony Lee last year about the South Georgia lease agreement with Christian Salvesen Ltd, resting with your letter of 24 November. 1 now enclose a copy of the final agreement which you may care to keep with your files.

While on the subject, I should like to mention a related question, which has been raised by the Company. It seems that at the time of the original lease concluded in 1935, a parallel agreement was also signed to cover Prince Claf Harbour, but that this latter lease did not contain automatic prolongation clauses. Salvesens have in fact been paying (through) the Falkland Islands Covernment the Crown Agents a rent of £50 pa in respect of Prince Olaf Harbour ever since, and the position is that they are in effect yearly tenants, with the tenancy terminable on half a year's notice. They have now become aware of the absence of a formal lease agreement. and have at the same time suggested that it would be appropriate to reduce their rent from £50 to £25. I have put this to the Colonial Secretary, who agrees and adds that it might be as well now to draw up a new lease to cover this arrangement. I should be grateful if you could let me have your advice on whether this is necessary or desirable in view of the new rental, together with advice on the modalities of doing it; and also, if you consider there should be anew lease, whether Salvesens should continue raying at the old rate until such time as a new agreement is concluded, or whether they may pay the lower sum from now on. This is highly relevant at present since they have asked the Crown Agents for a refund of the rent they have paid for the current year for all their South Georgia concessions. The rent for Leith and Stromness has been reduced by £800, and if it is possible it might make life easier if £25 could elso be refunded to them in respect of Frince Olaf.

I am sorry to say that it does not seem that I shall have the pleasure of meeting you, since I am leaving the Diplomatic Service at the end of this month. I shall be extremely sorry to leave in many ways, and it is a pity that I am going now that I have just got myself into the swing of Falkland affairs. You may like to know that my successor - who I hope will last rather longer than the last two incumbents of this desk - will be Mr G F Kinnear OBE.



HGF 16/1

200

Foreign and Commonwealth Office London S.W.1

21 May 1971

SECRETAT

D14/64/1

J A Jones Esq OBE Government House Port Stanley Falkland Islands

Dear Jones,

1.1+

259

Please refer to your letter of 1 February to Anthony Southorn about a new lease to Salvesens for Prince Olaf Harbour land station in South Georgia. We have now found a copy of the original lease which was sent to us under cover of the Governor's Despatch No 128 of 17 September 1936 and I enclose a copy of the lease for your information, I also enclose a copy of my letter of today's date to Sir Hubert Flaxman asking him to draw up a new lease for Salvesens. You will see that the original lease specified a rent of £250 per annum but this was reduced to £50 per annum while the station is not used for whaling by the Colonial Secretary's letter of 6 September 1939 of which I enclose a copy.

yours even George Kinneas.

G F Kinnear Atlantic and Indian Ocean Department

2 encs.

He hay work to do so inco. the literis better of b 9.69. I do AP Kino of Price Olar was used for what if after that date.

FALKLAND ISLANDS.

THIS INDENTURE made this 15th day of May one thousand nine hundred and thirty-six BETWEEN His Most Gracious Majesty Edward VIII: by the Grace of God of Great Britain, Ireland and of the British Dominions beyond the Seas King, Defender of the Faith, Emporor of India, of the one part, and the South Georgia Company, Limited, Merchants, of 29 Bernard Street in the town of Leith, in that part of the United Kingdom called Scotland (horeinafter called the Lessees) of the other part, WITMESSETH that His Majesty doth hereby lease unto the said Lessees and their assigns all that lot or parcel of land situate at Prince Olaf Harbour in Possession Bay in the Island of South Georgia, one of the Dependencies of the Colony of the Falkland Islands, all of which lot or parcel of land, containing five hundred acros more or less, is more particularly delineated and described in the first schedule heroto, to have and to hold the said lot or parcel of land hereinbefore expressed to be hereby leased unto the said Lessees and their assigns from the first day of October, one thousand nine hundred and thirtyfive for the term of three years, YIELDING and paying therefor yearly/

yearly, and every year during the said term hereby granted, the clear yearly rent or sum of Two hundred and Fifty Pounds sterling payable on the first day of October in every year to the Grown Agents for the Colonies, or the Treasurer of the said Colony of the Falkland Islands : And the said Lessees do hereby for themselves and their assigns covenant with His Majesty in the manner following (that is to say) That they the said Lessees or their assigns shall and will truly pay, or cause to be paid unto His Majesty his heirs and successors the said clear yearly rent or sum of Two hundred and Fifty Pounds at the times and in the manner hereinbefore appointed for paymont thereof: And also shall not nor will at any time during the said term hereby granted without the provious consent in writing of the Governor of the Colony of the Falkland Islands, assign, underlet, or part with the possession of the said lot or parcel of land hereby leased or any part thereof .

Provided that this lease is granted subject to the reservations, conditions, and restrictions set forth in Section twenty-one of "The Land Ordinance, 1903" being Ordinance/

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Ordinance No. 9 of 1903 passed by the Legislative Council of the Colony of the Falkland Islands on the 16th day of December, 1903 and assented to by the Governor and given under the Public Scal of the said Colony on the 18th day of December, 1903 save and except as in so far as any reservations, conditions and restrictions in whole or in part are heroin expressly excluded and subject also to the covenants, reservations, conditions and restrictions, set forth in the second schedule here to and Provided always that if it shall happen that the said yearly rent of Two hundred and Fifty Pounds shall be behind or unpaid, by the space of Sixty days next over, or after, any of the said days whereon the same is hereinbefore made payable (whether lawfully demanded or not) or 11 the said Lessees or their assigns shall not well and truly observe, perform, fulfil, and keep all and every the covenants, clauses, conditions, and agreements, hereinbefore and in the second schedule hereto, contained which on their part ought to be paid and performed according to the true intent and meaning

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of these presents, and more particularly shall omit to make/

make use of the said leased lot or parcel of land for the purpose of maintaining a land station in connection with the business of whale fishing in the manner and to the extent specified in the Second Schedule hereto, then and in either of the said cases, it shall be lawful for His Majesty, his heirs or successors, unto and upon the said leased lot or parcel of land, or any part thereof in the name of the whole, to re-enter and the same to have again, retain repossess, and enjoy as in his and their first and former estate And His Majesty for himself, his heirs and successors doth hereby covenant with the said Lessees and their assigns, that they the said Lessees and their assigns, paying the said yearly rent of Two hundred and Fifty Pounds on the days and times and in manner aforesaid and observing, performing, fulfilling and keeping all and every the covenants, clauses, conditions, and agreements in this indenture and the second schedule here to contained on their part to be observed, performed, fulfilled and kept, shall and lawfully may peaceably and quietly have, hold, use, occupy, possess and enjoy the said lot or parcel of land hereby leased for and during the said term hereby granted.

The First Schedule referred to in the abovewritten Indenture.

1 . 1

The lot or parcel of land in the Island of South Georgia hereby leased is five hundred acres, more or less, in the Eay marked Prince Olaf Harbour, with metes and bounds as follows (that is to say) bounded on the coast line by a road reserved to His Majesty, measuring thirty feet wide from high water mark and inland by Crown Lands.

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and the second

The Second Schedule referred to in the abovewritten Indenture.

1. The lot or parcel of land hereby leased is leased to be used by the Lessees for the purpose of maintaining a land station in connection with the business of whale fishing. For the purposes of this Schedule "land station" shall mean an establishment on shore equipped with the plant necessary to render, boil down, treat or manufacture whale carcasses or any part thereof. A land station shall be deemed to be maintained within the meaning of this clause if the Governor of the Falkland Islands and its Dependencies is satisfied that the establishment is adequately equipped and supervised and kept in good repair.

2. Except with the consent in writing of the Covernor or an officer authorised by him in that behalf the Lesseess are prohibited from taking, removing, appropriating, killing or in any way using, either for their own benefit or for the benefit of any other person or persons, any product, seal or other animal whatsoever, on South Georgia or on any island adjacent thereto.
3. The right to win and take minerals, including

mineral/

mineral oil, on the lot or parcel of land hereby leased is reserved to the Crown.

4. The Lessees hereby for themselves and their assigns covenant with His Majesty his heirs and successors that they the Lessees and their assigns, during the continuance of the above written Indenture :-

(a) will not in connection with the land hereby

leased employ for the purpose of taking whales any vessels which they are not licensed to use for that purpose within territorial waters.

(b) Will employ a manager who shall be responsible for the management of the land station and of the vessels attached thereto and for the duo observance of the whaling laws and regulations and of the conditions of leases or licences.
Such manager shall not himself normally shoot Whales and shall be found normally at the land station.

(c) Will keep regularly from day to day an accurate record of meteorological observations in respect

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of temperature, the readings of the barometer, the amount of rainfall, and the direction and pressure of the wind, on and at the lot or parcel of land hereby leased and will furnish full particulars of all such observations, with as little delay as may be possible to the Governor of the Colony of the Falkland Islands and its Dependencies.

- (d) Will be prepared in the event of an emergency arising to assist, within reasonable measure, any ship requiring supplies of fuel or provisions.
- (e) Will maintain in proper working order at such places as the Governor may specify two leading beacon lights which shall be exhibited at all times between the hours of sunset and sunrise as guides to shipping.

(f) Will give full facilities of access to the shore on which the lot or parcel of land hereby leased is situate to all persons holding leases granted by His Majosty, his heirs and successors or who proceed to South Georgia

with/

26)

with the sanction of the Governor of the Colony of the Falkland Islands and its Dependencies.

(g)

(ኪ)

Will furnish to the Governor of the Colony of the Falkland Islands and its Dependencies at the end of each season a report containing such particulars as the Governor may require in respect of the operations undertaken during the season, and in addition will furnish such other information as may be required by any law to give effect to the International Convention for the Regulation of Whaling concluded at Geneva on the 24th of September, 1951, or by any other law for the time being in force, at the time and in the manner specified by such laws.

Will conduct all operations in connection with the aforesaid business of whale-fishing in accordance with

 (1) the provisions of the Whale Fishery
 Ordinance, 1908, the Regulations made from time/ time to time thereunder, and any other law for the time being in force, and (11) the provisions of the aforesaid International Convention and if so required by the Covernor any other International Convention for the regulation of Whaling, to the same extent as they are required to be observed by or in respect of vessels flying the flag of a High Contracting Party to any such Convention when in force.

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Atlatic and Indian Ocean Department

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21 May 1971-

Sir Hubert Flaxman, KB, CMG Ashton Cottage Yaxley Eye Suffolk

SOUTH GEORGIA LEASES

1. Please refer to Anthony Southorn's letter to you of 18 March about Salversen's leases in South Georgia.

2. We have now located a copy of the lease for Prince Olaf Harbour dated 15 Mey 1956 and I onclose a copy for your reference. You will see that the sumual rent specified in the lease is £250 which does not agree with the figure of £50 mentioned by Selvesens in their letter of & January (copy enclosed). This reduction was agreed by the Colonial Secretary in his letter of 5 September 1939 (copy enclosed) to Salvesens on the basis that the reduced rental would only apply when the station is not used for whaling and that if it should be so used then the previous rental of £250 per annum would become payable.

3. Salvesens have ached for a new lease for the Prince Olaf Harbour station and, as montioned in Southern's letter, the Colonial Secretary agrees that a new lease should be drawn up in which I suggest the provise to the reduced rent of 250 mentioned in the Colonial Secretary's letter of 6 September 1939 regarding the use of the station for whaling should be included.

Although the original lease was, at Salvosens' request, in the name of the South Georgia Co Ltd I assume that the new lease should be to Christian Salvesen (Managers) Ltd of 29 Bernard Street, Leith.

5. As Southern mentioned in his letter to you of 18 March, the Colonial Secretary has agreed to Salvesens' request that the rent should be further reduced to £25 per annum.

G F Kinnear

Encs.

OCPY.

D/13/39.

6th September, 1939.

261

Sir,

With reference to the rental of the land station at Prince Olaf Harbour, South Georgia, leased by you, I am directed by the Governor to inform you that it is proposed to reduce the rental of the disused station from 5250 to 550 per annum on condition that you are prepared to accept the renewal of your lease for a period of one year only.

2. The reduced rental would only apply when the station is not used for whaling. If during any whaling season it should be so used then the previous rental of \$250 per annum would become payable.

3. I am to request you to state whether you are prepared to accept the proposal.

I am,

Sir,

Your obedient servant,

(Sgd.) M. C. Craigie-Halkett,

Colonial Secretary.

Mossrs Chr. Salvesen & Company, 29, Bernard Street, Leith, SCOTLAND.