

1
DCS :

P. J. 17/3

As..

Folio 1

2. This came up in the course of a recent meeting with H.E. & Mr. Johnson, when - for our part - we expressed considerable reservations about the ability of the Salwan ranching experts to do much the assessment of inshore fishing (para 7 of draft tot.) without having access to a boat. HE has accordingly asked Mr. Johnson to explore further in Lardai the possibility of obtaining some help with this.

3. Would you now prepare for a draft reply & AI forms - for Mr. Johnson to take with her if possible? (I will add final paragraph dealing with overall problem of inshore fishing).

J. J. 17/3

2.

CS,

Drafts at centre s.f.c. please.

J. J.

15.3.78

Review draft to issue with tot.

J. J. 16/3

YE

You asked to see these papers.

2: I did not elaborate upon our requirement for an inshore fishing survey in my letter to P. Johnson, at Folio 3, as I had her verbal confirmation that she would be taking this up separately as a result of the meeting that you had called on 11 March. But I will not lose sight of the fact that the "ball is in OBT's Court".

[Handwritten signature]
29/iii

=

C.S.

I suggest adding "and shall fish" - the second time of Tol 7, and "freezing or coming" at the end - just for the record.

For mention at Exes.

[Handwritten signature]
29/3

✓

Letter sent accy.

[Handwritten signature]
30/iii

YE

Mrs. Rosser's letter at Folio 8

2. Whilst it is encouraging that ODG are at least addressing themselves to investigating fishing potential here, the time-scale is rather disappointing.

3. Salmon ranching may prove to have significant potential but we need to know something about in-shore resources quickly. I fear that it may be 1980 before reliable information becomes available. This may be pessimistic but is based upon the following possible time-table:

OCT. 1978 : PRELIMINARY REECE VISIT

OCT. 1979 : INSHORE STUDY STARTS
(provided reece reveals it to be worthwhile & supposing that southern summer is optimum time).

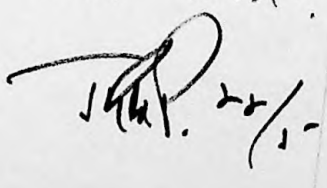
JAN/FEB 1980 : Reliable data begins to emerge.

However, in practical terms, I doubt whether there is anything that can be usefully done to speed things up.

4. Draft reply is submitted opposite for your approval.

 M.
19

C.S.

Thank you: Tel sent.


YE

Mrs Rosser's letter at folio 11.

- 2. I have placed opposite a draft telegram on the lines of which you may like to reply.
- 3. May I take it that you will tell OCRM that we shall be requiring the use of mv "Forrest" for this project and that I will let him have the precise dates?

CS
7.vii.78

a

- c.s. Thank you.
- 2. Tel sent.
- 3. You may tell OCRM, at my request.

Letter sent
10/7/78

YE

MODEV 200 at folio 15

- 2. The possibility of eventually using a local vessel (Forrest or one chartered from Mr Fitter perhaps) to ship refrigerated containers to BA or Montevideo has a number of attractions. But the use of any local vessel would largely depend upon the size of the containers and the frequency at which they would have to be moved. (The implications for an eventual replacement for "Forrest" could be significant)
- 3. In the present circumstances and because there are still so many imponderables (and we have, of course, still to see TP1 Report) I think we can only agree to pursue this with Dr Hall when he comes. I have drafted a telegram in reply accordingly.

CS
11.viii.78

"

- c.s. Tel sent as recommended, thank you.

now PR 5/11/78

DEVELOPMENT OFFICER

Folio 19

2. Contrary to our expectations Dr Hall will now be accompanied by Dr Cole and Dr Thorpe. In Mrs Rosser's letter of 27 June, at folio 11, she asked whether mv "Forrest" could be made available during their visit and this was agreed in principle by the OCRM - folio 13 refers - although the dates were left open.

3. However, I now find that "Forrest" is scheduled for a "beef run" to Port San Carlos on 20-24 November: the first week of the visit.

4. Would you please liaise with OCRM about this?

5. It is not clear exactly what the team will want to do, so the preparation of a draft programme in advance will not be easy. But it rather looks as if we ought to keep in mind a preliminary meeting - presumably with HE - on the afternoon of their arrival.

6. Perhaps you would also:

- a) check that they are booked in to the Goose: and that
- b) an appropriate announcement in due course is prepared for the Broadcasting Officer.

There will be no difficulty about this, I know already

Done ✓
Pulman done ✓



19 October 1978

Acting Governor

AG.

File Note

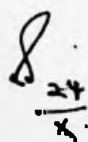
I have spoken to Major Southby-Tailyour who is sailing Forrest on Monday 20th November for the North Coast and is perfectly happy to accommodate the team and make his programme as flexible as possible to suit the convenience of Drs. Hall, Cole and Thorpe.



24 October 1978


Development Officer

I also attach a draft signal seeking more info on the fishery team.



DAI OFFICERS

Telegram Despatched. Thank you.



Acting Governor.

I attach a first attempt at drafts of itineraries for Dr Thorpe + Dr Hall + Mr Cole.

It does not include a visit to New Island to meet Ian Strang as requested but this could be added. In the journey ahead, I would like to show the final draft to OCRM's Mr Spruce for their comments

2/11

AGCS

These proposed itineraries seem fine to me - but do you have any comments or suggestions to add. There seems sufficient flexibility to include a visit to New Island if that should prove essential.

2. It. return to Dr. Thorpe.

M. King

AGCS,

I have looked at the papers in this file briefly. The only suggestions I can make for the programme of Dr. Thorpe is that perhaps he should meet the whole committee of the Falkland Islands Angling Club, or indeed all of it's members, and explain a little about the project. After all they are the people who use the Mako and the Murrel the most and would, I imagine, have questions they would like to ask and points to put.

Eddie Anderson (2nd) was the skipper of the Penelope for the Japanese crab-catchers.

(Signature)

3.11.78

9

Development Office

Pl see above by Mr King our Office

Manager who is a keen and knowledgeable fisherman.

The Team may benefit from talking to Captains Sallis and Betts, and also Eddie Anderson who was skipper of the Penelope for the Japanese investigation.

D.S.H. 3/4

20

D.F.S.

To see p. 32 (and enclosures) pl.

J. C.S.
10. 11. 78

21

C.S.

32 noted thank you,

J.S.
13/11/78

22

~~D.M.~~ 14/11/78
D.M.


Kiv Dr Thorpe to be booked out Wednesday 6th December. He is to bring his ticket in

D.M.
13/11/78

23

Chief Secretary

I attach opposite a note of our discussions yesterday with the Fisheries Team together with Dr Hall's breakdown of costs.


Development Officer
30 November 1978

- 24 -

YE

1. You will wish to see:
 - (a) at folio 46, the note prepared by Mr Sloman of the final round-up meeting with Dr Hall, together with, at folio 46A, Dr Hall's preliminary estimate of costs; and
 - (b) at folio 45, a note on Dr Thorpe's interim assessment of prospects for salmon ranching in East Falkland. (Dr Thorpe is still engaged upon his tour of West Falkland).
2. The immediate implications for FIG of any decision to go ahead will include:
 - (a) provision of housing for four expatriate staff (not necessarily too difficult with a changing pattern of TCO inputs);
 - (b) the provision of at least four extra local jobs to man the vessel; and
 - (c) obtaining use, or possibly even ownership of the Alginate Industry's complex opposite the West Store.

Dr Hall seems to be thinking of immigrant families becoming involved in any ultimate fishing industry here based upon single-family working units owning a private boat. This may prove necessary but we shall also have primarily to keep in mind incentives for Islanders to participate. The eventual consequences of any such development would have to include the provision of suitable infrastructure services including jetty facilities; stores for tackle and gear; and probably a Co-operative to manage marketing of catches and provision of common services. But that could only follow once the exploratory study began to show positive results.

3. Dr Thorpe has indicated that the rivers in the northern part of East Falkland would not lend themselves to salmon ranching without the provision of special

/facilities

facilities (pumps etc). However, apart from the streams he has already identified at Darwin, the Fitzroy River also seems a likely starter with some damming to intensify the flow of water. Whilst it does look eminently feasible to launch a pilot scheme near Darwin - which incidentally might have to include the provision of two houses: one at least on site to regulate and watch water supplies - I formed the impression that Dr Hall foresaw difficulties about the provision of funds for what would essentially benefit a private company. Perhaps I have read into his remarks more than he meant to imply; but I believe Mr Sloman would share my observation.

4. I can see that the salmon ranching project might present more difficulties for ODM to fund than the inshore fishing survey and, without wishing to adopt any posture at this stage, I think that we must be ready to ensure that resources for the major enterprise are not in any way jeopardised by any possible dissipation of effort to include salmon ranching however intrinsically meritorious it might be.

CS
4.xii.78

- 25 -

c.s.
v. hoped. We must
now admit Landan's
requirements; I am putting
in some pressure.
J.H. 4/12

26

now pa

27

Reg PC B/U 18th June pl.

J.B. 5/12



Ministry of Overseas Development
Eland House Stag Place London SW1E 5DH

Telephone 01-834 2377 ext

J D Massingham Esq
Chief Secretary
Stanley
Falkland Islands

Your reference

Our reference GLA 56/273/03

Date **27** February 1978

R R
7/iii (revised 13.iii)

Dear John



FISHERIES CONSULTANCIES

At one of the meetings which we had with the Governor last summer we discussed the possibility of providing you with a consultancy on salmon ranching and fish meal production.

2. We have consulted our Fisheries Adviser and the Tropical Products Institute over this and hope to have further discussions with them in the very near future. In the meantime you will, I think, want to know how matters are progressing.
3. We had at one time hoped to have a joint consultancy dealing with both these matters, but because of the wide divergence of expertise required it now looks as though we will have one consultancy dealing with salmon ranching and an assessment of the numbers of fish in Falklands waters followed by another consultancy dealing with the post-harvest problems connected with fish and meat. I attach draft terms of reference for the salmon ranching consultancies which you will wish to consider.
4. We are still considering the terms of reference for the second consultancy and will let you have these as soon as possible.
5. In the meantime, if you will let me have a formal application for the salmon ranching study we will start to recruit.

Yours sincerely
Chris

Mrs C B Johnson

DRAFT

Draft
by

File No.	*S/O Letter	Official Letter	Despatch	Minute	Memo		
	For signature by <i>Mrs CB Johnson</i>				Ext. <i>610</i>		
Your Ref.	*SECURITY	Unclass.	In Conf.	Restricted	Conf.	Secret	Top Secret
Addressed							

ENCLOSURES

FURTHER ACTION AND SPECIAL INSTRUCTIONS

1+3

Return to Room No.

REFERENCES AND AMENDMENTS

*Tick as appropriate

DRAFT TERMS OF REFERENCE FOR CONSULTANCY ON SALMON RANCHING

1. To examine the suitability of rivers in, and the position of, the Falkland Islands for a Salmon ranching industry.
2. To make recommendations on the most appropriate species of Salmon for such a venture.
3. To advise on the location and size of a Salmon hatchery, and a harvesting system suitable to the Falkland Islands and to recommend the likely labour requirements.
4. To investigate the market potential for (a) fresh and (b) smoked Salmon from the Falkland Islands, taking into full account the problems of transportation. To assess the scale of any likely markets, present prices and make an estimation of future price trends.
5. To advise whether a Salmon hatchery and ranching industry would be likely to be economically viable in the Falkland Islands and to suggest possible commercial partners likely to be interested in such a project.
6. To consider the advantages of setting up a Salmon smoking plant in the Falklands and the likely economic viability of such an addition to a Salmon ranching industry, taking into account the /problems

problems of transporting high quality smoked Salmon.

7. To assess, as far as is possible from existing information, the type, quantity and quality of fish available in the inshore waters of the Falkland Islands and to advise whether these would be suitable for fish meal.

Mrs C B Johnson

(2)

Application for British Technical Assistance

Provision on an Expert

Government of FALKLAND ISLANDS

-
1. Type of Appointment Consultant on Salmon Ranching
-
2. Number required One
-
3. Authority to whom expert responsible **Chief Secretary**
Falkland Islands Government
-
4. Date required As soon as the appointment can be made
-
5. Duration of appointment To be decided in the light of progress
-
- 6 (a) Background to and description of project for which expert required, (Please indicate as concisely as possible the general nature of the project, development scheme or training programme etc. stating whether this comes within the Government's development programme. It is important to know whether the application is related to a projected or newly started enterprise, the extension, re-organisation or maintenance of an existing one, and whether it is a one-time or continuing operation. In the case of a feasibility survey the sources of capital to finance the implementation of any recommended scheme should be stated).
- The subject was discussed by the Governor with personnel in the GDM during July/September 1977. ODM correspondence under reference GMA 56/273 relates.
- For agreed Terms of Reference see attachment to this application
- Useful reference might be found in the Report on Fisheries in the Falkland Islands prepared by Dr Leslie Steward MBE MSc PhD in October 1973 following his visit to the Colony in Feb/March of that year.
-
- (b) Details of any previous application to fill vacancy through United Nations or other source. Nil
-
- (c) (i) Is the vacancy on the regular establishment or a Government Department or other institution? No
- (ii) If so, please state the local salary mean.
-

- N.B. 1. Two copies of this form should be completed for each application;
2. This form should not be used in applying for;
- (a) Assistance under the Colombo Plan
 - (b) for appointments eligible for O.S.A.S. terms.

6 (d) Additional Information for Industrial or Engineering Projects

Please indicate the output or estimated output and number of workers involved in the industrial or engineering concern. If a construction contract is involved particulars should be given, including whether the contract provides for interim operations and/or the training of personnel by the contractors; it should be stated if a contract has been signed and the completion date indicated.

Inapplicable

(e) Additional Information for Education and Training Projects

Please indicate scope of project, status of educational institution involved, and whether it is maintained from public funds or grant-aided, number and nationalities of students involved and their age groups and academic levels. Copies of syllabuses (existing or proposed) should be provided. Information should also be given regarding equipment available (e.g. laboratory facilities etc.)

Inapplicable

(f) Additional Information for Agricultural Projects

Please state what staff and facilities exist and what capital is available for implementing the project, with a brief summary of the data already available.

Inapplicable

(g) Additional Information for Research Projects

Please state what equipment (e.g. laboratory facilities) and data can be made available.

Inapplicable

(h) Any other information which may help in selection of an expert.

7 (a) Essential qualifications and experience required.

(b) Any additional desirable qualifications.

(c) If knowledge of a particular language is essential or desirable, please give details.

None

8. Age Limits

9. Full details of the duties of the expert, e.g. is he to act as a consultant or to be associated with the management of the project?

See agreed Terms of Reference attached to this form

10. Associated staff (in appropriate cases please say what provision has been made for supporting staff). Please indicate the level of staff with whom the expert will be working.

Expert would receive assistance from the Officer-in-charge of the Agricultural Department and his staff. Members of the Secretariat would also assist where necessary

11. In the case of continuous projects please give name and particulars of understudy or counterpart who will work with expert and say what arrangements will be made to train a local successor.

N/A

TERMS AND CONDITIONS OF APPOINTMENT

12. Actual place of employment (and nearest town if appropriate).

Falkland Islands (Stanley)

13 (a) Quarters

Is suitable living accommodation provided?

No

(b) If so provided, is accommodation furnished or unfurnished?

(c) Is accommodation suitable for
(i) a married man without a family?
(ii) a married man with a family?

Officer should be unaccompanied

(d) Where quarters are not provided please give information about the availability of housing or hotel accommodation.

Officer would be accommodated in the hotel. Current rates are: £10 per day full board; £7 bed and breakfast

(e) Can furniture and household requisites be bought locally, and would it be cheaper to buy locally rather than to buy and bring from Britain? Inapplicable

14. Allowances

Please state where appropriate Usual TC terms

(a) Daily allowance for food;

(b) Daily allowance for accommodation; Usual TC terms

(c) Daily and nightly subsistence allowance rates when on duty away from headquarters; Usual TC terms

14(a) (Cont'd)

Should it be necessary for the expert to travel overland a landrover and driver would be provided by the Public Works Department. The expert would almost certainly need access to a boat if he is going to advise on ~~inshore~~ inshore fishing and in this regard please see the covering letter to this application.

Government in this respect.

16. Will exemption be granted from payment of customs duties, income and other taxes? No

17. What arrangements are there for local leave? Inapplicable

Signed _____

On behalf of the Government of Falkland Islands

Date _____

FIS/7/5

3

T J P
16/3/78

16 March

78

Mrs C B Johnson
Latin America Department
Ministry of Overseas Development
Eland House
Stag Place SW1E 5DH

FISHERIES CONSULTANCIES

Please refer to your letter CLA 56/273/03 of 27 February. ¹

2. We touched on this topic in the course of our meeting with the Governor whilst you were here, when we discussed FIRADA's initiative with Young's for the possible canning and marketing of lobster krill.
3. Your proposed draft Terms of Reference for the Salmon Ranching project are agreed, although we have considerable reservations about the ability of this expert to carry out the requirements of paragraph 7 without having access to a boat. However, you know all about this and I suppose it might be possible for this expert at least to do some preparatory work for any subsequent and more comprehensive study that you might be able to set up for us.
4. A formal application for the provision of a consultant on salmon ranching is enclosed and we shall look forward to hearing what success you have had in setting up an inshore fishing consultancy on the lines discussed with the Governor.

JOHN MASSINGHAM
CHIEF SECRETARY

JB

CONFIDENTIAL

30 March

78

→ JPA
307..

Mrs C B Johnson
Latin America Department
Ministry of Overseas Development
Eland House
Stag Place
London SW1E 5DH

FISHERIES CONSULTANT

Please refer to my letter of 16 March with which I enclosed the forms "A1" for the Consultant on salmon ranching.

2. Having had a second look at the terms of reference we should like to suggest two small additions to them. We should like to add the words "and shellfish" in the second line of the 7th tor after "fish"; and add at the very end of tor 7 the words "freezing or canning".

3. Unless I hear to the contrary I take it that there will be no difficulty about this.

JOHN MASSINGHAM
CHIEF SECRETARY

JB

(5)

THE FALKLAND ISLANDS RESEARCH AND DEVELOPMENT ASSOCIATION LTD.

A Company Limited by Guarantee governed by a Council of Management

VICE PRESIDENTS

The Right Honourable The Viscount Boyd of Merton C.H.P.C. The Right Honourable The Viscount Thurso of Ulbster J.P.
Sir John Barlow Bt.
Sir Cosmo Haskard K.C.M.G. M.B.E. Sir Miles Clifford K.B.E. C.M.G. E.D. HON. F.R.C.S.

Telephone 01-821-0032
Telex 888164

General Secretary:
Miss Leif Barton

The Falkland Islands Office,
16 Regency Street,
London S.W.1.

27th February 1978

His Excellency the Governor of the Falkland Islands,
J. R. W. Parker Esq. C.M.G. U.B.E.,
Government House,
Port Stanley,
Falkland Islands.

HP
H/S
H.C.K.
C.J.
R.V.R.

Dear Governor

I am writing to inform you that after the South Atlantic Fisheries Committee meeting held on Tuesday 14th February, I had a talk with Edwin Young of Youngs Sea Foods who are part of the Ross Group and who are members of the South Atlantic Fisheries Committee.

Mr. Young told me that if the presence of munida, which is a fairly large prawn called by the Islanders, I think, "lobster krill, can be confirmed in the Islands' waters, his company would be prepared to participate with Falkland Islands interests in establishing a shrimp fishery under Falkland Islands management and control. Youngs would provide the machinery, the expertise, the technological knowhow and part of the finance.

He told me that the sort of development which he has in mind would start by employing about ten people and would develop to the point where it employed about 50.

The requirements would be a suitable vessel of about 80 feet in length, electric power, ample freshwater and a suitable site. It would also be necessary to provide cold storage facilities for the peeled shrimps at minus 20°F. Youngs have the machinery available for peeling shrimps now.

Youngs have experience in setting up locally controlled enterprises of this nature in various parts of the world including the Aleutian Islands and also some of the small tropical countries.

/cont.

Executive Board of Directors: E.W.H. Christie, B.L., J. Dowling, R.R. Merton, L. Daillie, J. Broadbent-Jones, M.V. Summers B.A., J.R. Spencer F.C.A., M. Clark Hutchison M.P., J. Dodwell F.C.A., D.G. Ainslie B.A.

J. R. W. Parker Esq. C.M.G. O.B.E.

27th February 1978

Youngs would naturally hope that the product, usually packed in 10 to 15 tonne refrigerated containers would be brought back to Europe in a reefer (refrigeration equipped) vessel which would be something that a large scale fisheries development would of course make available. You will have noted that the Curnow Shipping Company's St. Helena ship is a reefer ship and has the proper facilities, although of course it would not be a commercial proposition for her to go to the Falkland Islands for what would be a comparatively small but valuable cargo of shrimp.

I have put Mr. Young in touch with Dr. Laws of British Antarctic Survey who has tentatively arranged for a B.A.S. ship to do a programme in the vicinity of the Falkland Islands before returning to the U.K. The fishing area is likely to be three to seven miles offshore of the Islands.

I understood from Mr. Young that the vessel which would catch the shrimps would only be employed about two days a week. I am unable to say whether the Forrest for example could be made available in the early stages or would indeed be a suitable vessel for this work. If not, one thing that has become clear from the meetings of the South Atlantic Fisheries Committee is that many five side trawlers are going begging in Humberside at the present moment.

Several members of Legco have asked us to give them details of any firm proposition for investment in the Islands. I should be grateful therefore, if you would follow what I believe is your usual practice and pass this one on. Given a method of getting the catch to a market, which might initially be by Argentine merchant ship, this it seems to me is almost the ideal business for Port Stanley.

Perhaps I may add that Youngs were supposed to have received a report from Taiyo following that company's inshore survey. However, I understand that neither they nor the Falkland Islands Company have heard anything.

I need not remind you that Lord Shackleton recommended the expenditure of £30,000 on an inshore fishing survey. I rather wonder whether the money, if available, would be better spent on establishing the viability of this enterprise and acquiring a suitable vessel because if shrimp fishing is viable, one would expect the shrimpers to be able to carry out a practical assessment as part of this enterprise. When the results of the B.A.S. visit are known, Mr. Young and I have tentatively arranged to go and see Mrs. Rosser.

E. W. H. Christie
Chairman

You sincerely
Bill

c.c. Mr. E. Young
Dr. R. Laws
Mrs. M. Rosser
Lord Shackleton

Chief Secretary

1. The attached letter from Mr Hunter Christie could be circulated to Councillors. I am checking with Dr Laws if the BAS ship programme at the end of this season has been agreed.
2. I am not sure if it is lobster krill which is found here or that this is ~~the~~ colloquial name of Munida. I will ask Nigel Bonner about this when he arrives here by RRS John Discoe in two weeks time.



Governor

13 March 1978

ASCC)

Re-circulate Mr. Christie's letter as HE has asked.

2. Your covering note should indicate that:
- (a) BAS are being advised to caution possible use of their ships;
 - (b) these papers have been discussed by HE with Mrs. Johnson of OAS; &
 - (c) we are submitting a formal request for a Salmon ranching expert part of whose job would be to examine existing data on inshore fishing possibilities & to make recommendations on practical steps that ~~might~~ could be taken



Ref:- FIS/7/5

(7)
The Secretariat,
Stanley,
Falkland Islands.

29th March, 1978.

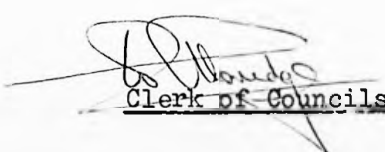
Dear Sir,

I am directed to circulate the attached letter from Mr. E. W. H. Christie of the Falkland Islands Research and Development Association on a possible fishing enterprise.

The question of a preliminary programme of research by a BAS ship in the vicinity of the Islands within the next few months has not yet been confirmed but His Excellency is in touch with Dr. Laws of the British Antarctic Survey on the subject.

This project has been discussed with Mrs. Johnson of the Ministry of Overseas Development during her recent visit and on another aspect of possible fishing developments, a formal request for a salmon ranching expert has been submitted to ODM. His terms of reference would include an examination of existing data on inshore fishing possibilities and he would be asked to make recommendations on practical steps that could be taken to develop inshore fisheries.

Yours faithfully,


Clerk of Councils

To:- All Honourable Members of
Executive & Legislative Councils

us



Ministry of Overseas Development
Eland House Stag Place London SW1E 5DH

Telephone 01-834 2377 ext

S.S. (8)
It will be a long delay, but I think we agree? Any comments?
John (8/1)

minute draft
12/05/78
19/1

HE Mr J R W Parker CMG OBE
Governor and Commander in Chief
Government House
Port Stanley
Falkland Islands

Your reference

Our reference

CLA 56/273/03

Date

8 May 1978

Dear Jim,

FISHERIES

We have at long last been able to examine the whole fisheries scene with the help of our Fisheries Adviser, John Stoneman, and I will now set out the main points of our discussion together with our conclusions and proposals.

2. We did not and indeed could not consider in any depth the schemes about which Bill Hunter-Christie has been writing to you because there is little to show at the moment that this will have an effect on the Falklands and hence be a matter for ODM. Nor did we spend much time on krill which is a large-scale affair, for commercial interests to handle rather than ODM or the Falklands. As for the "lobster krill" or prawns in which Youngs have shown some interest, we have no data as yet and we wonder how seriously interested Youngs really are. John Stoneman has commented however:

"The difficulty with this proposal is first of all to establish the presence of the so called lobster krill in the Falklands waters, to find out the available annual catch, to discover how to catch it and what kind of vessels gear and manpower would be needed.

The proposal appears to suggest that Youngs would provide everything except the vessel, electric power, ample fresh water at a suitable site and cold storage facilities. Although not stated presumably someone else would have to provide the manpower. It further appears that it is hoped that the BAS will provide a vessel to catch the lobster krill on two days a week, for sufficient weeks to provide large enough consignments of lobster krill for test marketing.

You will appreciate that from the amount of knowledge and hard data that we already have, one could with equal confidence recommend a programme to freeze and export filleted seaserpents from the Falklands, but if Youngs are providing commercial finance for part of this deal and non-aid sources provide the rest, then one can only wish to project success.

If however, it is proposed that this idea seeks aid financing, then it will certainly have to await a sensible fisheries advisory visit as there is virtually no data presently available on which to appraise it".

In his letter to you of 27 February, Hunter Christie said he had tentatively arranged to come and see me. But he neither tentatively arranged nor actually came and I have heard no more. On crab, our Principal Fisheries Adviser, Dr Hall, has been concerned with a large-scale survey and we may return to this later.

3. We are thus left with salmon ranching and inshore fishing, two quite separate subjects which, we have come to the conclusion, and in spite of recent correspondence about terms of reference, will have to be dealt with separately though possibly concurrently.

4. Salmon Ranching. John Stoneman thinks that the Falklands may be very suitable for salmon ranching from the point of view of both rearing and harvesting fish. However, an expert would have to examine the situation on the spot and we have someone in mind for this job.

5. Before we do this however we must look into the problems which would arise in processing and marketing the catch. It should be possible for TPI to mount a desk study at fairly short notice which would look into the possible techniques for processing the salmon and the ways and means of marketing it. In general, TPI would examine the viability of salmon ranching in the Falklands and assess the likelihood of profitable investment in such a development. In other words we could ask TPI to set in hand now paragraph 4 and possibly paragraphs 5 and 6 of the present agreed terms of reference. When this first stage was completed we should be in a position to determine whether we should take the matter any further. If TPI foresees a viable future for salmon ranching we would proceed to the next stage - a consultancy on the spot to carry out paragraphs 1-3 of the TOR's.

6. We understand that the most suitable time for an expert's survey would be October/November. Assuming that his findings were favourable and that the geographical features of the Falklands were suitable, the next step would be to set up a pilot project, to breed the fish and release them into the ocean. It takes two years for them to return to spawn and it would be necessary to examine the results over a period of two years to ensure that the salmon did really want to come back; thus the pilot project itself would take three years to complete.

7. Inshore Fishing. John Stoneman is of the opinion that although we have some idea from previous reports and surveys of what fish might lurk within the inshore waters of the Falkland Islands, say within 50 miles of the coast, we do not really have any accurate idea and the only way to find out is to get out in a boat and look.

8. John thinks that a ship of about 50 to 60 feet in length would be suitable and we would hope that such a boat with a crew could be provided locally, although Chris Johnson and Kevin Sparkhall tell me that you did not think that there were any suitable vessels in the Islands. ODM's input would consist of a biologist and a fisherman and with this set-up some concrete results should be obtained within say, 6-10 months of the start of operations. It would not be economic for us to supply the ship, since the cost might run into some hundreds of thousands of pounds. We would not want to take this any further until one of our Fisheries Advisers had visited the Islands and looked at the situation for himself. Hopefully, Dennis Hall will be able to pay you a visit in September/October next and advise on how you and we should go about setting up such a survey.

9. Even if there are plenty of fish of one sort or another we would still have two other significant problems to surmount. First, is manpower available in the Falklands to set up a fishing industry even on a very small scale? And secondly, as with salmon, can what is caught be marketed profitably?

Could he send down some gear by, say, TPI's presence in August?

10. John Stoneman has stressed that no one person could perform both the operations of advising on salmon ranching and on inshore fishing and this would therefore amount to two consultancies on fishing, provided of course the advice from TPI and Dennis Hall is to go ahead.

11. Subject to your agreement we therefore propose that:

i. TPI should be asked as a matter of urgency to investigate the market potential for salmon from the Falklands, taking into account the problems of transportation, and to assess the scale of likely markets, present prices and future price trends;

ii. If the results of this are favourable a salmon ranching expert should visit the Falklands in October/November next;

iii. If so recommended by the ranching expert, a pilot project for breeding and catching salmon should be set up and carried out for a minimum of three years;

iv. Dr Dennis Hall should visit the Falklands in September/October to assess the methods and locally available equipment and manpower for carrying out an inshore fishing survey.

12. If you and we follow out these proposals we should have a clearer idea by the end of the year what the potential for fisheries development in and around the Falklands really is.

13. We would be grateful for your comments, preferably by telegram, so that we can get moving with TPI.



Mrs M C Rosser

FIFO 003/23

cs. (9)
4/15

RR ODM

GR130

→ 2 pa
24
J

EN CLAIR

FM PORT STANLEY 23/1830Z

UNCLASSIFIED

TO ROUTINE ODM TELNO MODEV 109 OF 23 MAY 78

FOR MRS ROSSER: YOUR LETTER (8) CLA 56/273/03 OF 8 MAY: FISHERIES

1. THANK YOU. WE ARE EAGER TO SEE A START MADE AS SOON AS POSSIBLE ON CONSTRUCTIVE INVESTIGATIONS INTO OUR FISHERIES POTENTIAL, AND WILL LOOK FORWARD TO THE EXPERTS' VISITS YOU PROPOSE.

2. WE COULD ARRANGE TO HAVE THE MV FORREST MADE AVAILABLE IF HALL WANTED TO MAKE SOME PRELIMINARY INVESTIGATIONS. IF SO, IT WOULD BE HELPFUL TO HAVE EARLY CONFIRMATION OF TIMING: AND HALL MIGHT WISH TO CONSULT BAS ABOUT POSSIBILITY OF QUOTE JOHN BISCOE UNQUOTE BRINGING DOWN ANY GEAR OR EQUIPMENT IN AUGUST. NIGEL BONNER AND/OR INIGO EVERSON OF BAS WOULD BE USEFUL SOURCES ON THE GENERAL MARINE BIOLOGY OF THE AREA AND, KNOWING OF OUR INTEREST IN GETTING A PROGRAMME STARTED, WOULD PROBABLY BE WILLING TO HELP WHERE THEY CAN.

PARKER

NNNN

SENT 23/2204Z JS

RECD 23/2204Z JH

13 June

78

Dr D N F Hall
Principal Fisheries Adviser
Ministry of Overseas Development
Eland House Stag Place
London SW1E 5DH

CRAB POTENTIAL & FALKLAND ISLANDS

I am delighted to learn that we can expect to see you here in Stanley later in the year.

However, my purpose in writing is to say that, having noted that our correspondence about your providing us with comments on the Taiyo Crab Study rests with Mrs Philip's letter NRA 265/56/01 of 1 February. I now presume that you will let us have your views when you come.

JOHN MASSINGHAM
CHIEF SECRETARY

cc Mrs C Johnson LAD ODM
File FIS/7/5

Handwritten notes: "LAD PA" and "13/6" with arrows pointing to the distribution list.

JB



Ministry of Overseas Development
Eland House Stag Place London SW1E 5DH

Telephone 01-834 2377 ext 127

Submitted about
TPI & S.
Aft. tel. p/su.
(11)
John C/

HE Mr J R W Parker CMG OBE
Governor and Commissioner in Chief
Government House
Port Stanley
Falkland Islands

Your reference

Our reference
CLA 56/273/01
Date 56/273/03

27 June 1978

Dear Jim,

FISHERIES

Salmon Ranching. Further to my letter of 8 May we have now had a meeting with TPI (Mr Bob Cole) and Mr John Stoneman, our fisheries adviser. Mr Cole and the TPI economists are getting down to a desk study which basically will look into the landed price of salmon in the Falklands and the figure they come up with will tell us whether it is worth pursuing the matter any further. I attach a copy of the terms of reference which we have given to TPI. Assuming the answer is favourable and further investigation seems merited we plan to send out a small team in November, which is apparently the right time to carry out a salmon investigation.

Inshore Fishing. Dr Dennis Hall, who will be instrumental in setting up a survey into inshore fishing (paragraph 8 of my previous letter) will lead this team. It will be the survey itself, when it is operational, rather than Dr Hall, which will require a vessel, probably over a period of some months, but this cannot really be considered until after Dr Hall's visit. However it would be useful if M V Forrest could be available while the team is in the Falklands, from the point of view of both the salmon ranching investigation and inshore fishing.

Fisheries Survey Team. We envisage that this team will consist of:-

Dr Dennis Hall, Principal Fisheries Adviser, to advise on setting up an inshore fishing survey.

Mr Robert Cole, who will look into the facilities for processing and marketing salmon from the Falklands, the possibilities of inshore fishing, and also look at the opportunities for processing lobster krill and mutton.

Dr John Thorpe, MAFF, who is based at the Freshwater Laboratory Pitlochry and is an expert in salmon ranching.

Such a strong team really ought to come up with some answers or, where they cannot, at least advise on the next steps to be taken in order to find out whether fishing projects are starters and, if they are, how to go about setting them up.

I cannot yet give you the exact timing but for planning purposes you can assume the team will want to spend about 10 days in the Falklands in mid/end November, with Dr Thorpe possibly spending rather longer. I shall write to you further in due course about sending in requests for this expertise but meanwhile, unless I hear from you by telegram, I shall take it you approve of the way we are proceeding.

Yours ever

M C

Mrs M C Rosser

PROPOSED TERMS OF REFERENCE FOR A SALMON STUDY IN FALKLANDS

1. Carry out a study of the economics of processing and marketing Pacific salmon (probably pink and chum) to be produced in the Falklands.
2. Provide data on the cost of processing, storage, transport and marketing of salmon from Falklands at three product levels (10, 30 and 100 tons per month). The study should cover whole frozen, canned and, if considered feasible, peat smoked fish.
3. Advise on present world market for Pacific salmon products with prices, demand etc.
4. From the foregoing give probable viable producer prices for wet salmon in the Falklands at the three levels shown.

FIFO 004/07

RR ODM

GRPS 80

EN CLAIR

FM PORT STANLEY 071912Z

UNCLASSIFIED

TO ROUTINE ODM TELNO MODEV 155 OF 7 JULY

FOR MRS ROSSER

YOUR LETTER CLA 56/273/01 AND 03 OF 27 JUNE: FISHERIES

1. THANKYOU. GRATEFUL IF YOU WILL PROCEED ON LINES PROPOSED.

2. BUT MAY WE TAKE IT THAT, IF TPI SALMON DESK STUDIES WERE TO PROVE UNFAVOURABLE, DR HALL WILL STILL COME IN NOVEMBER? WE ATTACH GREAT IMPORTANCE TO IDENTIFYING JUST WHAT INSHORE FISH RESOURCES THERE MIGHT BE. SO LONG AS UNCERTAINTY ABOUT THIS PERSISTS IT IS IMPOSSIBLE TO FORMULATE ANY REALISTIC LONG-TERM DEVELOPMENT STRATEGY.

PARKER

NNNN

SENT AT 071940Z DJM

RECD AT 071940Z WRR

R & Pa

10/11

12

Ref: FIS/7/5

10 July

78

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j 11
vii

Major S E Southby-Tailyour
Officer Commanding
Naval Party 8901
Hoody Brook

FISHERIES SURVEY

Because of our other pre-occupations there has not been a chance to mention something about which I had hoped to speak to you. So please forgive me thus putting down a "marker" in informal terms.

In the latter part of November we are hoping to have here a Fisheries Survey team from the Ministry of Overseas Development. (Perhaps you may have heard my making reference to this in the course of one of the early questions of the recent LegCo meeting?) We cannot yet be entirely certain about the exact nature or timing of this visit but at present it does look as if we shall have three visitors with us for ten days during the second half of November.

I am writing, at the express request of the Governor, to say that we should very much appreciate it if "Forrest" could be made available whilst the team is in the Falklands, both from the point of view of investigating the possibilities of salmon ranching and of doing some preliminary reconnaissance of inshore fishing prospects.

As I have explained, I cannot do anything more at this stage than put down a "marker", but perhaps we could have a word sometime at your convenience about this?

JOHN MASSINGHAM
CHIEF SECRETARY

✓ S. (14)

12/24/7

Good: TAP
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PRINTERGRAMS

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**ACTION
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ETAT
GOVERNOR
PORTSTANLEYFALKLANDISLANDS

MODEV 185 YOUR MODEV 155 ⁽¹²⁾FISHERIES PARA 2 OF TUR DR
HALL WILL COME NOVEMBER ANYWAY
MINISTRANT PERF GWRQEWZ DFP

COL ETAT 185 155 2 GWRQEWZ DFP

NNNN

F15/7/5

(15)
PJ.

7/8/5

FO POS 004/08
RR PORT STANLEY

GPS 160A

CYPHER CAT A

FM ODM LONDON 081455Z

RR
[Handwritten signature]

**ACTION
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RESTRICTED

TO ROUTINE PORT STANLEY MODEV 200 OF 8 AUGUST

YOUR MODEV 155.

SALMON RANCHING.

TPI HAVE NOW PRODUCED DESK STUDY WHICH INDICATES THAT FREEZING EMERGES AS BEST PROPOSITION. CANNING IS RULED OUT ON COST AND INDICATIONS ARE THAT MARKETS PREFER HOME-SMOKED PRODUCTS PRODUCED FROM IMPORTED FROZEN FISH. COPY FOLLOWS BY BAG.

2. LIKELY VIABLE PRODUCER PRICES APPEAR TO BE ABOUT TWO-THIRDS OF THOSE CURRENTLY PAID TO FISHERMEN IN NORTH AMERICA GIVEN AN OUTPUT OF AROUND 30 TONNES PER MONTH. COSTINGS HAVE BEEN BASED ON 10, 30 AND 100 TONNES PER MONTH.

3. AVAILABILITY OF FREEZER SHIPPING SPACE WOULD HAVE TO BE ASSURED AND WE HAVE SERIOUS DOUBTS ON THIS. ONLY SOURCE APPEARS TO BE FIC CHARTER VESSEL SUITABLY CONVERTED. WE ASSUME THERE IS NO LOCAL BOAT CAPABLE OF CARRYING REFRIGERATED CONTAINERS TO BUENOS AIRES OR MONTEIVDEO. ALTERNATIVE MIGHT BE REFRIGERATED CONTAINERS ON LADE BUT COST MIGHT BE PROHIBITIVE.

4. WE SUGGEST DEFERRING FURTHER ACTION ON SALMON RANCHING STUDY UNTIL AFTER HALL'S VISIT WHEN POSITION ON FISHERIES IN GENERAL IS CLEARER.

5. GRATEFUL FOR YOUR COMMENTS.

MINISTRANT

NNNN

FIFO 002/14

⑬
7/14/8

RR ODM

GR IT

Tap
15/vm

EN CLAIR

FM PORT STANLEY 141430Z

UNCLASSIFIED

TO ROUTINE ODM TELNO MODEV 184 OF 14 AUGUST

**ACTION
COPY**

YOUR TELNO MODEV 200⁽¹⁷⁾ OF 8 AUGUST
SALMON RANCHING

1. WE LOOK FORWARD TO RECEIVING TP1 REPORT.
2. MEANWHILE WE CANNOT OFFER ANY USEFUL COMMENTS AND AGREE THAT THIS SHOULD BE PURSUED FURTHER AFTER HALL'S PROPOSED VISIT.
3. WE ARE NOT SURE IF M.V. FORREST WOULD BE LARGE ENOUGH TO SHIP REFRIGERATED CONTAINERS. MUCH WOULD DEPEND ON THEIR SIZE AND FREQUENCY AT WHICH THEY WOULD HAVE TO BE TRANSPORTED. THIS IS HOWEVER A POSSIBILITY WHICH IT WOULD BE PREMATURE TO DISMISS AT THIS STAGE.

PARKER

NNNN

SENT AT 141516Z DJM
RECD AT 141516Z CC



Ministry of Overseas Development
Eland House Stag Place London SW1E 5DH

Telephone 01-834 2377 ext 127

Handwritten: A.C.S. Jones; Chen

John Massingham Esq
Chief Secretary
The Secretariat
Stanley
Falkland Islands

Your reference

Our reference

CLA 56/273/01

Date

11 August 1978

Handwritten: R + S
[Signature]

Dear John,

Handwritten: one copy detached

I am enclosing ⁽¹⁵⁾ 4 copies of TPI's desk study on salmon ranching. Our Modev 200 of 8 August refers. While the setting up of a new industry in the Falklands has its attractions, further investigation should obviously not be undertaken unless and until we were sure that the salmon (frozen) could be shipped out.

2. We had thought of consulting the FIC about this but preferred to have your comments first - hence our telegram. We have taken no steps as yet to cancel the visit by Dr Thorpe (MAFF) and Mr Cole (TPI) but we would not want them to make an unnecessary journey.

3. Denis Hall, who will come to Falklands anyway, is away from the office until early September, so it may be a little while before we sort matters out at this end.

4. Meanwhile we should be glad to have your comments on the TPI report.

Handwritten signature: M C Ross

Mrs M C Ross

Encs



Ministry of Overseas Development

Tropical Products Institute
127 Clerkenwell Road London EC1R 5DB

Telephone: 01-405 7943 ext
Telegrams: Troprod London W.C.1
Director P C Spensley MA BSc DPhil FRIC

e/35

John Stoneman
Fisheries Adviser
ODM

Your reference

Our reference

Fm 4/1

Date 19 July 1978

Dear John,

Herewith the estimates of likely viable producer-price levels for salmon in the Falklands based on canning and freezing. Smoking has not as yet been considered - an economic assessment of processing and marketing aspects here should perhaps await the outcome of trials that are to be carried by John Disney's section to see if an acceptable product results using peat. Trade contacts have been established, however, and relevant data on prices etc. can be quickly obtained. It would appear, though, that in general preference in most markets is for home-smoked products produced from imported frozen fish, and this aspect should be investigated further at a later stage in so far as it may restrict the export potential of salmon smoked in the Falklands.

With regard to freezing, it is reported that most trade is in gutted, headless fish rather than round fish. Since prices were also more readily available for gutted fish, these have formed the basis of the calculations presented here. Cleaning and heading fish in the Falklands should present no major problems, and with unit costs likely to be high in terms of power (for freezing and storage) and transport (shipment to overseas markets), the unit value of the product to be processed and exported should be maximised, and clearly gutted, headless fish generally fetches a better price per pound than round fish.

From the derived prices, freezing emerges as a better proposition at all the through-put levels under consideration, although the differential diminishes somewhat as turnover increases. Furthermore, it would seem unlikely that the actual prices payable by a canning enterprise would cover the costs involved in the "production" of salmon. It will be interesting to know whether those anticipated for a freezing venture look sufficiently attractive to justify further investigation of the project.

Yours sincerely

Andrew Jones

NOTES ON A PRELIMINARY ASSESSMENT
OF DERIVED PRODUCER PRICES AND
POTENTIAL MARKETS FOR CHUM AND
PINK SALMON FROM THE FALKLAND ISLANDS

Current cost information on the trade and processing of salmon has been used to derive approximate viable prices that could be paid to producers of whole wet fish in the Falkland Islands.

Both canning and freezing operations have been considered at monthly output levels of around 10 tonnes, 30 tonnes and 100 tonnes.

US Dollars and pounds avoirdupois (lb) have been used throughout as these are the units of currency and weight generally used in the international salmon trade.

Brief quantitative assessments of major markets for canned and frozen salmon are included.

Andrew Jones
D.P.
July 1978.

FREEZING

The UK represents a major market for frozen salmon. The data presented below has been obtained from UK trade sources and forms the basis upon which anticipated producer prices have been derived for the Falkland Islands.

Landed Prices

Average cif. UK prices for North American frozen headless gutted salmon are as follows:

	Weight (lbs)	\$/US/lb
Chum	4 - 6	0.90
Chum	6 - 9	1.40
Chum	9 +	1.70
Pink	3 - 5 +	0.95
Coho	4 - 6	2.20
Coho	6 - 9	2.30
Coho	9 - 12	2.50
Sockeye (Red)	4 - 8	2.00
King (Red Spring)	-	2.80 - 3.00

Freight Charges

Freight charges from Buenos Aires to any port, UK, for frozen fish blocks are currently £70 per tonne including handling and bunker surcharge. Boxed individually frozen fish such as salmon would take up more space per unit of weight and would therefore attract a higher rate per tonne. Allowing also for shipment from the Falklands to, say, Montevideo/Buenos Aires, a maximum rate of about £125 per tonne (10 cents per lb) seems likely, Falklands - UK port.

Cost of freezing/storage

According to current studies being undertaken at TFI, maximum freezing costs (including chilled reception facilities, cleaning, packing and frozen storage) at the various turn-over levels would seem likely to amount to approximately the following:

@ 10 tonnes/month	17p/lb (30 cents)
@ 30 tonnes/month	12p/lb (22 cents)
@ 100 tonnes/month	7p/lb (13 cents)

Critical cost elements are power and labour and these would need to be assessed in detail in the context of the Falkland Islands to give more specific anticipated figures.

Total Costs Incurred

Total processing and freight costs at the different turn-over levels can be summarised as follows:

Turn-over:	Costs:
10 tonnes per month	40 cents per lb
30 tonnes per month	32 cents per lb
100 tonnes per month	23 cents per lb

Derived Producer Prices

Given a weight loss of one third (head and guts), anticipated viable producer prices per lb of whole wet fish at the three levels of throughput would need to be of the order of:

Salmon Type	Weight	Producer Price (cents/lb) at:-		
		10 tonnes/month	30 tonnes/month	100 tonnes/month
Chum	4 - 6 lb	33	39	45
Chum	6 - 9 lb	67	72	78
Chum	9 + lb	87	92	98
Pink	3 - 5 + lb	37	42	48

Conclusions

Likely viable producer prices appear to be around two thirds of those currently paid to fishermen for similar sized fish in North America given an output of around 30 tonnes per month. They may be sufficiently high for the scheme to be considered further, however, and could perhaps be raised somewhat if labour and power costs in the Falklands turn out to be lower than anticipated. Availability of frozen shipping space would naturally have to be assured.

Markets for Frozen Salmon

The UK imported an average of 4,100 tonnes of frozen salmon each year between 1975 and 1977 inclusive. Coho is the major species, followed by chum, although in 1977 pink was predominant due to low prices. Other important European markets are France (particularly for Coho) and Sweden (a major buyer of chum). With her dispute with the USSR over the 200 mile exclusive fishing zone, Japan has recently been forced to import considerable quantities of fresh and frozen salmon, total purchases having risen from 2,300 tonnes in 1976 to 15,300 tonnes in 1977.

Unlike tuna, it is reported that salmon species do not can well after being frozen. Most is therefore destined to be smoked, or sold "fresh". In general, pink salmon is imported into Europe for freshening whilst chum, particularly the larger fish, goes for smoking.

Recent imports of frozen Pacific salmon into the three principal European markets from Canada and the US (by far the most important suppliers) have been as follows:

	(000 tonnes)		
	1974	1975	1976
France	6.8	12.0	10.2
Sweden	3.8	3.9	3.3
UK	2.6	3.4	3.2

Trade sources in the UK suggest that these markets could be tapped by the Falkland Islands provided that prices are competitive and that packing and presentation are up to North American standards. The standard pack appears to be a 100lb double-walled carton containing individually wrapped or poly-bagged fish.

CANNING

The United Kingdom is the major world importer of canned salmon, with imports averaging 16 000 tonnes per annum in 1976-77. Current cif UK prices for Pink and Chum are around \$35.00 and \$33.00 respectively per case (48 x 7 $\frac{1}{2}$ oz).

Data has been obtained from UK trade sources on canning operations in North America which, together with Japan, accounts for about ninety per cent of UK imports. All prices are in US dollars:

1. Current price paid by canneries to West Coast fishermen for whole wet fish (iced):

Pink	65c/lb (3-4 lb fish)
Chum	60c/lb (4-6 lb fish)

2. Net yield of wet fish for canning:

55-60 per cent

3. Approximate canning costs including storage of wet fish, cost of cans, processing, packing, delivery to domestic customer (or fob for export) plus a margin of profit:

\$9.00 per case (48 x 7 $\frac{1}{2}$ oz)

4. Freight and insurance etc to UK port:

\$1.70 per case

Breakdown of UK cif prices

To pack a 48 x 7 $\frac{1}{2}$ oz case at a yield of 60 per cent requires 37.5 lb of wet fish, thus:

Costs per case:	Chum	Pink
Raw material (37.5 lb)	22.50	24.40
Canning costs	9.00	9.00
Carriage, insurance etc	1.70	1.70
<hr/>		
Price, cif UK port	\$33.20	\$35.10

Canning Salmon in the Falkland Islands

The canning cost per case referred to above relates to a high turnover plant with automated canning lines. One report from a UK canner suggests that in a very small plant operating short runs and filling by hand, costs can amount to £14.00 (around \$25.00) per case. This level of cost is thought likely to apply to the smallest throughput level under consideration for the Falkland Islands (10 tonnes per month). Maximum costs at the other turn-over levels, 30 tonnes and 100 tonnes, may be in the region of £12.00 (\$22.00) and £10.00 (\$18.00) respectively.

If one allows \$2.00 per case for freight from the Falkland Islands to the UK and basing yields on both 55 per cent (40 lb wet fish per case) and 60 per cent (37.5 lb wet fish per case) the following picture emerges:

CHUM (\$ per case)

	10 tonnes/month	30 tonnes/month	100 tonnes/month
canning	25	22	18
freight	2	2	2
cif UK	33	33	33
balance for raw material	6	9	13

Derived producer price; (per lb - wet fish)

60% yield	16 cents	24 cents	35 cents
55%	15 cents	23 cents	33 cents

PINK (£ per case)

	10 tonnes/month	30 tonnes/month	100 tonnes/month
canning	25	22	18
freight	2	2	2
cif UK	35	35	35
balance for raw material	8	11	15

Derived producer price: (per lb - wet fish)

60% yield	21 cents	29 cents	40 cents
55% yield	20 cents	28 cents	38 cents

Summary

The derived prices shown above range from $\frac{1}{3}$ to $\frac{2}{3}$ of those currently understood to be paid to fishermen on the west coast of Canada and the US. Furthermore, they are substantially lower than the estimated prices that could be paid were the salmon to be marketed frozen. It would seem, therefore, certainly at the lower levels of throughput, that canning is unlikely to represent a viable processing alternative.

Markets for Canned Salmon

For information, markets for canned salmon other than the UK include Australia, the Netherlands and Belgium/Luxembourg. With recent average annual imports (1975/6) amounting to 4100 tonnes, 3500 tonnes and 3300 tonnes respectively, all purchased from the world's principal exporters, namely Japan, Canada, the US and the USSR. Cif prices in Europe are understood to be virtually the same as those prevailing in the UK.

In terms of a breakdown in the export trade of canned salmon between the various species, details are only available on sales from Canada:

Salmon Type	'000 Tonnes		
	1974	1975	1976
Chum	4.0	1.5	0.6
Pink	2.0	1.2	3.6
Coho	1.1	0.5	0.3
Red	5.6	3.6	2.6

A report from the US indicates that domestic packing of pink salmon increased by 34 per cent and that of chum salmon by 45 per cent in 1977 over 1976, whilst production of canned red salmon declined by 10 per cent. The total pack amounts to around 3 million cases (48 x 1 lb) per annum.

Our Ref:

29 August 1978

FIS/7/5

Mrs M C Rosser
Latin America Department
Ministry of Overseas
Development
Eland House
Stag Place
LONDON SW1

TPI STUDY ON SALMON RANCHING

17

1. Thank you for your letter CLA 56/273/01 of 11 August with which you had enclosed copies of TPI's preliminary study.

2. I readily admit that I find it impossible to offer any useful comments upon the Report, not because it lacks clarity but because of my total ignorance of what salmon ranching actually involves. So it is questions that spring to my mind, the foremost of which is one of the likely time-scale. How long, for example, given reasonable success, would it be before sufficient fish became available for harvesting for export after the project had been initiated? There are possibly too many imponderable factors to give any precise answer. But I assume that it is unlikely that the market and demand for frozen or canned salmon products will change sufficiently to make any forward projection of TPI's current figures unrealistic.

3. But I would need to know much more about how salmon ranching is actually conducted before I offer any commentary. TPI have identified the critical cost elements as those of power and labour. We also acknowledge that the transportation of refrigerated containers is another; but much will also depend upon where in the Falklands the fish would be harvested and how they would be transported to Stanley for processing.

/4. I am

4. I am sorry if I should seem evasive or unhelpful; but, in the circumstances, I should much prefer to reserve any substantive comments until I have had a chance to discuss the possibilities with Denis Hall and to learn from him what such an enterprise will involve in practice.

J D Massingham

FIS/7/5

(19)
(20)

Aq C.S
J.

17/10

2. Dev. Officer informed, who
will arrange programme.
3. for publication.

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GOVERNOR
FALKLANDISLANDS

(19) TO ROUTINE FALKLAND ISLANDS MODEV269 17OCT INFO BUENOS AIRES
YOUR MODEV241 FISHERIES ADVISERS
DR HALL ACCOMPANIED BY DR COLE OF TPI AND DR THORPE ARRIVE
STANLEY 18NOVEMBER DEPARTING 29NOVEMBE
MINISTRANT LDN

COL MODEV269 17OCT MODEV241 18NOVEMBER 29NOVEMBER

NNNN
PRINTERGRAMS

20th October

78

Dr. I. Everson,
British Antarctic Survey,
Madingley Road,
Cambridge,
England.

You very kindly sent me a copy of a note dated 28th June on the visit by Dr. Hall of ODM to BAS and subsequently brought Hall up to see me. I also saw a copy of a short paper by a Japanese scientist on Centolla crab. Hall plus two are visiting here on 18th November and I cannot find a copy of the Centolla paper on our local files. It would be very helpful to me if you could get it to me post haste.

Development Officer

FIFO 002/25

Dev. Officer

Fish/15
ACTION COPY
25/x
(2)
(2)

RR ODM

GR 30

EN CLAIR

FM PORT STANLEY 241930Z

UNCLASSIFIED

TO ROUTINE ODM TELNO MODEV 251 OF 24 OCTOBER

YOUR TELNO MODEV 269

VISIT OF FISHERIES ADVISERS

1. GRATEFUL LEARN WHETHER DRS HALL, COLE AND THORPE HAVE ANY PARTICULAR SUGGESTIONS FOR PROGRAMME AND ALSO DR THORPE'S SPECIALITY.

MASSINGHAM

NNNN

SENT AT 251339Z DJM

RECD AR 251339Z JW

PRINTERGRAMS
263907 ODMLDN G TKU

① A.C.S. 3/1/80
② Sen. Officer
Fishls
23
25
Perhaps side we
can discuss a draft programme?
30/x
26

263907 ODMLDN G

GO 6

**ACTION
COPY**

LTF
GOVERNOR
FALKLAND ISLANDS

MODEV282 YOUR MODEV251 ²²FISHERIES

1. ROSSERS LETTER 27 JUNE TO GOVERNOR REFERS
 2. THORPE WOULD LIKE TO EXAMINE ANY ACCESSIBLE WATER SUPPLIES (RIVERS/STREAMS) CLOSE TO SETTLEMENTS AND SUITABILITY OF COASTAL AREAS FOR RELEASE AND RECOVERY OF SALMON
 3. HALL AND COLE WISH TO LOOK AT OPPORTUNITIES OFFERED BY STANLEY ITSELF AS FISHING PORT INCLUDING ANY COLD STORAGE FACILITIES AND WOULD LIKE TO TALK TO ANYONE AT PRESENT ENGAGED IN FISHING. THEY WOULD LIKE TO MAKE AT LEAST ONE TRIP OUT TO SEA TO VIEW CRAFT GEAR AND GENERAL CONDITIONS
 4. THORPE WOULD LIKE TO MEET IAN STRANGE AND/OR ANY OTHER EXPERT IN ECOLOGY AND ENVIRONMENT AND ALSO ROY SUMMERS AT GOOSE GREEN AND/OR OTHER ORNITHOLOGISTS TO DISCUSS EFFECTS BIRDS MIGHT HAVE ON SALMON RANCHING
 5. THEY WOULD ALL BE GRATEFUL IF YOU COULD MAKE PRELIMINARY ARRANGEMENTS FOR TRAVELLING AROUND AS MUCH AS POSSIBLE INCLUDING WEST FALKLAND WHICH APPEARS TO THORPE MOST PROMISING AREA
- MINISTRANT LONDONS W1

* Mr. Stuart Booth

PERF 1553Z 30OCT78 NL
263907 ODMLDN G

DRAFT PROGRAMME FOR DR. WALL AND DR. SOLE

24
24

Friday 17th November

Met at Airport by Mr. Sloman and Miss Barton
To Upland Goose to register and lunch

~~Monday~~

~~Saturday~~ 18th November

a.m. Meeting with H.E. accompanied by Dr. Thorpe
who should have returned from Camp.

p.m. Discussions with Chief Secretary and
Development Officer
Discussions with O.C. Royal Marines and Captain
of Forrest of proposed Forrest Cruise commencing
~~Monday 20th~~ November

~~Saturday~~

p.m. Symposium with ecologists and ornithologists
(teachers, Mr. Booth etc)

Sunday 19th November

Free

~~Tue.~~ Monday 20th November to
Friday 24th November

Join Forrest for cruise to North coast calling
if possible at Port San Carlos and visit to Ajax
Bay to view old freezer equipment, Dr. Thorpe
joining at Port San Carlos
Possible visit to Darwin.

Saturday 25th November

Sunday 26th November

Free

Monday 27th November

a.m. Meeting with Micky Clarke and Fred Whitney
to discuss local fishing *Edly Anderson,*

p.m. Meeting with Mr. Milne and Mr. Spruce

Tuesday 28th November

Post Mortem of visit with H.E., Chief Secretary
and Development Officer

Wednesday 29th November

Depart - Mr. Sloman and Miss Barton to transport
to Airport.

25 28

DRAFT PROGRAMME FOR DR. THORPE

8th November Met at Airport by Mr. Sloman and Miss Barton
To Upland Goose to register and lunch
Afternoon free.

Thursday 9th November 9 a.m. Meeting with Acting Governor, on completion
of meeting to Development Office
11 a.m. Visit to hospital to hospital cancelled.
2.30 p.m. Meeting with Mr. Milne and Mr. Spruce

Friday 10th November 9 a.m. Meeting with Mr. Spruce and Mr. Tony Carey
in Secretariat.
(He may have been contacted by Owen)
2.30 p.m. Visit Mr. Luxton in hospital.

Saturday 11th November If desirable and possible arrange fishing trip to
Sunday 12th November Murrell.

Monday 13th November Fly to Darwin to meet Mr. Hardcastle and visit
possible sites in area and thence possibly to
Fitzroy.
Overland to Fitzroy.

16 November
Friday 17th November Return to Stanley to meet Drs. Hall and Cole. *Jan Fitzroy*

Monday 20th November Fly to T.I. to visit Malo and possibly Pedro

Thursday 23rd November Fly to Port San Carlos

Friday 24th November Return to Stanley to have discussions with
Dr. Hall and Dr. Cole. *possibly to hospital*

Monday 27th November Fly to Port Howard

Friday 1st December Fly to Chartres

Monday 4th December Return to Stanley for discussions with H.E. prior
to departure.

6th November

78

B. Hardcastle Esq.,
Darwin.

— Further to our telephone conversation of this morning, I now enclose a draft itinerary for Dr. Thorpe together with the itinerary for Drs. Hall and Cole which you may care to see as a matter of interest. It would be helpful if, during the few days that Dr. Thorpe is with you, it were possible to get him either by Beaver or perhaps overland to Fitzroy so that he can examine the possibilities of the Frying Pan. Perhaps you would care to consider this.

Thank you for your support in this project.

W. O. Sloman
Development Officer

6th November

78

Major S. E. Southby-Tailyour,
Moody Brook.

--- I enclose draft itineraries for the fisheries advisers. If you have any comments I would be grateful to receive them.

W. O. Sloman
Development Officer

6th November

78

T. Spruce Esq.,
Stanley.

— I enclose draft itineraries for the fisheries advisers. If you have any comments I would be grateful to receive them.

W. O. Sloman
Development Officer

7th November

78

J. D. Barton Esq.,
Teal Inlet,
East Falkland.

--- As you may know we have a salmon fishery adviser arriving here tomorrow and staying for just under a month, followed by two other fisheries people next week. Dr. Thorpe, the salmon adviser, wishes to visit farms with possible salmon ranching potential nearby and the Malo is an obvious choice, he may wish to visit the Pedro also. Leif and I have prepared an itinerary for Thorpe and I enclose a copy from which you will see that we would like him to visit you on 20th November. He may wish to spend a night or two in the fishing hut before going on to Port San Carlos.

--- You will also see from the itinerary for Drs. Hall and Cole that they hope to be calling at Teal Inlet on board Forrest. This should not cause you much trouble but you should be aware of it.

I hope this is not too inconvenient, but it is most important that we give this project as much support as possible.

W. O. Sloman
Development Officer

7th November

78

A. Miller Esq.,
Port San Carlos,
East Falkland.

As you may know we have a salmon fishery adviser arriving here tomorrow and staying for just under a month followed by two other fisheries people next week. Dr. Thorpe, the salmon adviser, wishes to visit farms with possible salmon ranching potential nearby, and the San Carlos River is an obvious choice. Leif and I have prepared an itinerary for Thorpe and I enclose a copy from which you will see that we would like him to visit you on 23rd November.

You will also see from the itinerary for Drs. Hall and Cole that they hope to be calling at Port San Carlos on board Forrest. This should not cause you much trouble but you should be aware of it.

I hope this is not too inconvenient, but it is most important that we give this project as much support as possible.

W. O. Sloman
Development Officer

7th November

78

R. Lee Esq.,
Port Howard,
West Falkland.

As you may know we have a salmon fishery adviser arriving here tomorrow and staying for just under a month, followed by two other fisheries people next week. Dr. Thorpe, the salmon adviser, wishes to visit farms with possible salmon ranching potential nearby, and the Warrah is an obvious choice. Leif and I have prepared an itinerary for Thorpe and I enclose a copy from which you will see that we would like him to visit you on 27th November.

I hope this is not too inconvenient, but it is most important that we give this project as much support as possible.

W. O. Sloman
Development Officer



Ministry of Overseas Development
Eland House Stag Place London SW1E 5DH

Telephone 01-834 2377 ext

D R Morrison Esq OBE
Deputy Chief Secretary
Secretariat
Port Stanley
Falkland Islands

Your reference

Our reference APP/UR/TH

Date 30 October 1978



Dear Mr Morrison

1. Would you please refer to your correspondence about the short-term visit of Mr J E Thorpe to the Falkland Islands on 8 November. I enclose a copy of his Letter of Secondment setting out the terms and conditions of the assignment.
2. As indicated in my recent Modev, Crown Agents have been unable to make the return flight bookings and I would be grateful if you could assist Mr Thorpe in making these arrangements. Could you also advise me of his date of departure and expected date of arrival in the UK.
3. I also attach Form TC 49 (record of cash advances and accommodation at post). It is essential that all sections of the form be completed at the end of Mr Thorpe's assignment and returned immediately to me (Room E410) by Air Mail.

Yvonne Turner

PP Mrs J Locock

Enc

Reference No APP/UR/TH

MINISTRY OF OVERSEAS DEVELOPMENT
Eland House, Stag Place
London
SW1E 5DH

26 October 1978

Sir

1. I am directed by the Minister for Overseas Development to offer you appointment on secondment from the Department of Agriculture and Fisheries for Scotland on loan to the Government of Falkland Islands under Technical Cooperation arrangements as an Expert in Salmon Ranching for a period of approximately six weeks from the date of your emplaning from the United Kingdom. The purpose of the visit will be to examine the possibilities for Salmon ranching in the Falklands and make recommendations. On route to the Falkland Islands you will be required to visit Iceland and the United States of America for duty visits to look into Salmon Ranching Units in these countries.
2. The cost of your economy class return air passage between the United Kingdom and the Falkland Islands direct will be paid by this Ministry; the cost of travel at the public transport rate in the United Kingdom to and from the airport or air terminal on departure and return respectively will also be paid by this Ministry on receipt of a claim supported by vouchers.
3. During the period of secondment the Department of Agriculture and Fisheries for Scotland will continue to pay your salary at the rate appropriate to you in your present grade. The Department of Agriculture and Fisheries for Scotland will claim from this Ministry a refund of your salary for the period of secondment together with the appropriate National Insurance and Superannuation contributions.
4. During the period of this appointment you will receive an honorarium at the rate of £65 a week. This will be subject to United Kingdom income tax which in accordance with the normal practice, will be deducted by this office at the appropriate percentage rate.
5. This Ministry will pay you an outfit allowance of £30.
6. While you are in the Falkland Islands, Iceland and the USA during the said period you will receive:-
 - a. A subsistence allowance appropriate to British Civil Servants. This allowance will be reduced if you are provided with accommodation; it will not be payable if you are provided with both accommodation and board. If you are provided with board or accommodation other than at an hotel or at a concessionary rate you will be required to inform the local office of the British Representative. If you receive any payments on account of accommodation or board other than from the British Government, you will pay to the British Government an amount equivalent to such payments; payment may be made either to the local office of the British Representative or to this Ministry.

b. The cost of necessary medical attention and treatment on the scale approved for British Civil Servants serving there; provided that any payments which if such treatment had been given in the United Kingdom under the National Health Scheme would have been payable by the person receiving the treatment shall be paid by you to the local office of the British Representative or may be deducted from any payments due to you from the British Government.

7. The Government of the Falkland Islands will meet the cost of your travelling on duty within that country.

8. The period of secondment from the Department of Agriculture and Fisheries for Scotland for service overseas will reckon as service for future superannuation purposes.

9. You will continue to be bound by the provisions of the Official Secrets Acts. These Acts cover, inter alia, the communication to unauthorised persons of information which has been obtained owing to your position as the holder of an appointment under Technical Cooperation arrangements.

10. If prior to your departure from the United Kingdom the Government of the Falkland Islands refuses or indicates that it does not desire to accept your services or in the case of events arising beyond the control of either the Falkland Island Government or the British Government, the latter may terminate this appointment forthwith and thereupon all obligations of the Government in relation to this appointment shall cease, except that without commitment this Ministry will consider claims submitted by you for expenses or losses reasonably incurred by you in anticipation of your departure from the United Kingdom to take up the appointment.

11. Although you will be in the whole time service of the British Government, which will be ultimately responsible for your receiving the various entitlements referred to in this letter, you are employed for the duration of this contract to provide services for the benefit of the Government of the Falkland Islands and you will be expected to use your best endeavours in the interests of that Government. The local British Representative is authorised to issue instructions on behalf of the Minister for Overseas Development in all matters affecting your appointment, and while you are overseas correspondence on such matters should be addressed either to the British Representative or through that office to the Ministry of Overseas Development.

12. If you wish to accept this secondment on the terms set out in this letter you should sign the acceptance at the foot of the enclosed copy of this letter and return it to this Ministry as soon as possible before your departure for the receiving country.

I am, Sir
Your obedient Servant

Miss E D Rowley

ACCEPTANCE

I accept the secondment referred to in the above letter on the terms set out therein.

(Signature of Dr J E Thorpe)

Date

Enc

FIS/7/5

36
38



Ministry of Overseas Development
Eland House Stag Place London SW1E 5DH

Telephone 01-834 2377 ext 127

J D Massingham Esq
Chief Secretary
Stanley
Falkland Islands



Your reference

Our reference
CLA 56/273/01

Date
26 October 1978

Dear John,

TPI Study on Salmon Ranching

15

I am afraid I have been rather slow in responding to your letter of 29 August, but as you rightly suggest in your final paragraph we cannot take this much further until Dennis Hall and his team have got to work. You did however ask me a question in your paragraph 2 about the time factor. This is of course anybody's guess but Dennis would agree that 4 - 5 years is as good an estimate as any. Like most things in the Falklands there is no instant return to this particular experiment in diversification.

*Yours in
Olay*

Mrs M C Rosser

1. Ag. Es. *REM 9/11*
2. *110* *11* *no see dpa*
[Signature]

39
43

Dev. Office
H.A.
12/29/78



Upland Goose Hotel,
Stanley.

28th November 1978

J. Massingham Esq.,
Chief Secretary,
The Secretariat,
Stanley.

Dear John,

Visit to Santiago - Dr. John Thorpe

Dr. Thorpe made several visits, at ODM expense, to salmon specialists on his way to Port Stanley from London. One important contact in America failed because the individual concerned, Dr. Timothy Joyner, had moved to Santiago for an extended visit.

I recommend that Dr. Thorpe divert his return flight from Port Stanley to London to include a visit to Santiago to see Dr. Joyner. A visit of just one or two days is foreseen: the additional cost of the air fare would be very small, less than \$200.00

Sincerely
David Hall

Dr. D. Hall

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44

29.11.78

HOULDERS BAIRIS

No. 86

REF TELEGRAM FROM FLEETWING 29TH NOVEMBER MEET AND ASSIST DR. THORPE. PLEASE
ARRANGE AND CHARGE TO FIG ACCOUNT

CHIEFSNC



45

SALMON RANCHING

Dr. Thorpe explained that in his view a pilot project in Salmon Ranching at Darwin was justified. There was adequate water available and releases of young fish could be made both north and south into Brenton Loch and Choiseul Sound respectively. By using Camilla Creek with two schemes running in parallel one could release 250,000 young fish and 2 million of differing species. Both areas are within a 15 minute Rover journey of the proposed hatchery site. Mr. Hardcastle was enthusiastic.

Staffing requirements were anticipated to be:-

Phase 1	Civil Engineering Project	One U.K. expert for preliminary visit followed by tour of some months plus local construction labour.
Phase 2	Hatchery and Supervision	One Biologist plus one assistant
Phase 3	Harvesting	In addition to harvesting, expert stripping required to ensure right fish used for breeding stock - staff as for Phase 2 plus extra man who could be borrowed from inshore fishing research project.

For shipping of harvest to market, ice could be manufactured in Stanley using inshore fishing facility and transported to Darwin via the new road. The fish would then be returned to Stanley and blast frozen for storage pending shipment in reefer boxes via charter ship.

If the pilot scheme at Darwin is successful the next facility could be installed at Fitzroy but this is looking 5 - 7 years ahead.

A MEETING WAS HELD AT 10.30 A.M. ON WEDNESDAY 29TH NOVEMBER 1978 TO HAVE A PRELIMINARY VIEW OF THE RESULTS OF THE FISHERIES SURVEY.

Present: Chief Secretary (Chairman)
Dr. D. Hall
Mr. R. Cole
Dr. J. Thorpe
Development Officer

Dr. Hall stated that he would be returning to ODM to recommend that a research programme should be introduced commencing the Spring of 1979. The programme would be for three years in the first instance with the major costs occurring in the first year. A 60' vessel would be acquired based in Stanley and the present Alginates building would be used as the centre for the study. An ice machine would be required and preferably this should be sited at the end of the Public Jetty so that ice made could be poured straight into the ship. This installation would weigh about 7 tons. If the end of the Public Jetty was not suitable then the ice machine would best be housed in the Alginates complex.

The object of the survey would be to ascertain what products of high value and low bulk could be caught in the inshore waters around the Falkland Islands, coupled with this programme would be research into harvesting and marketing. The vessel although based in Stanley would need to travel around all the islands in the archipelago and would therefore at times require logistic support which could be given by 'Forrest'.

The object would be to get the scientific survey over as quickly as possible, moving on to the next phase which would be the commercial feasibility study. For this phase the 60' vessel would not be suitable so at the end of the third year there would be a need to acquire a commercial vessel. The need for the commercial feasibility study was to be able to provide sufficient data to persuade professional fishermen that a commercial opportunity was present as any industry would, in the first instance, require immigrant families. The basic store installations for the immigrant fishing industry would probably need to be run as a co-operative.

Attached is a statement of rough costs produced by Dr. Hall.

146A



ROUGH COSTS FOR THREE-YEAR FISHERIES SURVEY

(Commercial Feasibility Trials Not costed at this stage)

Capital Costs

	<u>Year</u>		
	<u>1</u>	<u>2</u>	<u>3</u>
Vessel (60' 2 year old stern trawler)			
1. Basic cost £120,000			
2. Alterations			
a) Electronic £15,000			
b) Other £15,000			
	150,000	-	-
Fishing gear	10,000	5,000	5,000
Long wheel base Landrover and trailer	8,000	-	-
Scientific equipment	5,000	1,000	1,000
5 ton cold store	9,000	-	-
1 ton blast freezer	5,000	-	-
1 ton/day ice machine	15,000	-	-
Smoke kiln	1,000	-	-
Fish boxes, trolley etc.	1,500	-	-
	<u>204,500</u>	<u>6,000</u>	<u>6,000</u>

Running Costs

a) Staff: Fisheries biologist (Team leader)			
Processing/marketing expert			
Skipper			
Engineer/Mate			
	64,000	64,000	64,000
b) Vessel passage to Falklands	5,000	-	-
c) Vessel fuel, oil etc. (200 x 12 Hrs/day)	20,000	20,000	20,000
d) Vessel and vehicle spares and maintenance	10,000	5,000	5,000
e) Laboratory expendibles	5,000	1,000	1,000
	<u>£308,500</u>	<u>96,000</u>	<u>96,000</u>

(Say £0.5 million)

NOT considered

- Sea time allowances
- Travel to Chile
- Vessel major servicing/slipping
- Housing
- Local crew members (4)
- Electricity

MINISTRY OF OVERSEAS DEVELOPMENT
TECHNICAL CO-OPERATION

DFS
To see pl

NOTIFICATION OF CONTRIBUTIONS TO LOCAL COSTS
(FINANCE DEPARTMENT CIRCULAR NO 151)

TSM
7/12/78
1/13/12

To: PERSONNEL SERVICES EXECUTIVE ✓
ACCOUNTS DEPARTMENT ✓
BRITISH HIGH COMMISSION/EMBASSY * } with copy of letter of appointment
D.R. Morrison Esq OBE

Contributions by the Government of Falkland Islands towards the costs of
Dr. J.E. Thorpe forthcoming ~~long-term~~/short-term* assignment
as a Salmon Ranching Expert . . have been agreed as set out below (the
Government's agreement is recorded at (19) on file CLA 56/273/03 . . The period
of assignment will run from 27 October 1978 . . to 7 December 1978 (approx)

- 1. Accommodation - (a) Full board and lodging: YES/NO
(b) Part board. Proportion to be met by local government is: Nil
(c) Subsistence Allowance in lieu. Nightly rate: Nil
- 2. Local Transport: YES/NO Mileage allowance:
- 3. Office Services: YES/NO
- 4. Medical Services: YES/NO
- 5. Other Services: YES/NO
- 6. Cash contributions (other than in (1) and (2) above):
 - (a) Cadre Post: Monthly/Quarterly* amount:
 - (b) Rental allowance: Monthly/Quarterly* amount:
 - (c) Capitation Fee: Monthly/Quarterly* amount:
 - (d) Other (.): Monthly/Quarterly* amount:
- 7. Treasury/Finance Department* authority to waive cash contributions in lieu of local services is recorded at () on file
- 8. Finance Department authority to waive local costs as follows under Section 4.04 of Vol IIC of Office Procedure. is recorded at minute on file
- 9. (For Research Schemes only)
Authority of Head of Section or above in Science, Technology and Medical Department or Natural Resources Department to waive local costs as follows: is recorded on file

Signed: [Signature] Grade: NCO . .
Dept: Latin America Date: 23.11.78

Note: * Delete as necessary
Copies distributed: (Date)
Signed: (PSE)

8/ FIS/7/5

48

TC 49

SHORT TERM TECHNICAL COOPERATION ASSIGNMENTS

IMPORTANT

Please ensure all seven sections of this form are completed before despatch. Failure to do so delays settlement of an officer's dues and also adds to correspondence.

A 'Nil', 'None' or 'Not applicable' should be entered where appropriate.

Item 7 is particularly important and any amplification of the position as regards local costs is welcomed.

The form should be completed and signed by the Accountant immediately a Short-term Expert leaves Post and be forwarded, by air mail, to Personnel Services Executive (TC Branch), Room E409/E410/E414/E415, MINISTRY OF OVERSEAS DEVELOPMENT, Eland House, Stag Place, London SW1E 5DH.

NAME (In block capitals) WILLIAM PETER J. J. J...... POST: Expert on Salary....
Date of Arrival 8th November, 1978..... and departure 6th December, 1978.....
Beaching

1. Have you received the local cost form for this assignment? YES/NO

	<u>PERIOD</u>	<u>AMOUNT</u>	<u>RATE OF EXCHANGE</u>
2. Was ACCOMMODATION or <u>subsistence</u> provided by <u>local Government</u> ? If Yes, please state whether	YES/NO		
i. Expert received:-			
a. free accommodation	<u>NO</u>		
b. free board and lodging	* <u>8/11 - 6/12</u>	<u>8203.85</u>	
c. cash contribution	<u>None</u>		
or			
ii. the Embassy/BHC received a direct cash contribution from the local Government in lieu of accommodation	<u>None</u>		

PAID BY POST

3. <u>Advance</u> against <u>honorarium</u> or fee (only payable with prior ODM approval)	N/A	<u>350</u>	<u>(NONE) 292 of 7.11.78</u>
4. <u>Advance</u> against <u>Subsistence Allowance</u>	N/A	<u>NONE</u>	

OR

5. Actual issues of subsistence made. (Please give details overleaf of places visited if more than one subsistence rate applicable). If full entitlement has been paid, please say so - (See paragraph relating to subsistence allowance in letter of appointment).

* see overleaf for exact dates.

SUBSISTENCE PAID BY POST
for the following period(s)

(Please complete all eight columns entering N/A if appropriate)

<u>From</u>	<u>To</u>	<u>Place</u>	<u>Total number of nights</u>		<u>Subsistence Rate</u>	<u>Exchange Rate</u>	<u>Amount Paid</u>
			<u>Full Board</u>	<u>Bed/ Breakfast</u>			
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

6. Any payments made on his behalf not admissible from Government funds. (Bar account, extra meals etc).
PERIOD AMOUNT RATE OF EXCHANGE
NONE _____ _____

7. ~~Outstanding contributions are due from the local government in respect of this assignment and the appropriate steps have been taken to effect recovery /~~

There are no outstanding local contributions due in respect of this assignment.

(Please delete as appropriate)

Accountant *Affernus*

Official Stamp ./. *Financial Secretary*

Date



- * 8 - 15/11/78
- 18 - 19/11/78
- 24 - 28/11/78
- 5/12/78
- 6/12/78 (meal only)

(19)

I.A. Duncan Millar, CBE, MC, DL, JP,

REMONY.

ABERFELDY.

PERTHSHIRE.

PH 15 2HR

8th December, 1978.

Chief Executive,
The Executive Council,
Stanley,
Falkland Islands.



T. J. J.
22/12/78
[Signature]

Reply sent.
[Signature]

Dear Sir,

Possible Introduction of Salmon to the Falkland Isles

Because of my interest and experience with Atlantic Salmon here in Scotland and elsewhere, I have been aware of the failure so far to introduce Atlantic salmon into the Southern Hemisphere, and have been in contact with Dr. Leslie Stewart and others interested in this problem.

My wife and I are hoping to spend a holiday in the Falkland Isles in February of 1979, largely triggered by my enjoyment and familiarity with the rivers of our own Scottish Islands where both salmon and sea trout flourish and their similarity with those of the Falklands where sea trout have successfully been introduced. It is my hope to visit and to fish some of your rivers.

I am also hoping to arrive at some views as to why salmon have not become established. Having read and studied Dr. Stewart's report on Fisheries in the Falkland Isles (October 1973) and his further report on Salmon in New Zealand with special reference to the Falkland Isles (December 1975), I am familiar with his theory regarding ocean gyres or currents; also his recommendation that Atlantic salmon cannot naturally develop and perpetrate its' species in the Islands, but that the introduction of Chinook salmon might be tried.

While there is little doubt that ocean currents play an important part particularly in the food cycle of the salmon's sea life, and may indeed be the major factor barring their introduction in the Southern Hemisphere, I am not entirely happy about this theory.

Present views harden towards the belief that there are many races of Atlantic Salmon each peculiar to their own habitat or river (Dr. Wilfred Carter and others). For example, in many Hebridean rivers, the runs of salmon are almost entirely of grilse, whereas of the many salmon known to feed off Greenland, none are grilse. There is therefore a strong inference that these Hebridean fish may not travel so far, and like sea trout generally, remain nearer to their/

8th December, 1978.

their rivers of origin which are small in size and not dissimilar to the Falkland rivers. If this were so, they would clearly be a better choice of origin for introduction to the Falklands, than, say, the progeny of Tay or Tweed fish.

Dr. Stewart himself recommends for Chinook introduction, stock from the River Sacramento, on the basis that this strain is reported not to travel far from its river mouth (but this was hotly denied at the recent Atlantic Salmon Seminar in Edinburgh when it was stated that the recapture of tagged Sacramento fish proved them to travel very large distances). The main advantage of Chinook (*Oncorhynchus Tschawytscha*) or Pink (*O. Gorbuscha*) salmon into Falkland rivers is the early migration of their young from the somewhat inhospitable rivers to the sea, but neither is recognised as such a 'sport' fish as the Atlantic Salmon, nor does *O. Gorbuscha* grow to a comparable size.

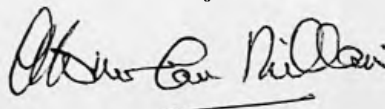
The fact that Atlantic Salmon and Sea Trout co-exist in many Scottish and especially island rivers, indicates that rivers in the Falklands should be capable of sustaining young salmon: their successful introduction would be most advantageous both from a sport and from a fishery aspect. It may well be that lack of success to date arises from the failure to introduce ova from a suitable origin.

should further attempts at introduction (of any kind of salmon) be attempted, there is no doubt it should be under controlled conditions and for a considerable period. As I believe a visit to the Falklands by Mr. J. Thorpe from Pitlochry is being considered, the possibility of successful introduction is presumably still under review.

With these interesting arguments in mind, I am hoping to visit and to fish as many rivers as possible, more to study their ecology, than to kill sea trout, and any facilities which could be made available to us while in the Falklands will be much appreciated. If desired, a report on my views could later be added to your files on this subject.

We hope to arrive in Port Stanley on or soon after 7/8th February 1979, and after a short stay there, when we would hope to pay our respects to His Excellency the Governor, would hope to visit West Falkland, particularly the Chartres and warrah rivers, and also the principal East Falkland rivers. I look forward to meeting you in due course.

Yours sincerely,



I. A. Duncan Millar.

29 December

78

I A Duncan Millar CBE MC DL JP
 Remony
 Aberfeldy
 Perthshire PH15 2HR

Many thanks for your interesting letter of 8 December which has just reached me.

Dr John Thorpe of Pitlochry has indeed just visited us to explore the possibilities for salmon ranching in the Islands and we are now awaiting his report. As I understand it, he has found at least one place which he believes to be very suitable in piscatory terms for a pilot project for two different types of salmon in adjacent streams which debouch into quite different sea areas. However, as you will appreciate, such projects require substantial financial backing and, even were the project to be successful, there are still economic considerations of which account will have to be taken.

I note that your visit here is essentially a private one and I assume that you are already in touch with local people about your accommodation and arrangements for fishing. However, if there is any information that you may require on arrival, may I suggest that you get in contact with Miss Leif Barton of the Development Section of the Secretariat who will be very willing to suggest some contacts to you.

JOHN MASSINGHAM

CHIEF SECRETARY

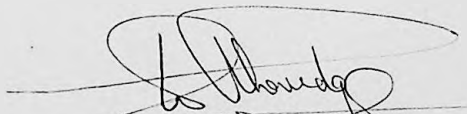
TS/7/5

20. In-shore Fishing and Salmon Ranching Surveys

9/78

20.1 Following a preliminary survey by Dr. Hall, Principal Fisheries Adviser at the Ministry of Overseas Development, and Mr. Cole of the Tropical Products Institute the Chief Secretary reported that the survey was likely to result in a recommendation for the setting up of a major investigation into the near-shore fishery resources. It was anticipated that such an investigation would extend over a period of at least three years.

20.2 Referring to Dr. Thorpe's visit to explore the possibilities of establishing salmon ranching in the Falkland Islands the Chief Secretary said that Dr. Thorpe considered that such a scheme had possibilities but that a major exploratory project extending over a period of at least two years would be necessary to establish its viability.


Clerk of Council

CS

DR THORPE: SPECIMENS FOR ONWARD SHIPMENT TO UK

Leif Barton approached me this morning; she was rather worried as she had been told by Nutt Goodwin (mv "Forrest") that FIC had refused to put Dr Thorpe's specimens - a mutton carcass, about a dozen mullet and a couple of crabs - on board the charter vessel, although it was understood that Dr Thorpe had arranged with FIC management for this to be done.

2. I took the liberty of phoning officially to the FIC office for clarification, and was told that the arrangement with Dr Thorpe was that shipment would be made "if there was any room". It had been suggested that "Bransfield" might take the specimens in the event of the charter vessel having insufficient space. Terry Spruce said that FIC had no control over the use of the refrigerated compartment for the return voyage: it was entirely the concern of the Chief Steward, who was storing beef there for the homeward trip, and had also promised to take some blood samples for the hospital so could not accept Dr Thorpe's specimens. The VIC were writing to Dr Thorpe to explain.

3. I have since discussed the matter with Miriam Booth (BAS) and she has very kindly agreed to make approaches on our behalf for "Bransfield" to ship the specimens. (The boat is due here next week and, at Miriam's request, I shall ring on Friday, 2 February, to confirm).

4. There the matter rests. I hope you will not think I have exceeded my authority by dealing with this matter "on my own", and that you will approve the action I have taken.

J. Seath
24-1-79

MR. BOOTH

Spurred: many thanks for copying

then pa (Thorpe Project File)

25
A

Mr O R Morrison

Fis/7/5

34
59



British Museum (Natural History)
Cromwell Road London SW7 5BD

Telephone 01-589 6323 ext



Department of Zoology

Dr. D.N.F. Hall,
Principal Fisheries Adviser,
Overseas Development Administration,
Eland House,
Stag Place,
London SW1E 5DH.

Your reference

Our reference PHG/SO

Date 27th July, 1979

Dear Dennis,

Many thanks indeed for sending us the photographs of your mystery Falkland Island fish. It has caused quite a bit of excitement here because we can find no record in our books for this species occurring in that particular part of the world. It is a specimen of the Opah or Lampris guttatus. Theoretically, the species has a world-wide distribution and not infrequently gets washed ashore on British beaches. It's also known from the North Pacific but, as I mentioned, we can't find any specific record of it from the Falklands.

I would be most grateful if you could possibly get some more information about how it was caught or discovered. I gather from the fact that it was "found" at Pebble Island that it was probably washed ashore. Judging from the photograph the fish also seems to have been somewhat knocked around and has the appearance of something long dead. Anyhow it must have died in reasonably close proximity to the Island otherwise it would certainly have been far more decomposed than it appears to be. So, any additional information you could get would be of great interest to us.

Nice to be in contact with you again.

Yours ever,

P.H. GREENWOOD

17th September 79

The Manager,
Pebble Island.

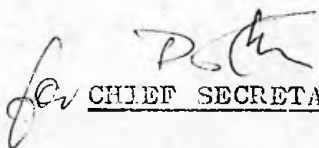
Dear Sir,

The Principal Fisheries Adviser of the Overseas Development Administration has asked me to return the attached slide with many thanks.

Considerable interest was aroused by the slide, as there has been no record of this type of fish being found in these waters. It is a specimen of Opah or Lampris guttatus. Theoretically, the species has a world wide distribution and not infrequently gets washed ashore on U.K. beaches. It is also known from the North Pacific, but there has been no record of it from the Falklands.

The Fisheries Adviser would like, if possible, further information as to how it was caught or discovered. Was it ashore?; and do you think it had been dead long when it was found? Any additional information you can provide would be of assistance.

Yours faithfully,


for CHIEF SECRETARY

enc.

uw

FISH/S

61



PEBBLE ISLAND
1st October.

Dear Sir.

I am writing this in answer to your letter dated 14th September which was sent to the manager Pebble Island. The letter was passed onto me because I found the fish and the slide was supplied by me.

I found the fish on the north coast of Pebble, when I was gathering. The fish although still alive was stranded on the beach but was still covered by water. I tried to pull the fish further up the beach but with it struggling and the weight of it I couldn't manage. After I got home which was late that afternoon my Dad and I went out in the rover to collect the fish which by this time dead and the birds had started to eat it.

This is all the information that I am able to give you and I hope it helps you in some way.

Yours faithfully

Susan Betts.

9th October

79

Dr. D. N. F. Hall,
Principal Fisheries Adviser,
Overseas Development Administration,
Eland House,
Stag Place,
LONDON, SW1E 5DH.

Dear Dr. Hall,

You wrote to Bill Sloman on 1st August ⁽⁵¹⁾ seeking more details about a specimen of the Opah or Lampris guttatus washed ashore on Pebble Island.

I regret that the details I have been able to obtain are pretty scanty, but I pass them to you for your records. The fish was found stranded on a beach on the north coast of Pebble Island; it was still alive when found presumably because it was covered by the sea. The girl who found the fish tried to pull it further up the beach but as it was struggling and heavy the girl could not move it. In the evening when the finder went back with her father the fish was dead and the gulls had started to eat it.

Yours sincerely,


CHIEF SECRETARY

PUBLIC NOTICE

THE REPORT ON THE INSHORE FISHING AND SALMON RANCHING PROSPECTS, MADE AS A RESULT OF A VISIT TO THE FALKLANDS BY DR. D W F HALL, MR. P COLE AND DR. J E THORPE IN NOVEMBER 1978, WILL SOON BE MADE AVAILABLE TO MEMBERS OF THE PUBLIC WISHING TO PURCHASE COPIES.

OWING TO THE SIZE OF THE REPORT IT WILL IN FACT BE ISSUED IN TWO SEPARATE VOLUMES: ONE COVERING INSHORE FISHING AND THE OTHER COVERING SALMON RANCHING.

IN ORDER TO ASSESS THE DEMAND FOR THESE REPORTS BEFORE THE DUPLICATING PROCESS IS COMMENCED IT WOULD BE APPRECIATED IF MEMBERS OF THE PUBLIC WISHING TO ACQUIRE COPIES OF EITHER, OR BOTH OF THESE REPORTS, WOULD CONTACT THE SECRETARIAT GENERAL OFFICE BY FRIDAY 15th JUNE 1980.

PUBLIC NOTICE NO. 25

THE SECRETARIAT
STANLEY

10th JUNE 1980

~~F18/7/15~~

(42)

20th December

82

Dr. J Thorpe
Freshwater Fisheries Research Lab
Faskally
Pitlochry
Perthshire
Scotland

Thank you for your Christmas Card. It is probably too late now to reciprocate, as the post is very slow. In any case - a happy New Year to Judy and yourself and to all at Lussa.

I am delighted to hear that ODA has approved Bob's visit. Your card arrived while Mike Pattison was here - he left yesterday - and he was unaware of the approval. I left him in no doubt that he should get things moving as soon as possible.

Having looked at the Camilla Creek sites in detail and taken advice from Brook Hardcastle I now feel we should probably adopt a compromise between local construction and a full UK design and build contract. By the end of Bob's visit I am sure that we shall have the right answer.

I do not know what ODA will have said about the possibility of an itinerary encompassing prior visits to US and S American projects. However desirable, this would seem to be almost impossible except by returning to UK unless one of the BAS ships happened to be at Punta Arenas or Montevideo at the right time. I suppose the other way could be UK-Santiago-Punta Arenas-Seattle, after which it might be possible to get the USAF to fly him to Ascension Island on their 'milk run' to connect with the Hercules to Stanley!

I look forward to seeing you again when we have something on the ground at Darwin

John Reid
Development Officer

LC

All Circulate & Bureau File.

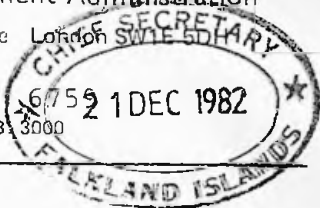
AW Do 2/12

F. 44



Overseas Development Administration
Eland House Stag Place London SW1E 5JY

Telephone 01-213: 6752
or Switchboard 01-213: 3000



R Williams Esq
Assistant Civil Commissioner
Government House
PORT STANLEY

Your reference

Our reference LCP 59/543/01

Date 14 December 1982

Yes Reg,

SALMON RANCHING CONSULTANCY

I enclose two copies of the proposals received from consultants for the salmon ranching study. I would be grateful if you would pass one set to John Read. *Herewith*

My colleagues and I will be evaluating these proposals during the course of the week and we would be glad to hear of any comments or observations that John may care to make on them. We shall, of course, let you know which firm we think is likely to produce the best results.

Yours ever,

David

I have examined the 3 proposals & replied to ODA by Telex. AW Do 2/12

D Lawless

Encs.

FIS/7/5

45

PP ODA
 GRS 117
 UNCLASSIFIED
 FROM PORT STANLEY 001747Z DEC
 TO PRIORITY ODA
 TELEGRAM NUMBER WODEV 219 OF 28 DECEMBER

YOUR WODEV 203: SALMON BANCHING

REID'S COMMENTS ON PROPOSALS ARE:-

1. FDL
 FOR: STRONG ON SOUTHERN HEMISPHERE.
 AGAINST: INFLEXIBLE PROGRAMME ONLY PERMITTING
 15 DAYS FI LATE FEB. NO UK SITE VISITS.
 BIOLOGIST LEADER.
2. STIRLING
 FOR: STRONG INHOUSE SUPPORT TEAM. 4 YEARS FI AID
 JAN. SHAW VERY SOUND ON SALMONID MARKETS AT
 OGAN CONFERENCE FEB 89. ENGINEER LEADER.
3. CROWN AGENTS
 FOR: STRONG CORE TEAM.
 AGAINST: NO INDIVIDUAL ENGINEER NOMINATED. SUSPECT
 ANDREWS EMPHASIS ON LARGE SCALE CONSTRUCTION
 EXPERIENCE.
4. CONCLUSION: PREFER STIRLING.
5. ADVISE AGAINST INCLUDING SHELLFISH IN THIS STUDY AS WE SHALL
 BE SUBMITTING OUTLINE INSHORE AND SHELLFISH PILOT FISHERY
 PROPOSAL SHORTLY. ADVANCE NOTICE OF LOCAL DATA REQUIRED BY
 NOMINATED CONSULTANT ASAP PLEASE.
6. HAVE YOU CONSIDERED POSSIBILITY OF REDUCING TRAVEL BY ASKING
 FOR USAF FLIGHT USA ASCENSION?

HUNT

NNNN

SENT AT/RECD AT 221244Z RC/DP

FIS/7/5

Mr Williams ^{2/12}
Mr Chandler ^{2/12}

(46)

FOFI 003/022

PP PORT STANLEY

GRS 112

UNCLASSIFIED

FM ODA LONDON 211530Z DECEMBER 82

TO PRIORITY CIVIL COMMISSIONER PORT STANLEY

TELEGRAM NUMBER MODEV 293 OF 21 DECEMBER 82

LAWLESS' LETTER TO WILLIAMS OF 14 DECEMBER.

SALMON RANCHING.

INITIAL EVALUATION OF PROPOSALS FAVOURED STIRLING UNIVERSITY.

ADVISERS FELT IT WAS PITCHED AT REALISTIC LEVEL WITH DUE

APPRECIATION OF WHAT IS REQUIRED. TEAM WELL QUALIFIED. TWO

REMAINING PROPOSALS JUDGED TOO ELABORATE.

INTEND TO INTERVIEW STIRLING TEAM ON 5 JANUARY REGARDING THEIR

APPROACH AND IF SATISFACTORY CONFIRM SELECTION SUBJECT TO EIB

APPROVAL. GRATEFUL COMMENTS FROM REID BEFORE THEN.

WE HOPE THAT TEAM COULD ARRIVE AROUND 17 JANUARY BUT WILL

TELEGRAPH FURTHER ON THIS.

Mr Reid
I have amended
your telegram slightly
to refer also to
this tel.

Reid
2/12

PYM

NNNN

SENT ADDISICZ RG

File FIS/7/5
Cubo

ACTION
COPY



(48)

13/1/83

Dev. off.

13/1

QT91&6'.@2)

8/12

PP PORT STANLEY

GRS 171

UNCLASSIFIED

FM ODA LONDON 121330Z JANUARY 1983

TO PRIORITY PORT STANLEY FOR CIVIL COMMISSIONER)

TELEGRAM NUMBER MODEV 022 OF 12 JANUARY 1983

HEREWITH REPEAT OF OUR MODEV 019 OF 10 JANUARY AS REQUESTED.

YOUR MODEV 215

SALMON RANCHING

STIRLING TEAM INTERVIEWED AND SELECTED. THREE MAN TEAM OF MUIR, MORGAN AND POULTER PROVISIONALLY BOOKED ON AIRBRIDGE LEAVING UK 20 JANUARY. GRATEFUL IF ACCOMMODATION ETC ARRANGEMENTS COULD BE MADE.

2. LIST OF DATA REQUIREMENTS BEING SENT TO US FOR INCLUSION IN THIS WEEKS BAG SINCE DATA NEED NOT BE AVAILABLE FOR THEIR ARRIVAL.

3. TEAM'S OTHER REQUIREMENTS ARE:-

A. TRANSPORT TO AT LEAST 6 OF HATCHERY AND PROCESSING SITES IDENTIFIED IN HALL/THORPE REPORT.

B. TELEPHONE OR TELEX FACILITIES TO STIRLING

C. MEETINGS WITH APPROPRIATE OFFICIALS

D. IF AVAILABLE, ENGINEER'S LEVEL, STAFF, MARKER POLES, TAPE DRAWING BOARD AND T SQUARE. PLEASE ADVISE SO THAT TEAM CAN BRING THESE IF NECESSARY.

4. TEAM EXPECT TO FINISH AROUND 14 FEBRUARY. WOULD REID PLEASE ADVISE ANY SPECIFIC ITEMS THEY SHOULD BRING.

PYM

NNNN

FIS/7/5

(49)

FI/FCO 002/14

PP ODA
GRS 40
UNCLASSIFIED
FROM PORT STANLEY 141200Z JAN
TO PRIORITY ODA
TELEGRAM NUMBER MODEV 018 OF 14 JANUARY

YOUR MODEV 022
SALMON RANCHING

1. ALL REQUIREMENTS OF STIRLING TEAM CAN BE MET EXCEPT ENGINEERS LEVEL, STAFF AND TAPE.
2. ACCOMMODATION PROVISIONALLY RESERVED FROM 20 JANUARY.
3. TRAVEL TO 6 CAMP SITES POSSIBLE BUT PROGRAMME WILL HAVE TO BE ADJUSTED TO HELICOPTER AVAILABILITY.

HUNT

NNNN

SENT/RECD AT 141356Z RG/RK

copied to D.C.
RD
1411

FOFI 003/13

MS/7/5

ROUTED TO
ROUTINE CIVIL
COMMISSIONERS
OFFICE
13 JAN 1983
PORT STANLEY

50

D.O.

Mo W
Ref 114/1

ACTION
COPY

KUKW

DUHMGXL BANLEY

GRS 69

UNCLASSIFIED

FM ODA LONDON 121330Z JANUARY 1983

TO ROUTINE CIVIL COMMISSIONER PORT STANLEY

TELEGRAM NUMBER MODEV 023 OF 12 JANUARY

SALMON RANCHING

FURTHER TO MY MODEV 19 STIRLING HAVE REQUESTED ACCESS TO AS MANY RELEVANT MAPS AND HYDROGRAPHIC DATA AS ARE AVAILABLE AS SOON AS POSSIBLE AFTER ARRIVAL. GRATEFUL IF INFORMATION REQUESTED COULD BE ORGANISED.

2. STIRLING TEAM'S AIR BRIDGE PASSAGES CONFIRMED FOR 20 JANUARY.

PYM

NNNN

SNT AT 131243Z DD

Reg,

D.O. [Signature]
ODA Consultancies Dept
have asked me to pass this to
you. Apparently Stirling
stress that they do not want
this information to be
available on arrival, but
rather want FIG to be aware
of what the team wishes to
look into.



My Pl. Circulars & Brie
on FIS/7/5 also

with compliments

Jill [Signature]



OVERSEAS DEVELOPMENT ADMINISTRATION
ELAND HOUSE, STAG PLACE,
LONDON SW1E 5DH

Telephone 01-213:
or Switchboard 01-213:3000

FALKLAND ISLANDS SALMON RANCHING PROJECT

INFORMATION REQUIRED

N.B. This checklist is probably not exhaustive, but represents the main topics for which help will be sought in the Falkland Islands.

1. LAND

- for hatchery and possible processing facilities
- for land access to water

Is land for sale and if so likely price.

How are access rights acquired and is there any associated cost.

If facilities are to be leased, can suitable periods of lease of land be negotiated. Rental levels. Any government control over changes in rental levels.

FS

Any land taxes, taxes on purchase of land, taxes on rental agreements.

Legal costs of land purchase and/or rental agreements.

Who would handle negotiations and are there any associated administrative costs.

2. CONSTRUCTION

- for hatchery and possible processing facilities and slipways etc.

(i) Are there suitable contract builders available or would manpower have to be imported. Would building equipment also have to be imported.

PWD

(ii) construction costs

T. Spruce

(iii) construction materials locally available or would they have to be imported. What do construction materials cost.

(iv) expected future trends in construction costs.

HM

(v) If items to be imported do the same rates of duty apply as into the U.K.

FIC/PWD

(vi) if construction labour has to be imported, what are the costs of so doing.

3. VEHICLES

- availability
- taxes on use of vehicles

FIC

- costs of oil, diesel

- costs of maintenance

4. POWER

- availability
- reliability of supply

- cost

5. WATER

FS/DPW

- availability and cost at processing site as well as hatchery
- reliability of supply
- quality of supplies

HM

6. HARBOUR DUES

7. LABOUR FOR OPERATION OF FACILITIES

- is suitable unskilled labour available
- will labour available be prepared to gut clean and prepared fish
- impact of seasonality of output on labour availability
- cost of employing such labour
- other support costs of labour e.g. superannuation etc.
- ditto for other types of labour
- if labour of any type has to be imported what would the cost be:
 - wage and salary rates for required skills
 - costs of immigration e.g. expenses for dependents
 - who would pay immigration costs
 - immigration policy
- would housing have to be built for incoming personnel and is so what would be the cost. Who would bear this cost.

8. TAXATION

FS/IT.

- are there payroll taxes (e.g. national insurance)
- are there subsidies for employment of labour
- what rates have to be paid
- what is the rate of corporation tax
- what grants and allowances are there and under what circumstances would they apply.

9. INSURANCE

FC

- during construction
- subsequent insurance of facilities, personnel, all risks and employer liability etc.

Cost of such insurance

10. PROFITS

FS

- any restrictions on repatriation

11. INTEREST RATES

#s - Relationship between SHORT TERM interest rates in the Falklands and in U.K. (Context: possible borrowing to finance short term working capital needs)

12. LEGAL FEES

Alger. - payable during the course of pre-construction and construction activities

13. SHEEP CARCASSES

TD Jm F + 1974 - cost of purchase. Any alternative uses emerging for the carcasses and estimated impact on future supply price
- seasonality of availability
- quantity of carcasses available

14. DEVELOPMENT PLANS

- future plans for the development of the Falkland Islands which may have an impact on the project with special reference to any changes in infrastructure

15. FISHERIES DEVELOPMENTS

- impact on the project especially with respect to storage and transport of product

16. TRANSPORT

FIC/Curnow. - available in the Islands as needed
- sea transport costs and availability for the transport of iced and frozen fish
- air transport availability and cost
- timing of availability - frequency and seasonality
FIC/Sutherland. - present and projected availability

17. ADMINISTRATIVE SUPPORT COSTS

- during construction
- in operation
- telephone costs
- office equipment
- stationary
- marketing costs in Falkland Islands

18. POSSIBLE GOVERNMENT AIDS FROM FISHERIES SUPPORT

e.g. availability of technical officer

19. FOREIGN EXCHANGE

- how is the exchange parity of the £ Falklands fixed
- are there any exchange control regulations

20. ENVIRONMENTAL CONTROLS

- are there any which are relevant to and will have an impact on the project

21. WATER RIGHTS

- AG/CC
- legal position on salmon ranching rights of harvest
 - any relevant angling rights
 - any relevant sea fishing rights
 - position on sea fishing on salmon other than by ranchers

22. LAND DEVELOPMENTS

- any relevant developments in the use of land not in the second Shackleton Report

23. SHEEP INDUSTRY

- any relevant future developments

24. INFLATION RATES

- expected future rates of inflation in particular any differential rates of inflation for different items.

25. POSSIBLE FUTURE SALMON CONSUMPTION IN THE FALKLAND ISLANDS

A projection will be made of this and the following information will help:

(a) Resident population

Present and projected future numbers, age and sex structure

Current fish consumption (including imported processed fish

Current prices of competing foodstuffs e.g. meat in various forms
and fish if any

Qualitative judgments of attitudes towards salmon and the price
that people would be willing to pay (fresh and smoked)

(b) GARRISON 12

Current and expected future size into the late 1980s

Ratio officers to men in the ranks

Cost of competing foodstuffs

Budgets allocated for purchase of meat and fish

Price would be prepared to pay for fresh salmon

Qualitative judgements of attitudes towards salmon (fresh and
smoked)

Doug McKay

18. IMPACT ON OTHER SECTORS

- construction sector
- agricultural sector
- shipping and ports and viability
- administrative sector

S.A.S.

6.1.83.

PA
FI/FCO 002/19

FW/7/5.

53

PP ODA
GRS 110
UNCLASSIFIED
FROM PORT STANLEY 191200Z JAN
TO PRIORITY ODA
TELEGRAM NUMBER MODEV 30 OF 19 JANUARY

YOUR TELNO MODEV 26: SALMON RANCHING STUDY

1. WE CONFIRM THAT THE OVERSEAS DEVELOPMENT ADMINISTRATION IS
AUTHORISED BY THE GOVERNMENT OF THE FALKLAND ISLANDS TO:-

- (1) RECRUIT AND EMPLOY CONSULTANTS FOR THE PURPOSE OF:
 - (A) ADVISING ON THE SETTING UP OF A SALMON HATCHERY
IN THE FALKLAND ISLANDS
 - (B) PREPARING TENDER DOCUMENTS RELATING TO THE
CONSTRUCTION OF A HATCHERY AND ANCILLARY CONSTRUCTIONS
AND
 - (C) ADVISING ON TENDERS RECEIVED.
- (2) TO NEGOTIATE AND EXECUTE ON BEHALF OF THE GOVERNMENT
AN AGREEMENT BETWEEN THE EUROPEAN INVESTMENT BANK AND THE
FALKLAND ISLANDS GOVERNMENT FOR THE GRANT/LOAN OF 200,000
ECUS TO BE EXPENDED TOWARDS THE COST OF THE EMPLOYMENT
OF THE CONSULTANTS.

HUNT

NNNN

SENT/RECD AT 191253Z RG/PW

AS/7/5

ACTION
COPY

COMMISSIONER'S
OFFICE
12 JAN 1983
PORT STANLEY

54

C.S.
Act - Gen.
Ref 13/1

FOFI 010/12

OO PORT STANLEY

GPS 160
UNCLASSIFIED
FM ODA LONDON 121656Z JAN 83
TO IMMEDIATE CIVIL COMMISSIONER PORT STANLEY
MODEV 026 OF 12 JAN

NY MODEV 22
SALMON RANCHING STUDY.
WE ARE IN FINAL STAGES OF NEGOTIATING ON YOUR BEHALF THE DRAFT
CONTRACT BETWEEN EIB AND FIG.

TO ENABLE US TO SIGN ON YOUR BEHALF EIB HAVE REQUESTED A
QUOTE INSTRUMENT OF AUTHORITY EMPOWERING THE SIGNATORY TO
ACT TOGETHER WITH A LEGAL OPINION ADVISING THAT ODA DULY
AUTHORISED TO CONTRACT ON BEHALF OF FIG AND THAT TERMS OF
AGREEMENT ARE BINDING AND ENFORCEABLE UPON THE LATTER UNQUOTE.

LEGAL ADVISERS HERE CAN PROVIDE SUCH OPINION ON RECEIPT FROM
YOU OF NECESSARY AUTHORITY. GRATEFUL YOU TELEGRAPH TO US
EARLIEST CONFIRMATION OF AUTHORITY THAT ODA IS ACTING ON YOUR BEHALF
TO SELECT AND APPOINT CONSULTANTS AND TO NEGOTIATE AND SIGN,
AGAIN ON YOUR BEHALF, CONTRACT BETWEEN FIG AND EIB FOR
200,000 ECUS TOWARDS COST OF STUDY. ATTORNEY GENERAL MAY CARE
TO SUGGEST WORDING.

PYK

NNNN

1929Z/12 KRW



File FIS/7/5 and BU to me CW

Department of Agriculture and Fisheries for Scotland

Freshwater Fisheries Laboratory
Faskally Pitlochry Perthshire PH16 5LB
Telephone STD 0796 2060

(57)

All communications to be addressed to The Officer in Charge

John Reid Esq
Development Officer
PORT STANLEY
Falkland Islands

Your reference

Our reference, please quote
JET

Date

21 January 1983

Dear John

Thank you for your letter.

By now you will have my colleagues with you in the Islands, and I hope they are working hard. Bob Morgan has made his own useful contacts in the ranching business in Chile, and it sounds as though they - and some more that I have just established - will prove very helpful to us in the future. It seems as though our initial egg supplies can be almost entirely from S. hemisphere stocks, which will save a lot of time and money.

I am officially an "adviser" to this consultancy group - but as you know, my own involvement and commitment to the project is rather deeper than that. For the moment, while we have to work through O.D.A., that's the way things will continue, but as soon as we can get the U.K. government to vote the development funds necessary for this pilot scheme, then I hope that Bob and I can be dealing directly with yourself.

I hope all your other development schemes are showing promise too.

Best wishes.

Yours sincerely

JOHN THORPE

P.J. I am impressed with Sue Shaw, the marketing/economist girl who is part of this consultancy team: I think she will do a good and helpful job - and she knows your own personal interest and involvement in this part of the development, so I'm sure you will find her co-operative. Sue is at present exploring the broader context of the international salmon market, by picking the brains of commercial people, academics and administrators in Canada and the USA. I have also put her in touch with the Chileans.

Pl file FIS/7/5 CW Do. $\frac{1}{11}$

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Highlands and Islands Development Board

Bridge House · 27 Bank Street · Inverness IV1 1QR

Tel 0463 34171 · Telex 75267

John:

Sorry I haven't to hand for you a copy of Net boy's letter which prompted this. He has been questioning our view that work in Chile + elsewhere has been sufficiently successful to warrant work in F.I., but as John Thorpe makes clear he is wrong in his assumptions about what is proposed. He is a former Professor of English who has become interested in salmon and has written books on the subject. Hope to send you With compliments his letters.

Bob Storey 20/1/83





Department of Agriculture and Fisheries for Scotland

Freshwater Fisheries Laboratory

Faskally Pitlochry Perthshire PH16 5LB

Telephone STD 0796 2060

R J Storey Esq
Highlands and Islands Development Board
Bridge House
27 Bank Street
INVERNESS
IV1 1QR

All communications to be addressed to The Officer in Charge

Your reference

Our reference, please quote

JET
Date

18 January 1983

Dear Bob

NETBOY'S LETTER OF 20 DECEMBER 1982 TO LORD SHACKLETON

Anthony Netboy is an interfering nuisance! My immediate feeling is that Lord Shackleton's reply of January 10 is fully adequate, and that if we give Netboy a more detailed reply he will continue to interfere.

However, here are my comments on his letter of December 20, in case you feel otherwise.

1. Dr W J McNeil: Bill McNeil is a good friend of mine, who has given me much help and advice in the past, and is at this very moment in Oregon advising Sue Shaw (Stirling consultancy group: economist and marketing member) about economics and commercial aspects of salmon ranching generally. He knows most of the details about the Falkland Islands ranching proposal from my 1979 report, and lengthy discussions since then, especially during a 3-day period that I spent with him visiting his and other companys' ranches in Oregon in June 1981. He has expressed an interest in co-operating in developments there, but as his company is probably stretched to its limits at present (ranching Pacific salmon from 2 main sites in Oregon, and Atlantic salmon in Iceland) it would be unlikely to be an active participant in the South Atlantic until after the 10-year proving period was completed there. His attitude to the project is a very positive one, and not at all the negative one which Netboy implies.

2. Leslie Stewart's reports: Stewart's comments on salmonids in the Falklands were always rather light-weight, but more importantly they referred to planting fish in rivers with a view to establishing self-maintaining salmon populations there. My proposals are very different. Ranching involves protected rearing of the freshwater stages in a hatchery, and release of juveniles when they are ready to go to sea. This release is direct to sea, not into a river, through the device to which they will ultimately home, and from which they will be harvested. It is thus independent of the natural productivity of Falkland freshwaters, which would be unable to support more than a very few salmon anyway.

I should emphasise too that the 1979 report foresaw that a pilot proving scheme would require 9 - 10 years operation before commercial viability could be predicted accurately.

3. Successful salmon ranching in Southern hemisphere: Despite Netboy's assertions, on-going runs of Chinook salmon are in existence now in Chile, and the Chile Foundation predict big increases in production from 4 tonnes in 1981 to 32 tonnes in the current year, and to 985 tonnes by 1986. (In New Zealand the same species established self-maintaining runs over a wide geographic range, and is now commercial ranching is being explored there too).

2.

4. Japanese experiments in Chile: Dr Timothy Joyner reviewed these early experiments in a chapter on ranching in South America, in my book on Salmon Ranching (1980). He pointed out that chum salmon, which move out to sea as quite small fishes, would enter northward flowing oceanic currents off the Aysen province, and finish up near the equator - not very promising for a cold-water fish. He recommended that such a species should be ranched south of latitude 50°S. (Aysen is at 45°S). Very recent experiments, in which chum have been released at sites further south, have produced returns - not many yet, but none at all came from the first experiments.

The most promising fish at present are the Chinooks, which are returning in useful quantities: chum salmon are theoretically an attractive proposition, as they require minimal freshwater residence, and so should still be tried out in the Falklands.

5. Falkland Rivers: as I mentioned above, the proposal is not for planting stock in rivers, so Netboy's point is irrelevant.

6. Marketing: Sue Shaw is investigating this at the moment in North America. I've also put her in touch with appropriate people in Chile, as they now have experience of marketing their ranched salmon. An article in Mercurio, the Santiago daily paper, this year, announced that 90% of salmon production was being exported at present, and 10% consumed at home. Clearly the Chileans are looking on this industry as a means to produce foreign earnings rather than to increase their own food supplies. John Reid is also actively interested in the potential marketing problems, so the point is not overlooked!

7. Time lag to Commercial Production: at risk of labouring the point, my report in 1979 suggested 10 years from the beginning of the pilot scheme: I stick to that prediction, and I, too, think a commercial investor would be unwise to expect quick returns on his money: doesn't Netboy understand why it's people like timber companies and oil companies who become involved in salmon ranching, rather than companies who employ accountants whose forward vision is restricted to 12 months?

8. Krill: Netboy notes that krill is caught by the Russians and used to feed salmon! How much more elegant to send the salmon out to feed for themselves on krill and other crustaceans, at no cost in terms of ships and men in harvesting that krill.

9. I hope Anthony Netboy has a nice warm winter, and keeps out of our hair.

Best wishes.

Yours sincerely



JOHN THORPE

59
THE SECRETARIAT,

STANLEY, FALKLAND ISLANDS,

SOUTH ATLANTIC.

Our REF: FIC/7/5

It is requested that the number and date should be quoted.

YOUR REF: JET

2nd February 1983

Mr J Thorpe
Department of Agriculture and Fisheries
Freshwater Fisheries Laboratory
Faskally Pitlochry
Pershire PH16 5LP

Dear John,

Thank you for your letter of 21st January. The post is still very slow.

The team have now been out in Camp for nearly a week and I have had occasional R/T conversations with James Muir, most of them concerned with attempts to organise air transport. They are finding it much more difficult than you did to move about to where they need to go, as it is no longer possible to arrange a complete itinerary in advance. Helicopter flights have to be fitted in to gaps in the army's operational tasks. This is further complicated by the unreliability of R/T communications with West Falkland and the fact that many of the people they want to see are out gathering on the days when they could most easily be fitted into the flight schedules. Nevertheless they seem to be managing and I expect them back towards the end of the week. I should have liked to have accompanied them on some of the visits, but four people are too many for most of the helicopters, though I hope to get out to Darwin if they go there again.

I, too was impressed with Sue Shaw when she gave a paper at the Chan Conference last February.

A point that did occur to me when I read the Institute's submission was that their timetable envisages exploratory talks with potential developers as early as mid March. This will have to be done with some care. Although outside investment, and the participation of a company/group which has something to contribute on the marketing/distribution or even shipping field, will be necessary we would hope to make this an operation with significant local private/FIDA holdings and a measure of management control.

The same problem is likely to arise over the development of inshore fish, and particularly shellfish, resources. I have already had a number of approaches from very big US shellfish companies, as well as the Japanese. My feeling is that if we hope eventually to develop an indigenous close inshore fishery in the limits over which we have some jurisdiction the last thing we want is a big outfit coming here to exploit what stocks there are. If it turns out that there are stocks of, for instance, Scallops I would rather see a small local fishery exploiting, conserving and augmenting them with a measure of protection.

I have not yet had a chance to discuss this with the team but we shall get down to this and related matters on their return to Stanley.

2.

My family should by now be embarked on the Cunard "Countess" at Ascension to arrive here in ten days, so I am in sight of an end to my period of "bothying".

I look forward to seeing you when we come on leave in about a year's time, by which stage I hope there will be a few interesting things getting off the ground here - or am I being too optimistic.

Kindest regards

A handwritten signature in cursive script that reads "John".

John Reid
Development Officer

LC

FOFI 012/16

D.O.

1's file, FIS/7/5

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TELEGRAM NUMBER MODEV 079 OF 16 FEBRUARY 1983

SALMON RANCHING PILOT PROJECT
ON 11 FEBRUARY PATTISON SIGNED THE CONTRACT BETWEEN EIB AND FIG
MAKING AVAILABLE A LOAN OF POUNDS 200,000 ECOS FROM RISK CAPITAL
TOWARDS THE COST OF THIS PROJECT. A COPY OF THE FINAL DRAFT
FOLLOWS BY BAG WITH COVERING LETTER.
A COPY OF THE BOUND, SIGNED VERSION WILL FOLLOW WHEN AVAILABLE.

PYM

NNNN

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