

FALKLAND ISLANDS.

Governor's Office.

No.

DEP/WHA/1 # 7

Date of Receipt. 1#7



From

SUBJECT.

Secretary of State for the Colonies.

ADDITIONAL WHALING LICENCE

Salvesen and Company's application for

No.

Date

75

24th June, 1915.

Colonial Secretary's Record No.

732/15

Registered Number of last Despatch.

MINUTES.

Hon Col Secy.

For your information.

16. 8. 15

*AD.
905*

H.S. / Correspondence read and noted.

*Issued AD.
20. 8. 15*

C.F. Condell

*CS.
20. 8. 15*

No. next Despatch.

*296
15*

A.
I



250/12

Reference to previous correspondence:—

Secretary of State's
~~Governor's~~

Despatch No. 41 of 30 April 1913

Falkland Islands

N^o. 75.

Downing Street,

24th June, 1915

Sir,

I have the honour to transmit to you

the papers noted below on the subject of *the application of Messrs Chr. Salvesen & Co. for an additional licence to take whales in the South Shetlands and Graham's Land.*

I have the honour to be,

Sir,

Your most obedient, humble servant,

The Officer Administering

~~L. HARCOURT.~~

A. BONAR LAW.

the Government of

The Falkland Islands

Date.	Description.
3 June 1915	From Messrs Chr. Salvesen & Co. do — do —

CRW

Private

H.S.

I should have liked to say
"Salvesen's letter read with
disgust" - I do not think
I have ever seen an official
letter of so "caddish" a
kind - worthy only of a Heiber
or a Romeo.

C.F.S.

20. 8. 15

ENCLOSURE TO DESPATCH

No. 75. OF 24/6/15

250/15

Copy.



29, Bernard Street,

Leith,

3rd June 1915.

Sir,

We have the honour to enclose herewith copies of our letters of the 16th February to the Colonial Secretary, Stanley, and copies of his replies of the 21st and 23rd April.

2. You will notice that in answer to our application for extended facilities for carrying on whaling operations in the South Shetlands and Graham Land the reply is in the negative. We presume therefore that the Odd Whaling Company has been able to replace its steam whaler "Cuvernören" which was destroyed by fire last season at the South Shetlands, and that the Magellan Whaling Company of Punta Arenas will continue operating their licence in connection with the steam whaler "Normanna" belonging to the Normanna Company Limited of Sandefjord, and which operated at the South Orkneys previous to last season.

We are a little surprised that all the licences for the South Shetlands and Graham Land should have been renewed, as we thought that the Government would take advantage of the yearly nature of the licences to refuse renewal in certain cases, and we know that the Managing Directors of several of the companies holding licences last year were doubtful as to their renewal for the coming season. Their reason for this doubt was not divulged to us, but no doubt

doubt the Head of the Contraband Department will have a fair idea.

As stated many times we are anxious to extend our operations in the South Shetlands, where out of the 10 licences and 1 lease, 9 licences and 1 lease are held by foreigners. You will remember when we unsuccessfully applied for the lease for whaling purposes at Deception Island we intended to utilise our steam whaler the "Horatio" for reducing the flenched whale carcasses, which was then as even now the largest and most complete floating factory for reducing flenched whale carcasses. When the lease was refused us, we utilised the "Horatio" in conjunction with our steam whaler "Neko" under our South Shetland licence, but this combination has not proved economically successful in as much as the two vessels are together too large for reducing the catch of 3 steam whale catchers. Their combined production should amount to from 30.000 to 35.000 barrels, whereas last season the production was 26.000 barrels, and this season just completed only 22.000 barrels.

We have lately acquired by purchase from the Durban Whaling Company Limited in Liquidation the steam whaler "Pentaur", and it is for the utilisation of this vessel along with the "Neko" and the "Horatio" that we are extremely anxious to secure another whaling licence for the South Shetlands and Graham Land, as thereby we shall be able to utilise our 3 vessels with their reducing plant in converting the whale carcasses brought in by 6 whale catchers with reasonable prospects of having a good result. There is no regulation in any

in any of the Ordinances against one and the same company having more than one licence, and you will know that as a matter of fact at the present time the Örn Company Limited has 2 licences, and the Hektoría Whaling Company Limited has 2 licences and 1 lease, all for the South Shetlands and Graham Land. We know that the Colonial Government has limited the number of licences, but you are aware that this number was exceeded by the simple device of calling the new licence by another name, viz., a lease, which might be adopted in our case if necessary, but we have precedent for departure from the strict wording of Ordinances of the Falkland Islands, for instance, the Rethval and Thule Whaling Companies have been operating during the past season at the South Orkneys together with only one whaler, the s/s "Falkland", instead of one each as laid down by the Colonial Government.

If you should have any difficulty in conceding to our request, we would be only too glad to have an interview with you to decide the question. We are convinced that no objection will be raised by any of the foreigners holding licences, as they seem to be much astonished that they are allowed to continue operations with foreign companies and vessels under a foreign flag on British territory and in British waters, especially during the continuance of the war.

3. As regards the whaling licence for the South Orkneys, we must confess frankly that we are not keen on this business. You will have noticed from our previous application that we have always considered that 2 steam whale catchers under one licence and with,

1 whaler

1 whaler for reducing the whale carcasses are quite inadequate, and have always applied for 4, or a minimum of 3, for the simple reason that the season is so much shorter and the ice difficulties much greater, involving more risk and naturally a shorter catching time. The greater risk has been amply proved by the loss of one whaler, the s/s "Tioga", and also serious damage to the first whaler of the name of "Falkland", which would have become a wreck had it not been for our assistance in sending from South Georgia our diving plant with an expert diver and patched up the hole under water. Our view of the financial side of the question has also been fully demonstrated by the fact that of the 4 whaling companies which operated at one time at the South Orkneys only 2 carried on whaling operations there during the past season, and these two operated together using only one whaler or floating factory steamer with a production of 14,000 barrels with 4 whale catchers. The economical results of all the endeavours in the South Orkneys have been disastrous, no dividends having been declared, and you will see from our letter of the 16th February to the Colonial Secretary at Stanley the market quotations of the shares.

We do not think that whether the whales are caught in the neighbourhood of the South Orkneys or round about the South Shetlands and Graham Land has any bearing upon the supply of whales, as of course this animal moves from place to place. In this connection we may state, that according to the reports of our Masters the supply of whales is not visibly diminished

diminished in these waters, in fact, it is stated
that never before has such enormous numbers of whales
been seen as in the end of the season just closed.

We have, etc.

(Signed) CHR. SALVESEN & CO.

The Under Secretary of State,
Colonial Office,
London, S.W.

25-8/15
CHR. SALVESEN & CO.

LEITH.

LEITH,

16th February 1915.

Sir,

We have the honour to inform you, that as far as our information goes we understand that only the 2 whaling companies "Rethval" and "Thule" of Christiania are operating at the South Orkneys this season.

The Normanna company's floating factory steamer "Normanna" having been chartered by arrangement with the Sociedad Ballenera Magallanes, Punta Arenas, in conjunction with the 3 steam whale fishing vessels belonging to this Chilean company, this company is consequently not carrying on whaling at the South Orkneys.

The Corral Whaling Co. of Bergen, Norway, is as you know in liquidation.

In consequence thereof we understand that 2, or at least 1 licence is available for the South Orkney Islands, and we have the honour to apply for both, or failing 2 being vacant, for one.

At the same time we would take leave to point out, that in order that there may be a reasonable chance of success each whaling licence should allow 4 steam whale fishing vessels, or at the very least for 3. The whaling season at the South Orkneys being shorter than anywhere else, it stands to reason that more catching power is necessary to make up for the disproportionate

disproportionate catching season available.

For your guidance we may mention that none of the companies which have operated, or are operating at the South Orkneys, have ever paid any dividend, and the last quotation of the value of the shares of the "Rethval" and "Thule" companies was 50% of their face value, 60% for the "Normanna" company, and for the "Corral" 22½%. These figures show better than words that our contention is correctly based.

We have, etc.

(Signed) CHR. SALVESEN & CO.

The Hon. The Colonial Secretary,

Stanley, F.I.

250/15

The Office of the Colonial Secretary,
Stanley,
Falkland Islands.

No. 579/11.

23rd April 1915.

Gentlemen,

I am directed by the Administrator to acknowledge the receipt of your letter of the 16th February applying for licences to take whales in the South Orkneys during the season 1915-16.

2. I am to inform you that your application has been registered and that a further communication will be addressed to you at a later date, as the whole question of the South Orkney licences is now under consideration.

I am, etc.

(Signed) T.N. GODDARD.

for Colonial Secretary.

Messrs Chr. Salvesen & Co.

Leith.

250/15

CHR. SALVESEN & CO.

LEITH.

Leith.

16th February 1915.

Sir,

We have the honour to apply either in our own name, or as managers for a whaling company to be named later, for a whaling licence at the South Shetlands and Graham Land for the season 1915-1916 in addition to the licence presently held by us.

As you will know, we are the first and only British company which conducts whaling operations in the Falklands and the South Shetlands and Graham Land waters, and we are anxious to extend our business.

You know undoubtedly that ever since this war commenced a great change of feeling in our Government has manifested itself in its views as to its duties in protecting and furthering and extending British trade, and all efforts possible are now being made by the Board of Trade in order to extend the British sphere of action.

We have had occasion several times previously to inform you, that we are willing to extend our whaling operations, and we trust that your Government will take the same views as our home Government and do all in its power to assist British firms in their endeavours to extend British trade and especially in such places as the South Shetlands and Graham Land where, with one single exception, the whole trade is carried on by foreign companies sailing under foreign flags.

flags. Outside of the British Dominions we do not think that there is a parallel to be found anywhere in the world.

We have, etc.

(Signed) CHR. SALVESEN & CO.

The Hon. The Colonial Secretary,
Stanley, F.I.

250/15

The Office of the Colonial Secretary,
Stanley,
Falkland Islands.

No. 579/11.

21st April 1915.

Gentlemen,

I am directed by the Administrator to acknowledge the receipt of your letter of the 16th February, applying for an additional licence to take whales in the South Shetlands and Graham's Land.

2. I am to inform you that the complement of licences sanctioned by this Government in respect of that Dependency has already been allotted and that it is therefore impossible to consider your application until the occurrence of a vacancy.

I am, etc.

(Signed) P.N. GODDARD.

for Colonial Secretary.

Messrs Chr. Salvesen & Co.

Leith,

Scotland.

25878/1915

Downing Street,

19 June, 1915

Gentlemen,

I am directed by Mr. Secretary Bonar Law to acknowledge the receipt of your letter of the 3rd June in which you apply for an extension of your facilities for prosecuting Whaling operations in the South Shetlands and Graham Land.

2. In reply I am to state that no lease or license in respect of whaling from that Dependency has been reported as having lapsed and that, as at present advised, Mr. Bonar Law sees no grounds for departing from the decision of his predecessor not to increase the number of these leases or licences.

3. I am to add that Mr. Bonar Law must not be understood to accept all the statements regarding the Whaling industry of the Falkland Islands and their Dependencies which are contained in your letter under acknowledgment.

I am,

Gentlemen,

Your obedient Servant,

(Signed) H. J. READ.

for the Under Secretary of State

MESSRS CHR. SALVESEN AND COMPANY.

GOVERNOR TO SECRETARY OF STATE.

Chapelries, London.

Sent 9.9.15.

SAGOSOUP UNDULLING 81 SALVESENS ALPENLAND YOUNG.

9th September In answer to your despatch of the 27th July

No. 81 Salvesens Application cannot be entertained

Young.