

0820

**Whaling and
sealing in the
Falkland Islands.
Compania
Argentina de
Pesca**

/ COPY.

Original filed in 0101 "Salvesens Whaling in the F.I."

DECODE.

No. 51.

TELEGRAM RECEIVED.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 9. 7. 48 Time: 13.25 Received: 10. 7. 48 Time: 09.30.

83 - 0101

No. 219. Confidential. Your telegram No. 248. Salvesens.

Company accept position that no more than 2 whale catchers may be used without payment of additional licence. They also accept responsibility of survey and delimitation Leith Harbour and Stromness.

2. Salvesens are still considering West Falkland project, and have not yet decided whether to go on with it. Meanwhile, Chairman Pescaré in a recent visit to this office had expressed eagerness to take it up if Salvesens will not.

3. Grateful if draft lease for Leith and Stromness may now be forwarded for transmission to Salvesens.

see 7
SECRETARY OF STATE.

G. T. C.

LJH.

G. N.

Any remarks, pl.

(Intld) A. B. M.

10.7.48.

H. G. S.

1 Salvesens go on brooding much longer the egg is going to be addled.

Might they not be given a time limit ??

2. If Pesca did the whaling and Tilbury the sealing it would probably be better for the Colony as there would be two firms working here instead of one, and such a one.

3. If the Argentine Company accepted a lease from us it would be an acknowledgement of our right to grant the lease.

(Intld) J.E.H.

G.N. 13.7.48.

From The Governor's Deputy.

To H.M. Consul, Montevideo.

Despatched: July 13th 19 48 Time: 16.45.

Received: 19 .. Time:

Following for Governor begins:-

64-30/47) Secretary of State has approved draft lease Deception United Whalers which will be forwarded for completion next mail.

1 2. Secretary of State telegraphs Salvesens still stalling about West Falklands but Pesca Chairman in recent visit expressed eagerness to take it up if Salvesens will not.

3. Salvesens first demarche March 1947 and at November and March interviews it was understood they would lease Albermarle with effect from 1st May 1948. It is manifest that they will not repeat not now be able commence whaling beginning 1947/48 season.

4. In circumstances you may wish to put early limit on their procrastination and proceed with Pesca whaling only at Albermarle with option on sealing if Tilbury fails through. He should have prior consideration to Pesca for sealing.

5. In that case two firms would be working instead of one noted for unsatisfactory co-operation and there may be political advantage in Pesca taking lease in Falkland Islands as well as in South Georgia.

6. Some decision prior to Tilbury's departure mid-August would be welcome. He is aware that 10,000 limit on seals is overall limit and cannot be granted to both him and others irrespective of locality of station.

7. Hamilton agrees with this telegram. Ends.

GOVERNOR'S DEPUTY.

G. T. C.
LJH

COPY.

Original filed in 0497 p.51 "Sealing - enquiries by Couper Friend & Co!"
DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

URGENT.

Despatched: 26. 7. 48 Time: 16.00 Received:Time:

No. 328. Following for Governor begins:-

49-0497
My telegram 13th July to Montevideo. Tilbury returned reports

- (1) option secured site sealing station New Island.
- (2) offer made purchase entire property.
- (3) Existing plant Port San Carlos usable.
- (4) offer made purchase.
- (5) Albermarle plant virtually useless.

2. Paragraph 4. Tilbury estimates he could obtain whaling plant more expeditiously than Pesca and requests prior consideration for combined whaling and sealing licence if Salvesens drop out.

3. You may however agree advantageous spread over two organisations if Salvesens drop out (? Pesca or United Whalers). Ends

GOVERNOR'S DEPUTY.

G.T.C.
L.J.H.

Above was drafted with Dr. Hamilton.

Reply at 25

DECODE.

No. 72.

TELEGRAM RECEIVED.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 31. 7. 48 Time: 10.45 Received: 1. 8. 48 Time: 10.00.

4 No. 232. CONFIDENTIAL. Your telegram No. 328. Following from Governor begins:-

I intend to discuss with Ryan the question of establishment by Argentina de Pesca Company of a whaling and or sealing industry in West Falkland and Tilbury's proposals for whaling which I am not disposed to consider seriously but they could be used as a lever to gain Ryan's early decision. It might be possible if Ryan is agreeable, to suggest joint participation with Tilbury over sealing but that will be entirely for former to decide. Couper Friend have not made favourable impression here and I suspect Tilbury Senior has little behind him.

2. Meanwhile you can inform Tilbury that I favour his proposals (a) to purchase New Island and Port San Carlos try-works, and (b) to setting up a sealing industry on Signy Island for which I am prepared to give him an immediate licence.

3. Tilbury Senior has also communicated to me certain rather vague proposals in writing which I have arranged to discuss personally with him next week. Ends.

CYPHER-53788.
LJH.

SECRETARY OF STATE

62

G.K.

A.

M.C.S. would like to see you with this file
at 4.30 today, pl.

M.C.S.

4.8.48.

Note G.K. called as arranged

M.C.S.
4/8/48

10
11/4
12/6

19702763/3/48

Saving.

0320

0101

From the Secretary of State for the Colonies.

To the Officer Administering the Government of FALKLAND ISLANDS

Date 10 AUG 1948 July, 1948.

No. 86 Saving.



COLONY

No. Confidential.

My telegram No.219 of the 9th July.

Sealing on West Falkland.

I enclose, for your information, copies of recent correspondence with Messrs. Wm. Brandt's Sons and Co. regarding the interest of the Argentina de Pesca Company in the West Falkland project.

SECR.

Handwritten in red ink:
92 in 001 /
Sealing in
Falkland -
Silverdale

Handwritten in black ink:
The
no 4

Wm. Brandt's Sons & Co.,
London, E.C.3.
6th July, 1948.

The Under-Secretary of State,
Colonial Office,
Sanctuary Building,
Great Smith Street,
London S.W.1.

For the attention of Mr. R.H. Burt.

Sir,

Cia. Argentina de Pesca S.A. Buenos Aires.

We beg to confirm yesterday's visit of our representative with Mr. A.R.L. Ryan, the President of the Cia. Argentina de Pesca S.A., Buenos Aires.

As Mr. Ryan advised you verbally Messrs. Cia. Argentina de Pesca S.A. wish to apply for a licence to catch and treat seals on the West Falkland Islands and if granted this facility they would be prepared to install a plant there to produce seal oil and also to develop the area by initiating sheep farming etc.

As you are aware the Cia. Argentina de Pesca S.A. have for many years held a licence from the Falkland Islands Government to catch seals on South Georgia Island. In view of their long experience in these activities they are naturally very competent to exploit the proposed new area to the best possible advantage of all concerned and thereby assist to augment to the fullest possible extent the present supplies of oils emanating from the Falkland Islands and their dependencies. Furthermore the Colony would naturally benefit from the Pesca Company's plan to develop this area.

We trust you will see your way to give the Pesca Company's application your most favourable consideration and we shall be pleased to hear from you as soon as possible as to the terms on which you would
/be

be prepared to grant them a lease of the district
in question.

We remain,
Sir,
Yours faithfully,

(SGD)



19781/63/3/48

July, 1948.

10 AUG 1948

Gentlemen,

8 I am directed by Mr. Secretary Creech Jones to acknowledge the receipt of your letter of the 6th July regarding the Argentina de Pesca Company's desire to establish a sealing station on West Falkland.

2. The development of this area in question is at present the subject of negotiations between the Falkland Islands Government and Messrs. Chr. Salvesen and Co. The Governor has, however, been informed of the Argentina de Pesca Company's interest in the matter.

I am, Gentlemen,

Your obedient Servant,

(Sga) R.H. Bunt

Messrs. Wm. Brandt's Sons & Co.,

12/8
Direct ref. to Pesca's interest
as (92) in 6101
12/9 PAL
155

DECODE.

Mo. 39.

TELEGRAM RECEIVED.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 17. 9. 48 Time: 10. 20c Received: 18. 9. 48 Time: 09.30.

No. 263. Confidential. Albermarle project. Following from
Bennett begins:-

Reply from Ryan was received last week stating "I am definitely interested in lease". Owing to inconclusive nature of reply he was asked to give in writing more definite acceptance of your terms he has now telegraphed reply from Algeciras stating that "Fully agree with terms of Governor's letter of August 21st minor details will discuss personally with Governor". Do you consider this can be taken as sufficient to justify

(a) not pressing for letter of confirmation?

(b) informing Salvesen's that offer to them is withdrawn? Ends.

G.T.C.
LJH

YK
11
Reply at 13
SECRETARY OF STATE.
WR Drp hcs. f cons.
18.5

12

CS.

I have expanded. If you agree
please dispatch at once. CTC

the 18.
IX

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 18. 9. 48 Time: 15.15 Received:Time:

11 No. 380 Confidential. Albermarle. Your telegram No. 263.
Following for Bennett begins:-

(a) and (b) with reservations.

2. I consider Ryan should be asked for immediate and categorical assurance that Pesca intend to commence operations in West Falklands and for indication of amount which will be invested in project.

3. Action on (b) of your telegram can then follow and I will prepare lease.

60 in 0497
4. Please see also my telegram No. 374. If Pesca close I will negotiate with Ryan as to possible employment of or contracting by Tilbury in sealing side of project. We have concrete evidence of Pesca's financial stability and none of Tilbury's. This must count first in interests of Colony.

G. T. C.
LJH

GOVERNOR.

See 14

Bv. 11. A. B. 20.5

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 25. 9. 48 Time: 15.20 Received:Time:

13 No. 380. My telegram No. 380. Whaling and Season.

64 in
0497
Now informed that Colonial Development Corporation are likely back
Tilbury under arrangements which give them complete financial control.

2. In circumstances grateful inform Salvesen that in view
prolonged delay offer sea-lion concession withdrawn.

3. Am prepared offer Tilbury concession 10,000 sea-lions repeat
sea-lions annually subject utilisation whole carcass.

4. Suggest Ryan Pesca be informed am prepared offer him exclusive
whaling rights plus maximum 2000 sea-elephants.

G.T.C.
LJH

14A
See 119,30

GOVERNOR.

B. 29/10
by
5815

DECODE.

COPY.

Sealing
Original filed at 74 - 0497 (Concession to Louper Friend
74 (Mr Tilbury)

No. 47.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 1. 10. 48 n Time: 23.45 Received: 2. 10. 48 Time: 09.30.

14 No. 277. Confidential. Your telegram No. 390. West Falklands Whaling and Sealing.

Extracted
6 0101
Whaling
in Falklands
Salvesens
{ Salvesens have now sent letter in which they state have dropped plan for establishing whaling and sealing station.

2. I have noted offer of concession to Tilbury and Colonial Development Corporation but for reason given in paragraph 3 below and also because I understand you are in direct communication with Corporation I have not communicated it to Tilbury.

3. In your letter August 21st to Ryan you stated lease offered to him would provide for "limited rights to be determined from time to time in regard to sealing (sea-lions)" whereas proposal to Ryan in your telegram under reference provides for sea-elephants (excluded in your letter August 21st) but no repeat no sea-lions. I am not clear how offer of full quota sea-lions can properly be made to Tilbury while offer to Ryan remains open. Unfortunately it now seems unlikely Ryan will give a written answer which was requested again on September 23rd until he arrives in Stanley.

58 in 0497
4. Meanwhile Tilbury Junior has become impatient. He states at meeting with you in July in Montevideo he was promised complete reply to application within 1 month but none has been forthcoming. In view of confidential nature your telegrams I have been unable to show him reply to telegram No. 258 sent at his expense and it has been necessary to tell him his application is still under consideration. I should welcome your views in the light of paragraph 3 above as to what can be said to Tilbury now. In addition since it seems likely that further time will be required to sort these matters out can anything be done to secure extension of his option on New and Signy Island? I understand Tilbury has already referred details of his application to his Member of Parliament.

5. Owing to doubt regarding offer to Corporation and Tilbury I have not informed Ryan of contents of paragraph 4 of your telegram under reference. I understand he will sail from Lisbon on Andes on October 3rd.

SECRETARY OF STATE.

G. T. C.
LJH

GOVERNMENT TELEGRAPH SERVICE.

15

FALKLAND ISLANDS AND DEPENDENCIES.

SENT.

Number	Office of Origin	Words	Handed in at	Date
		Copy filed in 6497 - conversion to Couper Sound & Co. (Mr. Gilbury). 5. 10. 48.		

To

RYAN 1st class passenger R.M.S. ANDRES at sea.

Our conversations August stop in absence definitive
undertaking have been compelled let sealing licence in
West Falklands to small organisation sponsored by Colonial
Development Corporation but exclusive whaling licence
Falkland Islands and 21 year lease at Albemarle remains
your disposal subject utilisation whole carcass bracket
this also applies to sealing at South Georgia bracket stop
new paragraph two Advise registration here stop new paragraph
three If you decide and cable acceptance lease can be
prepared against your arrival here when other details
bracket including e.g. possible further increase in seals
at South Georgia bracket can be discussed stop compliments
stop Bon voyage stop

Reply at 16

GOVERNOR.

See 20

Time

DECODE.

Copy - original filed in 0494 "Sealing Commission to Comptroller
(Mr. Tilbury)

TELEGRAM SENT.

16

From GOVERNOR to SECRETARY OF STATE.

Despatched :

5. 10. 48

Time :

1500

Received : ...

Time :

...

14A

No. 398. Confidential.

Your telegram No. 277. West Falkland Whaling

and Sealing.

Much regret confusion which inevitable due Pesca's unanticipated interest in venture and my lack of confidence shared I think by Colonial Office Officials in Tilbury's financial background. C.D.C. sponsorship of Tilbury Junior puts entirely different complexion on proposal and I am now prepared give him concession for both sea-elephant (2,000 maximum but no assurance this number available) and Sea-lions (9,000 maximum) provided entire carcass utilised. He and C.D.C. may be so informed.

2. I would have preferred to reserve sea-elephants for Ryan who may consider whaling without sealing unattractive but he has had his opportunity and having failed to give definite assurance as requested must abide by the consequences. I may be able to compensate him by increasing quota of elephant seal in South Georgia (where reports on stock are reassuring) to maximum of 10,000 but will leave this till he comes here. Am meanwhile communicating with him direct to "Andes" offering him exclusive whaling licence only with 21 years' lease as previously proposed.

3. Had also contemplated possible merger of interests whereunder Tilbury (of whom I had formed favourable impression) would undertake sealing side of business for Pesca but his association with C.D.C. presumably precludes any such arrangement.

~~4. Unaware of present position regarding sale of New Island for which Tilbury tendered but will contact owner on his behalf immediately asking for extension of option. He should thereafter communicate direct. He has already been granted concession for Siggy.~~

GOVERNOR.

See 19

G.T.C.

Above discussed before despatch with Capt. Roberts who was in entire agreement.

DECODE.

TELEGRAM.

No. 33.

From Mr. Ryan, R.M.S. Andes.

To His Excellency the Governor.

Despatched: October 6th 19 48 Time: 18.30.

Received: October 7th 19 48 Time: 09.30.

Answered in writing to Carter Lisbon 3rd. Decided register new company Port Stanley exploit Albermarle seal and whaling station 21 year lease. Capital one million sterling paid up half. Understood Albermarle lease covered sealing and whaling rights over all West Falklands. If now other sealing licence granted to stay sorry but no longer interested in Albermarle. Have instructed South Georgia must use whole seal carcase obtain 9,000 seals please confirm 9,000 seal licence thanks compliments you have many friends Gibraltar.

P/L.
LJH

See 15, 19, 21 RYAN.

18

YE

#17 with 15 and 78 in
0497 below 76 wh. is now
committed as far as W.F. is concerned).

YE is going to date for 1100

series to M.V.

✓
7/12

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 7. 10. 58 Time: 11.15 Received:.....Time:

MOST IMMEDIATE.

^{14A}
~~240-0087~~ No. 404. Confidential. Whaling and Sealing. Further to your telegram No. 277. Paragraph 3. Following for Carter begins:-

¹⁷ Ryan telegraphs replied Carter ex Lisbon 3rd declaring decision register new Company Port Stanley for whaling sealing station 21 year lease capital one million sterling half paid up. Not repeat not interested in whaling alone.

¹⁶ 2. Unless Colonial Development Corporation/Tilbury already advised as in my telegram No. 398 this should be held up and Colonial Development Corporation consulted as to possibility merger of interests or alternatively their willingness to support his venture exclusive of sea elephants as in my telegram No. 390.

¹⁴ 3. Would add incidentally that while I granted Tilbury interview at Montevideo at which he endeavoured extract immediate decision I made no promises other than that I would endeavour to let him know in about a month. Ends.

P/L.
LJH

GOVERNOR.

20

GOVERNMENT TELEGRAPH SERVICE.

FALKLAND ISLANDS AND DEPENDENCIES.

S E N T.

Number	Office of Origin	Words	Handed in at	Date
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Copy filed in 0497	Sealing - concession	1135	7.	10. 48.
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To to Cooper Friend & Co (Mr. Tilbury)

RYAN PASSENGER R.M.S. ANDES AT SEA

Confirm 9000 seals South Georgia which provided you will defer decision re Whaling in Falklands I might be prepared extend still further stop suggest in any case that you adhere earlier decision visit Stanley when whole situation can be explored stop Grateful reply immediately as to whether you would be prepared to absorb sealing venture referred to in previous telegram into your company on terms stop Operator concerned is man of whom I spoke to you in London stop Regards.

Time

LJH.

GOVERNOR.

Extracted 16.11.1947
Even copy for 1st
hand 16.11.1947

Bu 1st
6.7

Original filed at 24 in 0820 "Whaling & Sealing in P.I. - Pesea"
84 in 0497 *Sealing Concession to Coupe*
Friend & Co. (McTelling)

DECODE.

No. 62.

TELEGRAM.

From Mr. Ryan, R.M.S. Andes.

To His Excellency the Governor.

Despatched : October 8th 19 48 Time : 11. 47.

Received : October 9th 19 48 Time : 09. 30.

17 Payerli myself visiting Falkland first transport. New Company cannot accept any terms new operator repeat my previous telegram on whaling and sealing lease must have your definite answer soon. as formation company too advanced sorry started. Thanks confirmation 9000 seals have advised.

RYAN.

P/L.
LJH

See 33

~~22~~ 22

23 There is a copy of an last t'gram to go in here.

I think we shd. ask SdS to let us have reply before

Anders reaches M.V. Moreover I shall wish to make

an announcement in Log. Co.

Mc. n
X
y

23

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

IMMEDIATE.

Despatched: 9. 10. 48 Time: 15.00 Received: Time:

No. 409. Confidential. Whaling and Sealing. Following for Bennett begins:-

21 Ryan telegraphs further that formation Company far advanced and is not repeat not prepared absorb other sealing interest on any terms. Proposes come here first available transport. As Colonial Development Corporation support had removed my very genuine misgivings about Tilbury I felt some moral obligation to him but on other hand Ryan's considerable resources will permit maximum exploitation and will thus benefit Colony's revenue to greater extent which must be my first concern. Further considerations are substantial quantities fertiliser which will become available for local use and fact that Ryan's ship/s might well assist Freezer project in which Colonial Development Corporation are interested. Suggest you put this to latter.

2. Unless you have strong arguments against this I feel that in Colony's interest I must accept Ryan's project.

3. Grateful earliest possible reply.

G.T.C.
LJH

7/E

See 28

GOVERNOR.

21 Temporarily in Dpt. for

On the alternative 'B' ? A perhaps best ?
the 11/12

24

9/12

I prefer 'A' as amended.
We can cast his failure to answer
categorically as his best bet if
he wishes to?

L
11/10/43

Acq. No. 11/14

GOVERNMENT TELEGRAPH SERVICE.

FALKLAND ISLANDS AND DEPENDENCIES.

SENT.

Number	Office of Origin	Words	Handed in at	Date
				12. 10. 48.

To

RYAN PASSENGER R.M.S. ANDES AT SEA

21

Your telegram 8th October Have referred Colonial Office and hope reply
few days regards.

Time

GOVERNOR.

LJH

26

YE

22

"Anas; birds Capt. Henshaw,
sh. arrived at N.Y. today
to-morrow.

2. From the pp. we have
learned that Hanson's leaves
R. Plate for S. G. and G. H. B. &
it may well be that she will

Frank via Stanley with Mr. Ryan.

3. In that case we can send
Ruston Thompson in to (but I will
deal with all his elsewhere)

4. If Mr. Ryan doesn't answer
25 we can always get him
at B.A.
B/A

If no reply by 16th we must ask for one; I don't
wish to keep Mr. Ryan in suspense and if he is to
operate I wish to say so in Leg. Co.

MC 13
X

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

IMMEDIATE.

Despatched: 14. 10. 48 Time: 16.35 Received: Time:

23 No. 421. My telegram No. 409. Whaling and Sealing.

I am anxious to give Ryan (due Montevideo today) definite decision at earliest moment and to make announcement at Legislative Council 20th October. Accordingly I should be grateful for confirmation that Pesca's proposition should be accepted.

GOVERNOR.

G.T.C.
LJH

Bu.
18/10
L
15/10

DECODE.

No. 65.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 15. 10. 48 Time: 15.05 Received: 16. 10. 48 Time: 09.30.

IMMEDIATE.

19 No. 293. Confidential. Your telegram No. 398 your telegram No. 404 and your telegram No. 409. West Falklands Whaling and Sealing. 16

19 Letter has been received here from Ryan expressing his intention to proceed with registration of new Company as indicated in your telegram No. 404. 23

16 2. Meanwhile before receipt of your telegram No. 404 Tilbury approached this office referring to telegram which he had received from you saying offer was on its way, and asked for details. He was therefore informed orally of details as set out in paragraph 1 of your telegram No. 398. Colonial Development Corporation are also aware of this. Offer to Tilbury has not yet been confirmed in writing but nevertheless I think you may be regarded as committed to it.

14 3. Position therefore appears to be as follows: (a) you are committed to Tilbury (Colonial Development Corporation) for all available sea elephants and 9,000 sea lions (out of 10,000 understood to be available annually - paragraph 3 your telegram No. 390) (b) you are committed to Ryan to extent of his acceptance of offer contained in your letter August 21st for Whaling and "limited rights" in regard to sea lions. 19 in his reply Ryan did not desire to be informed what these limited rights would mean, but there appear to be only 1000 sea lions left for him. Since Ryan is not interested in Whaling alone (paragraph 1 your telegram No. 404) he may well be dissatisfied (c) either Ryan or Tilbury must lose over sea lions and less objectionable course seems to be to confirm offer to Tilbury (d) merger cannot be imposed on two parties. At this stage I do not repeat not consider it would be justifiable for me to exert pressure on Tilbury (or Colonial Development Corporation) or to make offer of concession to him 23 conditional on merging with Ryan. I note from your telegram No. 409 that Ryan himself is not prepared to absorb other sealing interest "on any term". If any merger is to be achieved it can be apparently only come to by Ryan changing his mind and approaching Tilbury for terms. Otherwise I think we must face fact that two separate concessions will have to be granted.

4. Please telegraph as soon as possible whether you agree that offer to Tilbury should be confirmed in writing. If so, please specify exact terms in full.

5. Do you also agree Tilbury should be informed of offer made to Ryan. Suggest you should inform Ryan of offer that is being made to Tilbury.

6. It appears while telegrams under reference were passing you have also been in direct correspondence with Tilbury Colonial Development Corporation and Ryan. I think it would avoid complications in future if negotiations in such cases could either be canalised through me or conducted solely by you direct.

G.T.C.
LJH

Reply at 30

SECRETARY OF STATE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

IMMEDIATE.

Despatched: 20. 10. 48 Time: 19.25 Received:..... Time:

29 No. 422. Confidential. Your telegram No. 293. Whaling and Sealing. Same paragraph references.

76 in 0497 2. Telegram to Tilbury dated 5th October said no more than that I had sent instructions to Colonial Office who would advise him and Colonial Development Corporation but in doing so I had assumed that paragraph 2 of your telegram No. 277 stood i.e. that you would continue to hold. In circumstances agree that am committed to Tilbury and offer of maximum 9000 not repeat not 10,000 as in my telegram No. 390 paragraph 3 sea-lions and available sea-elephants to maximum of 2000 may be confirmed to him/Colonial Development Corporation in writing.

14A 14 3. There is some confusion here. My offer to Tilbury on quite unanticipated support by Colonial Development Corporation was for sea-lions only as I hoped that this would satisfy his one-man venture and that sea-elephants would provide reasonable additional attraction to Ryan. (Sea Lions run about 24 to the ton of oil; sea elephants about 3). Agree with your views about merger. And please see paragraph 7 below.

4. See 2.

5. I have already told Ryan about Tilbury project and in fact mentioned it to him in London in hope that if Tilbury's financial backing (over which I had grave doubts) proved inadequate Ryan might be disposed to take him in. I see no particular object to informing Tilbury of offer to Ryan and he was of course aware that Salvagens were considering Albermarle lease.

64 in 0497 14 6. While I am in agreement in principle you must understand that when I left England it was in the firm belief that a satisfactory reply would be obtained from either Ryan or Brandts (his agent) to my letter of 23rd August sent through you. Accordingly I refrained from correspondence with either him or with Tilbury until receipt of telegram No. 233 from Colonial Development Corporation when I felt it necessary to comply with my undertaking at Montevideo to let former know the position. My only communication with Colonial Development Corporation was to refer them to my telegram No. 390 to you. You have been informed of the gist of my subsequent telegrams to Ryan despatched only when I saw danger of this attractive proposal slipping out of our reach. Confusion has arisen over delay in obtaining categorical assurance from him and unanticipated intervention of Colonial Development Corporation in Tilbury venture which latter as sponsored by Tilbury Senior I discouraged in presence Carter.

69 in 0497 7. Paragraph 2 and 3 supra. Figure of 10,000 was mentioned in June conversations with Tilbury and was repeated in telegram to him based on file record but no seals have been taken for 10 years and I am satisfied that earlier estimates were conservative. On re-examination of figures allowing for natural increase I consider present stock sea-lions should be sufficient to enable me to offer 9000 annually to Ryan as well as Tilbury subject in both cases to annual revision (as at South Georgia now) and to utilisation of entire carcase. I should also require agreed proportion of capital to be made available for local investment and agreed percentage of fertiliser and meat meal to be made available at cost plus to local farmers. Tilbury will operate from New Island and Ryan from Albermarle and territory can be equitably divided.

8. Accordingly I have invited Ryan to implement his own suggestion that he should visit Stanley early November and unless you see any objection I propose to renew offer to him on lines indicated.

See 34, 35

3F
A

9. Should he decide not to accept this offer plus whaling then I am prepared to offer exclusive whaling repeat whaling and sealing rights to Colonial Development Corporation sponsored venture on condition they are willing and able to exploit full resources.

GOVERNOR.

G.T.C.-MCA-WH-LJH.
TYPED - LJH.

B.

LE

Int him. for comm. etc.

C

21. x

Issue please. I will send a letter
addressed to him c/o Royal Mail Offices?

Inc.

DECODE.

No. 28.

TELEGRAM.

From Mr. Ryan, Buenos Aires.

To His Excellency the Governor.

Despatched : October 20th 19 48 *Time :* 19.55.

Received : October 21st 19 48 *Time :* 09.30.

Have instructed station Manager Grytviken apply 30 days extension sealing period kindly give application your best consideration. Have you any news about Albequarle friendly greetings.

P/L.
LJH

RYAN.

See 23

GOVERNMENT TELEGRAPH SERVICE.
FALKLAND ISLANDS AND DEPENDENCIES.
SENT.

Number	Office of Origin	Words	Handed in at	Date
				22. 10. 48.

To

RYAN PESCA BUENOS AIRES

²⁵ My telegram 12th October and ³² your telegram 20th October Am still in correspondence with Colonial Office but I welcome suggestion in your telegram ²¹ 8th October and hope you will stay Government House stop Matter can then be discussed in detail and I anticipate little difficulty reaching final arrangement acceptable to you stop I shall be glad to learn when you expect arrive and whether transport will proceed thereafter to South Georgia direct and can take mail stop otherwise latter must be sent Montevideo 29th October to connect Harpon. Letter arriving Montevideo 2nd November addressed to you care MacLean and Stapledon Mala Real.

GOVERNOR

GOVERNMENT

Y.E.

Yon.

Can 31 That will be best, I think (asking banknote to forward it?)

Time

2. 33

1 adds parts undelivered

Agm. 10/11/48 23/x

by 23.x

DECODE.

No. 107.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 23. 10. 48 Time: 16.14 Received: 24. 10. 48 Time: 09.00.

MOST IMMEDIATE.

30 No. 300. Confidential. Your telegram No. 422. Whaling and Sealing.

I have discussed informally with Colonial Development Corporation and do not repeat not consider there is room for two large sealing undertakings in Falkland Islands even if area is capable of yielding total 19,000 (half 38,000) sea lions per annum without undue exhaustion. Corporation are extremely doubtful about this. Their understanding is that as later as last May Hamilton put figure at 10,000.

2. Corporation would only be interested if they with Tilbury were sole large scale licences of sea lion rights. If area permits more than 10,000 sea lions being fished annually they would expect to receive benefit of increase.

3. If Corporation are to back Tilbury this coming season they must have satisfactory assurance on paragraph 2 above by Tuesday October 26th at the latest. Otherwise it will be too late arrange for Captain sealing vessel travel from Falkland Islands to United Kingdom and to make other arrangements regarding equipment and vessel.

4. As however you are committed to Ryan to the extent of limited sealing rights Corporation would raise no objection offer of 1,000 (half 2,000) sea lions to Ryan but would not repeat not participate if larger sealing concession were granted to him. In the event of an annual revision Ryan must not expect more than a proportionate increase of present ratio 9:1. Ryan would probably not be interested in so small a quantity and might be prepared to forgo his limited sealing rights.

5. Corporation have been sounded on the question of whaling and its seems certain they would be interested if Ryan should fall out.

6. Please telegraph whether you agree Tilbury / Corporation being told that he would be sole large scale license and that Ryan will be restricted to 1,000 seals. Meantime Tilbury is being offered concession in accordance with your telegram.

G.T.C. -MMA.
TYPED -LJH.

SECRETARY OF STATE

Reply at 35, 63

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 25. 10. 48 Time: 17.00 Received: Time:

MOST IMMEDIATE.

34 NO. 430. Your telegram No. 300. Whaling and Sealing received yesterday. Same paragraph references.

54 in 0497 1. I have never as you are aware (see your telegram No. 242 last sentence) regarded Tilbury's venture as a "large sealing undertaking". On the contrary his financial resources as expounded to me at Montevideo did nothing repeat nothing to suggest modification of this view nor did his proposed establishment suggest that he would be able to dispose fully of quota seals then contemplated i.e. with full utilisation of carcass. As to available stock my recalculations were made with Hamilton and I am fully satisfied that for some years at least proposed total limit could be envisaged without risk depletion. Present stock estimated at 500,000.

2. This imports entirely new condition into negotiations. Tilbury's financial resources without unanticipated intervention of Colonial Development Corporation would not have justified my granting him sole repeat sole concession. If Pesca withdraw I should of course be glad to reconsider new situation but see paragraph 5.

3. This is holding pistol at my head at barely 24 hours notice and I regret I cannot give final decision until I have seen Ryan whom I expect visit Stanley next 2 weeks.

4. It is quite certain that Ryan with available capital of £500,000 will be quite disinterested in 1,000 sea lions and future ratio of 1:9 increase vis-a-vis Tilbury, as to whose capital investment in conjunction with Colonial Development Corporation or its adequacy for full exploitation I have even now no information.

30 5. In view of first sentence paragraph 2 supra, of Pesca's proved experience and possession of requisite capital and equipment and of larger interests of Colony I propose make offer to Ryan as in paragraphs 7 and 8 of my telegram No. 422 plus whaling. It is matter of indifference to Colony as to whom concession is granted, only point of importance being ability to make full use of it.

6. I realise this may cause withdrawal of Colonial Development Corporation and in order to clarify situation suggest Tilbury be given time limit 5th November by when I should be grateful to learn by telegram whether he proposes to take up concession offered.

7. Whole circumstances have been most carefully examined and considered in Executive Council and above is dictated on its unanimous advice with which I concur.

G.T.C.
LJH

see 37, 40, 63 GOVERNOR.

GOVERNMENT TELEGRAPH SERVICE.

FALKLAND ISLANDS AND DEPENDENCIES.

RECEIVED.

Number	Office of Origin	Words	Handed in at	Date
36.	B Aires.	27.	13.00.	25.10.48.

To

LC Governor. F.I's.

Harpon delayed sailing 10th I going Tornquist about 5th January necessary stay general shareholders meeting December thanks your invitation stay goverment house,

Ryan.

See 41

Time

D.E.

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 26. 10. 48 Time: 15.50 Received:Time:

IMMEDIATE.

35 No. 431. My telegram No. 430. Whaling and Sealing.

Ryan now telegraphs not arriving Stanley till January.

GOVERNOR.

G. T. C.
LJH

Authorised by R.E.

37

DECODE.

No. 33.

TELEGRAM RECEIVED.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 26. 10. 48 Time: 20.12 Received: 27. 10. 48 Time: 09.30.

IMMEDIATE.

48 35 No. 303. Confidential. Your telegram No. 430. I propose to send you as soon as possible a further telegram giving my full and considered opinion on this matter which I must emphasise requires very careful handling before any irrevocable steps be taken.

2. Meanwhile I sincerely trust you will withhold making any further overture to Ryan in regard to sealing on the lines of paragraph 5 of your telegram under reference.

G. T. C.
LJH

See 40
SECRETARY OF STATE.

YE. to see 35, 36 of which
in 'Sp. No.'
L
27.0

5
38
CJ

? Letter at once for Ryan; to be completed when
indicated by G.N. — I had the figures but can't
find them.

McC. 27/X.

G.N.

McC. 27/X

27.X

McC.
New Island's figures
at 39 re.
2600
27-X-48

New Island

Season	Blue	Fin	Sei	Other	Total
1909-10	8	15	346	94	463
1910-11	2	25	195	70	292
1911-12	- - -	no details	- - -	- - -	103
1912-13	-	36	43	8	87
1913-14	3	63	105	7	178
1914-15	- - -	no details	- - -	- - -	255

Station closed 1915.

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 27. 10. 48 Time: 15.30 Received: Time:

35 No. 434. Confidential. Your telegram No. 303. Whaling and Sealing please see my telegram No. 430.

I propose taking no further action beyond confirming to Ryan which I must do that a sealing concession has been offered to Tilbury and informing him that present situation is largely result his own failure to give early and categorical reply to my letter of 23rd August. Copy of letter to Ryan in mail.

G. T. C.
LJH

GOVERNOR.

41

26th October, 1948.

Dear Ryan,

35 Your telegram just received and I am disappointed to think we shall not see you till after the New Year; however shareholders' meetings like Time, wait for no man !

And talking of Time, I fear that the present situation over the Albe-marle business has arisen largely through your failure to give an early and sufficiently categorical reply to my letter of August 23rd, addressed to you at Algceiras. As I told you when we met, Salvesens were still negotiating for both whaling and sealing and Tilbury - the young man I spoke to you about - had put in for a sealing concession. On 13th September I received a telegram from the Secretary of State for the Colonies saying he had received a reply from you which said nothing more than that you were "definitely interested in lease" which was considered inconclusive and you were asked therefore to give in writing a more definite acceptance. You then telegraphed that you "fully agreed with terms of Governor's letter" but here

H.R.L. Ryan, Esq.,
Cia. Argentina de Pesca,
Bme. Mitre, 559,
BUENOS AIRES.

VP.

/again

42

29

again, failing a categorical assurance that you intended to implement the arrangement and some indication as to the capital investment proposed which you were then asked to confirm, there seemed insufficient justification for breaking with other negotiations. It was not until some time in October that the Colonial Office (their telegram dated 15th October) received your reply with a definite assurance of your intentions but meanwhile Tilbury having returned to England had succeeded in winning the financial support of the Colonial Development Corporation for a sealing venture, based on New Island, which would allow him to take 9,000 sea lions and available sea elephants up to a maximum of 2,000 annually. He has been granted a concession within those limits and there for the moment the matter rests.

X

While I am in communication with the Colonial Office as to what, if any, further sealing concession can be offered I do think you will be most ill-advised to give up the whaling project based on Albenarle which, according to such information as I have been able to glean, is distinctly hopeful. The most numerous species is the "Sei" whale of which 1 = 124 sea lions; it is a particularly good "meat" animal and much favoured for this purpose by the old whaling men. "Blue" and "Fin" are

/also

43

also found. The catch from 1909-15, since when there has been no whaling at all in these waters, was:-

Year	Blue	Fin	Sol	Other	Total
1909-10	8	15	346	94	483 483
1910-11	2	25	195	70	292
1911-12	-----	-----	No details	---	103
1912-13	-	36	43	3	87
1913-14	3	63	105	7	178
1914-15	-----	-----	No details	---	255

6/1378
229

I should be prepared to grant you exclusive rights for whaling within these waters and with this a 21 year lease at Albemarle; area and terms to be arranged when we meet.

Kind regards,
Yours sincerely,

(Sgd) Miles Clifford.

There has been no whaling since 1914-15 and a well-organised and equipped venture should be able to improve substantially on these figures.

Record

41-43 sent under cover to Mr. Dominguez with request that delivery be effected as soon as possible

S.
30/x/48

(J. Menage of Macrae & Co)

44

26th October, 1948.

My Dear Bennett,

I feel quite defeated about this sealing controversy. Regarding Tilbury, as Carter must clearly recall, I had no confidence in his financial stability or resources and still less when his father called at the Colonial Office; while he was talking (through his hat as it appeared to me) of unlimited activities and developments, I was talking as Carter will again recall in terms of 5,000 sea lions, and a one-man venture, in the Falklands plus a subsidiary and very exploratory concession at Signy. When Tilbury père approached the Colonial Development Corporation I told Wecker, in Carter's presence, that it did not seem to me to be a project for them to pursue.

When I left England it was in the firm belief that Ryan, to whom I had devoted considerable attention, would come in on both whaling and sealing if Salvason, as I anticipated, dropped out. I wrote to him through you and expected that a firm acceptance would be obtained from him, or from his agent Brandts;

J. S. Bennett, Esq.,
THE COLONIAL OFFICE.

/how

45

how forcibly and frequently was this pressed ?

On arrival at Montevideo I received Tilbury junior at his request but refused, despite his most earnest efforts, to commit myself. His financial resources, as disclosed to me there were £2,000 or £3,000 "according to the circumstances", plus - I speak from memory - a further £14,000 from Couper Friend, which dismayed me more than ever; his establishment - again I speak from memory - was to be 6 men afloat and 10 ashore and I did not and still cannot see how he can hope to dispose fully of 3,000 sea lions plus available sea elephants up to 2,000 in the season with such a complement.

I deliberately refrained from communicating with Tilbury until I heard from Colonial Development Corporation (Weekes) that they were supporting him on conditions which secured full financial control to them but I still thought of him in terms of a small venture.

14A

Your assumption (paragraph 3 of telegram No. 277) that we should hear nothing further from Ryan until he arrived out here was in fact incorrect and I am now asked to discard his claims in favour of Tilbury without being told even at this stage the extent to which the Colonial Development Corporation are prepared to back him. The suggestion

/that

that the Colonial Development Corporation would be interested in whaling is no more convincing to me than Ryan's "definitely interested" was to you.

x/

My first and last interest is the Colony and I am satisfied that my estimate of the local resources is necessarily more accurate than anything your advisers can produce and would allow both ventures to take a share of the seals; to offer Ryan, with available capital of \$500,000, one thousand sea lions and a subsequent ratio of 1:9 vis-a-vis Wilbury is nothing short of desecration - one might just as well offer him a bag of sweets.

While agreeing that both you and I have been caught up in complications over which we had little control, to have a pistol held to my head in this peremptory manner by the Colonial Development Corporation is altogether too much and I am not amused.

41-43

I have meanwhile - and very reluctantly - held my hand over Ryan, either than to reproach him; I enclose a copy of my letter.

New Marshall, of Selwens, writes to Mathews announcing their renunciation of the Albemarle project "..... I feel the fault is not on our side. We entered into very considerable commitments and did a tremendous amount of preparatory

47

work in the hope of receiving some assurance from the Colonial Office (sic) that we could look forward to a few years of stable conditions as far as the tax position is concerned, but I am afraid these assurances such as they were did not come in time etc. etc. etc. We have however not been idle and while these protracted negotiations have been going on we have been looking for fresh fields to conquer and I am pleased to say we have found a field where we think there is room for very considerable development (.... outside the whaling sphere which seems to be getting a little crowded) and we hope that within the next year or two we shall have made very considerable progress in this new sphere". In other words, as I said before, they were simply playing us for mugs in the cynical and in the event successful belief that they would get more favourable terms over taxation at Leith Harbour.

Yrs. ever.

MC.

And how!

10th X on 71 in 0101

MC.

47A

pp. IMMEDIATE H.
Mc.

CS

48

This is a very
odd telegram and
I prefer not to put
my comments on paper
until I have coded it.

The 'nub' is in
the marked passage on
page 3.

Mc. 31

X

DECODE.

Original filed in 0497 "Sealing -concession to Couper Friend & Co
(Mr. Tilbury)

No. 82.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR.

Despatched: 30. 10. 48 Time: 12.50 Received: 31. 10. 48 Time: 09.30.

HOT INSTANT.

35 No. 308. Confidential. Your telegram No. 430. Whaling and Sealing.

1 I appreciate impossibility computing accurately sealing stock in West Falklands but I feel considerable uneasiness regarding your new estimate long term concessions totalling so many as 18,000 seals (9,000 to Ryan and 9,000 to Tilbury) are possible without detriment to sealing stocks. Prior to your telegram I had always understood it was firm conviction of yourself and Hamilton that maximum was 10,000 and that this opinion was expressed by Hamilton as late as last July. I also understand when you saw Tilbury in Montevideo this year you told him quite emphatically that number to be licensed must not exceed 10,000. I note you now consider proposed maximum 18,000 could be envisaged for some years without risking depletion, but I cannot see how this view could be justified or how it would be possible to meet criticism that your present proposal involved policy of destruction.

2. You may have in mind possibility reducing concession after a year or two when safety margin is reached. That would not however be reasonable proposition put to commercial companies. It might have most serious consequences for Tilbury whereas Ryan in virtue of his superior resources and fact he will also have a whaling concession would be better able to survive and probably would become sole concessionaire.

3. I realise Ryan proposes setting up separate Company in Stanley but it will stem from parent Argentine Company and it may be difficult to resist Argentine infiltration whatever Ryan's present intentions. Tilbury on the other hand will be setting up British concern with Colonial Development Corporation backing, and bearing in mind refrigeration project in which Colonial Development Corporation will probably play a leading part there are distinct and obvious advantages in favouring British as opposed to Argentine project.

4. I feel on information at present available I must ask you in the interests of the Colony to restrict licence to killing of seals to a maximum 10,000 per annum. I think that you will agree Tilbury by virtue of his earlier application should have prior consideration and (as ?) his claim seems to be stronger than that of Ryan he should I consider be given concession for 9,000 in preference to Ryan. I suggest you endeavour get Ryan to drop his interest in sealing rights. As he did not enquire what would be limitation sealing rights when he indicated he was prepared to accept whaling and limited sealing concession he cannot be very interested in them. If however he should argue there is some commitment I suggest he should be told that he may have a concession of 1,000 seals annually which would be liable to revision but only in downward direction. If he still proves awkward I suggest you should hint at very generous treatment he has already been given in South Georgia and advise him that it would pay him not to press his case too strongly. As I have already stated in paragraph 5 my telegram No. 300 Corporation would be interested in whaling if Ryan should fall out.

5. As Corporation required immediate decision (see paragraph 3 my telegram No. 300) I have informed them in anticipation of your agreement to above that Ryan will not be given sealing rights in excess of 1,000 per annum which will be subject to revision in downward direction only.

SECRETARY OF STATE.

G.T.C.

LJH

Reply at 51

He got this from X on 16 in 0101 ?

Bur edc. with Tilbury T. ?

C.D.C. have obviously plugged this agreement

nationality?

I find this very surprising

and quite impossible to reconcile with Yon 84 in 0101 the %

49
Y.E.

I have discussed with G.N.

48. This is now a fait accompli (see para.5) and we must accept it ruefully.

The C.D.C. have bounced all concerned, for Mr. Bundes (as Y.E. knows) did not leave by the "LaFonia" after all.

2. It appears that in any event the S. of S. is not in favour of Pesca starting in the Falkland Islands at all except as a last resort. But the Colonial Office appear to have committed Your Excellency without full consultation, and now we have to sell Mr. Ryan the idea of whaling with a maximum of 1000 sealions, revisable downward only: which he may not accept. Failing which the C.D.C. is interested -, but to what extent we don't yet know. In a word Your Excellency is asked to validate, or make the best of, an agreement concluded to all intents and purposes above the head of this Administration.

3. If Pesca do go ahead with whaling (and S. of S. has not explicitly told us to discourage them) but drop sealing altogether (which is the most we can expect, as they may not find it worth while to keep the plant and personnel employed during the winter for 1000 seals at most) in accordance with the S. of S's suggestion, they will "infiltrate" in any case. But it now looks as if the S. of S. considers the "political argument" - now mentioned for the first time - more cogent with reference to the Falkland Islands than to South Georgia: for we have recently granted a 21-year lease in South Georgia after the "political" arguments had been fully examined and discounted.

4. It is true that Pesca have had good treatment in South Georgia but they have always played fair. To remind them of it seems to be irrelevant and offensive - "if you don't take this quietly, we can make things unpleasant for you at Grytviken" Or does this merely mean "If you don't like it you can lump it - we'll get the C.D.C. in instead?"

5. We are likely to lose most desirable foreign capital of a most substantial amount (which would not be sniffed at in any Colony): accumulated experience and good will: and equipment and shipping immediately available: for the C.D.C./Tilbury venture which must fall substantially short of Pesca in every category. There is moreover an ominous ring in the allusion to the Freezer project (an undertone of the real conversations at the Colonial Office?) for that project had nothing at first to do with the Whaling project. I believe that Captain Roberts was apprehensive that, in the event, the Freezer alone might not appeal to the C.D.C. and that on further consideration they might be anxious to combine it with freezing whale meat. But we have thought all along that if a whaling company such as Salvasons or Pesca began operations in West Falkland their fridge ships could carry frozen mutton more economically than a converted F.I.C. vessel: and at the moment I can't see the C.D.C. from zero starting the shipment of frozen whale-meat and mutton which, say, Pesca could do in their stride.

6. However, we must try and mop up what we can of the remains of a good plan. If Mr. Ryan will come here still in January 1949 for discussions, he may take up whaling. But in the meanwhile we must tell him how the land lies. We might also ask the S. of S. how much the C.D.C. are going to put into whaling (if it reverts to them): and for that matter, into sealing?

7. I refrain from comment on x of para. 4 other than to refer to 23 para.1, 35 para. 5 and Y on 46. Even if these had not been written, the phrase is unfortunate.

8. Your Excellency's letter at 41 anticipates 48 para. 4 and may be followed up by a telegram to Mr. Ryan in a week or so?

49

Q.

A

I propose to reply on lines of draft Wagon at cover with.
 M. Curator with G.N.

2 Please see also Y on 84 in 0101 (and X on 71 of same file)

Ye

B

G.N. ✓ after with terms of same letter.

2 For M. on 33 - 34 of 3 in
 D/5/48. L. H. and L. "condition"

Exposed.

I had seen:
 5 stone like 15
 to out Salomon's
 been exposed possibly
 of which I spoke.
 (at 56 D -
 D/5/48)

2/11

C

Please note of telegram at cover. We must
 then write to Mr. Rogers - or await his letter to AI?
 Me 2/11

Y

DECODE.

Copy filed in 0497 - Sealing - concerns
to Cooper Friend & Co. (51)
TELEGRAM SENT. (Mr. Tilbury).

From GOVERNOR to SECRETARY OF STATE.

Despatched: 3. 11. 48. Time: 12.00 Received: Time:

48

No. 440. Confidential. Your telegram No. 308, Confidential. Whaling and sealing, Same paragraph references:-

- (1) (2) (a) Seal population is not confined to West Falklands.
- (b) 10,000 represented initial repeat initial limit which I considered prudent in light our experience that Company to offer Salvesens in response their request for quote unlimited sealing rights unquote which they amended to 60,000 for first year.
- (c) When discussing Tilbury project in London figure I had in mind - and quoted to Tilbury senior at Colonial Office - was 5,000.
- (d) With Tilbury junior at Montevideo I declined to give any decision in regard to numbers until I should have had opportunity of discussing with Naturalist (his letter to me of 31st August makes this quite clear) and I still contend that with establishment contemplated he would be incapable of disposing (with full utilisation carcass) of numbers now proposed for him plus available sea-elephants up to 2,000.
- (e) Hamilton's original and conservative estimate employed in (b) was based on his report published in 1939 (on data as at 1937) and ~~our~~ ~~on~~ re-calculation allowed for subsequent natural increase and cessation of sealing activities. Either calculation necessarily empirical and right to curtail if at any time stock should appear to be endangered was naturally assumed and would be embodied in lease. Latter consideration still holds good. All sealing is conducted under annual licence.
- (3) My understanding was and remains that Ryan who is British subject would establish British Company registered Port Stanley quite distinct from Argentine-based venture and I do not recall that any misgivings as to risk of infiltration were expressed during my conversations in London.
4. (a) I must again emphasise that I have had nothing but interest of Colony in mind and the benefits likely to accrue to its revenue from a project backed by half-a-million sterling as opposed to one backed by a few thousands.
- (b) I admit that Tilbury has right to prior consideration in virtue of earlier negotiations but do not agree that his claim is as strong in any other way or that it should exclude other interests but in view of your paragraph 5 this consideration is now academic.
- (c) It is patently impossible for me to offer

52

- 2 - A

Ryan 1,000 sea-lions (i.e. 40 repeat 40 tons of oil) with downward revision and it must therefore be case of whaling or nothing.

41-43

5. I propose to inform Ryan as in 4 (c) and have already, and most reluctantly, opened his eyes to this possibility in letter of which copy forwarded to Bennett in mail. I very much fear that we have lost time. him

30

6. May I now be informed as to amount capital behind Tilbury undertaking and as to whether he has accepted conditions set out in penultimate sentence of paragraph 7 of my telegram No. 422?

GOVERNOR.

G.T.C.

VP.

B

7E

C on 50

I shd. much prefer to await his Ryan's reactions to 41. In any case we await reply to A 55. Supra, the thing is to let him hear in person. by 3/11

C.

CS.

Two errors in 51. which please amended by telegram.

h.c. 3/xi

D

h.c.

Corrections made sup.

h.c. 3/xi

V.P. Pl. check 8 4.11.18
Done. VP. 4/11/18

A

CS

I want Capt. Roberts
to see the Whaling/Sealing
correspondence.

MC. 4/xi
pp 2

B

Hon. to Dr. Roberts

To see his file. etc.

See by to Dr. R
returned today
by
9.

by
S. H.

C

Y/E

intends to telegraph to Mr. Ryan
through H.B.M. Embassies BA R
see 41.

by
S. H.

D

Consider telegram at once please with G.N. I have
read it over to Capt. Roberts who approves. There seems
to be something wrong with the figure at 41 or 42 who was
quoted to me by D. Hamilton.

MC. 9/xi

Also a further d/o for Bennett.

53A

Discussed with G. N. Felm. &
case may issue (in its slightly
amended form as I reported to
HE.)

by

10.11.48

DECODE.

TELEGRAM.

From His Excellency the Governor

To H.M. Ambassador Buenos Aires.

Despatched : November 10th 19 48 *Time* : 15.15.

Received : 19 .. *Time* :

Confidential. Following for Commercial Attache. Please pass to Ryan of Pesca begins:-

42
10
My letter 26th October page 2 please read 80 sealions for 124 sealions. Since writing I have had long conversations with individual who initiated former sealing venture Albermarle and has spent whole life at sea around these Islands. He states that whales are plentiful in Colony's waters i.e. Fin and Sei particularly, with Blue and Hump less numerous. Whaling represents in his opinion incomparably better proposition than sealing here since sea lions average not less than 4 to barrel as compared to one Sei which produces 20 barrels and Fin which also plentiful and produces 50 barrels. Let me know very early if you are still interested as I have other enquiries. Albermarle best site and ample land available for venture. Conditions included establishment British repeat British Company registered Port Stanley with some share capital reserved for local investment and agreed percentage guano to be made available to local farmers at "cost plus" Owing comparatively short distances for towing small catchers would suffice. Ends.

G.T.C.

GOVERNOR OF THE FALKLAND ISLANDS.

55

10th November, 1948.

My Dear Bennett,

44 Since writing my letter of 26th of
48 October, I have received (and replied
35 to) your telegram No. 308 of 30th
October, which I find more than ever
defeating. It completely ignores the
arguments put forward in my telegram
No. 430 of 25th October, and in its
last paragraph confronts me with a fait
accompli.

You must surely understand the
absurdity of an offer of 1,000 sea-
lions - 40 tons of oil - to Ryan who
is accustomed to dealing in thousands
nor do I feel at all disposed to hold
over the head of a model client the
treatment that has been accorded to him
at South Georgia where in fact he has been
treated no more generously than his
colleagues.

As regards the seal population here
I find it difficult to believe that you
have any better information at your
disposal than I have; Hamilton is no-
thing if not conservative and Salvesen
and others (e.g. Roberts of the Falkland
Islands Company and I think Wordie) have
always contended that he was too con-

J.S. Bennett, Esq.,
COLONIAL OFFICE.
vp.

/servative

56

servative. Nevertheless, in dealing with the Salvesen application I was quite content to accept his figure convinced as I was that they (Salvesens) were merely out to skim the cream while the price lasted and it was not until I went into Hamilton's calculations myself that I realised they had not been adjusted since he originally made them in 1937 and had taken no account of the abandonment of sealing (in 1939) and the natural increase.

I don't object, in the least, to the principle of one sealing venture and shall be glad to see Tilbury here having as much use for him as I have little use for that incredible old Levantine who bearded us at the Colonial Office. What I do most strongly deplore however is the prospect of losing Ryan with which we are now faced. The Colony can't afford to lose a \$500,000 investment and I do not think we need attach undue importance to the political aspect referred to in the first sentence of your paragraph 3; Ryan is a British subject and the establishment of a British company here was doubtless part of the attraction to him. I have been able to give him some more information about the whale stocks here and hope that he may yet be disposed to take a hand but am very doubtful. I note that the Colonial Development Corporation would be "interested" if he drops out - I suppose they realise that it will mean

See 54

a minimum investment of \$1 million
(probably nearer $\frac{1}{2}$) and that they
will have to get their personnel from
Norway ?

Yours sincerely,

(Sgd) Miles Clifford.

at (58) Re. incident res. to
L-Ryan since 15/11
L
16.11

6220 58
GOVERNMENT TELEGRAPH SERVICE.

FALKLAND ISLANDS AND DEPENDENCIES.

SENT.

Number	Office of Origin	Wards	Handed in at	Date
				15. 11. 48.

To

RYAN PESCA BUENOS AIRES.

Owing alteration sailings last opportunity for correspondence
Montevideo to Stanley until January 1949 is care of Consul Montevideo &
21st November 1948 by which Governor hopes hear from you.

*J. and
not any last chance
not, still of doubt
up now to*

COLONIAL SECRETARY.

Time

LJH

B.C. 28/11/48

59

1/E.

A

Reminds to 51?

20.11

00.

B

Para 6 my 51. May I now have a reply?

It seems that we have Melville Bush & Co to
make for this, judging from letter which
I used you.

M.C. 20/11

C

below

Note: action on above taken on 0497 at (106)

"Sealing - concession to Couper Friend & Co
(now selling)

Box 30/11
20/11

88/11

C

MPC
28"

I have been
unable to contact either
you or Capt. Aldridge
since just after 11:00
today.

(I explained later to
HE. I had been to
see in "Spam" with
the A.D.C. - Capt. A.)

I have sent CO

mail to your office -
there is nothing really
urgent.

The attached is
disappointing that obviously
lead to nothing. MPC 27/29

61
X

61
A. R. L. Ryan

25 de Mayo 1960

Buenos Aires

20th November, 1948.

Miles Clifford, Esq.,
Governor of the Falkland Islands,
Port Stanley.

Your Excellency,

Referring to your telegrams of the 10th and 15th inst
I am sorry to inform you that I have no more interest in installing
a whale oil factory in Albermarle alone.

My reason for this attitude, is that a new shore
factory without the combination of seals and whales will be a risky
venture, so I am not prepared to run any risk, but I am willing to
contact the individual to whom the sealing licence was granted, and
come to some agreement as to exploit both licences on the basis that
the Company must be one and I must have full control say 90% of the
capital to be invested, the 10% outstanding would be reserved for local
farmers and others at par value. The capital will be British and
the Company will be registered in Port Stanley.

As to my visit to Grytviken and Port Stanley, it all
depends on the requirements of the fuel oil in Grytviken, and certain
difficulties that I have to overcome before we have our General Share-
holders' Meeting, and until these things are settled I cannot fix the
date of the meeting and my date of sailing, so I will keep you informed

With best regards to Mrs. Clifford, and wishing you a
merry Christmas.

I remain, Your Excellency,

Yours very truly,

A. R. L. Ryan.

files
See 65
Reply at 64

YE

60-61 Disappointing, but all is
not lost: e.g. we have moved since 21.

2. Re. see 107 in 0497. Re
C.D. & are to put up £75,000. At

17. Mr. Ryan states estimate of his
venture will be £1 m. (paid up $\frac{1}{2}$).

If C.D. & take 1/10 share the whole
venture wd. be £750,000. The next
step is to pass S/S to pass C.D. &
to pass the Fitching let them on
the conditions on which they will finance
the project?

28.11

To Ex. C. for w.v.?

I think we may address S/S at once as in
telegram at cover.

M.C. 29/xi

YE

he says: I have expended somewhat

I think it will now do - we did not expect CDC to
pursue a whaling until Ryan dropped out? 29/xi

DECODE.

Copy filed at 108 on 0497 - Sealing - concession to Mr. Tilbury
etc.

TELEGRAM SENT.

63

From GOVERNOR to SECRETARY OF STATE.

Despatched: 30.11.48. Time: 17.10 Received: Time:

No. 490. Confidential. Whaling and Sealing.

51

Paragraph 5 of my telegram No. 440. I have now heard from Ryan who explains that whaling without sealing would be too risky a venture. He would be ready to come to some arrangement with Tilbury/Colonial Development Corporation for exploitation of both licences by a single company of which he would have full control of 90% capital leaving 10% at par value for others. Confirms that capital would be in sterling. Company British and registered Port Stanley.

19

34

35

2. Since he was prepared to subscribe £1,000,000 (half paid up see my telegram No. 404 confidential) and Tilbury/Colonial Development Corporation only £75,000 it seems to me that agreement on these lines should be negotiated forthwith. In circumstances I should welcome information regarding Colonial Development Corporation's firm intentions as to whaling (paragraph 5 of your telegram No. 300 confidential and my telegram No. 430) while observing that £75,000 is in my opinion barely adequate for full exploitation sealing alone.

3. If Ryan drops out we are likely to fall between two stools and I must stress importance negotiations suggested preceding paragraph and of Pesca's experience in whaling. Presumably Brandts will be authorised act for Ryan.

4. I shall be obliged if you will give this your very early consideration.

GOVERNOR.

G.T.C. DRM: VP.

Typed: VP.

Bu.
15/12
L
1/12

Bull
mta
2/12/48

DECODE.

TELEGRAM.

64

From The Colonial Secretary.

To Ambassador, Buenos Aires.

Despatched : 4th December, 1948 Time : 1300

Received : 19 Time :

61 Following for Commercial Attache. Grateful you pass to Ryan of
Pesca begins:- Proposition in your letter 20th November has been
referred to London and you will be informed of result ends.

G.T.C.
WH.

Inps by 185

COLONIAL SECRETARY.

Shall have been
GOVERNOR

B.

15/12

6/12

Bid

DECODE.

TELEGRAM.

From His Excellency the Governor.....

To H.M. Ambassador, Buenos Aires.

Despatched : December 10th 19 48 Time : 16.15.

Received :19 .. Time :

Following for Commercial Attache from Colonial Secretary. Grateful pass to Ryan of Pesca. Begins:-

Reply received London affect that Colonial Development Corporation having concluded sealing agreement (based on New Island) are not prepared entertain suggestion for joint exploitation with third party of combined whaling/sealing licence. Moreover while definitely interested in whaling as separate venture they will not consider any arrangement which would leave them with a minority holding.

54
61
2. All recent reports tend indicate considerable increase whale population these waters recent years and while Governor's sole interest is development Colony's resources he is prepared in view efficient operations your South Georgia Company and its good relations with Administration to offer you sole repeat sole whaling concession and site at Albermarle if you can reply by end December or definitely visit Falklands January with firm intention establishing Company under conditions indicated in his telegram of 10th November addressed to you through Commercial Attache. Development Corporation may otherwise take whaling as well as sealing. Alternatively if your letter of 20th November is final decision, please advise me on receipt of this. Ends.

G.T.C. - WH. LJH.

GOVERNOR OF THE FALKLAND ISLANDS.

66)

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE.

Despatched: 15. 12. 48 Time: 15.45 Received: Time:

No. 508. Confidential. Your telegram No. 337. Whaling and Sealing

Last sentence notwithstanding Tilbury had informed third party here some days before I heard from Colonial Development Corporation. I have now received telegram No. 549 from Colonial Development Corporation in amplification of their telegram No. 531 (I presume you have seen both telegrams) but there is still no reference to possible participation by local investors which I have considered desirable.

2. All recent reports tend to indicate considerable increase in whale stocks in Colony waters which have not been fished since 1915.

3. If Ryan, as I anticipate, stands his ground it will be partly because he is monopolist by nature and also because at Grytviiken his entire whaling overhead is met by profits from sealing (elephant seals) and he cannot think in any other terms.

4. In that event (though I must in fairness give him final chance) Colonial Development Corporation might be prepared invite participation by United Whalers or vice versa. I think it essential that they (Colonial Development Corporation) should be in partnership with

conc

CA. 11. 2. 49
In addition to the above mentioned
the following are also included

67
concern having long experience whaling and ability lay hands on personnel and equipment. This might be dovetailed in with transport of carcasses from Freezer project.

G.T.C.
LJH

GOVERNOR.

B.U. 65

23/12

L
16.12

Blid 23/12/48.

YE.

15

Bin horn

under the New Year?

L
23/12

Yes - NO. I fear

mc 23
211

YE. x on 43 as instructed.

Kh.

Therapy - see computation of and 3/1
which should be removed.

mc 4
1.49.

Kh. +/1

mc 201
24/12
mail

DECODE.

0820

TELEGRAM.

23

From Mr. Ryan, PESCA.

To His Excellency the Governor

Despatched : 17.1.49 19 Time : 1529

Received : 18.1.49 19 Time : 1000

Certain local difficulties which require my personal attention have deprived me of the pleasure of meeting Your Excellency as promised. Eagerli, Jacobsen and Director Storni and two friends making round voyage after consulting Karlsen about Albemarle will report to me and I will then write to you. My best respect to Mrs. Clifford and your goodself.

P/L
WH.

RYAN.

File and B.U.

Does this mean they are coming down in Fitzroy? Have we a

list of her passengers?

(Intld) M. C. 18.1.49.

42. informed
K. W. J. Pa

My dear Clifford,

.....

We did indeed see the difficulty about offering only 1,000 sea lions to Ryan, but he was also being offered the whaling rights, and it seemed to us to be the only way to meet the reasonable claims of Tilbury, and at the same time give effect to some extent to the offer of limited sealing rights which was made originally to Ryan in conjunction with whaling rights. We quite realised that the maintenance of Ryan's interest in the Falklands was a very important thing to the Colony. But the position in which we found ourselves was that there were commitments to two parties over the field of whaling and sealing and some sort of a Solomon's judgment was inevitable.

.....

.....

Yours sincerely,
(Sgd) J.S. Bennett.

Page 12/4/49

EXTRACT FROM RECORD OF A MEETING HELD AT GRITVIKEN BETWEEN
H.E. AG., S.G., AND LT. COL. PIERCE BUTLER on 2.12.54.

(Original filed in 0276 - Governor's Tours - Correspondence).

2. SEALING LICENCES.

Colonial Butler said that his company was interested in a Sealing Licence for the Falkland Islands and Dependencies and inquired into the position of an exclusive licence.

His Excellency said that so far as he was aware no other exclusive licence or option had so far been actually issued to any other company, and if Compania Argentina de Pesca S.A. wanted such a licence, it should put forward proposals without delay.

3. His Excellency undertook to provide Pesca de Argentina with information and conclusions provided by the Falkland Islands Scientific Bureau resulting from their examination of Elephant Seal teeth.

A.C.S.

Have we been asked before?

(Intld) C.C.

2 16.12.54.

EXTRACT FROM RECORD OF A MEETING HELD ON 5.3.48. WITH
CAPT. MARSHALL OF SALVESSENS AND H.C.S.

(Original filed in 0157 - Sealing in the Falkland Islands).

Sealing.

It was agreed that exclusive rights should be granted subject to the safeguarding of the rights of the three existing Sealing undertakings, by their being stated, together with a definition of the area of the licences concerned, in the sealing licence to be granted to Messrs. Salvesens' which would be for up to 10,000 adult male sea lions and 1,000 adult male sea elephants. These figures are empirical and subject to modification in the light of experience. Season March-November and usual conditions prohibiting molestation of breeding grounds.

2/5
Bu. 30/4
(Butler's visit)
22/4
PQ
7/5