

FALKLAND ISLANDS.

Governor's Office.

SGA/WHA/1 # 9

No.

H 14/15

Date of Receipt.



From

SUBJECT.

Secretary of State for the Colonies.

SOUTHERN WHALING AND SEALING COMPANY

Use of fourth whale catcher by the

No.

Date

108.

12th October, 1915.

Colonial Secretary's Record No.

1266/15

Registered Number of last Despatch.

354/15

MINUTES.

Hon. Col. Sec.

For necessary action please.

3.12.15

[Signature]
Gov

Hon. Treasurer / To note

[Signature] C.S.

4.12.15

Noted

[Signature]
4.12.15

H. S. / Letter also send to S. M. at St. Georgia;
please see C.S. 1266/15

[Signature] C.S.

6.12.15

No. next Despatch.

Issu. *[Signature]*
Gov

6.12.15

AH



FALKLAND ISLANDS.

Downing Street,

NO. 708.

12th October, 1915.

Sir,

With reference to my telegram of 6th October I have the honour to transmit to you, for your information, a copy of the correspondence noted in the margin relative to the grant to the Southern Whaling and Sealing Company, Limited, of permission to use a fourth whaler at South Georgia.

2. The Company has accepted the offer made in the letter from this Office of the 1st October.

I have the honour to be,

Sir,,

Your most obedient,
humble servant,

A. Bonar Law

Messrs
Irwins 18 Aug. 1915.
To B. of A. 25 Aug. 1915
B. of A. 23 Sept. 1915
Messrs
To Irwins 1. Oct. 1915.

GOVERNOR

W.D. YOUNG, ESQ., C.M.G.,

&c., &c., &c.,

8/

ENCLOSURE TO DESPATCHED

COPY

No. 108 OF 12/10/15
RICHARD IRVIN & SONS, LIMITED.

ABERDEEN,

18th August, 1915.

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



Sir,

I take the liberty once again to submit an application for a second licence in South Georgia for the Southern Whaling & Sealing Company Ltd., and in making this strong appeal to the Secretary for the Colonies I beg his consideration to the following statement.

May I respectfully draw Mr. Secretary Bonar Law's attention to the previous correspondence on this matter. Here was a great industry carried on in British Waters, almost entirely in the hands of Norwegians. We felt that a larger share of it should be in British hands, and went into it with confidence, feeling that we would be backed by our own Government, and that we could count on being put on a footing at least as favourable as any of our foreign competitors.. Our experience has been such that many, in like circumstances would have given up, but we have stuck to it in the sure belief that the justice of our claim must prevail. This appeal is really a matter of life and death to us.

I enclose our last Balance Sheet and Auditors Report made up to 30th November 1914, from which it will be seen that we have already lost in the business over £50,000. Mr. Secretary Harcourt was good enough, at the beginning of last season, to grant us temporary permission to employ a third whaler for the season, which enabled

enabled us to increase the output from 12,584 barrels in 1913/14 to 20,120 barrels in 1914/15, and we hope this may enable us to meet depreciation charges for the year. Nothing however will be left either to reduce the loss of £50,000 already incurred, or for anything in the way of profit. We have had a most trying and anxious time, during all these years. We have never charged anything for management, and have had no return whatever on the £20,000 capital involved. Our experience has shown us, that with two whalers there is a heavy annual loss; with three whalers we can just meet expenses and depreciation; while with two licences, which means four whalers, we may look for a fair profit to give us something for our labour and, in time, a reasonable return on our capital. We have four whalers, and plant capable of dealing with their catches, so we will not require to make any further capital expenditure.

If we are to go back to South Georgia next season, we must make preparations immediately, and I trust it may be possible to submit the matter to Mr. Secretary Bonar Law without delay. The strain and uncertainty in these times are very trying. If there is any difficulty in granting the two licences to one Company, it would meet our purpose if the second is granted in the name of Richard Irvin & Sons.

May I again point out that we are not company promoters. All our companies are practically family concerns. In building them up, we have had to work largely on money borrowed from the Bank, and I need not say that future conditions in this respect cause us profound anxiety. In this Whaling Company those interested along with me, are, my Father, three brothers, and Mr. Johnson, and unless we are granted the second licence I cannot

cannot see how we are to go on.

I have always endeavoured to lay special stress, upon our position as Britishers and as large employers. Richard Irvin & Sons Ltd., provide a large percentage of the fish supply of the United Kingdom. Irvin & Johnson Ltd., provide almost the whole of the fish supply of South Africa, and we have therefore a large financial stake in business undertakings in the United Kingdom and British Colonies. I have tried in these respects to compare our position with that of our Norwegian competitors, who have in their hands practically the whole of the whaling industry in the world, particularly as it is principally carried on in the waters adjacent to the British dominions.

I mention with some reluctance what we are doing. Richard Irvin & Sons Ltd., in 1913 acted as agents and salesmen for over 2000 fishing vessels whose catches realized over £760,000; of these, I estimate, not less than 1000 vessels and 8000 fishermen are at present in the service of the Admiralty. For the first 12 months of the War our sales amounted to £325,500 a decrease of £435,000.

Of trawlers and drifters belonging to ourselves over 100 are now in Government Service and over 300 of our Fishermen. Three of our boats have been blown up while mine-sweeping and 11 men have been lost. To encourage our staff to join the service we have undertaken to keep open the position of every one who joins, and to make up the war pay to what would have been got in our employment, with the result that a large percentage are now serving. My Father is Commandant of the Special Constables at Tynemouth, my brother T.W. Irvin Lieut, in
the

the 2nd/5th Gordons, my brother David Irvin Lieut. in the 16th Northumberland Fusiliers.

Three of the subsidiary companies in which we are Directors are very busy with Admiralty work. Of my own personal services I find it distasteful to speak. I am Managing Director of the Ships Stores & Repairing Company Ltd., doing Admiralty work; I am serving on the Committee of the British Fishing Vessels War Risks Association; I am also a Member of the Fishery Board for Scotland. My services have always been at the command of the Admiralty and the Board of Trade. I do not care to speak of my services in fishing matters but if information is required on these points, may I be permitted to refer you to Mr. Maurice, the Secretary of the Board of Agriculture & Fisheries, Fisheries Department and to Mr. Jones, the Secretary of the Fishery Board for Scotland.

I mention these things at this time, not because I think we deserve any credit for them, more than others who are also doing their duty, but because I feel that they deserve to be considered at such a time, when Britishers are endeavouring to compete with Foreigners working throughout the Empire, under licences granted by the British Government. I do strongly feel, that it is particularly hard, that concessions granted by the British Government to Norwegians, or to any other Foreigners, should be denied to a Company started by British people, financed by British capital and dependent on British Industry for its ships and their maintenance, not to mention its contribution to the trade of the country, and, when profits are earned, to the Exchequer.

I make my appeal with strong hope that it may be
favourably

favourably considered, and confident that every statement I have made will stand to be tested. If there is any matter on which I can give further information, I shall be happy to do so, and if a personal interview would, in the opinion of the Colonial Secretary, help me, I trust he will see his way to grant me the favour of one.

I remain, etc.,

(Sd) JOHN H. IRVIN.

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38386/15.

Downing Street,

25th August, 1915.

Sir,

I am directed by Mr. Secretary Bonar Law to transmit to you, to be laid before the Board of Agriculture and Fisheries, a copy of a letter from Mr. John H. Irvin, with enclosures in original to be returned, in which he applies for the grant of additional facilities for whaling to the Southern Whaling and Sealing Company Limited in South Georgia.

2. As regards that Company's business in the Dependency, the accounts which Mr. Irvin enclose do not make the position altogether clear, but it will be observed that the figure for the total loss incurred, £51,454, includes an item of £11,500 for depreciation on investments and another of £7,244 for expenditure involved by the failure of an experiment in motor engine for whalers. The Company's South Georgia business was in its early stages connected with a West African business and, whether or no the figure given for the loss includes any items properly chargeable to the latter business, there is no doubt that considerable losses were at one time entailed on the former business through delay in the arrival of the whaling steamer at South Georgia from West Africa. Partly for this reason and partly from other causes, the Company's whalers at South Georgia obtained in 1911-12 only about a quarter and in 1912-13 about a half as large a catch as the average of other Companies, although recently their catch has been quite up to that average. Mr. Bonar Law also notes that the capital of

this

THE SECRETARY

BOARD OF AGRICULTURE AND FISHERIES.

Mr. J. H. Irvin
18. August

this Company (\$90,000 paid up) is nearly double that of similar Norwegian Companies which have paid good dividends. These Companies are allowed three whalers, with the exception of one Company which is allowed two only. The Southern Whaling and Sealing Company was allowed two whalers up to the 1913-14 season and is allowed three for the 1914-15 and 1915-16 seasons.

3. In view of these considerations, Mr. Bonar Law is of opinion that there is no substantial ground local to South Georgia upon which Mr. Irvin's application could be supported, and that, if it is to be entertained, that must be upon Imperial grounds, such as the public services of the firm, the need for assisting it on account of the disturbance of the fish business, or the desirability of increasing the supply of whale oil.

4. In this connection it should be borne in mind that two other British Companies (controlled by Messrs. Salvesen) which hold leases in South Georgia, have received similar treatment to the Southern Whaling and Sealing Company in the matter of third whalers, and will no doubt claim to receive similar treatment as regards any further concessions that may be granted.

5. Mr. Irvin's application is for a second licence by which he appears to mean a second lease. If this were granted, his firm would obtain four whalers permanently, instead of three, one of which is temporary. It seems not unlikely that such a grant would be followed by applications from Messrs. Salvesen for additional facilities, and from Messrs. Irvin, for permission to use six whalers in the same way as Messrs Salvesen.

6. A second course would be to give all the British Companies permission to use a fourth whaler temporarily. This would involve three additional whalers.

7. If it is possible to differentiate between Messrs. Irvin and Messrs Salvesen, a third course might be open viz: to give Messrs. Irvin permission to use a fourth whaler temporarily, without making any concessions to Messrs. Salvesen.

8. Having regard to the question of the preservation of the industry, Mr. Bonar Law would be reluctant to contemplate any of these courses except the third, and I am to ask that the Board of Agriculture and Fisheries in consultation with the Admiralty, will be so good as to advise him generally in the matter, and particularly in so far^{as}/Imperial interests are concerned.

9. I am to add that the question of the treatment of existing Norwegian interests in the whale fishery, to which Mr. Irvin refers, cannot be regarded as a purely Colonial one, but involves diplomatic courses as to the treatment of British Interests in Norway. Mr. Bonar Law does not propose to raise this question at present.

I am, etc.,

(Sd) HENRY LAMBERT

for the Under Secretary of State.

COPY

BOARD OF AGRICULTURE AND FISHERIES,
WHITEHALL PLACE,
LONDON, S.W.

25rd September, 1915.

No. A 4140/1915.



Sir,

I am directed by the President of the Board of Agriculture and Fisheries to refer to Mr. Lambert's letter of the 25th August (38586/15) with which was enclosed a copy of a letter from Mr. John H. Irvin in which he applied for the grant of additional facilities for whaling for the Southern Whaling and Sealing Company in South Georgia, and I am to say that, while he is not in a position to confirm or deny any of Mr. Irvin's statements and arguments as to the financial position of the Company, Lord Selborne is nevertheless of opinion that it is possible to differentiate between Messrs. Irvin and Messrs. Salvesen as suggested in the 7th paragraph of the letter under reply and that Messrs. Irvin are entitled to some special consideration in view of the services which they have rendered in connection with the war. In this latter connection I am to refer Mr. Secretary Bonar Law to the enclosed copy of a communication which has been received from the Admiralty to which it does not appear necessary for Lord Selborne to add anything.

With regard to the differentiation which may be drawn between the cases of Messrs. Irvin and Messrs. Salvesen, I am to point out that Messrs. Irvin are, as

Mr.

The Under Secretary of State,
Colonial Office.

Mr. Irvin's letter indicates, largely interested in the fishing industry and in the various industries allied there-to and there is every reason to suppose that owing to the great reduction of fishing which has resulted from the war Messrs. Irvin must have suffered considerable financial loss. Messrs. Salvesen on the other hand have not so far as Lord Selborne is aware any interest in the fishing industry and he has no information which would suggest that their business has been directly affected by the war to the same extent as that of fishing vessel owners and fish merchants.

In these circumstances I am to express the hope that the Secretary of State may perhaps see his way to make some further concession to Messrs. Irvin if only of the temporary character suggested in the 7th paragraph of Mr. Lambert's letter.

I am, etc.,

(Sd) HENRY G. MAURICE.

Assistant Secretary.

43952

Admiralty,
17th September, 1915.

Sir,

With reference to your letter of the 7th instant No.A 4140/1915, transmitting a letter (with enclosure) from the Colonial Office, relative to an application from Messrs.J.H.Irvin for the grant to the Southern Whaling and Sealing Company Ltd., of additional facilities for whaling in South Georgia, I am commanded by My Lords Commissioners of the Admiralty to acquaint you that they concur in the view that Mr. Irvin's application merits special consideration.They have rendered all the assistance in their power throughout the war and their services have been of great value.

I am, etc.,

(Sd) W. GRAHAM GREENE.

Secretary,
Board of Agriculture and Fisheries.

44018/15.

Downing Street,

1st October, 1915.

Gentlemen,

With reference to the letter addressed to Mr. John H. Irvin from this Department on the 25th August I am directed by Mr. Secretary Bonar Law to inform you that he is prepared, as an exceptional case, to allow the Southern Whaling and Sealing Company Limited to use a fourth whaler in South Georgia during ~~the~~ next season on condition that a licence fee of £100 is paid in respect of each of the two whalers allowed in addition to the two whalers authorised under the Company's lease. The Crown Agents for the Colonies have already been instructed to apply to the Company for the payment of the fee of £100 in respect of the third whaler.

2. Mr. Bonar Law will be prepared to consider annually applications for the extension of this arrangement from year to year during the continuance of the war.

3. I am to enquire whether the Company desire to accept this offer. If so it is proposed to notify the Governor of the Falkland Islands accordingly by despatch unless you express a wish that he should be informed by telegram,

I am, etc.,

(Sd) H.J.READ.

for the Under Secretary of State.

MESSRS. RICHARD IRVIN AND SONS LIMITED.