

C.S.

Strikes Whaling

Sahsen

No.

561.

S. of S. No 57

SUBJECT.

1919

14th MayCorrespondence with memo Sahsen relative
to strikes in South Georgia.

Previous Paper.

440
~~92~~/19.

MINUTES.

Hon Treasurer

For your information.

21. 8. 19

W.Y.
/

Hon. Sec.

Correspondence read.

M. Craigie Barker
As. Treas.

22. 8. 19.

File

Subsequent Paper.

87/20

Reference to previous correspondence :- 561

Governor's despatch No. 24 of 19th February, 1919.
Sec. of State's telegram of 2nd May, 1919.

Falkland Islands.

No. 57

*For C.S.O.
154.
/m*

19. 8. 19

Downing Street,

14th May, 1919.



Sir,

I have the honour to transmit to you the papers noted below on the subject of the prevention of riots in S. Georgia.

I have, etc.,

(Sgd) MILNER

The Officer Administering

The Government of the Falkland Islands.

Date

Description

1919.

8th May

From Chr. Salvesen & Co.

12th May

Telegram to British Consul General, Buenos Aires.

13th May

To Chr. Salvesen & Co.



29, Bernard Street,
Leith,
8th May 1919.

ENCLOSURE
51/ 3
Sir,

We have the honour to acknowledge receipt of your letter of the 5th instant, No.26142/1919, and we are very pleased to see that it will be possible for the Admiralty to send a warship to South Georgia.

We have informed you that all the whaling companies both British and Foreign are equally involved. The crucial point will be when the men are to be embarked at South Georgia for a South American port. If each man receives his pay-sheet showing that the amount due him on being paid off in South America is calculated in accordance with the terms which the workmen imposed upon the managers of the whaling companies by compulsion and force, then no doubt there will be no difficulties whatever. To follow such a course would not only be contrary to the terms upon which each man was engaged and had signed a contract, but it would also set a precedent which would lead to constant difficulties with labour in the future.

We enclose herewith a translation of the contract upon which all the whalers engaged in Buenos Ayres were signed on. These men consisted practically entirely of shore labourers. There were two tradesmen with higher wages and bonus, and a very few sailors and firemen for the whale catchers. The labourers were engaged at Kr. 50 per month with a bonus of 1½ ore per barrel of whale oil produced during the time that they worked at the station. As you will see from the translation of the contract which was forced upon the manager of the South Georgia Company Limited, as per translation herewith, the minimum wage for shore labourers was to be ^{Kr.} 80.- monthly, with a bonus of 2 ore per barrel, but this bonus was to be paid on 80,000 barrels, whereas the production according to our last advice of 26th April was 45,000 barrels, and we cannot expect that this quantity will be increased by more than about 1,000 barrels.

Leith, 8th May 1919.

Consequently, the shore hands demand a bonus on about 34,000 barrels over and above the quantity produced. The bonus on 46,000 barrels according to the contract made with the men on their engagement at 1½ ore will amount to Kr. 690.- whereas they now demand Kr. 1600.-. The men left Buenos Ayres on the 8th November 1918, and will probably sail from South Georgia between the 24th June and 1st July, making the period of engagement practically 8 months. In that time they would have earned, according to the original contract Kr. 400 plus bonus Kr. 690, equal to Kr. 1090.- whereas their enforced demands would amount to Kr. 640.- for monthly wages plus bonus, equal to Kr. 2240.-, besides being boarded and lodged, or a difference of Kr. 1150.-.

As previously stated, the great majority of the men consist of Argentinos and Russians, but the men employed by us represent in all no less than eighteen different nationalities? You will notice that the strikers' contract is to continue until 20th June a.c., and that they have made the stipulation that they are to be paid off in South America. The date has been fixed by the men on the calculation that this will be the approximate time when our s.s. "PENTAUR" will be ready to sail from South Georgia, and as far as we can see this should be fairly accurate, our own calculation at the present time being that the "PENTAUR" may be expected ready to sail between 24th June and 1st July. So far as our ventures are concerned the time when riots and disturbances may be expected, provided we do not give way to the labourers' strike demands, is - as mentioned above - when the men are to be shipped to South America from South Georgia. Our people are entirely unable to make any show. The only method that seems open is to have a warship at South Georgia at the time, with instructions to immediately quell any disturbances by force of arms. We are confident that the mere presence of a warship would have the necessary effect, when the local Magistrate intimates to the men that their action has been illegal and contrary to their terms of engagement, and the men

Leith, 8th May 1919.

would accept and sign their pay-sheets on the original contract terms, and embark on board the "PENTAUR" without any disturbances. We think it would be absolutely futile to send a warship after disturbances have occurred. Such would probably result in the destruction of all the stations by fire, and settling^{up} the matter would involve enormous expense and very great difficulties.

We have no advice as to when the other whaling companies have opportunities of despatching their labour, but on enquiry no doubt Messrs R. Irvin and Son would give you their expected date. The Tonsberg Whaling Company's transport s.s. "ORWELL" is at Dartmouth at present. The "Ocean" Company's transport s.s. "PERTH" is, we believe, on passage home, and the Compañia Argentina de Pesca's sailing ship "TIJUCA" is expected to sail from Buenos Ayres for South Georgia about the middle of this month, which will probably be that company's shipping opportunity. Of course, we have by far the greatest number of men, and the warship should therefore be directed to proceed to Leith Harbour, arriving there on or about 18th to 20th June. There is excellent anchorage for any size vessel and if the warship sends a wireless on nearing Stromness Bay to our s.s. "PENTAUR", call signal "G.O.V.", the manager will on demand send out a whale catcher to pilot the warship in. We hope that you will consider the matter sufficiently serious to prevail upon the Admiralty to do what is needful to prevent any riots.

A despatch to the Magistrate at South Georgia could be transmitted through the British Embassy at Buenos Ayres by the sailer "TIJUCA" which as stated above is advised as expected to sail from Buenos Ayres about the middle of May. As regards wireless telegraphy, our s.s. "ALBUERA" is now at South Georgia and expected to leave about the middle of May. She will probably sail on the 16th instnat. Her call signal is "L.T.M." Our s.s. "PENTAUR" is due at South Georgia with inward cargo on the 19th May, and she will probably not sail again, with a full cargo of whale oil, before about the 24th June, or if detained by exceptional causes such as gales and heavy falls of snow she may be a week or so later. Her call signal is "G.O.V." After the "PENTAUR" has

left we do not think there will be any vessel fitted with wireless until our first ship next season arrives probably about the beginning of October.

We note that the Governor has reported that the wireless messages sent in December were duly received, which is in order. The messages were, however, somewhat mutilated, but Mr. Binnie handed our manager the messages in their correct form on his arrival. Our messages to the North Sands in our letters to you of the 11th 17th and 18th March were, however, not received, of which we informed you on the 1st April, and we have confirmation thereof by letter received to-day from our agents at Buenos Ayres.

As requested we enclose herewith a note of the principal articles which are sold locally at our station at South Georgia, appending the prices charged at South Georgia as well as current retail prices here. You will learn therefrom that the men have no valid claim for any overcharge, in fact we have had complaints from retailers in Norway stating that our prices in South Georgia are much too low. We have always made a point of conducting the slopchest business in such a way that no complaints can be substantiated, and when the expenses of running the slopchest are taken into account we fear that these are hardly covered by the income. We have to keep a highly paid salesman specially for the job, the costs of freight, insurance, handling, warehousing etc., are very heavy, not to speak of loss through pilfering destruction by rats, and other vermin, and unsaleable goods left on our hands, and taking all this into consideration the prices ought really to be much higher.

We hope to hear from you shortly that action as regards sending a warship to South Georgia has been arranged for, and that the Magistrate will be informed thereof.

We have the honour to be, etc.,

(Sgd) CHR SALVESEN. & Co.

The Under Secretary of State,
Colonial Office,
LONDON, S.W.1.

THE SOUTH GEORGIA COMPANY LIMITED.

CONTRACT.

The undersigned hereby enter into a contract as follows:-

Mr..... agrees to serve for such a period as the Works Manager may decide, up to..... months as at The South Georgia Company Limited's station or on board one of their steam whale catchers operating at South Georgia, as may be decided by the Manager, and to execute such work of whatever nature as may be required of him.

Messrs Chr. Salvesen & Co., Leith, agree to pay the employee for his work in accordance with the following

TARIFF.

"A" Steam Whale Catchers:-

Monthly Wages Kr.....

Bonus per whale caught during time of service on board the vessel where the employee is engaged, namely:-

For each Right Whale	kr.....
" " Blue	kr.....
" " Finner	kr.....
" " Rumpback & Sei Whale	kr.....

"B" Shore Station:-

Monthly Wages kr.....

Bonus per 100 barrels whale oil produced during time of service kr.....

The monthly wages commence on the day on which the employee embarks for South Georgia until the day he leaves South Georgia.

Of the wages due the employee the Company undertake to pay:-

"A" kr..... monthly allotment to.....;

"B" The balance of wages due to be paid by cheque on Tonsberg, Norway, or in cash on return to Buenos Aires.

During the time the employee is serving no cash

payments

payments will be paid him as advance on wages due.

In addition to wages and bonus the Company provides free passage for the employee, in the vessel which the Company may decide, to Buenos Aires.

The employee undertakes to conduct himself properly during work and in his spare time towards those in authority as well as towards his co-workers and to obey the rules and regulations of the station, if he becomes intoxicated, shows insubordination or shows negligence in his work without having been certified unfit by the Medical Officer at the station, the Company is entitled to deduct from the wages due to him up to half a months wages, and if persisting up to one months wages, or the Company may consider the contract violated whereafter the total wages and all monies due to him, also a free passage, may be forfeited.

The working hours are from 6.a.m. to 6 p.m. with half an hour for breakfast and one hour for dinner. Work proceeds by shifts day or night as ordered.

The employee agrees to work overtime at the rate ofper working hour.

No overtime is allowed whaler crews and men working in the kitchen preparing food or men working by shifts day and night.

Christmasday, New Years day, Good Friday and Sundays are holidays.

In the case of illness certified by the Medical Officer the employees receives full wages but no bonus. The wages run until leaving station.

In case of illness contracted through negligence, or during incapacity to work due to an illness contracted previous to arrival at the station, the employee receives
neither

neither wages nor bonus.

In case this contract is terminated by illness or other causes before the employee has worked at the station for eight months, the bonus to be calculated according to the monthly average of the probable production for the year.

The wages and bonus stipulated for in this contract to be valid for the whole period of the contract. Any rise in wages and bonus enforced by strikes or cessation of work will not be paid on final settlement.

Buenos Aires,

For Chr. Salvesen & Co.

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Signature of employee.

CONTRACT.

between

THE SOUTH GEORGIA COMPANY LIMITED

and _____

Rating _____

Monthly Wages _____

Bonus _____

Guaranteed minimum wages as labourer ashore, namely kr. 80.00 per month and bonus 2 Ore per barrel of oil on a minimum production of 80,000 barrels oil for this season.

No coaling to be done by sailors and firemen on their free watch.-

No trimming to be done by sailors in the bunkers.-

This contract is valid until about 20th June 1919, and it is agreed that the employee is to be paid off in South America.-

Free passage to South America.

Leith Harbour, South Georgia 21/12/19.

Prices of Principal Items of Slopchest Goods charged at
 THE SOUTH GEORGIA COMPANY LIMITED'S Whaling Station at
 LEITH HARBOUR, SOUTH GEORGIA, and also showing Retail
 Prices in the UNITED KINGDOM at the Time of Purchase,
 Namely JULY to NOVEMBER, 1918 for the same class of
 Goods.

<u>Articles:</u>	<u>Leith Harbour Price.</u>	<u>United Kingdom Price.</u>
socks	3/1	3/9
" heavy	3/8	4/6
Stockings	4/11	5/3
caps	2/9	3/-
peak caps	3/8	5/-
leather caps	7/-	7/6
waist belts	1/3	1/6
braces	1/9	2/-
working boots	41/-	37/6
sea boots	82/-	75/-
Sunday boots	48/-	42/-
shaving brushes	1/11	2/-
dongaree jackets	8/4	8/6
" trousers	8/4	8/6
under pants	9/8	10/6
" vests	9/8	10/6
Tweed trousers	31/-	31/6
Waistcoats	10/-	9/-
Serge suits	61/3	85/-
double blankets	34/6	35/-
shirts	9/3	9/-
oilskin coats	32/6	35/-
sou' westers	5/9	4/9
slippers	9/8	9/-
jerseys	26/3	25/-
oilsuits	31/-	33/6
mufflers	5/3	5/-
quilts of wadding	29/-	27/6
feather pillows	9/8	9/6
Wellington clogs	32/-	30/-
folding knives	3/3	3/-
razors	5/3	5/-
flock mattresses	33/6	27/6
boiler suits	31/-	27/-
cardigan jackets	27/-	25/-
canvas jumpers	13/-	11/6
" trousers	13/-	11/6
soap	10d lb.	9d. lb.
safety matches	1d.	1d.
tobacco.	5/3 lb plus F.I.duty	15/- lb.

CHR. SALVESEN & COMPANY.

LEITH, 7th MAY, 1919.

Telegram from the Secretary of State for the Colonies to
the British Consul General, Buenos Aires.

(Sent 8.0.p.m. 12th May 1919).

May 12th. Urgent.

Understand that Tijuca belonging to Argentina de Pesca
sails for South Georgia about middle of this month. Please
send by this opportunity letter to Stipendiary Magistrate
South Georgia conveying following message en clair as
from ~~the~~ Secretary of State for the Colonies message begins;
"As regards threatened disturbances end of season understand
that Salversens intend to rely on last clause of original
contract as invalidating new contract entered into by Manager
as result of strike and contemplate that final pay sheets
should be made out in accordance with terms of original
contract. Am advised that legality of proposed action open to
serious question and am pressing Salversens to reconsider
matter. If absolutely necessary you are at liberty to let
my action become known among workmen if doing so calculated
to obviate breaches of peace." Message ends. Please report
by telegram whether message only despatched in that case
repeat above message to Governor of Falkland Islands by tele-
graph for his information.

MILNER.

23026/1919.

DOWNING STREET,

13 May, 1919.

Gentlemen,

I am directed by Viscount Milner to acknowledge the receipt of your letter of the 8th May relative to the threatened labour troubles at South Georgia and to thank you for the particulars of the movements of your vessels, which will be communicated to the Governor of the Falkland Islands, and also for the copies of the contracts etc. which you enclosed.

2. It is understood that it is the intention that the final pay sheets of your workmen should be made up in accordance with the terms of the original contract, and that you rely on the last clause of that contract as invalidating the new contract concluded as a result of the strike. Apart from the question of the legality of such a course, which is open to serious doubt, it appears that the new contract was entered into by your Manager as an inducement to the men to terminate the strike. The men resumed work on the faith of this contract and, according to your letter of the 23rd April, have since behaved satisfactorily.

3. Lord Milner fully recognises the difficult position in which your manager was placed by the strike. But, as your Manager did in fact enter into a new contract, it seems desirable that this contract should

MESSRS. CHR. SALVESEN & COMPANY.

should be carried out; otherwise the men will no doubt take the view that they were induced to resume work in virtue of a promise which it was never intended to fulfil.

3 Lord Milner views with considerable apprehension the possible consequences of such an impression being given to the men, whether mistaken or not, but, although he is prepared, if disturbances actually occur, to ask the Admiralty to send a warship to South Georgia in the interests of peace and order, he sees no justification for using the vessel as a threat for the purpose of compelling the men to forego the benefits of the second contract and could not acquiesce in any instructions of this nature being given to the Commanding Officer. Lord Milner notes that you are of opinion that no difficulties are to be anticipated if the terms of the second contract are carried out, and he would strongly urge that you should reconsider the present intention to pay off the men on the basis of the original contract.

I am, Gentlemen,

Your obedient Servant,

(Sgd) G. Grindle