

Communications on this subject  
should be addressed to—

THE UNDER SECRETARY OF STATE,  
COLONIAL OFFICE,  
LONDON, S.W.,

and the following  
Number quoted. 3560/1906.

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DOWNING STREET,

19 March, 1906.

Sir,

I am directed by the Earl of Elgin to acknowledge the receipt of your letter No.3406 of the 31st January last forwarding copy of a despatch from the British Charge d'Affaires at Buenos Aires furnishing the further information desired as to the Exemption of the whale oil produced on South Georgia by the Argentine Fishery Company from Customs duties on importation into the Argentine Republic.

2. Lord Elgin is much indebted to Mr.Harford for this information, as well as for the valuable assistance which he has rendered in the matter of the lease to the Company.

3. "Having regard to the fact that the ~~the~~ Company have now taken out a British lease, with the certain knowledge of the Argentine Government, that Captain Nunes, a high official of that Government, was one of the gentlemen who waited upon the British Chargé d'affaires to prefer, on behalf of the Company, a request for a British lease, that neither the Company nor the Argentine Government vessel "Guardia Nacional" hoisted the Argentine flag on the island, and that no protest has been received from the Argentine Government to the grant of the lease to the South Georgia Exploration Company or to their constant flying of the British flag on the Island, or

UNDER SECRETARY OF STATE,

FOREIGN OFFICE.

to

to their request to the Argentine Fishery Company to desist from further operations, Lord Elgin <sup>Ex the Colonial Secretary</sup> thinks that His Majesty's Government may now definitely assume that the Argentine Government do not question the British title to the Island.

4. It seems at any rate to be clear from the Decree published in the Argentine "Boletin Oficial" of the 27th March 1905 that the Argentine Government did not then regard the Island as Argentine territory. The Report which forms the Preamble to the Decree points out that the Company cannot be authorised to fish in the territorial waters of the Coasts and Islands of Patagonia or instal themselves on land while the Law of 1880 is in force and the recommendation which it makes in favour of the free importation of the Company's consignment of whale-oil is based upon the consideration that the Company had not infringed that law, in other words upon the consideration that by installing themselves on South Georgia the Company had not installed themselves on Argentine territory.

5. Lord Elgin observes that the Customs law forwarded by Mr. Harford is that promulgated in the Boletin Oficial of the 23rd December 1905. He would be obliged if he could be furnished also with a copy of the Customs Law in force when the Decrees of the 23rd March and 21st September 1905 were made.

I am,

Sir,

Your most obedient Servant,

*H. B. B. B.*