

# Norwegian Whaling Industry in Transition Era

*More Efficient Methods Are Being Adopted Because of  
Decline in Yield in South Seas*

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**C**HANGING conditions in the whaling industry have led to the adoption of the floating refinery system, or the location of land refineries at places convenient to the whaling grounds by the Norwegian whale fishing companies which operate in far Southern waters.

These new refineries replace those which were formerly located at the home ports of the fishing vessels. Pelagic, or deep-sea fishing is also being adopted more and more by these operators. The pelagic fishing offers the material advantage that the whaling expeditions follow the whales, whereas the companies which fish from the ports naturally have a more limited scope of activity, and therefore not such possibilities of a good harvest as the pelagic companies.

Formerly the difference was specially noticeable on a comparison of the harvest result between the companies which have concessions in South Shetland and the non-concessioned pelagic companies, which at the same time fish in the region of the Falklands, for which reason individual Shetland companies already a few years ago began to transfer their activity. Also in the case of Georgia, the difference seems to have asserted itself in regard to part of the present season, but this may be an accidental matter, and one should not be too quick to draw conclusions as to the future, because it is shown that fishing there is proceeding very well.

### *Keener Competition*

The transition to pelagic fishing has contributed toward the starting of many new companies. With the former method of working the starting of new companies was, so to say, an impossibility, as the number of concessions in British possessions was limited, whereas now fishing is carried on independently of foreign States, and where one wishes so long as one keeps outside the three-mile limit. The pelagic system has hitherto conferred great advantage on Norway, but, on the other hand, leading Norwegian operators are not blind to the dangers which accompany the great development of the industry. The expansion is so great that the fleet in 1929-30 will be about double what it was in 1927-28.

In the season of 1927-28 the number of whalers which fished in the South Sea, both Norwegian and foreign, was 80; in 1928-29 the number was 114, and in 1929-30 the number is at least 148. In calculating the latter number the same number of ships as in the past year has been reckoned for the companies already in operation, with the addition of new ships for the companies whose share capital is assured, but no account has been taken of the companies in course of formation.

### *Stock of Whales*

Besides the increase in the number of whalers their efficiency is also much greater than ever before. The question then arises, how long will the stock of whales bear the strain? It is impossible to give any answer, but it is certain that the stock is limited, and so therefore is the number of whales which can be killed yearly without diminishing the stock. It is not known where the limit lies, but if extensions are continued in the present manner, the consequences will soon become very perceptible for the industry.

According to informed opinion in Norway the renumerativeness of whale fishing has been greatly overestimated, and it can therefore be appropriate to point out that in the past four years all the Norwegian Bourse quoted company shares which carry on in the Southern Arctic Sea have yielded to the shareholders an average of about 15 per cent per annum. To offset this return, however, it is shown that a few unfortunate seasons may wipe out the whole of the share capital, as in the case of one, whose capital of 3,000,000 kroner was lost in two adverse years. Fluctuations of the oil market also may have a serious effect on the fortunes of the companies.

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The application of the Scientific Oil Compounding Co. at Chicago to have imported perilla oil enjoy the same transit privileges that are accorded to China Wood Oil, and Manchurian Soya Bean Oil, has been favorably decided upon by the Standing Rate Committee of the Western Trunk Lines, effective August 1, 1929.