



Hong Kong
General Chamber of Commerce

Report
For The Year
1899

REPORT
OF THE
COMMITTEE
OF THE
HONGKONG GENERAL CHAMBER OF COMMERCE

FOR THE
Year ending 31st December, 1899,

PRESENTED TO THE MEMBERS

AT THE
ANNUAL MEETING HELD ON 30th APRIL, 1900.

HONGKONG:
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1900.

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COMMITTEE, 1900.

(Elected 30th April.)

HON. R. M. GRAY, *Chairman.*

HON. J. J. KESWICK, *Vice-Chairman.*

MR. H. M. BEVIS.

MR. A. HAUPT.

MR. A. M. MARSHALL.

MR. R. L. RICHARDSON.

MR. C. S. SHARP.

MR. N. A. SIEBS.

HON. HERBERT SMITH.

MR. R. C. WILCOX, *Secretary.*

ARBITRATION COMMITTEE, 1900.

MR. H. M. BEVIS.

MR. A. HAUPT.

MR. R. L. RICHARDSON.

MR. C. S. SHARP.

MR. N. A. SIEBS.

CORRESPONDING COMMITTEE, 1900.

HON. R. M. GRAY.

HON. J. J. KESWICK.

MR. A. M. MARSHALL.

HON. HERBERT SMITH.

LIST OF MEMBERS, 1900.

MESSRS. ARNHOLD, KARBURG & Co.

" W. S. BAILEY & Co.

" BAKER & Co.

" BENJAMIN, KELLY & POTTS.

" F. BLACKHEAD & Co.

" BRADLEY & Co.

MR. P. BREWITT.

MESSRS. BUTTERFIELD & SWIRE.

MR. B. BYRAMJEE.

MESSRS. CALDBECK, MACGREGOR & Co.

" CARLOWITZ & Co.

" CAWASJEE, PALANJEE & Co.

HON. C. P. CHATER, C.M.G.

MR. W. DANBY.

MESSRS. S. J. DAVID & Co.

" DEACON & HASTINGS.

" DENNY & BOWLEY.

" DODWELL & Co., Ltd.

MR. C. EWENS.

MR. J. J. FRANCIS, Q.C.

MESSRS. GIBB, LIVINGSTON & Co.

" GILMAN & Co.

" GROSSMANN & Co.

" HARTIGAN, STEDMAN & RENNIE.

MR. D. HASKELL.

MESSRS. HOLLIDAY, WISE & Co.

MR. HO FOOK.

MR. HO TUNG.

MESSRS. HUGHES & HOUGH.

" J. D. HUMPHREYS & SON.

" W. G. HUMPHREYS & Co.

" J. D. HUTCHISON & Co.

" JARDINE, MATHESON & Co.

" JEBSEN & Co.

" JOHNSON, STOKES & MASTER.

" JORDAN & JOSEPH.

DR. JORDAN.

MESSRS. KRUSE & Co.

" LAI HING HONG.

" DOUGLAS LAPRAIK & Co.

MR. G. P. LAMMERT.

MR. L. A. LEVY.

MESSRS. LANE, CRAWFORD & Co.

" LAUTS, WEGENER & Co.

" LINSTED & DAVIS.

" W. R. LOXLEY & Co.

" LUTGENS, EINSTMANN & Co.

" McEWEN, FRICKEL & Co.

" MCGREGOR BROTHERS & Co.

MR. JAS. MCKIE.

MR. A. R. MARTY.

MESSRS. MELCHERS & Co.

" MEYER & Co.

" WM. MEYERINK & Co.

MR. J. R. MICHAEL.

MESSRS. MING KEE HONG.

" N. MODY & Co.

MR. H. N. MODY.

MESSRS. U. NERVEGNA & Co.

DR. J. W. NOBLE.

MESSRS. H. PRICE & Co.

" RADECKER & Co.

MR. E. C. RAY.

MESSRS. REISS & Co.

MR. A. H. RENNIE.

MESSRS. REUTER, BRÖCKELMANN & Co.

MR. EDWARD ROBINSON.

MESSRS. SANDER, WIELER & Co.

" DAVID SASSOON, SONS & Co.

" E. D. SASSOON & Co.

" L. SCULFORT & Co.

" SHEWAN, TOMES & Co.

" SIEMSEN & Co.

" H. SKOTT & Co.

" SMITH, BELL & Co.

LIST OF MEMBERS,—Continued.

MESSRS. GEO. R. STEVENS & Co.
STEWART BROS.
MR. A. G. STOKES.
MESSRS. TATA & Co.
TURNER & Co.
MR. J. Y. V. VERNON.

MESSRS. WENDT & Co.
MR. W. F. WENYON.
MESSRS. HARRY WICKING & Co.
MR. R. C. WILCOX.
MESSRS. WY SING HONG.

PUBLIC COMPANIES.

THE BANK OF CHINA AND JAPAN, LIMITED.
LE BANQUE DE L'INDO-CHINE.
THE BELGIAN TRADING COMPANY.
THE CANADIAN PACIFIC RAILWAY COMPANY.
THE CANTON INSURANCE OFFICE, LIMITED.
THE CHARTERED BANK OF INDIA, AUSTRALIA & CHINA.
THE CHINA FIRE INSURANCE COMPANY, LIMITED.
THE CHINA MERCHANTS' STEAM NAVIGATION COMPANY.
THE CHINA SUGAR REFINING COMPANY, LIMITED.
THE CHINA TRADERS' INSURANCE COMPANY, LIMITED.
THE DEUTSCHE ASIATISCHE BANK.
THE EAST ASIATIC TRADING CO. (OSTASIATISCHE HANDELS-GESELLSCHAFT).
THE HONGKONG, CANTON & MACAO STEAM-BOAT COMPANY, LIMITED.
THE HONGKONG & CHINA GAS COMPANY, LIMITED.
THE HONGKONG FIRE INSURANCE COMPANY, LIMITED.
THE HONGKONG & KOWLOON WHARF & GODOWN COMPANY, LIMITED.
THE HONGKONG LAND INVESTMENT & AGENCY COMPANY, LIMITED.
THE HONGKONG & SHANGHAI BANKING CORPORATION.
THE HONGKONG & WHAMPOA DOCK COMPANY, LIMITED.
THE IMPERIAL BANK OF CHINA.
THE MERCANTILE BANK OF INDIA, LIMITED.
THE COMPAGNIE DES MESSAGERIES MARITIMES.
THE MITSUI BUSSAN KAISHA.
THE NATIONAL BANK OF CHINA, LIMITED.
THE NIPPON YUSEN KAISHA.
THE PENINSULAR & ORIENTAL STEAM NAVIGATION COMPANY.
THE SHELL TRANSPORT AND TRADING COMPANY.
THE SPERRY FLOUR COMPANY OF SAN FRANCISCO.
THE STANDARD OIL COMPANY OF NEW YORK.
THE UNION INSURANCE SOCIETY OF CANTON, LIMITED.
THE YOKOHAMA SPECIE BANK, LIMITED.
THE AGENCY { PACIFIC MAIL STEAMSHIP COMPANY.
{ OCCIDENTAL & ORIENTAL STEAMSHIP COMPANY.
{ TOYO KISEN KAISHA.
EASTERN EXTENSION, AUSTRALASIA & CHINA TELEGRAPH COMPANY, LD.

OFFICERS OF THE HONGKONG GENERAL CHAMBER OF COMMERCE.

From date of Formation in 1861 to 1900.

| Year. | Chairman. | Vice-Chairman. | Secretary. |
|-------|--------------------------|-----------------------|--------------------|
| 1861 | Alexander Percival | W. Walkinshaw | J. Johnson. |
| 1862 | James Macandrew | C. W. Murray | J. C. Baldwin. |
| 1863 | J. J. Mackenzie | C. F. Still | J. C. Baldwin. |
| 1864 | H. B. Gibb | H. B. Lemann | J. C. Baldwin. |
| 1865 | H. B. Gibb | H. B. Gibb | J. C. Baldwin. |
| 1866 | John Dent | P. Ryrie | Edward Norton. |
| 1867 | P. Ryrie | W. Nissen | Edward Norton. |
| 1868 | P. Ryrie | G. J. Helland | J. W. Wood. |
| 1869 | W. J. Bryans | G. J. Helland | J. W. Wood. |
| 1870 | W. Keswick | J. B. Taylor | A. Noel Blakeman. |
| 1871 | P. Ryrie | A. Zimmern | A. Noel Blakeman. |
| 1872 | P. Ryrie | L. Kahn | Ed. Baker, Acting. |
| 1873 | P. Ryrie | L. Kahn | A. Noel Blakeman. |
| 1874 | P. Ryrie | James Greig | A. Noel Blakeman. |
| 1875 | P. Ryrie | James Greig | A. Noel Blakeman. |
| 1876 | P. Ryrie | W. Keswick | N. B. Dennys. |
| 1877 | W. Keswick | H. H. Nelson | H. L. Dennys. |
| 1878 | W. Keswick | H. L. Dalrymple | E. George. |
| 1879 | W. Keswick | H. H. Nelson | E. George. |
| 1880 | W. Keswick | H. H. Nelson | E. George. |
| 1881 | W. Keswick | P. Ryrie | E. George. |
| 1882 | F. B. Johnson | H. L. Dalrymple | E. George. |
| 1883 | F. B. Johnson | P. Ryrie | E. George. |
| 1884 | W. Keswick | P. Ryrie | H. M. Baily. |
| 1885 | W. Keswick | P. Ryrie | H. M. Baily. |
| 1886 | P. Ryrie | A. P. MacEwen | H. M. Baily. |
| 1887 | P. Ryrie | A. P. MacEwen | H. U. Jeffries. |
| 1888 | P. Ryrie | J. Bell Irving | H. U. Jeffries. |
| 1889 | P. Ryrie | J. Bell Irving | F. Henderson. |
| 1890 | E. Mackintosh | A. P. MacEwen | F. Henderson. |
| 1891 | E. Mackintosh | J. J. Keswick | F. Henderson. |
| 1892 | E. Mackintosh | J. J. Keswick | Adam Lind, Acting. |
| 1893 | J. J. Keswick | A. G. Wood | F. Henderson. |
| 1894 | J. J. Keswick | E. Mackintosh | F. Henderson. |
| 1895 | A. G. Wood | A. McConachie | F. Henderson. |
| 1896 | A. McConachie | Herbert Smith | R. C. Wilcox. |
| 1897 | R. M. Gray | Herbert Smith | R. C. Wilcox. |
| 1898 | R. M. Gray | Herbert Smith | R. C. Wilcox. |
| 1899 | R. M. Gray | A. McConachie | R. C. Wilcox. |
| 1900 | R. M. Gray | J. J. Keswick | R. C. Wilcox. |

CHAMBER'S REPRESENTATIVES IN LEGISLATIVE COUNCIL.

| Date of Election. | Name of Representative. | How Elected. |
|-------------------|------------------------------|--|
| 1884 | Thomas Jackson | Elected 2nd January. |
| 1886 | Alexander Palmer MacEwen ... | Elected 27th April, Mr. Jackson on leave. |
| 1887 | Alexander Palmer MacEwen ... | Elected 17th September, on retirement of Mr. Jackson. |
| 1888 | Bendyshe Layton | Elected 22nd May, Mr. MacEwen on leave. |
| 1890 | Thomas Henderson Whitehead . | Elected 18th September, on resignation of Mr. MacEwen. |
| 1894 | Alexander McConachie | Elected 9th June, Mr. Whitehead on leave. |
| 1896 | Thomas Henderson Whitehead . | Re-elected 19th September, on expiry of term. |
| 1900 | Herbert Smith | Elected 30th April, Mr. Whitehead on leave. |

RULES AND REGULATIONS.

I. That the Society be styled THE HONGKONG GENERAL CHAMBER OF COMMERCE.

II. That the object of the Chamber shall be to watch over and protect the general interests of Commerce, to collect information on all matters of interest to the Mercantile Community, and to use every means within its power for the removal of evils, the redress of grievances, and the promotion of the common good; to communicate with Authorities and others thereupon; to form a code of practice, whereby the transaction of business may be simplified and facilitated; to receive references, and to arbitrate between disputants—the decisions in such reference to be recorded for future guidance.

III. That all Mercantile Firms and persons engaged or interested in the Trade of China shall be eligible for admission as Members in the manner hereafter described, and on payment of \$50 for Firms, and \$15 for single individuals for the current year, and a like Annual Subscription, payable in advance on 1st January.

IV. That candidates for admission proposed by one Member and seconded by another shall be elected at the yearly Meeting by a majority of votes of the Members then present, or in the interval, by the Committee, subject to confirmation at the next ensuing General Meeting.

V. That voting by Proxy, or by Members whose Subscriptions are in arrear, be not allowed, and that not more than one Member of the same Firm be allowed to vote on the same occasion.

VI. That in the absence from the Colony of all the Partners in a Firm, their Representative by Power of Attorney shall be entitled to vote.

VII. That any Member may be expelled from the Chamber on the proposition of the Committee communicated to all the Members, and considered at a General Meeting, provided that not fewer than two-thirds of those present vote for the expulsion.

VIII. That any number of Members not less than 10 shall be held to constitute a General Meeting called in conformity with the rules of the Chamber, whether yearly or special.

IX. That the Business and Funds of the Chamber be managed by a Committee of Nine Members, consisting of Chairman, Vice-Chairman and Seven Members, to be elected annually, at the yearly General Meeting of the Chamber. Four to form a quorum, and the Chairman in case of equality to have the casting vote in addition to his own.

X. That the Committee shall meet at least once a month, on such day as may be fixed for the transaction of business, and at other times when summoned by the Chairman, or in his absence by the Vice-Chairman. The proceedings to be laid on the table for the inspection of Members, subject to such regulations as the Committee may deem expedient. In cases of the non-attendance of the Chairman or Vice-Chairman, a Chairman to be chosen by the Members present.

XI. That in case of a vacancy in the Committee, it shall be filled up *pro tempore* by the Committee until the next General Meeting; and that they have the power to appoint a Sub-Committee from their own number for any purpose whatever.

XII. That a paid Secretary be elected by the Committee, such election to be subject to confirmation at the next ensuing General Meeting.

XIII. That the Annual General Meeting of the Chamber shall be held in the month of February (or as soon thereafter as may be found convenient) of each year; and that Special Meetings shall be called by the Chairman, or in his absence by the Vice-Chairman, on the requisition of any Five Members of the Chamber, to be held within ten days subsequent to the receipt of such requisition.

XIV. That all important questions affecting the Trade of the Port, and its Political or Commercial relations with the Empire of China or with other States, may be discussed at the Yearly General Meeting or Special General Meeting for that purpose convened, in the manner provided for by Rule XIII.

XV. That the Committee be empowered to frame By-laws, which shall at once come into force, but must be presented for confirmation at the next ensuing General Meeting of the Chamber; and being so confirmed, shall be equally binding with these Rules upon all Members.

XVI. That the Funds of the Chamber shall be paid into one of the Banks under an account to be opened by the Committee, and that all Cheques shall be signed by the Secretary to the Chamber, countersigned by the Chairman or Vice-Chairman, or in their absence by one of the Committee; that all disbursements shall be sanctioned by the Committee at their ordinary Meetings, and that an account shall be audited by two Members of the Chamber and laid before the yearly General Meeting.

XVII. That a yearly Report of the proceedings be prepared, and, after being approved at a General Meeting, printed and circulated.

XVIII. That the above Rules be added to or altered only by a majority of the Members of the Chamber present at a General Meeting, ten days' notice having been given of the proposed alteration.

XIX. That the foregoing Rules be printed, and an authenticated copy, subscribed by each Member on admission, be kept as part of the records of the Chamber.

BY-LAWS.

I. The Office shall be open daily from Noon to 1 o'clock P.M., when the Secretary shall be in attendance, and ready to communicate with any Member requiring information or access to the Records of the Chamber.

II. The Secretary shall attend all Meetings (including those of the Arbitration Committee, if required), keep a journal of all proceedings, take charge of all documents, keep the accounts of the Chamber, collect Statistics, prepare Statements of Trade, conduct and keep copies of correspondence, and attend to such other duties as may be required by the Committee.

III. All Communications shall be received and answered through the Chairman, Vice-Chairman, or Secretary.

IV. No documents belonging to the Chamber shall be removed during Office hours, nor shall any minute of its proceedings be made public without an order of the Committee.

V. Notice of any proposition or business to be laid before the yearly General Meeting, or any Special Meeting, shall be given to the Secretary at least forty-eight hours before the Meeting, who, in the circular calling such Meeting, will state the business or proposition, and by whom to be brought forward.

VI. The means to provide a suitable Establishment, and to defray expenses in addition to the Subscriptions fixed by Rule 3, shall be raised in the following manner:—By the sale of Statements of Trade, by fees on Arbitration and References, by fees for certified copies of the Records and other Documents in the Archives of the Chamber, and by voluntary gifts and contributions either in money, maps, books, or anything which may be useful to the Institution.

VII. The Committee shall appoint every year five from their number, three of whom in regular succession shall be the Acting Committee, to decide on all cases submitted to the Arbitration of the Chamber, whose functions shall continue so long as any business brought before them during their period of service is undecided.

VIII. The Members of the Arbitration Committee shall be entitled to a Fee of not less than \$5, and not more than \$20 each, and the Chamber to a Fee (in addition) of not less than \$10, and not more than \$100, on every case submitted to the arbitration of the Chamber. The amount to be regulated by the Arbitration Committee, according to the importance of the case and the time occupied therein, subject to an appeal to the General Committee, whose decision on the amount shall be final.

IX. The Disputants in an Arbitration case shall be held to guarantee the fees jointly and severally to the Chamber.

X. The Arbitration Committee shall appoint its own Chairman and confine its functions to cases when its intervention or advice is requested, and on no occasion shall it proceed with any case unless all the parties subscribe a Bond making the award a Rule of the Supreme Court. Printed forms of such Bonds legally prepared, shall be kept for the information of Members who may have occasion to resort to the Chamber for Arbitration: and the Committee shall not arbitrate upon, nor take any cognizance of, any dispute whatever, unless one of the parties interested therein be a Member of the Chamber.

XI. That in the event of any question as to the construction or application of these By-laws, the General Committee shall have power to decide the same, submitting the matter to the next General Meeting of the Chamber for its final decision.

SCALE OF COMMISSIONS AND BROKERAGES

adopted by the Hongkong General Chamber of Commerce,

at the half-yearly Meeting held on April 30th, 1872.

COMMISSIONS.

| | | |
|---|---------------|-------------|
| Purchasing or selling Tea, Raw Silk, and Cotton, | 3 | per cent. |
| " any of above, if as returns for Goods sold, | 2½ | " |
| " or selling Opium, | 2 | " |
| " or selling all other Goods and Produce, Ships } | 5 | " |
| and Real Estate, | | " |
| " and selling Shares or Stocks, | 1 | " |
| Inspecting Tea or Silk, | 1 | " |
| Guaranteeing Sales, | 2½ | " |
| " Remittances, | 1 | " |
| Drawing or endorsing Bills of Exchange, | 1 | " |
| " or negotiating Bills of Exchange without recourse, | ½ | " |
| Purchasing or realising Bullion or Bills of Exchange, | ½ | " |
| Remitting the Proceeds of Bullion or Bills of Exchange, | ½ | " |
| Paying and receiving Money in Current Account, | 1 | " |
| " Ship's Disbursements, | 2½ | " |
| Collecting Freight, | 2½ | " |
| Obtaining Freight or Charter, | 5 | " |
| " " or " and collecting same Freight, | 6 | " |
| Adjusting Insurance Claims on Amount Recovered, | 2½ | " |
| Effecting Insurance, on the Insured Amount, | ¼ | " |
| Prosecuting or defending successfully Claims, either at Law } | 5 | " |
| or by Arbitration, | | " |
| Prosecuting or defending unsuccessfully, | 2½ | " |
| Managing Estates and collecting Rents, | 5 | " |
| Transshipping and forwarding Jewellery, and Bullion, | ¼ | " |
| Forwarding or transshipping Cargo, | 1 | " |
| Transshipping or forwarding Opium, | \$2 | per chest. |
| Goods withdrawn or re-shipped, | ½ | Commission. |
| Granting Letters of Credit, | 1 | per cent. |
| For doing ship's business when no inward or outward Com- } | 20 cents per | |
| mission is earned, | Register ton. | |

The conversion into Hongkong currency of sterling freight inward to Hongkong, payable in Hongkong, shall, unless otherwise stipulated, be made at the rate for Bank Bills on London payable on demand; and the rate ruling at the close of a mail shall be the rate applicable to such purpose during the subsequent week.

BROKERAGES.

| | | | |
|---|---|-----------|--------------------|
| Bills and Bullion, | ½ | per cent. | Payable by Seller. |
| Produce and General Merchandise, | ½ | " | " |
| Fire Arms, | 1 | " | " |
| For negotiating and completing Charters } | 1 | " | by Ship. |
| and procuring Freight, | | " | |

TARIFF OF BROKERAGES

To be charged to Buyer and Seller,

ADOPTED BY

THE STOCKBROKERS' ASSOCIATION OF HONGKONG,

20th January, 1900.

| | | |
|---------------------------------------|-------------------|--|
| BANKS— | | |
| China & Japan, Ltd., ordinary... | 25c. | |
| Do. deferred | \$1.00 | |
| Hongkong & Shanghai..... | 50c. | |
| National Bank of China, Ltd.... | 50c. | |
| Do. Founders'... | \$1.00 | |
| LOANS & DEBENTURES— | | |
| Chinese Loan '86 E. | } $\frac{1}{2}$ % | |
| H.K. & Kowloon Wharf $5\frac{1}{2}$ % | | |
| H.K. High-Level Tramways .. | | |
| Humphreys' Estates | | |
| China Provident L. & M. Co. } | | |
| INSURANCES— | | |
| Canton | 50c. | |
| China Fire..... | 50c. | |
| China Traders' | 50c. | |
| Hongkong Fire..... | \$1.00 | |
| North China | \$1.00 | |
| Straits Marine | 25c. | |
| Union | 50c. | |
| Yangtze | 50c. | |
| LAND & BUILDING— | | |
| H.K. Land Investment | 50c. | |
| Kowloon Land Investment..... | 25c. | |
| Humphreys' Estate | 15c. | |
| West Point Building | 50c. | |
| STEAMSHIP COMPANIES— | | |
| China Mutuals | 50c. | |
| China & Manila | 50c. | |
| Douglas S.S. Co. | 50c. | |
| Hongkong, Canton, & Macao .. | 25c. | |
| Indo-China S. Navigation | 50c. | |
| Star Ferry..... | 10c. | |
| Shell Transports | \$5.00 | |
| MINING— | | |
| Queen Mines..... | 5c.* | |
| Charbonnages | \$1.25† | |
| Jezebu | 10c. | |
| Olivers | 10c. | |
| MINING— | | |
| Punjom ordinary | 10c. | |
| Do. preference | 5c. | |
| Raubas..... | 20c. | |
| Great Eastern and Caledonians | | |
| Do. ordinary... | 10c. | |
| Do. preference | 5c. | |
| COTTON MILLS— | | |
| Ewo Cotton Mills..... | 50c. | |
| H'kong Cotton Spg. W. & D. Co. | 50c. | |
| International Cotton Mills..... | 50c. | |
| Laou Kung Mow Cotton Mills... | 50c. | |
| Soy Chee Cotton Spinning Co. | \$2.50 | |
| Yah Loong Cotton Spinning Co. | 50c. | |
| DOCKS, &c.— | | |
| Amoy Dock Co., Ltd. | 15c. | |
| Fenwick & Co., Geo. | 25c. | |
| Hongkong & W'poa. Dock | 50c. | |
| MISCELLANEOUS— | | |
| Bell's Asbestos | 15c. | |
| Campbell, Moore & Co. | 10c. | |
| Carmichael & Co., Ltd. | 25c. | |
| China Borneo | 25c. | |
| China Providents | 15c. | |
| China Sugar | 50c. | |
| Dairy Farm Co. | 10c. | |
| Green Island Cement | 25c. | |
| Hongkong & China Bakery .. | 50c. | |
| Hongkong & China Gas | 50c. | |
| Hongkong Electric | 10c. | |
| Hongkong H.-L. Tramways .. | 50c. | |
| Hongkong Hotel | 50c. | |
| Hongkong Ice | 50c. | |
| Hongkong & K. Wharf & G.... | 50c. | |
| Hongkong Rope | 50c. | |
| Luzon Sugar..... | 50c. | |
| United Asbestos Oriental Agency. | 10c. | |
| Wanchai Warehouse & Storage | 50c. | |
| Watkins, Limited | 15c. | |
| Watson & Co., A. S. | 15c. | |

All Stocks, Market Value \$1 and under, as follows:—

\$1 and not under 50 cents..... 10 cents per Share.

under 50 cents but not under 25 cents..... 5 cents per Share.

under 25 cents

Hon. J. J. KESWICK—Mr. Chairman and gentlemen, the letter from His Excellency Major-General GASCOIGNE, now administering the Government, as you have heard, renders it necessary for us to elect someone to represent the Chamber in the local Legislature in room of Mr. WHITEHEAD, who has gone home on a well-earned holiday. It will perhaps be a little difficult to find anyone of so continuous energies as our worthy representative Mr. WHITEHEAD, who, during the long period that he has represented the Chamber in the Council, has been untiring in his efforts in the public good. I would propose to you, gentlemen, as a fitting successor to Mr. WHITEHEAD the name of Mr. HERBERT SMITH, the representative of Messrs. BUTTERFIELD and SWIRE, who by his well-known independence of mind and general abilities is well qualified to represent this Chamber in the Legislative Council. The interests which he represents are large and varied, and I do not think that we could elect anyone better fitted to represent the Chamber than Mr. HERBERT SMITH. I have very great pleasure, therefore, gentlemen, in proposing Mr. HERBERT SMITH for election as a fit and proper person to represent the Chamber of Commerce on the Legislative Council of Hongkong.

The CHAIRMAN said—Mr. KESWICK has left very little for me to say in seconding the nomination of Mr. HERBERT SMITH as the representative of the Chamber on the Council. His position in the Colony is undeniable. I have had the pleasure of serving with him on the Committee of this Chamber for a great many years, and I can testify to the great interest he has always taken in the affairs of the Chamber. I will therefore not take up any more of your time, but proceed at once to second the nomination of Mr. HERBERT SMITH.

After a pause, The CHAIRMAN said—There being no other candidate proposed, I will put the proposal to the meeting in the usual way and take a show of hands.

This was done, and the CHAIRMAN declared Mr. HERBERT SMITH to be unanimously nominated as the representative of the Chamber.

Mr. HERBERT SMITH—Mr. CHAIRMAN and gentlemen, I am deeply sensible of the honour which you have this day done me, and the firm I am privileged to represent, in unanimously electing me to act as your member on the Legislative Council of the Colony. I cannot but be conscious that the eulogistic remarks so kindly made by Messrs. KESWICK and GRAY are

but indifferently deserved, but you may rely upon my best efforts to voice and to worthily uphold the interests of this influential Chamber and of its members. Holding a decided opinion that our policy should be to deal with commercial matters only, I shall hope to keep this point constantly in view. Gentlemen, I thank you, and shall endeavour to justify your confidence. (Applause.)

The CHAIRMAN—In congratulating you upon the election of Mr. HERBERT SMITH, than whom there is no one better fitted for this post, I now declare this meeting finished. (Appendix Z 2.)

MINUTES of the Yearly General Meeting of the HONGKONG GENERAL CHAMBER OF COMMERCE, held on Monday, the 30th April, 1900, at 3 p.m., for the purpose of receiving the Report of the Committee and passing the Secretary's Accounts for the year ending 31st December, 1899.

The SECRETARY having read the notice convening the meeting,

The CHAIRMAN said—Before proceeding with the business, I will, by your leave, gentlemen, confirm the minutes of the last annual general meeting.

This having been done,

The CHAIRMAN addressed the meeting as follows:—Gentlemen, I propose that, in accordance with our usual custom, the Report of the Committee and the Secretary's Accounts, which have been in your hands for some days, be taken as read. Our report exhibits no diminution from past years in the number of subjects with which we have had to deal and, indeed, rather tends to show that the business of the Chamber is steadily increasing in quantity, and at the same time in importance. The amount of work done, however, needs no apology from me. The voice of Commerce is making itself heard every year with greater emphasis all over the world whether it be by Chambers of Commerce or Commercial Congresses, and as long as these bodies are directed by those engaged in Commerce, and only concern themselves with matters which actually affect the continuance and development of Trade they are undoubtedly an element of good in their own sphere and, for that reason, will always command attention.

The past year can hardly be called one of great progress generally in China, although many schemes have been hatched and some of them have made some strides forward, but, on the whole, the result is disappointing and not up to sanguine anticipations. In Hongkong, however, we have cause for congratulation in the extension of our boundaries to embrace a considerable addition of territory which will prove a most valuable acquisition to the Colony when it has had time to find the benefit of a complete system of roads and thorough police protection, which it should be the object of this Government to provide as soon as possible, so as to give encouragement to the Natives in the Hinterland to raise produce of all sorts for our markets, and to Native capitalists to establish industries under the ægis of the British Flag, with the advantage of free circulation and without Customs duties. We did not enter into possession without a struggle, but as one outcome of this want of faith on the part of the Chinese Authorities resulted in the abandonment of the idea of leaving the City of Kowloon in their hands, the temporary trouble resulted satisfactorily in the end.

The inevitable result of the handing over of this territory was the withdrawal of the Chinese Customs stations to the new borders, and it became a question in what way the Hongkong Authorities could reasonably assist the Chinese Government in the protection of their revenue under the change of circumstances.

As you are aware, this Government, contemplating the establishment of Bonded Warehouses for Opium in the Colony, and the provision of certain checks on Opium smuggling, brought in a Bill for this purpose. The Chamber has, however, I hope, proved conclusively to the Government that the objects in view could be as readily secured by making the merchants' godowns into Bonded Warehouses, by keeping an account of all Opium actually discharged in Hongkong, and also by furnishing the Chinese Customs with particulars of all permits issued for the export of Opium.

In further desire to assist the Chinese Government in the maintenance of order in the adjoining provinces, an Ordinance has been passed amending the Arms and Ammunition Ordinance, by which great restrictions are placed upon the Export of Arms and Ammunition, somewhat, it is to

be feared, to the detriment of the trade of the port in these articles, but the measure is certainly an honest endeavour to act fairly to the neighbouring Empire.

The circulation in this Colony of subsidiary coins of the Canton Mint became a subject of complaint, and was brought by the Chamber before the notice of H.E. the Governor, who appointed a Committee to enquire into the question, of which I was a member. On going into the facts this Committee found that, although no doubt considerable inconvenience was caused by the influx of Canton tokens, there was no legal obligation on anyone accepting them as money in this Colony, while there were insuperable objections to any legislation making it illegal to be in possession of them, and if ample supplies of Hongkong subsidiary coins were always obtainable no hardship need be entailed on anyone.

From a perusal of the Report, you will see what this Chamber has been actively endeavouring to impress upon the public, the Imperial Government, and the Telegraph Companies concerned, the importance of securing a reduction in the tariff of charges for Telegrams between the East and Europe, and with some hope of ultimate success. The question is to be brought up by our representatives at the forthcoming Congress of Chambers of Commerce of the Empire, to be held in London next June, when, no doubt, some course of action will be recommended or some decision adopted. It is imperative that, in order to march with the times, this side of the world should be in cheaper communication by cable with the other. I may here mention that, at the same Congress of Chambers of Commerce of the Empire, it has been arranged that Sir THOMAS JACKSON and the Hon. T. H. WHITEHEAD, who have kindly consented to represent this Chamber there, will also put forward resolutions on the subjects of the Navigation by Foreign Steamers of the Inland Waters of China and of fresh Marine Surveys in Eastern Seas; the latter of which I think it will be generally conceded is much required. (Applause.)

I now come to a subject which has been a theme of considerable discussion, not to say complaint, for several years, and that is the working of of the Hongkong Post Office. It is a question which nearly touches us all, but which, in spite of all that has been said and written, has not advanced many stages towards ideal perfection. The fact is that, although we can give credit to the management for having done its best during the past year, the accommodation of this department is admitted by every one

to be wretchedly inadequate, and the staff, in my opinion, is quite insufficient. The consequence is a defective service which cannot be expected to improve until the conditions are altered. When that time will arrive it seems impossible to say, as the construction of a new Post Office is being indefinitely postponed, or at any rate will probably be delayed until the construction of the projected new Law Courts, the site for which was decided upon years ago, but on which not a single pile for the foundation has yet been driven. Whether this is caused by the denuded state of the P.W.D. or for any other reason, I really think that upon a subject of such urgent public importance the Government should take immediate steps to have this matter rectified. (Applause.)

Various points of legislation came before your Committee last year. The Piers Ordinance was passed by the Government to enable them to raise the rents of Piers and Wharves, but I am glad to say that the increase first contemplated was greatly modified in consequence of the representations of this Chamber in the year preceding.

The efforts of the Chamber to amend the Merchant Shipping Consolidation Ordinance were less successful, although a few of its suggestions were adopted. The principal suggested alterations, which were the outcome of the careful consideration of shipping experts, were dismissed as impracticable or unnecessary, the Government preferring to listen to the opinion of its own adviser.

On the other hand, attention having been directed by the Chamber to the fact that certain goods hitherto not regarded as dangerous were included in that category in the Dangerous Goods Amendment Ordinance, and the suggestion made that these goods should be continued to be excluded from the list, this suggestion was adopted by the Government.

I have already referred to the Arms and Ammunition Amendment Ordinance, which was very strongly criticised by those interested in the trade and also by the public, and the original draft of which, on the representations of this Chamber, experienced considerable modification before the Bill was passed.

Last year we were subjected to all the restrictions and annoyances of being declared an infected port, which continued through the summer months, and it is a subject of great regret that we should find ourselves in a similar predicament again this year. The problem of how to succeed

in stamping out the plague has still to be solved, although amelioration can undoubtedly be secured by strong sanitary measures. The loss caused annually to the trade of the Port from this disease is enormous.

The revival by the Canton Government of the farm for the collection of the Lekin in Kwangtung naturally led to expectation of all the abuses which attended the last monopoly, and the Chamber accordingly addressed Her Majesty's Consul at Canton on the subject. Mr. MANSFIELD, with his usual promptitude, had already made a protest to the Viceroy against the establishment of the Lekin Farm, and, although that Official did not admit that the Farm was an infringement of Treaty Rights, he issued stringent orders against any abuse of their position by the farmers, apparently with some success. The principle of these monopolies is, however, distinctly opposed to the spirit of the Treaties, and their establishment cannot be too strongly deprecated.

That ancient grievance—it is a quarter of a century old—the levy of preferential duties on junk-borne cargo by the Hoppo of Canton, has again come to the front and drew from this Chamber a fresh and strong appeal to Her Majesty's Representative at Peking. Your Committee upon this occasion, as a last resource, strongly recommended the abolition of the dual system of Customs in the Two Kwang, and Mr. BAX-IRONSIDE (then in charge) admitted that it would go to the root of the evil, but was himself naturally unable to move directly in the matter. He laid the suggestion, however, before the Foreign Office, and, I sincerely hope that when a convenient time arrives, this grain of mustard seed will develop into a goodly tree, and produce that fiscal reform which is so badly needed. (Applause.)

When it was given out with great *éclat* by Lord CURZON, in the House of Commons, that China had granted the right of navigation of the inland waters to foreign vessels, it was little imagined that this concession would be turned into a farce by the interpretation placed upon the regulations by the Imperial Chinese Customs, but this is unfortunately the case, and, as far as the West River is concerned, foreign steamers have not benefited in the least, and the expected development in trade from the opening of the Waterways of South China to Steam Navigation has not been realized. This has naturally caused great disappointment and loss to the large shipping Companies who have been induced to construct craft specially for the River Service, and who have appealed in vain for a reasonable interpretation of the Regulations which would enable them to benefit by the so-called

concession. I trust that agitation upon this subject will be kept up in Parliament and elsewhere until the Chinese Government are induced to act up to the spirit of the arrangement instead of conforming to the letter only. (Hear, hear.)

A further interference with the development of trade in the Two Kwang has been the outbreak of lawlessness and piracy under the misrule of the late Viceroy, who was probably the worst ruler these Provinces have had for many years, and who allowed this state of affairs to increase to such an extent that now it has become so organized that it will require extensive measures to successfully cope with it. The attention of the Chamber was first called to the subject by the attack on the Silk trade in districts not far from Canton, and a telegram was despatched early in August last to the London General Chamber of Commerce, pointing out the unsettled state of the Provinces, the unreliability of the Viceroy, the interference with trade, and the need of more gunboats to protect our interests on the West River. We have to thank the London Chamber for at once bringing the matter before the Foreign Office, but I regret to say that the only outcome was the placing of the old *Tweed* and a torpedo boat as a reinforcement to the little *Sandpiper* on the West River, although this Chamber represented strongly to the Hongkong Government the inadequacy of such a force to do anything to really stem the evil. I think it most unfortunate that the Home Government did not see fit to take a serious view of the matter, instead of practically merely looking on and doing nothing substantial to assist in preventing this crying evil from reaching its present proportions. The latest stage is that all steamers are recommended to keep to one particular channel of the West River entrances which can be specially protected from pirates. This, I think, is the most eloquent illustration of the present condition of the West River Delta which could be desired, and you will doubtless look with much interest for the effect of the combination between our Naval Authorities and the new Viceroy which we are told will put down the present unfortunate state of things. (Applause.)

Although the question of the revision of the Treaties on the point of Tariff is not included in the correspondence of the past year, I think that a few words now on the subject would not be out of place. We have the word of our Minister in Peking that no active movement is taking place on this question, and that before anything is done those most deeply interested in it will be consulted. I do not see myself how anything can

possibly be done until the whole fiscal arrangements of China are altered in such a manner that we can know for certain the exact duties which will be paid. With that guarantee there would be, I am sure, no opposition to a fair increase in the Tariff, which after all would probably leave foreign goods better off in that respect than they are now under the present scale of duties, the indefinite inland taxation (quite against our Treaties), and possibly in these Provinces a black-mail tax as well. Until the collection of provincial taxes is merged into the business of the Foreign Customs I do not know in what direction there is the slightest possibility of any reliable guarantee being forthcoming.

Another question not dealt with in the Report, but of no small interest to this port, is the Customs Tariff and Regulations in the Philippine Islands. A copy of the new Provisional Tariff and Regulations has reached this Chamber from the Acting British Consul at Manila through the Colonial Government, and this was circulated amongst the members most interested in the trade with the Philippines, but so far we have only received one or two replies. There can be no doubt that the duties levied by the American Authorities are practically the same as those imposed by the Spaniards, and the general opinion, I believe, on the part of ship-owners and masters is that the Customs Regulations are even more stringent and obstructive. I understand, however, that there is a probability of the early departure from the United States of a Civil Commission to enquire into and institute a permanent system of Administration for the Philippines in place of the Military rule hitherto necessitated by circumstances, and it is to be hoped that their recommendations will move towards less onerous taxations and regulations, which will assist instead of interfering with the natural expansion of the trade of these fertile islands. At the Philadelphia Congress held last October, which was a great success and calculated to have valuable results, among other interesting points brought forward, our representative Mr. TOWNSEND dwelt strongly upon this subject and his remarks are well worth attention. (Applause.)

The apparent omission on the part of the Dominion Minister of Customs to include Hongkong in the list of Colonies and Dependencies of the Empire entitled to the benefit of the British Preferential Duties in Canada having been pointed out by the agent of the Canadian Pacific Railway Company, your Committee have addressed the local Government on the subject, and asked His Excellency to bring the matter to the notice

of the Secretary of State for the Colonies. Already some trade has been diverted from Hongkong in consequence of this omission, and in the future such a drawback might have a far wider effect, so it is to be hoped that this matter will soon be rectified.

You are aware how fully we have been represented on the Legislative Council by Mr. WHITEHEAD, who deserves our thanks, and is now on a well earned holiday, and in whose place for the time being we have just elected Mr. HERBERT SMITH.

In regard to the Secretaryship, I cannot speak too highly of the care and attention given to the affairs of the Chamber by Mr. WILCOX, whose work, as I have before remarked, is steadily increasing and requiring more and more time and attention. (Applause.)

The General Committee has dwindled down to five representatives, four of its members having recently gone home, three of them with the intention of returning, but Mr. McCONACHIE, who has rendered valuable service on the Committee for many years, will I understand remain at home. It will be for you to-day to elect a new Committee as well as a Chairman and Vice-chairman. The remaining members of the outgoing Committee have agreed to serve again if elected.

The roll of members has gone on increasing, I am glad to say, no less than fifteen new members having been elected since last meeting, whose election you will be asked to confirm directly. We have lost three during the year, two by death, one of whom, Mr. GRANVILLE SHARP, we all miss here to-day. Mr. SHARP was a regular attendant at these meetings and we always listened with much interest to the trenchant expression of his views, even if we did not entirely coincide with them.

I have again to remark on the still improving financial position of the Chamber. As will be observed by the statement of accounts, our Reserve Fund amounted at the end of the year to \$10,000, and I am glad to inform you that this has since been increased by the addition of \$2,000, taken from the balance at credit, and placed on deposit at the Hongkong & Shanghai Bank. We have had no opportunity of making use of the Pinnacle Rock Fund.

Having now touched upon most points dealt with in the Report, before proposing its adoption, the Committee will be glad to hear remarks on

these or other subjects on which any members present desire to express opinions. (Applause.)

There being no questions or remarks offered by the members,

The CHAIRMAN said—I now beg to move that the report of the Committee and the Secretary's accounts for the year 1899 be passed.

Mr. R. L. RICHARDSON—Gentlemen, after reading the report issued last week and hearing the speech by our Chairman, we must, I feel sure, each one of us, acknowledge that in one way or another we have received a measure of assistance in the work done by our Committee and very able Secretary in the past year. Our Chairman has just now referred in particular to a few of these questions of interest to us, from which I would point out the abolition of the dual system of Customs in the Two Kwang, coupled, of course, with the abolition of piracy, and the navigation by foreign steamers of the Inland Waters of China. These, I think, are most important for us here, and I hope that during the current year we may see these questions in a fair way to be satisfactorily settled. Our Chairman has also referred to our financial position, which it is pleasing to see is so sound. With these few remarks, I beg to second the adoption of the report and the accounts.

The report and accounts were then unanimously adopted.

New Members.

The CHAIRMAN—The next business before us, gentlemen, is the confirmation of the election of the new members. I beg to propose that the election of the following fifteen members be confirmed:—

Mr. W. S. BAILEY, (now Messrs. W. S. BAILEY & Co.).
 THE EASTERN EXTENSION A. AND C. TELEGRAPH Co., LTD.
 Messrs. MCGREGOR BROS. AND GOW.
 Mr. D. HASKELL.
 Mr. R. C. WILCOX.
 Messrs. L. SCULFORD & Co.
 Messrs. BANKER & Co.
 Messrs. WENDT & Co.
 Mr. L. A. LEVY.
 Messrs. U. NERVEGNA & Co.
 Dr. JORDAN.

THE DEUTSCHE ASIATISCHE BANK.

THE IMPERIAL BANK OF CHINA.

MESSRS. HOTZ, S'JACOB & Co.

MESSRS. H. PRICE & Co.

Mr. HERBERT SMITH—I have pleasure in seconding.

The motion was carried unanimously.

Election of Committee.

The CHAIRMAN—The next business is the election of a new General Committee.

The election was proceeded with in the usual manner by ballot, and on the result having been ascertained,

The CHAIRMAN read out the names as follows:—Messrs. R. M. GRAY (Chairman), Hon. J. J. KESWICK (Vice-Chairman), HERBERT SMITH, H. M. BEVIS, R. L. RICHARDSON, A. M. MARSHALL, C. S. SHARP, N. A. SIEBS, and A. HAUPT.

This terminated the proceedings.

Report of the General Committee of the HONGKONG GENERAL CHAMBER OF COMMERCE for the Year ending 31st December, 1899, for presentation to the Members at the Annual Meeting, to be held on Monday, the 30th April, 1900, at 3.00 p.m.

A great variety of subjects has engaged the attention of your Committee during the past year, and they have been enabled to make some progress in certain directions.

The Manila Observatory and Typhoon Telegrams.

The temporary interruption in the receipt of the very useful typhoon warnings received by telegraph for some years past from Manila having ceased, this valuable service has been in operation during the year. (Appendix A.)

The New Territory.

The territory at the back of the Kowloon Peninsula leased to the Colony under the Convention of June, 1898, was not taken over without opposition, such opposition having been organised in the districts adjoining the leased territory. The military operations thereby necessitated involved considerable outlay and trouble, and the Committee suggested that, in compensation therefor, the British Government should insist upon the frontier being extended to include Shamchun, that the Chinese officials should be removed from Kowloon City, and that the lease should be either extended beyond its present term of 99 years or a cession in perpetuity be demanded. These suggestions were duly submitted to the Secretary of State for the Colonies, but the Government apparently only saw their way to adoption of the second. This, however, is a very important gain, for the Colony will now be spared the humiliation and annoyance which would have resulted from a Chinese Alsatia being preserved in the centre of its area. (Appendix B.)

The Chinese Customs in Kowloon.

Owing in some degree, no doubt, to the persistence with which the Colony, and this Chamber in particular, urged their removal beyond the frontier, the Chinese Customs Stations in the Colony's waters have been moved

to positions outside the new frontier, and the scheme which would have practically converted Hongkong into a Treaty Port has had to be abandoned. (Appendix C.)

The system of Fines for Smuggling at Saigon.

Great complaints having been made, early in the past year, of the practice resorted to in Saigon by the Customs Authorities of giving rewards to informers for the discovery of opium on board steamers arriving from Hongkong out of all proportion to the value of drug confiscated, followed by the infliction of crushing fines, representations were made to the local Government on the subject, who not only passed an Ordinance making it penal for any person to conceal opium on board of any ship, but represented the case to the Imperial Government, by whom it was referred to Paris, where it was, at last information, being considered. As no further complaints of confiscatory measures at Saigon have been received, the Committee hope that either the system has been abandoned, or that it is worked with more moderation. (Appendix D.)

The Influx of Canton Subsidiary Coins into Hongkong.

Complaint having been made of the Colony being flooded with tokens produced at the Canton Mint of a somewhat inferior value to the Hongkong subsidiary coins, to the loss of the native tradesmen as well as to the detriment of the Colonial revenue, the matter was taken up by your Committee, in deference to whose representations the Governor appointed a Commission to inquire into the question and report thereon. The Commission, on which your Committee was fully represented, met and discussed the question, with the result that they recommended in their report that an ample supply of Hongkong subsidiary coin should always be kept in the Colony, but that, it being the only legal tender, restriction or prohibition of the Canton coins was unnecessary and impracticable. (Appendix E.)

Official Telegraph Code Vocabulary.

It having been brought to the notice of this Chamber that in the new Official Vocabulary about to be issued by the International Telegraph Authorities the consecutive numbering of the words would be abandoned, the matter was duly considered by the Committee, but as it appeared that the step had been definitely resolved upon, it was thought useless to take any action thereon. (Appendix F.)

The Reduction of Cable Rates.

The question of the reduction of the tariff of charges for telegrams between the East and Europe has again come to the front and has engaged much of the attention of your Committee, who have passed resolutions on the subject, laid them before the Government and the Telegraph Companies and circulated them widely among the various Chambers of Commerce, seeking the co-operation of the latter in the attempt to secure a reduction of these rates. The Telegraph Companies, on their part, say that they have addressed the Imperial Government proposing a general lowering of the tariff, under certain conditions. Your Committee, however, urge that in any case, the Telegraph Companies can afford to make a substantial reduction in rates, and that they would eventually be repaid by the increase in the traffic that would ensue if the cost were reduced to a point that would render it possible for the public to make more frequent use of the cable. (Appendices G and H.)

The Working of the Hongkong Post Office.

Thanks to sundry improvements in the internal arrangements of the Post Office and the efforts of the Postmaster General, the complaints against the working of this Department have been greatly reduced, but the need for a new building for its accommodation has in nowise abated; on the contrary, owing to the continually increasing amount of correspondence, it has become more pressingly felt. The Committee, in November last, at their monthly meeting, passed a resolution urging the Government to proceed immediately with the erection of a new Post Office, and with the re-organization of the staff on a more liberal scale than that now existing. The question is under the consideration of the Government, and it is hoped that consideration may soon give place to action. (Appendices I and J.)

The Piers Ordinance, 1899.

The attempt made by the Government in 1898 to greatly increase the rents paid by piers and wharves, which were formerly almost nominal, was last year renewed, though the scale proposed was more reasonable. The Ordinance giving effect to this proposal was submitted to the Chamber for consideration, and was criticised and condemned as unnecessary, but though some amendment was made in its provisions the Bill was passed and has become law. (Appendix L.)

The Raw Opium Amendment Bill, 1899.

In pursuance of the understanding recently arrived at with the Chinese Government to give such assistance as may be practicable in the protection and collection of Chinese revenue, the Colonial Government last year drafted an Ordinance designed to prevent the smuggling of opium into China, by the establishment of bonded warehouses in this Colony and the provision of certain checks on the movement of the drug. This Bill was also referred to the Chamber and was subjected to a searching criticism, which appears to have had the effect of causing the measure to be shelved, the Committee showing that most of its provisions were unnecessary, and that the object sought might just as readily be obtained by making the merchants' godowns bonded stores, keeping an account of all opium actually discharged in Hongkong, and furnishing the representative of the Chinese Imperial Maritime Customs with particulars of all permits issued for the export of opium. (Appendix M.)

The Merchant Shipping Consolidation Ordinance, 1899.

During the past year an important Bill for the consolidation of the laws relating to Merchant Shipping was considered and passed. The measure was referred to the Chamber for consideration and suggestions, and the views of experts were sought and obtained, with the result that a number of amendments were suggested or shown to be desirable; but although these suggestions expressed the opinions of those well qualified to judge of the requirements of the port from a mercantile point of view, few were adopted by the Government, the majority being dismissed as either impracticable or unnecessary. (Appendix N.)

The Dangerous Goods Amendment Ordinance, 1899.

Among other legislation a Bill for the amendment of the Dangerous Goods Ordinance was introduced into the Council at the latter end of last year, and attention having been drawn by the firms engaged in the trade to the fact that it was proposed to include certain goods hitherto regarded as harmless in those classed as dangerous, representations were made to the Government on the subject, high authorities cited, and the opinion of the Chamber expressed in favour of the continued exclusion of these goods from the dangerous category. The Government replied to the effect that they were prepared to make amendments in the Bill in the direction suggested. (Appendix O.)

The Arms and Ammunition Amendment Ordinance, 1899.

The above measure as first presented to the Legislative Council called forth a good deal of hostile criticism both from those interested in the trade and from the public, and a letter was addressed to the Chamber by the firms engaged in the trade suggesting that it should be referred to that body for consideration and suggestions. Correspondence with the Government ensued, and an exhaustive memorandum on the Bill prepared by its opponents was sent in strongly supported by the Committee. The Bill after undergoing considerable alteration, including the incorporation of most of the amendments suggested, was re-introduced in the Council, and after some opposition on the amount of the licence fee, was passed by a majority. (Appendix P.)

Medical Inspection and Quarantine.

The port of Hongkong was again in 1899 subjected to quarantine by various countries owing to the re-appearance of plague, though the disease could hardly at any time be said to have been epidemic. It is to be feared that this is a contingency that will have to be faced annually unless more drastic steps be taken to stamp out this pest from our midst. (Appendix Q.)

Revival of an Illegal Monopoly in Kwangtung.

The publication in one of the local papers of a translation of a proclamation by the Lekin Office at Canton to the effect that a farm for the collection of lekin in Kwangtung had been established, led to representations by your Committee to the British Consul on the subject, who addressed the Viceroy, whereupon His Excellency promised that if the former abuses were reverted to, the farm should be immediately abolished. In the meantime instructions had been given to the Lekin Office to exercise the most careful supervision of the monopoly. (Appendix R.)

The Lekin Authorities and British Craft on the West River.

In May last year a case of unwarranted interference by the Lekin officials with British owned vessels plying on the West River was brought to the notice of the Committee, but as the matter had been placed in the hands of the British Consul at Canton, there seemed no ground for the Chamber's intervention. (Appendix S.)

Preferential Duties on Junk-borne Cargo.

This perennial grievance came up with fresh aggravation in the middle of the year, further cargo having been diverted from the Steamboat Companies by the action of the Hoppo in levying preferential duties on shipments by junks. Fresh representations strongly worded were accordingly addressed to Her Majesty's Representative at Peking, to whom the utter futility of asking for documentary proof of the methods employed by the Hoppo was demonstrated, and the desirability of demanding the abolition of the Native Customs and the whole collection to be confided to the Imperial Maritime Customs strenuously insisted upon as the only cure for the evil. The Minister, while admitting that this proposal went to the root of the evil, intimated that it would involve such widespreading consequences that he must refer it to Her Majesty's Secretary of State for Foreign Affairs, and nothing further has, as yet, been heard on the matter. (Appendix T.)

The Inland Waters Steam Navigation Regulations.

The interpretation placed by the Inspector-General of Chinese Maritime Customs upon the above regulations has rendered the long looked-for concession of the navigation of the Inland Waters of South China by foreign steamers practically valueless. Strong representations on this subject have been made to the British Government, and your Committee do not intend to allow the matter to rest where it is, though questions of greater moment to the home authorities have caused it to be shelved for the present. (Appendix U.)

The Piracies in the Two Kwang.

Piracy in the interior of the Kwang provinces assumed such startling proportions last summer that the deliveries of silk were seriously interfered with, trade generally in the West River districts was obstructed, the navigation of the river rendered perilous by all but large steamers, and a general sense of insecurity induced by the daring robberies and outrages of almost daily occurrence. Representations by importing firms were in consequence made to this Chamber setting forth lists of outrages and praying that something be done to put a stop to the continuance of these raids and robberies. Urgent appeals by telegraph and letter were thereupon made to the London Chamber of Commerce, to the British Minister at Peking, and to the Colonial Government, begging that Her Majesty's Government would despatch a flotilla of small gunboats to safeguard the inland waterways of South China. In response to these, the *Tweed* and a torpedo-boat were ordered to reinforce

the *Sandpiper*, which had been some months on the West River, but although these boats may have had some influence in their immediate neighbourhood, no evidence is forthcoming of their having any effect on the general situation, which has become more and more intensified until blackmailing is now a recognised condition in many trades and the whole watershed is more or less in a state of insecurity. It is unnecessary to dwell upon the disastrous effect such a state of affairs must have upon trade generally, and the disorganisation to all its branches, thereby preventing its natural development. (Appendix V.)

Amoy and the Formosa Tea Trade.

The Formosan Government having notified its intention in July last to impose a duty of yen 1.60 per picul on tea exported from Formosa to foreign countries, whilst tea exported to Japan would be free of duty and could also be shipped thence abroad free, this step being taken with the obvious intention of diverting the export of the Formosan leaf from its accustomed channel *via* Amoy, a protest was made by the Chamber of Commerce at that port on the subject to the British Minister at Tokyo and the co-operation of this Chamber invited. Your Committee, sympathising with the Amoy Chamber, addressed a representation to the British Minister at Tokyo, a copy of which was also transmitted by the local Government to the Colonial Office, and the matter has been referred by Sir ERNEST SATOW to the consideration of Her Majesty's Government. (Appendix W.)

Proposed Board of Conservancy for the Whangpoo River.

A scheme for the establishment of a Board of Conservancy for the Whangpoo River has been formulated by the Shanghai Chamber of Commerce, and the correspondence with covering letters has been submitted to this Chamber both by that Chamber and by the local Government. In reply your Committee have expressed their sympathy with and approval of the proposal and expressed the hope that the Colonial Government would give its cordial support thereto on general principles, as the vexatious detentions now caused to shipping at Shanghai constitute a burden on trade with the Far East. (Appendix X.)

The International Commercial Congress at Philadelphia.

This Congress, which was held at Philadelphia, U.S.A., in October, was very successful. Mr. A. M. TOWNSEND, the New York Agent of the Hongkong and Shanghai Bank, attended as delegate for this Chamber, and made

an interesting speech on "China Day" (October 18th), in which he emphasized the great importance of the American Government adopting a liberal commercial and fiscal policy in the Philippines. Other speeches by representatives from the Far East were made on various subjects of interest, and an account of the proceedings with the correspondence thereon will be found in Appendix Y.

The Chamber and the Philadelphia Commercial Museum.

This Chamber, its Chairman, and Secretary have been admitted to honorary permanent membership of the Philadelphia Commercial Museum, and this compliment has been reciprocated by the election as honorary correspondents of this Chamber of the Museum, of its Director (Dr. WILSON), and its Chief of the Foreign Department (Mr. WILFRED H. SCHOFF), and diplomas exchanged.

The Fourth Congress of Chambers of Commerce of the Empire.

This Chamber having been invited by the organising Committee of the above Congress to send delegates to attend the meeting to be held in London in June next, your Committee have nominated Sir THOMAS JACKSON and the Hon. T. H. WHITEHEAD to represent the Chamber, and it has been arranged that they will propose resolutions dealing with the navigation by foreign steamers of the Inland Waters of China, the reduction of Cable Rates, and fresh Marine Surveys in Eastern Seas. (Appendix Z.)

Hongkong and the Canadian Preferential Duties.

It having been brought to the notice of the Committee by the Agent of the Canadian Pacific Railway that this Colony has been, apparently by an oversight, omitted from the list of those Colonies named by the Dominion Minister of Customs as entitled to participate in the benefits of the British preferential tariff, whereby trade in certain goods formerly sent through Hongkong has been diverted, representations have been addressed to the Colonial Government praying that the omission may be brought to the attention of the Secretary of State for the Colonies, with a view to securing the advantage to which, under the Tariff Memorandum, Hongkong is clearly entitled. (Appendix Z1.)

The General Committee.

Since the Committee was elected at the last annual meeting, the only changes during the year 1899 have been the resignations of the Hon. J. J. BELL-IRVING and Mr. W. POATE, whose places were taken respectively by the Hon. J. J. KESWICK and Mr. HERBERT SMITH. The Committee has, however, quite recently lost four members—Mr. A. MCCONACHIE, the Vice-Chairman, having left the Colony, and Sir THOMAS JACKSON, Mr. H. A. RITCHIE, and the Hon. T. H. WHITEHEAD having gone home on leave.

Members.

The roll of members has again considerably increased during the past year. The Chamber has lost three members—two by death, viz., Messrs. GRANVILLE SHARP and H. J. HOLMES, and one by resignation, Messrs. BELLIOS & Co., who have discontinued business. In Mr. G. SHARP the Chamber have lost not only an old member, whose experience and knowledge of the Colony were exceptional, but also its readiest debater. The following have been admitted to membership, subject to confirmation at the annual meeting:—Mr. W. S. BAILEY, The EASTERN EXTENSION AUSTRALASIA AND CHINA TELEGRAPH CO., LD., MESSRS. MCGREGOR BROTHERS & GOW, Mr. D. HASKELL, Mr. R. C. WILCOX, MESSRS. L. SOULFORT & CO., BANKER & CO., WENDT & CO., Mr. LÉON A. LEVY, MESSRS. U. NERVEGNA & CO., Dr. JORDAN, The DEUTSCHE ASIATISCHE BANK, The IMPERIAL BANK OF CHINA, MESSRS. HOTZ, S'JACOB & Co., and H. PRICE & Co.

Finance.

The accounts for the year ended 31st December, 1899, have, as usual, been audited by Messrs. J. THURBURN and J. Y. V. VERNON. The balance at credit of the Chamber, after purchase of four debentures of the Hongkong Hotel Company of \$500 each and transferring \$720 to Deposit Account, was \$678.26. The Reserve Fund stood at \$10,000, of which \$8,000 is on deposit in the Hongkong and Shanghai Bank and \$2,000 is invested in Debentures. The Pinnacle Rock Fund has been further increased by the accruing interest for the year and now stands at \$3,569.64.

Dr. THE HONGKONG GENERAL CHAMBER OF COMMERCE IN ACCOUNT CURRENT WITH THE SECRETARY.

Cr.

| | | | | | | |
|-----------------------------|---|-----------|--------------|-----------------------------|---|--------------|
| 1899. Jan. to Dec. | To Office Rent. | \$ 600.00 | | 1899. Jan. to Dec. | By Balance brought forward, | \$ 1,212.19 |
| | " Secretary's Salary, | 2,400.00 | | | " Members' Subscriptions for 1899, | 4,872.16 |
| | " Clerk's Salary, | 600.00 | | | " Sales of Market Report for one year including Postage, | 983.95 |
| | " Do. (extra), | 145.00 | | | " Uncollected Subscriptions to Reuter's Telegrams in 1898, | 45.20 |
| | " Servants' Wages, | 180.00 | | | " Subscriptions to Political Telegrams for 1899, | 6,141.87 |
| | " Auditors' Fees, | 40.00 | | | " Sundry Receipts, | 8.06 |
| | | | \$ 3,965.00 | | " Interest on Current A/c. to 30th June, | 17.10 |
| | " Printing Market Report for one year—July, 1898 to June, 1899, | | 735.00 | | " Fees received for Arbitration, | 60.00 |
| | " Subscriptions to Newspapers, | 139.76 | | | " Uncollected Subscriptions to Market Report in 1898, | 250.02 |
| | " Advertisements, | 41.14 | | | " Interest on Four Hotel Coupons, | 60.00 |
| | " Postage, Receipt Stamps and Petties, | 96.69 | | | " Interest on Credit Balance, | 24.50 |
| | | | 277.59 | | | |
| | " Subscription to Reuter's Telegrams, | 4,100.00 | | | | |
| | " Printing and Circulating, | 283.64 | | | | |
| | | | 4,383.64 | | | |
| | " Stationery and Office Printing, | 171.76 | | | | |
| | " Printing Annual Report, | 401.63 | | | | |
| | " Sundries, | 31.50 | | | | |
| | | | 604.89 | | | |
| | " Refund for 64 Copies of Market Report, | | 142.87 | | | |
| | " Four Debentures Hongkong Hotel Co., Ltd., | | 2,000.00 | | | |
| | " Cost of Telegrams despatched to London, | | 69.80 | | | |
| | " Achce & Co. for Office Furniture, | | 48.00 | | | |
| | " J. S. Mackay, Fee for Arbitration Work, | | 50.00 | | | |
| | " Addition to Deposit A/c., | | 720.00 | | | |
| | | | 12,996.79 | | | |
| | " Balance, | | 678.26 | | | |
| | | | \$ 13,675.05 | | | |
| | | | | | | \$ 13,675.05 |
| | | | | | By Balance, | \$ 678.26 |
| | | | | | | |
| | | | | | DEPENDENCIES AT CREDIT. | |
| | | | | | Subscriptions to Political Telegrams, | 242.86 |
| | | | | | Fixed Deposit due 31st December, 1899, A/c. Pinnacle Rock Fund, | 3,415.93 |
| | | | | | Interest, one Year at $4\frac{1}{2}\%$, | 153.71 |
| | | | | | | |
| | | | | | RESERVE FUND. | |
| | | | | | Fixed Deposit due 31st December, 1899, | \$7,000 |
| | | | | | Interest one Year 4% , | 280 |
| | | | | | Amount transferred from Current A/c., | 720 |
| | | | | | | \$8,000.00 |
| | | | | | Four Debentures Hongkong Hotel Co., Ltd., | 2,000.00 |
| | | | | | | \$ 10,000.00 |

E. & O. E.

Hongkong, 31st December, 1899.

R. CHATTERTON WILCOX,
Secretary.

We have compared the above statement with the books and vouchers, and found it to be correct.

JOHN THURBURN, }
J. Y. V. VERNON, } *Auditors.*



Dr. Doberck and the Typhoon Telegrams from Manila Observatory.

MANILA CENTRAL OBSERVATORY,
March 7th, 1899.

SIR,—The Director of the British Meteorological Service at Hongkong has addressed the Weather Bureau of the Government of the United States of America in very unfavourable terms regarding the Directors of the Observatory at Manila. The Director of the Hongkong Observatory says that "*the Observatory in Manila is in the hands of men who possess very little scientific education.*" He asserts, moreover, that "*scandal is caused by our continually communicating sensational typhoon warnings to the newspapers in Hongkong.*" The immediate effect of this accusation has been the actual suspension of all telegraphic typhoon warnings given at Manila, for any place outside of the Philippines.

Now, Sir, we leave to the judgment of men of science to decide, if we possess or not very little scientific education; certainly, for some good reason, the Manila Observatory enjoys a name in the scientific world, and if information regarding our literary labours is desired, our Monthly Scientific Review, and our seventeen Extraordinary Publications are opened to all scientists who wish to examine them; if printed testimonials are asked for, there are plenty of them, surely, published in many newspapers, especially in Hongkong, and scientific journals; instances of the latter are: "*Meteorologische Zeitschrift*," November, 1887, page 366, "*American Meteorological Journal*," Vol. X. June, 1899, page 100—id. vol. XII., February, 1896, page 386, "*Met. Zeitschrift*," Heft 10th October, 1898, page 64. Abdruckans Dr. Petermanns Geogr. Mittheilungen 1898, Heft IX. Nr. 635. Litteraturbericht Allgemeines Heft I Nr. 52, 1899. "*La Civiltà cattolica*" an. 44, vol. VII. ser. 15, p. 356. There are many others also that mention favourably the Manila Observatory, and we ourselves are quite willing to give any information necessary for its just estimation. But whatever this may be, we cannot hear, however, with the same indifference, that scandal is caused by the typhoon warnings emanating from this Observatory. The sole aim of the Manila Observatory is to be useful to the public at large, and especially to the seamen, naval and mercantile, of every nationality, who

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are so often exposed to the dangers of typhoons in the Far East. To this end, our Observatory has worked for a great many years with a vast amount of labour and expenditure, and, undoubtedly, in many instances disaster has been avoided owing to its timely warnings. But, if after all, the reputation achieved has been merely that of causing scandal by sensational typhoon warnings, that is a very discouraging result indeed.

The Directors of the Manila Observatory aim at no personal interest whatever; they work for the public benefit, and they desire to know if their work is acceptable or otherwise. Would you be so kind, Sir, as to give us your own views on this subject?

Hoping you will comply with our request,—I have, &c.,

JOSE ALGÜE, S.J., Director of the Observatory.

Mr. R. M. GRAY, Chairman,

HONGKONG GENERAL CHAMBER OF COMMERCE.

(*The Observatory to the Provost Marshal General of Manila.*)

MANILA CENTRAL OBSERVATORY,

March 7th, 1899.

The provision made by the Secretary of War, United States of America, through the Provost Marshal of Manila, regarding the sending of storm-warnings to Hongkong, is respectfully acknowledged. And although we are certain that the aforesaid provision will make a sad impression upon the British Naval and Civil Authorities of Hongkong, and upon the Naval and Commercial Institutions of any nationality in the Far East, still we are willing to obey.

Nevertheless, we desire to have it known, that the same provision is based upon biased and incorrect information, of one single Director of the Hongkong Observatory, who alone, of all other Directors of the Observatories in the Far East, is hostile to the Meteorological Institution at Manila, the reputation of which he has been trying to impugn ever since the year 1894; and now that he has brought the question before the Department of Agriculture of the United States, we earnestly beg the American Authorities, here and in Washington, to inquire thoroughly into this matter.

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Later on, we shall prove the efficiency of our Meteorological Department, but meanwhile, we oppose to the assertions of the Director of the Observatory in Hongkong the testimonials of a man, the most competent to appreciate the work done, at present, by the Observatory at Manila.

Mr. R. P. HUGHES,

Provost Marshal General of Manila.

Flagship "Olympia,"

Cavite, 2nd November, 1898.

Dear Sir,—Rear-Admiral Dewey desires me to again thank you for your courtesy in giving him such complete information concerning your typhoon predictions, which he has in every case found to be correct.

FLAG SECRETARY.

Rev. J. Algue, Director Manila Observatory, Manila.

From another letter to the Director of the Observatory of Manila, dated on Flagship *Olympia*, February 2nd, 1899, we take the following words:—

"I trust that the United States Government will make the necessary provisions for the continuance of the institution which you conduct in such an able manner, and which has proved itself to be so great a benefit to maritime interests in this part of the world."—I have, &c.,

GEORGE DEWEY, Rear-Admiral, U.S. Navy.

Finally, in another letter, addressed by order of Admiral Dewey to the Director of the Manila Observatory, and dated, Manila, March 5th, 1899, after having been made acquainted with the request of the Secretary of Agriculture, we have the following:—

"The Admiral desires me to say further that he has no doubt that steps will be taken to ensure to you the appreciation to which your valuable work in saving lives and property entitles you."—I have, &c.,

FLAG SECRETARY.

Rev. José Algue, S.J., Director of the Observatory.

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HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 21st March, 1899.

SIR,—This Chamber has received a letter (with enclosures) from the Director of the Manila Observatory, of which the enclosed is a copy, and in which complaint is made of a communication addressed by the Director of the Hongkong Observatory to the Weather Bureau of the United States Government as seriously reflecting on the value of the typhoon warnings supplied to Hongkong by the Manila Observatory.

The experience of the Committee and of the commercial community is that the telegrams giving warning of approaching or expected typhoons furnished by the Manila Observatory have been most useful, and the Chamber and commercial community would view their discontinuance with extreme regret.

The Committee would be much obliged if the Government will kindly favour the Chamber with a copy of the letter addressed by the Director of the Hongkong Observatory to the Weather Bureau of the United States Government.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. J. H. STEWART LOCKHART, C.M.G., Colonial Secretary.

No. 485.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 24th March, 1899.

SIR,—I am directed to acknowledge the receipt of your letter of the 21st instant and its enclosure on the subject of typhoon warnings from Manila, and to state that the matter is engaging the attention of this Government.

I will communicate further with you in due course.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

The SECRETARY, CHAMBER OF COMMERCE.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 28th March, 1899.

SIR,—In continuation of my letter No. 485 of the 24th instant, I am directed to state for the information of the Chamber of Commerce that the request made by the Director of the Observatory to the Chief of the

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Weather Bureau, United States of America, for the discontinuance of typhoon warnings from the Manila Observatory was not authorised by this Government.

Dr. Doberck acted under the belief that he had for several years the necessary authority for his communication to the Chief of the Weather Bureau at Washington. His mistake has been pointed out to him. Intimation has been made to the Military Governor of the Philippines that the request was unauthorised, and a hope expressed that the order for the discontinuance of the meteorological information would be rescinded. The Military Governor has also been informed of the appreciation of your Chamber of the warnings sent from time to time.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 11th April, 1899.

SIR,—I beg to acknowledge receipt of your letter (with enclosures) of the 7th ultimo, in which you inform this Chamber that, in consequence of the Director of the Hongkong Observatory having addressed the Weather Bureau of the Government of the United States of America in very unfavourable terms relative to the Manila Observatory, accusing the Directors of sending "sensational typhoon warnings to the newspapers in Hongkong," instructions have been given you to discontinue the despatch of typhoon warnings to any place outside the Philippines.

Your letter was considered at the meeting of the General Committee, held on the 20th ultimo, when it was resolved to address the Hongkong Government on the subject before taking action, and copies of the letter with the replies received are now enclosed.

At the annual meeting of the Chamber, held on the 5th instant, the Hon. T. H. Whitehead then proposed the following resolution, which was unanimously carried:—

"The members of the Hongkong General Chamber of Commerce desire to convey to the Rev. Father José Algue, S.J., the expression of their extreme regret and dissatisfaction at the unjustifiable attack made upon the Rev. Director of the Manila Observatory and his colleagues by the Director of the Hongkong

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Observatory, and at the consequent stoppage by the American Government of the telegraphic meteorological warnings from the Philippines. The members desire to place on record their high appreciation of the very valuable services at all times rendered by the Directors of the Meteorological Department of the Manila Observatory to the mercantile and shipping community in Hongkong and China, and their hope and expectation that in a very short time full justice will be done the Directors of the Manila Observatory by the acknowledgment of the immense practical value of their labours in the past for the public benefit and in the cause of science, and the restriction recently placed upon them being speedily removed."

It only remains for me to convey to you and your colleagues the thanks of this Chamber and of the whole commercial community of Hongkong for the good service rendered to them by the prompt and timely despatch of the storm warnings sent by you ever since the establishment of cable communication between Hongkong and Manila, and which we cannot doubt have been the means of saving many lives and much valuable property. I must add, in conclusion, that it is the hope of the Chamber that the supply of this useful information will soon be resumed.—I have, &c.,

R. M. GRAY, Chairman.

The Rev. JOSÉ ALGUE, S.J., Director, Manila Observatory.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 15th April, 1899.

SIR,—With reference to my letter No. 572 of the 28th ultimo, I am directed to state for the information of the Chamber of Commerce that, consequent upon the representation made by this Government on the subject, instructions have been issued by the Military Governor in the Philippine Islands to the Director of the Central Manila Observatory to continue to send storm warnings as formerly.—I have, &c.,

J. G. T. BUCKLE, p. Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

B

The Disturbances in Kowloon Hinterland.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 21st April, 1899.

SIR,—In view of the disturbances now taking place in the New Territory, which there is good reason to believe have been engineered or assisted from Chinese territory, I am instructed to ask you to be good enough to lay before His Excellency the Governor the following opinions and suggestions of my Committee:—

1.—That having regard to the fact that the New Territory is obviously liable to be overrun by banditti, who are either not amenable to Chinese authority or whose acts the mandarins find it convenient to ignore or disavow, it is essential to the preservation of good order in the Colony, and to consolidate our position, that the northern boundary shall be clearly defined by natural features and include with it the town of Shamshun.

2.—That recent occurrences have convincingly demonstrated the inutility, if not the actual mischievousness, of mandarin influence, and furnish excellent reasons for the removal of the Chinese officials from Kowloon city, which otherwise will remain a focus of intrigue against the authority of the Hongkong Government.

3.—The Committee would further suggest that, as the suppression of these disturbances will entail a heavy outlay, it would not be unreasonable for Her Majesty's Government to demand the extension of the lease of the New Territory for a longer period than 99 years, if not the complete cession thereof.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. J. H. STEWART LOCKHART, C.M.G., Colonial Secretary.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 25th April, 1899.

SIR,—I am directed to acknowledge the receipt of your letter of the 21st instant submitting for His Excellency the Governor's consideration certain opinions and suggestions offered by the Committee of the Chamber of Commerce respecting the New Territory, and to state that the views of the Committee will be represented to the Secretary of State for the Colonies.—I have, &c.,

J. G. T. BUCKLE, p. Colonial Secretary.

The Secretary to the HONGKONG GENERAL CHAMBER OF COMMERCE.

C**The Chinese Customs in Kowloon.**

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 21st April, 1899.

SIR,—I am instructed by the Committee of this Chamber to inquire if the Government will kindly inform the Chamber what is being done to secure the removal of the Chinese Imperial Maritime Customs to their own territory as promised by His Excellency the Governor in the Legislative Council on the 27th February last.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. COLONIAL SECRETARY.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 25th April, 1899.

SIR,—In reply to your letter of the 21st instant requesting information as to what is being done to secure the removal of the Chinese Imperial Maritime Customs to Chinese territory, I am directed by His Excellency the Governor to state for the information of the Committee of the Chamber of Commerce that the functions of the Chinese Customs have ceased within the area of the New Territory and the extended waters of the Colony.

By arrangement with Her Majesty's Government, the three stations of Capsuimoon, Fotochow, and Cheung-chow are permitted to remain in the occupation of the Chinese Customs until accommodation on their new frontier has been provided, but not later than October next, and on the condition that no coercive functions will be performed by them in the waters of the Colony.—I have, &c.,

J. G. T. BUCKLE, p. Colonial Secretary.

The Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE.

D**System of Fines for Smuggling at Saigon.**

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 3rd May, 1899.

SIR,—I am instructed to transmit to you copy of a letter addressed to this Chamber by the British and German shipping firms of this Colony, calling attention to the manner in which the system of rewards offered by the Custom Authorities at Saigon works to the serious detriment of trade, and to ask you to lay it before His Excellency the Governor with the request that he

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will be good enough to represent the case to the Governor-General of Indo-China, to the end that the shipowners engaged in this trade may be relieved from the disability under which they now suffer.

2.—Considering that the utmost possible precautions are taken, both by the steamship owners and the masters, to prevent any smuggling of opium on board, it is certainly a striking comment on the working of the system of rewards to informers adopted at Saigon that the fines paid by British and German steamers during the past four years should have aggregated some \$60,000. The rewards offered are so large (about forty times the value of the drug) as to tempt unprincipled persons to try and arrange bogus smuggling with a view to turning informers.

3.—It would undoubtedly tend to assist the owners and masters of vessels trading in these waters if the Hongkong Government would constitute it a punishable offence for any person to convey opium on board of any steamers without the knowledge or consent of the master or the officer in charge; and to facilitate convictions, the master or one of his officers should, in the opinion of the Committee, be allowed to institute the prosecution and not the Opium Farmer.

4.—Trusting that His Excellency the Governor will be able to induce the French Authorities to adopt a system for the detection of opium that will bear less hardly upon shipowners.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. COLONIAL SECRETARY, Hongkong.

Hongkong, 26th April, 1899.

Dear Sir,—We beg to draw the Chamber's attention to the way fines are imposed on vessels at Saigon, should any opium be found on board of them not manifested, with a view to representations on the subject being made to the French authorities, so that shipowners may be relieved to a reasonable extent of the disabilities under which they now labour.

There is no doubt that smuggling does exist, but it has been shown in several instances that it is planned and carried out chiefly by people in Saigon who are induced, by the large rewards given by the Saigon authorities for discovery of any opium not manifested, to engage in this trade.

We would mention that all possible precautions are taken on the part of captains and officers to prevent smuggling, by searching passengers and their luggage when coming on board, and by searching repeatedly the vessel on the way to Saigon in order to discover any contraband, but the opium is generally so cleverly concealed that it is but seldom discovered.

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We beg to suggest that representations be made to the French authorities at Saigon, requesting them to entirely do away with the system of rewards to informers; and, if this should not be considered advisable, to reduce the rewards to such a level that informers can no longer find it a profitable business to smuggle opium on board and afterwards lay information against the steamer. We may mention that the reward given to informers is at present \$20.00 for every tael of Opium discovered, the value of such tael being about 50 cents.

We further beg to suggest that representations be made to the Hongkong Government, with a view to making it a punishable offence to bring opium on board of any steamer here without the captain's or officers' knowledge and consent, and that persons violating this rule be prosecuted by the *Captain* or his *representatives* and not by the Opium Farmer.

To illustrate the gravity of the situation, we may mention that the fines paid by British and German steamers trading between this Colony and Saigon during the last four years aggregated about \$60,000, not counting the very heavy legal expenses incurred. In not a single instance has suspicion fallen on the captain or officers as being in any way connected with the fraud.—We are, &c.,

LAUTS, WEGENER & Co.

JEBSSEN & Co.

BRADLEY & Co.

SANDER, WIELER & Co.

EAST ASIATIC TRADING Co.

G. Harling,

General Manager.

DODWELL & Co., LD.,

E. S. Whealler,

Manager.

SIEMSEN & Co.

GIBB, LIVINGSTON & Co.

BUTTERFIELD & SWIRE

MELCHERS & Co.

p.p. JARDINE MATHESON & Co.,

C. W. Dickson.

R. CHATTERTON WILCOX, Esq., Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE.

No. 812.

COLONIAL SECRETARY'S OFFICE,

HONGKONG, 19th May, 1899.

SIR,—I am directed to acknowledge the receipt of your letter of 3rd inst. and its enclosure relative to the system of rewards obtaining in Saigon for the discovery of smuggled opium on board vessels arriving at that port, and the

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abuses arising from that system, and to state that Her Majesty's Consul has been requested to make a representation on the subject to the French Authorities with a view to the adoption of a system that will bear less hardly on shipowners.

With regard to the suggestion contained in paragraph 3 of your letter, I understand that what the shipowners desire is that if the master of a vessel finds on arrival at Saigon that opium has been smuggled on board his ship by some person in Hongkong he should have power to prosecute that person on his return, but the difficulty of obtaining proof against the offending party would appear to render any such enactment of little practical use.

On the other hand, if the discovery were made prior to the departure of a vessel from Hongkong or on the voyage, legislation would appear to be unnecessary, as in the first case the master could hand the Opium over to the Police, and in the second take charge of it and inform the Customs' Authorities on arrival at Saigon.

I shall be glad to be furnished with the further observations of the Chamber on this subject for the information of His Excellency the Governor.—I have, &c.,

J. G. T. BUCKLE, p. Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 6th June, 1899.

SIR,—I beg to acknowledge receipt of your letter (No. 812) of the 19th ult. replying to the representations made by this Chamber as to the frequent and heavy fines inflicted on British and German ships at Saigon for seizures of opium at the instance of paid informers, and am instructed to express the satisfaction of the Committee at the action taken by the Government in the matter.

At the same time I would respectfully call the attention of the Government to a fresh and very recent proof of the manner in which the system adopted by the French Customs Authorities is surely rendering trade with Saigon impossible. The German steamer *Ingraban*, which had gone to that port for a cargo of rice, was on the point of leaving for Hongkong on the 19th ult., when, acting on the information laid by an informer, some Customs officers boarded the ship and discovered some opium. A Saigon paper, recording the seizure, says the officers went almost straight to the hidden contraband. The result was a heavy fine, which was subsequently reduced, but the ship was not released until after a deposit of \$12,000 had been made by the agents. The French journals at Saigon fully recognise the injustice done by the

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system of paying such large sums to informers, opening as it does the door to fraudulent concealment of small quantities of the drug on board for the purpose of giving information against the vessel.

With reference to the suggestion made in paragraph 3 of my letter of the 3rd ult., concerning which you ask for further observations, the Committee desire me to point out that if opium were discovered on board a steamer prior to departure from Hongkong the Master could, as you suggest, certainly hand the drug over to the Police, but this does not constitute the attempt to so smuggle it a punishable offence. It is true the would-be smuggler would suffer the loss of the opium, and the Opium Farmer, to whom it would presumably be handed, would be the gainer, but the offender would get off without further punishment. What is wanted is power to the master of a ship to charge the smuggler with an offence and get him fined at the Police Court for breaking the law, confiscation to follow on conviction in addition.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. COLONIAL SECRETARY.

S.S. *Propontis*,

HONGKONG, 6th June, 1899.

GENTLEMEN,—As I am anxious for the Chamber of Commerce at Hongkong to know how the British and German shipping are imposed upon at Saigon by the French Customs inasmuch as imposing fines for opium which has been secreted on board the steamers by Chinese employed on board.

I simply quote my own case, which occurred upon my last voyage to Saigon, although several steamers have been imposed upon—both German and British—as well as myself. I left Hongkong for Singapore with passengers, and from thence to Saigon to load a cargo of rice to Hongkong.

As soon as I arrived at Saigon the Customs officers came on board and said they had information of opium being secreted on board, would I give them permission to search; which I did. They found opium secreted in 3 or 4 most intricate places in the ship; nobody could have found it without information as to its whereabouts.

In all they found 263 taels of opium, on which they charged a fine of \$10,520, at the rate of \$40 per tael.

I went with our agent to interview the Commissioner of Customs with a view of asking him to reduce the fine. I was obliged to humble myself in a most derogatory manner. After a long talk we got him to reduce it to \$5,000, which fine I think most outrageous. If the French Customs

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are going to impose fines upon foreign shipping to such an enormous amount, the sooner Saigon is boycotted the better, as it is a disgrace for the Republican Government to act in such a manner to Foreign shipping, which is the mainstay of the port.

I trust that the Chamber of Commerce of Hongkong will see their way clear in rectifying an infamous imposition upon Foreign shipping by the French Customs of Saigon.—I have, &c.,

R. CRAWFORD, Master, S.S. *Propontis*.

To the CHAMBER OF COMMERCE.

COLONIAL SECRETARY'S OFFICE,

HONGKONG, 16th June, 1899.

SIR,—With reference to your letter of the 6th instant and previous correspondence relative to the hardship entailed upon British and German vessels by the system of rewards obtaining at Saigon for information leading to the discovery of smuggled opium on board such vessels, I am directed to state for the information of the Chamber that the Government proposes to deal with the matter by making the concealment of opium on board a ship a penal offence.

The draft of a Bill to the above effect will be prepared and submitted to the Chamber in due course.—I have, &c.,

J. G. T. BUCKLE, p. Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,

HONGKONG, 17th June, 1899.

DEAR SIR,—I beg to acknowledge receipt of your letter of the 6th instant giving particulars of the fine inflicted upon your steamer (the *Propontis*) at Saigon in consequence of information having been laid with the Customs there and the consequent discovery of 263 taels secreted on board.

Your case has been laid before the Committee, and is under their consideration. They have already made representations to the local Government, who are getting the whole matter brought to the notice of the French Authorities at Saigon, and taking steps to deter Chinese from concealing the drug on board vessels.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

R. CRAWFORD, Esq., Master S.S. *Propontis*.

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No. 1090.

COLONIAL SECRETARY'S OFFICE,

HONGKONG, 8th July, 1899.

SIR,—With reference to previous correspondence, I am directed to transmit for the consideration of the Chamber of Commerce the enclosed draft of a Bill entitled “An Ordinance for the prevention of the concealment of Opium on board Steamships,” and I am to enquire whether it will be sufficient to make the proposed Ordinance applicable to Steamships only, and whether the Chamber has any other suggestions to make.

I am also to enquire whether paragraph 2 of the Objects and Reasons appended to the Draft Bill correctly represents the views of the Chamber.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

No. 29 :—[5.7.99.]

A BILL

ENTITLED

An Ordinance for the prevention of the concealment of Opium on board steamships.

Be it enacted by the Governor of Hongkong, with the advice and consent of the Legislative Council thereof, as follows:—

1. This Ordinance may be cited as the Concealment of Short title. Opium Ordinance, 1899.

2. The expression “steamship” as used in this Ordinance shall mean any vessel propelled by steam. Interpretation.

3. Any person who shall conceal or secretly place any raw or prepared opium in any part of any steamship shall be liable upon summary conviction before a Magistrate to the payment of a fine not exceeding five hundred dollars and in default of payment of such fine to imprisonment for a period not exceeding six months with or without hard labour, and any opium concealed or secretly placed as aforesaid shall be seized and the Magistrate may, whether any person is charged with or convicted of any offence under this Ordinance or not, order such opium to be forfeited. Penalty for concealing opium on steamship.

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Objects and Reasons.

The object of this Ordinance is to impose a penalty upon any person found concealing opium on board of any ship.

This Ordinance has been brought forward in consequence of representations made by the Chamber of Commerce to the effect that persons have sometimes concealed opium on board of ships bound for Saigon, and that such concealment has led to very heavy fines being inflicted upon the ship on her arrival in Saigon, upon such opium being pointed out by informers there who most probably have been in communication with the actual concealers of the opium.

HENRY E. POLLOCK, Acting Attorney General.

HONGKONG GENERAL CHAMBER OF COMMERCE,

HONGKONG, 20th July, 1899.

SIR,—I beg leave to acknowledge receipt of your letters of the 8th and 18th instant, respectively, the former enclosing draft of a Bill entitled “An Ordinance for the prevention of the concealment of Opium on board steamships” for consideration by this Chamber, the latter requesting an early answer thereto.

I am now instructed to say in reply, that the Committee think the Bill will meet the case, and that it will be sufficient to make its provisions applicable to steamers only.

The statement in paragraph 2 of the Objects and Reasons appended to the Bill fairly represents the views of the Chamber on the subject.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

To Hon. J. H. STEWART LOCKHART, C.M.G., Colonial Secretary.

HONGKONG GENERAL CHAMBER OF COMMERCE,

HONGKONG, 30th August, 1899.

SIR,—Adverting to previous correspondence on the subject of the system of rewards obtaining in Saigon for the discovery of smuggled opium on board steamers arriving at that port, and referring to your letter (No. 812) of the 19th May last in which you state that Her Majesty's Consul

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had been requested to make a representation thereon to the French Authorities, I am directed to ask whether any modification of the system above mentioned has taken place as the result of such representations.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

To Hon. COLONIAL SECRETARY.

No. 1433.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 31st August, 1899.

SIR,—With reference to your letter of yesterday's date and previous correspondence, I am directed to inform you that a reply to my letter of the 17th May last has been received from Her Britannic Majesty's Consul at Saigon, and that the matter has been referred to the Secretary of State for the Colonies for his consideration.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

The Secretary to the CHAMBER OF COMMERCE.

No. 2070.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 29th November, 1899.

SIR,—With reference to previous correspondence I am directed to state for the information of your Chamber that the matter of the application of the law for the prevention of smuggling into Saigon has been represented to the French Government and is at present under its consideration.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 29th November, 1899.

SIR,—I beg to acknowledge receipt of your letter (No. 2070) of even date stating for the information of this Chamber that the matter of the application of the law for the prevention of smuggling into Saigon had been represented to the French Government and is now under its consideration.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. J. H. STEWART LOCKHART, C.M.G., Colonial Secretary.

E

The Influx of Canton Subsidiary Coins into Hongkong.

HONGKONG, 19th May, 1899.

SIR,—I am informed by numerous Chinese clients that they are daily suffering serious loss through the enormous circulation in this Colony of Chinese subsidiary coins. Shops of repute which I deal with say they lose \$200 per month and more, by having to receive these coins in retail at par, and when an accumulation of them takes place there is a loss of over 2 per cent. in exchanging them for legal notes.

It is not for me to say how this strange position of affairs has been accomplished. I have heard that the Government of Canton are prepared to issue their subsidiary coin at a discount, but this could hardly occur without a remonstrance from the Hongkong Government, who must know that such a step was likely to result in flooding Hongkong with these tokens by unscrupulous Chinese desirous of making a profit.

The fact remains that retail and small wholesale business in the place is considerably dislocated by the displacement of practically all the Hongkong subsidiary coin for that of Kwangtung.

The Chinese shopkeepers say they cannot at present refuse the Chinese coin, and ask me what they can do by way of a remedy. Possibly your Chamber might take the matter in hand and answer this question.

If the Hongkong Government were to issue an authoritative notification that there are sufficient British subsidiary coins in stock for the circulation of the Colony, and that shopkeepers need not accept Chinese coins, it might help to remedy matters.—I have, &c.,

J. GRANT SMITH.

The Chairman, HONGKONG CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 1st June, 1899.

DEAR SIR,—Your letter of the 19th ultimo calling attention to the loss caused to Chinese traders and storekeepers in being obliged to receive the subsidiary coins issued from the Canton Mint at par while, owing to the excessive influx of this currency, it is usually at a discount of over 2 per cent., came before the Committee at its monthly meeting on the 30th ultimo.

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In reply, I am directed to inform you that the question had already forced itself upon the attention of the Committee; it was referred to by the Chairman at the annual meeting in April; and it will receive further consideration with a view to endeavouring to discover a remedy.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

J. GRANT SMITH, Esq.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 20th June, 1899.

SIR,—The Committee of this Chamber have for some time had under consideration the growing evil caused by the unchecked inflow into this Colony of subsidiary silver tokens issued from the Canton Mint. These coins are supplied at a discount ranging from 1 to $2\frac{1}{2}$ per cent. to speculators, who introduce them to the Colony, and, by the aid of Chinese shroffs, force them into circulation, to the almost total exclusion of the legal subsidiary currency (of which there is now a most ample supply), thereby practically exploiting the colonial revenue and causing serious loss and inconvenience to the inhabitants. I am therefore instructed to beg you to inform His Excellency the Governor that this Chamber considers the evil has attained such dimensions as to call for an effective remedy, and that steps should at once be taken to prevent the entry and circulation in the Colony of any foreign subsidiary coins.

The Committee would be obliged if you can furnish the Chamber with a copy of the Ordinance recently passed in the Straits Settlements to exclude the Japanese silver yen from that Colony, and would like to be informed what measures were adopted to prevent the introduction of the coin there.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. COLONIAL SECRETARY.

No. 1010.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 30th June, 1899.

SIR,—I am directed to acknowledge the receipt of your letter of the 20th instant on the subject of the unrestricted influx into this Colony of subsidiary coins issued by the Canton Mint, and to state that the matter

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has been engaging the Governor's attention and that His Excellency will be glad if the Chairman of the Chamber of Commerce will accept a place on a Commission which he proposes to appoint to enquire into the subject and make recommendations.—I have, &c.,

J. G. T. BUCKLE, p. Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 3rd July, 1899.

SIR,—I beg to acknowledge receipt of your letter (No. 1010) of the 30th ultimo, informing this Chamber that the question of the subsidiary coinage, brought to its notice in the Chamber's letter of the 20th ultimo; is under the consideration of the Government, and that the Governor contemplates the appointment of a Commission, on which His Excellency hopes the Chairman of this Chamber will accept a seat.

In reply to this invitation, I am desired to say that the Chairman will be pleased to serve on such Commission.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. COLONIAL SECRETARY.

In the *Government Gazette* of 8th July, the following notification appeared:—

"His Excellency the Governor has been pleased to appoint the following to be Members of a Committee to inquire into and report on the question of subsidiary coinage in the Colony, viz.:—

"The Hon. A. M. THOMSON, (Colonial Treasurer), Chairman.

"Sir THOMAS JACKSON, Knight.

"The Hon. T. H. WHITEHEAD.

"JOHN THURBURN, Esq.

"R. M. GRAY, Esq., Chairman of the Hongkong General Chamber of Commerce."

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 25th July, 1899.

SIR,—With reference to previous correspondence on the subject of subsidiary coinage, I am directed to transmit to you for the information

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of the Chamber of Commerce a copy of a report by the Committee appointed by His Excellency the Governor to enquire into the matter.

Mr. Whitehead, who was also a member of the Committee, did not sign the report, but his views may be gathered from the enclosed copy of a minute written by him on the original draft report.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

Hongkong, July, 1899.

Sir,—We have the honour to report for His Excellency's information that we have discussed the question of Subsidiary Coinage and have passed the following resolutions, viz. :—

(1.) That an ample supply of Hongkong subsidiary coin be always kept in the Colony ; and (2) that, in view of the fact that Hongkong subsidiary coin is the only legal tender, restriction or prohibition of the import of subsidiary coin from the Canton Mint is unnecessary, and, in our opinion, impracticable.—We have, &c.,

A. M. THOMSON.

T. JACKSON.

J. THURBURN.

R. M. GRAY.

The Honourable The Colonial Secretary, &c.

Hongkong, 18th July, 1899.

Minute by Mr. Whitehead.—What is the weight and fineness of Canton coinage? If inferior, should any recommendation be made? I agree to the Resolutions, but think we should go further.

T. H. WHITEHEAD.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 25th July, 1899.

SIR,—I beg to acknowledge receipt of your despatch of this date, forwarding for the information of this Chamber a copy of the report by the Committee appointed by His Excellency the Governor to inquire into the question of the subsidiary coinage, and which shall be laid at once before my Committee.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

HON. J. H. STEWART LOCKHART, C.M.G., Colonial Secretary.

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HONGKONG, 10th August, 1899.

DEAR SIR,—With reference to the Colonial Secretary's letter (1204) of 25th ulto. to you *re* the Report signed by four of the five members of the Committee appointed by His Excellency the Governor to inquire into and report on the question of the unrestricted influx into this Colony of Subsidiary Coins issued by the Canton Mint, and more particularly to the concluding paragraph of the said letter, viz. :—

“ Mr. Whitehead, who was also a member of the Committee, did not sign the Report, but his views may be gathered from the enclosed copy of a minute written by him on the original draft Report,”

I beg to enclose for the information of the Chamber a copy of my letter of 31st ulto. to the Honourable A. M. Thomson, Chairman of the Committee on Question of Subsidiary Coinage, together with a copy of his reply. So far I have not received any further communication from the Government on the subject.—I have, &c.,

T. H. WHITEHEAD.

R. C. WILCOX, Esq., Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE.

HONGKONG, 31st July, 1899.

Dear Thomson,—In my letter of 15th inst., I said that I desired to be supplied with a memorandum showing the annual productions of subsidiary coins, detailed, of the Canton Mint 1889 to 1898 inclusive. I further asked for copies of the Ordinances and Orders-in-Council now in force regulating legal tender money in the Colony, and, if possible, an estimate of the total amount of subsidiary coins now in circulation in the Colony, including Straits, Japanese, and Chinese pieces.

In your letter in reply you inform me that you had sent these requests on to Government, but that you did not think the answer would affect the report.

So far I have received no answer to the above applications, and I shall be much obliged if you will kindly inform me why no answer has been furnished. I require same to enable me to send in a report.

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In a minute dated 18th inst., to the draft report you then sent round I wrote:—"What is the weight and fineness of Canton coinage? If inferior, should any recommendation be made? I agree to the Resolution, but think we should go further"; but so far have received no reply to my queries, and I am at a loss to understand the course of action which you have elected to follow in the matter.—I have, &c.,

T. H. WHITEHEAD.

Hon. A. M. Thomson, Chairman, Committee on Question of Subsidiary Coinage.

Treasury, 1st August, 1899.

Dear Whitehead,—I sent on all your requests to Government and will pass on your letter of yesterday as a reminder.

Four members of the Committee having been satisfied that the enquiry was complete, and you having had an opportunity of signing the Report, there was no option but to send it on.—I am, &c.,

A. M. THOMSON.

F**Official Telegraph Code Vocabulary.**

SYDNEY CHAMBER OF COMMERCE,

SYDNEY, N.S.W., 8th March, 1899.

DEAR SIR,—It having come to the knowledge of this Chamber that the International Telegraph Authorities contemplate issuing their new "Official Vocabulary" without the words being numbered, my Committee have resolved that a strong protest be entered against any "Vocabulary" in which the words are not consecutively numbered, and to invite the co-operation of other Chambers in sending similar protests to the Director at Berne. It will be readily apparent to your Chamber the many commercial advantages which a numbered Vocabulary would have for both private and figure code purposes, if the use of the words therein should be made compulsory for code messages.

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Many members of this Chamber are also of opinion that in issuing a new Vocabulary the International Telegraph Authorities should also issue a terminational order of words as a companion work, and I am to invite your views thereon. A complete terminational order of words would be of great assistance in deciphering mutilated words.—I have, &c.,

HENRY CHAS. MITCHELL, Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

Sydney Chamber of Commerce,

Sydney, N.S.W., 8th March, 1899.

Sir,—It having recently been brought to the knowledge of this Chamber that it is your intention to issue the proposed new "Official Vocabulary" without consecutive numbering of the words therein, I am directed by the Committee to enter this Chamber's strongest protest against the issue of any Vocabulary in which the words are not numbered.

It must be readily apparent to you that an unnumbered Vocabulary will be of but little commercial value, as compared with a numbered one, and as the commercial public will eventually have to pay the major portion of cost of the proposed work, they are entitled to the most perfect and useful form of issue. Excepting the absence of consecutive numbering of *all words* therein; your last issue—so far as it went—was in a decidedly acceptable form.—I have, &c.,

HENRY CHAS. MITCHELL, Secretary.

The Director, International Telegraph Administration, Berne, Switzerland.

THE EASTERN EXTENSION AUSTRALASIA AND CHINA
TELEGRAPH COMPANY, LD.

THE GREAT NORTHERN TELEGRAPH COMPANY
OF COPENHAGEN.

HONGKONG, 28th April, 1899.

DEAR WILCOX,—*Re* the forthcoming Official Vocabulary, I am sorry I have no information about the omission of the numbering. When writing to the General Manager at Singapore, I will ask him to give or obtain the information.—I have, &c.,

J. M. BECK.

R. C. WILCOX, Esq.

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THE EASTERN EXTENSION AUSTRALASIA AND CHINA
TELEGRAPH COMPANY, LD.

THE GREAT NORTHERN TELEGRAPH COMPANY
OF COPENHAGEN.

HONGKONG STATION, 14th October, 1899.

DEAR SIR,—I regret that I have not been able to reply earlier to your enquiry of some months ago regarding the question of numbering the words in the new Official Vocabulary.

I now find that according to the Official Circulars Nos. 475 and 492 issued by the International Office at Berne (copies of which have only just reached me) it is very clear that it has been decided to suppress the numbering of the words in the new edition of the Official Vocabulary. The reasons for this are given in the accompanying extracts from the Circulars, which may also be of general interest to your Committee.—I have, &c.,

J. M. BECK, Acting Manager in China.

R. CHATTERTON WILCOX, Esq., Secretary, HONGKONG GENERAL CHAMBER
OF COMMERCE.

Copy of Berne's Circular No. 475, 3rd September, 1897.

4. Le numérotage serait supprimé.

Il est de toute nécessité qu'on abandonne l'application de ce système, si l'on veut faire disparaître du Vocabulaire Officiel tous les signes essentiels d'un code. La suppression du numérotage nous a été proposée par une Administration, sur le désir formel des éditeurs et codemakers qui sont d'avis que le maintien du numérotage leur causerait de grands préjudices et cela, principalement, parce qu'il ferait supposer que le nouveau vocabulaire pourrait continuer à servir de code, ce qui est absolument contraire aux intentions de la Conférence.

La suppression du numérotage présenterait enfin un grand avantage au point de vue économique. L'insertion dans le Vocabulaire Officiel des mots des codes et des vocabulaires privés augmentera les dimensions de ce document dans de très grandes proportions. En maintenant le numérotage, l'augmentation du volume serait du double du vocabulaire actuel, tandis que sa suppression permettrait d'ajouter une colonne de plus par page et de supprimer les blancs réservés au haut de chaque page.

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Suivant l'un ou l'autre cas, le nouveau vocabulaire aurait, à raison d'environ 650,000 mots, les dimensions approximatives suivantes:—

Sans numérotage—1650 pages.

Avec „ 2000 „

(Copy.) *Circulaire No. 492.*

Vocabulaire Officiel.

BERNE, le 25 Octobre, 1898.

Monsieur le Directeur Générale,—L'élaboration de la nouvelle édition du Vocabulaire Officiel est aujourd'hui en pleine voie d'exécution et, à en juger d'après le nombre des mots déjà extraits des différents codes et vocabulaires privés, ce document atteindra certainement des proportions très considérables.

Il convient, en conséquence, de prendre dès maintenant, les dispositions nécessaires pour son impression afin que les Administrations puissent le recevoir et en prendre connaissance avant la prochaine Conférence Internationale qui se réunira à Londres en 1901.

Nous ne nous proposons pas d'adopter, pour la nouvelle édition, un format et des caractères très différents de ceux de la précédente. Quant à la distribution, l'espace que la suppression du numérotage rendra disponible, sera affecté à une sixième colonne de mots et chaque page contiendra 400 lignes.

A la Directeur Générale des Télégraphes, Eastern Extension, à Singapore.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 16th October, 1899.

DEAR SIR,—I have to acknowledge receipt of your letter of the 14th inst. replying to an inquiry by this Chamber with regard to the question of numbering the words in the new Official Code Vocabulary, and to thank you, on behalf of my Committee, for the trouble taken by you in the matter.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

J. M. BECK, Esq., Acting Manager, The E. E. A. & C. Telegraph Co., Ltd.,
The Great Northern Telegraph Co.

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Cable Rates from India.

THE CHAMBER OF COMMERCE,

MADRAS, 14th April, 1899.

DEAR SIR,—I beg to enclose copy of a letter addressed by this Chamber to the Government of India on the question of reducing the telegraph tariff between India and Europe in the hope that you will afford your influential support in the matter.—Yours, &c.,

A. E. LAWSON, Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

The Chamber of Commerce,

Madras, 25th March, 1899.

Sir,—In concluding its letter, dated the 25th January, 1897, to the Madras Government, communicating to this Chamber certain extracts from the Report of the Indian Delegates to the International Telegraph Conference held at Buda-Pesth, the Government of India stated that "it is a matter of great regret to Government that some reduction was not secured in the rates on telegrams between India and Europe, but it is hoped that the thorough discussion on the subject that has taken place will pave the way to reductions being obtained at no distant date."

Since these words were written, more than two years ago, nothing has been done by the Telegraph Companies concerned in the matter of a revision of their rates. The time has therefore come, it would seem, for the Chambers of Commerce in India, and the public generally, to again invite the co-operation of the Government of India, in a strenuous endeavour to seek relief from the exorbitant charges which are now levied.

At the Telegraph Conference at Buda-Pesth, the chief opponent to any reduction of the charges for telegraphing between India and Europe was the Eastern Telegraph Company, whose representatives stated that though the Company was most anxious to meet the wishes of the Government of India, it regretted it could not, for financial reasons, agree to risk the loss entailed by even a sixpenny reduction without some guarantee against a diminution of revenue. They further pointed out that, looking especially to the inadequacy of its Reserve Fund, the financial position of the Company was not such as to justify its facing a loss of £26,000 a year, which the stationary character of the traffic, and the negative results of a

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similar reduction made ten years previously, indicated as almost certain to ensue. The representatives also stated that the Company was on the verge of possible competition due to the laying of a Pacific cable, and advanced other reasons which seemed to the Company to justify it in maintaining its rates at the present very high level.

The Conference was productive of certain minor benefits so far as India is concerned, but this Chamber considers that adequate consideration was not given to the representations made by the Indian Delegates, and that the arguments advanced by the Eastern Telegraph Company were specious and ungenerous. The capital of that Company is about £7,300,000, but notwithstanding its magnitude it has been found possible to pay for each of the nine years to 1896-97 a dividend of $6\frac{1}{2}$ per cent., while for 1897-98 the dividend was 7 per cent. As regards the General Reserve Fund, this stood at £858,922 at the end of 1897-98 while the amount at credit of other special Funds brought the total sum in reserve up to the very considerable figure of £1,160,188. The Ordinary stock of the Company stood at the same date at £175, or 75 per cent. premium, while the $3\frac{1}{4}$ per cent. Preference stock was at 5 per cent. premium and the 4 per cent. Debenture stock at 26 per cent. premium. From these figures it seems to this Chamber that the Company is now—if it was not before—well able to face a temporary loss by reducing its charges between India and Europe, and *vice versa*.

With regard to the guarantee against loss that was sought by the Eastern Company, the Chamber would have been glad if the Government of India had been able to give it, as it is firmly convinced of the ultimate financial success of a *substantial* reduction of the charges. The effect of such a reduction is seen in the case of the reduction made in the charges between England and Australia in 1891, for the development of traffic that followed was so large and so rapid as to compensate for the estimated loss of revenue in four years. The substantial reduction in the charges to South Africa had a similar result. Both cases would thus seem to justify the Government of India in guaranteeing the Indo-European and Eastern Companies against any loss that might at first result from a reduction.

The following figures show that while the number of Indian messages has remained practically stationary since 1891-92, the Trans-Indian messages have increased upwards of 57 per cent., while as regards the total

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net value, the former show an increase of only £18,000, whereas the latter show an increase of no less than £227,590 :—

| YEAR. | INDIAN MESSAGES. | | | | TRANS-INDIAN MESSAGES. | | | | TOTALS. | | | |
|------------|------------------|------------------|----|----|------------------------|------------------|----|----|------------------|------------------|----|----|
| | Number of Words. | Total Net Value. | | | Number of Words. | Total Net Value. | | | Number of Words. | Total Net Value. | | |
| | | £ | s. | d. | | £ | s. | d. | | £ | s. | d. |
| 1891-92 .. | 2,347,250 | 360,097 | 15 | 5 | 2,240,228½ | 284,427 | 7 | 3 | 4,587,478½ | 644,525 | 2 | 8 |
| 1892-93 .. | 2,319,743 | 359,591 | 14 | 8 | 2,329,715 | 292,907 | 7 | 3 | 4,649,458 | 652,499 | 1 | 11 |
| 1893-94 .. | 2,384,673½ | 375,091 | 17 | 5 | 2,587,508½ | 329,947 | 19 | 3 | 4,972,182½ | 705,039 | 15 | 8 |
| 1894-95 .. | 2,209,446½ | 348,071 | 19 | 9 | 2,900,784½ | 368,236 | 9 | 6 | 5,110,230½ | 716,308 | 9 | 3 |
| 1895-96 .. | 2,348,530½ | 368,116 | 11 | 6 | 3,006,220½ | 471,640 | 19 | 2 | 5,954,751½ | 839,757 | 10 | 8 |
| 1896-97 .. | 2,237,249½ | 344,353 | 7 | 6 | 3,919,358½ | 515,434 | 19 | 3 | 6,137,208½ | 859,788 | 6 | 9 |
| 1897-98 .. | 2,540,809½ | 378,218 | 11 | 10 | 3,928,361½ | 512,017 | 19 | 0 | 6,469,171 | 890,236 | 10 | 10 |

The Chamber would also draw prominent attention to the anomaly of charging the sum of 4s. per word from England to India, and only 4s. 9d. from England to South Australia, or 9d. for the great distance between Madras and the Australian Continent. If the Companies concerned can between them afford to carry a message all the way to Australia for 4s. 9d., the Chamber submits that the Eastern Telegraph Company and the Indo-European Company could very well afford to carry a message between England and India for 2s. per word.

The effect of the present very high rates has been to compel the Mercantile Community to make use of Codes for the condensation of messages. These Codes have probably attained the highest degree of perfection that can be expected; hence no great expansion of traffic, under present circumstances, is likely to ensue, irrespective, that is, of any expansion of trade. But with a reduction of the charges between India and Europe, or even between India and England, and *vice versa*, by one-half, the Chamber believes that the use of Codes would not be so universally and solely resorted to as at present—for that use is attended with several disadvantages, such as the time occupied in codifying and translating telegrams and the inelasticity of the Codes—and that the general public would also resort much more largely to the cables than they can now afford to do. In these days it may well be said that business translations between distant portions of the Empire are carried on solely by means of the telegraph, and con-

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sequently, anything that can be done to cheapen that method of communication and so lessen the tax on the foreign trade of the country, is, the Chamber considers, a matter to which the Government of India may fairly be asked to again accord its powerful support.

If the Telegraph Companies remain obdurate, and decline to make substantial reductions, then the Chamber would not be indisposed to advocate the laying of another independent cable between India and England, and to ask the Government of India to guarantee the payment of interest on the capital outlay until such time as the Company that constructed it was able to show a surplus of revenue over expenditure exceeding the guarantee. But, for the present, the Chamber will do no more than request the Government to give some guarantee against loss, as was done by the Australian and South African Governments with such marked success.

In submitting this request, the Chamber does not feel that it can be charged with making an undue demand upon the resources of this country. The Government of India, in the case of the recent introduction of Imperial penny postage, has admitted the justice of extending State aid to postal communication, and what holds good in that case, holds goods with equal force, the Chamber submits, in the equally, if not more, important case of telegraphic communication.

The feeling of the Mercantile Community in respect of the injustice of the present exorbitant rates for telegraphing between India and Europe is very strong and widespread, but the monopoly enjoyed by the present Companies has been proof against attack in the past. Consequently, any action that the Government of India may again take to effect a substantial reduction of these charges—and the Chamber earnestly hopes that such action will be taken at an early date—will be widely and warmly appreciated.—I have, &c.,

S. R. TURNBULL, Chairman.

To the Secretary, Government of India, P. W. D. (Telegraphs), Calcutta.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 2nd June, 1899.

DEAR SIR,—I beg to acknowledge receipt of your letter of the 14th April enclosing copy of a despatch addressed to the Government of India on the question of reducing the Telegraph rates between India and Europe,

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and I am directed to inform you, in reply, that the matter is receiving consideration by my Committee. In the meantime, your letter and enclosure have been published in the local papers for the information of this community.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

A. E. LOWSON, Esq., Secretary, MADRAS CHAMBER OF COMMERCE.

COLOMBO, 21st June, 1899.

DEAR SIR,—I have the honour to forward a copy of a Resolution recently passed by this Chamber in connection with above, and to draw your attention to the necessity for combined action on the part of the Chambers of Commerce of the East in this matter.—I am, &c.,

R. W. DUNN, Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

Copy of Resolution referred to.

“That this Chamber considers the time has now arrived when the cost of Cable Messages between Great Britain and the East should be reduced, and they recommend that combined action be taken in conjunction with the Chambers of Commerce in India, the Straits and China, in order to accomplish it.”

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 14th August, 1899.

SIR,—I beg to acknowledge receipt of your letter of the 21st June, forwarding copy of a resolution recently passed by your Chamber in connection with the proposed reduction of cable rates between Great Britain and the East. This was carefully considered by my Committee, and, at their meeting held on the 10th instant, some resolutions, copy of which is enclosed herein, were unanimously passed, and will be forwarded to the Government for transmission to the Secretary of State for the Colonies. Copies will also be sent to the Chambers of Commerce in the East.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

The Secretary, CEYLON CHAMBER OF COMMERCE.

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HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 14th August, 1899.

SIR,—I am instructed to transmit to you copy of resolutions on the subject of the reduction of Telegraph Rates from the East to Europe unanimously passed by the Committee of this Chamber at their monthly meeting on the 10th instant, and to beg that His Excellency the Governor will be good enough to forward the same to the Right Honourable the Secretary of State for the Colonies.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. J. H. STEWART LOCKHART, C.M.G., Colonial Secretary.

Resolutions.

This Chamber, having been asked to accord its support to the effort now being made by Chambers of Commerce in India and other Eastern countries to secure a reduction in the cost of telegrams between the East and Great Britain, is heartily in sympathy with the movement, and hereby records the following resolutions:—

1.—That the rate from India to Great Britain, which is now 4s. per word, is excessive and admits of substantial reduction.

2.—That the Chamber is of opinion that a reduction of the tariff would be followed by a sensible increase in the traffic, and that, if there is any hesitation on this account, the Government should, as was done in the case of the Australian Colonies, give the Telegraph Companies a limited guarantee against loss of revenue.

3.—That the principle of cheap telegrams should follow the concession of a penny post, as it is certain to prove a powerful factor in promoting trade with the Mother Country; and that, so soon as the time seems ripe, an all-British line should be constructed between the United Kingdom and its great colonies and dependencies, either by laying a cable the whole distance, touching only at British ports, or by completion of the existing land lines.

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HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 16th August, 1899.

SIR,—I beg to forward herewith copy of resolutions, dealing with the question of the reduction of Telegraph Rates from India to Europe, which were unanimously adopted by the General Committee of this Chamber at a meeting held on the 10th instant.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.
The Secretary, MADRAS CHAMBER OF COMMERCE.

[Here follow the Resolutions printed above.]

On the 19th August, the resolutions, with circular covering letter, were likewise addressed to the Madras, Bombay, Bengal, Rangoon, Penang, Singapore, Canton, Amoy, Foochow, Shanghai, Chinkiang, Hankow, Tientsin, Kobe, Yokohama, Liverpool, London, Birmingham, Manchester, Southampton, Glasgow, Edinburgh, Dublin, Cardiff, Sydney, Melbourne, Brisbane, Adelaide, and Dunedin Chambers of Commerce.

No. 1341.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 21st August, 1899.

SIR,—In reply to your letters of the 14th and 15th instant, I am directed to inform you that copies of the correspondence have been sent to the Secretary of State for the Colonies.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.
The Secretary, CHAMBER OF COMMERCE.

YOKOHAMA FOREIGN CHAMBER OF COMMERCE,
YOKOHAMA, 24th August, 1899.

SIR,—I have to acknowledge receipt of your letter of August 15th, containing a copy of the resolutions passed by the Committee of the Hongkong Chamber dealing with the question of the reduction of Telegraph Rates from India to Europe, and to say that the same shall be placed before the Committee of this Chamber in due course.—I have, &c.,

J. G. BEALE, Secretary.
R. CHATTERTON WILCOX, Esq., Secretary. HONGKONG GENERAL CHAMBER OF COMMERCE.

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AMOY GENERAL CHAMBER OF COMMERCE,
AMOY, 31st August, 1899.

SIR,—I beg to acknowledge receipt of your communication dated 16th instant, handing me copy of resolutions dealing with the question of the reduction of Telegraph Rates from India to Europe, which were unanimously adopted by the General Committee of your Chamber on the 10th instant, and I am directed to inform you that these resolutions are most cordially endorsed by this Chamber.—I am, &c.,

J. J. DUNNE, Secretary.
The Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE.

CHAMBER OF COMMERCE,
SINGAPORE, 31st August, 1899.

SIR,—I have to acknowledge the receipt of your letter of 16th instant, forwarding copy of your Chamber's Resolution on the question of the reduction of Telegraph Rates from India to Europe, which my Committee have perused with interest.—I have, &c.,

ALEX. J. GUNN, Secretary.
R. CHATTERTON WILCOX, Esq., Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE, Hongkong.

No. 1372.

SHANGHAI GENERAL CHAMBER OF COMMERCE,
SHANGHAI, 6th September, 1899.

DEAR SIR,—I have to acknowledge the receipt of your favour of 10th ultimo, covering Resolutions that have been passed by your Chamber in favour of a reduction of Telegraphic Rates between Europe and the Far East, with which this Chamber is in entire sympathy, and I am directed by my Committee to ask what course your Chamber intends to take to carry into effect the Resolutions you have passed, and in what way this Chamber can assist you.—I am, &c.,

DRUMMOND HAY, Secretary.
R. CHATTERTON WILCOX, Esq., Secretary, CHAMBER OF COMMERCE, Hongkong.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 14th September, 1899.

SIR,—In reply to your letter of the 6th instant, in reference to the resolutions passed by my Committee on the Cable Rates from the East to Europe in which you ask what course this Chamber intends to take to

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carry into effect those resolutions, and how your Chamber can assist therein, I am directed to say that the resolutions have been widely circulated, that they have been addressed to the Secretary of State for the Colonies, and were passed with a view merely of backing up somewhat similar expressions of opinion recorded by the Ceylon and Indian Chambers of Commerce.

It is, however, the intention of this Chamber to proceed further in the matter later on, when an attempt will be made to secure a reduction in the rates charged for telegrams from Hongkong to Europe, and a copy of these resolutions will be forwarded to your Chamber when passed.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

DRUMMOND HAY, Esq., Secretary, SHANGHAI GENERAL CHAMBER OF COMMERCE.

THE LONDON CHAMBER OF COMMERCE, INCORPORATED,
BOTOLPH HOUSE, EASTCHEAP, LONDON, E.C.,
19th September, 1899.

DEAR SIR,—I have the pleasure to acknowledge, with thanks, receipt of your circular letter of the 16th August last, with copy of resolutions passed by your General Committee on the above matter. These I will bring before the members of the East India and China Trade Section of this Chamber at their next meeting.—Yours, &c.,

KENRIC B. MURRAY, Secretary.

The Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE, Hongkong, China.

ADELAIDE CHAMBER OF COMMERCE, INCORPORATED,
ADELAIDE, 16th September, 1899.

DEAR SIR,—I beg to acknowledge receipt of your letter of the 16th August, with respect to the proposed reduction in telegraph rates from India to Europe.—Yours, &c.,

J. CRESSWELL, Secretary.

The Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE, Hongkong.

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BRISBANE CHAMBER OF COMMERCE,
BRISBANE, 4th October, 1899.

DEAR SIR,—In reply to your circular letter dated the 16th August, *re* Telegraph Rates from India to Europe, I am desired to express the sympathy of this Chamber with the movement, and to point out that we are at present concentrating our endeavours to obtain the construction of the Pacific Cable with a similar object in view.—I am, &c.,

S. HOWARD, Secretary.

The Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE, Hongkong.

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Cable Rates from the Far East to Europe.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 5th October, 1899.

SIR,—I am instructed to state that, at their meeting on the 3rd inst., the Committee of this Chamber unanimously adopted a set of resolutions on the subject of the present high rates charged by the Telegraph Companies for the transmission of messages between the Far East and Europe, copies of which are enclosed herewith.

The Committee will be obliged if His Excellency the Governor will be good enough to forward a copy of these resolutions to the Right Hon. the Secretary of State for the Colonies.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

J. H. STEWART LOCKHART, C.M.G., Colonial Secretary.

Resolved—

1. This Committee, having carefully considered the cost of telegraphy and the rates charged between the Far East and Europe, are strongly of opinion that the existing Tariff is needlessly high and tends to prevent that expansion of business which, with greater facilities of communication, would inevitably take place.

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2. The rate charged between London and Hongkong is relatively much higher than that ruling for many other countries, as the following figures will show:—

| Country. | Distance (miles). | Tariff. s. d. |
|----------------------|-------------------|------------------|
| South Australia..... | 12,000 | 4.9 |
| Hongkong | 9,800 | 5.6 |
| Cyprus | 3,000 | 6½ |
| Malta | 2,280 | 4 |
| San Francisco | 6,000 | 1.6 |

This list does not exhaust the comparisons, but those given will suffice to indicate the very great differences existing. Thus, while South Australia is more than two thousand miles further distant from London than Hongkong, the rate thither is 9d. per word less, while Cyprus, which is nearly one-third the distance from England, enjoys a rate about equal to one-tenth of that of the tariff to Hongkong. Malta, which is over two thousand miles distant from England, pays even less, the rate being only 4d. per word. The tariff to San Francisco is also proportionately much lower.

3. Making all due allowances for payments for messages passing over sections of foreign lines, there can be no room for doubt that the Telegraph Companies could considerably reduce the existing rates, and there is as little doubt that the increased traffic would in great measure, if not entirely, make up for the diminished profit on the messages.

4. This Committee are further strongly of opinion that, if necessary to reduce the cost of telegraphing, the Telegraph Companies should combine to make more use of existing land lines, over which, save in exceptional cases, they would be allowed to transmit messages at low rates, as is now done, for example, between London and Constantinople. If telegrams can be despatched in Australia over a distance of three thousand miles for a penny a word, the same thing can surely be done in other more thickly populated countries.

5. The time has now arrived when substantial reductions must be made in the telegraph tariffs, or an effort will have to be made to destroy the monopoly which at present works inimically to the interests of trade

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in the Far East; and this Chamber will be prepared to join a movement having for its object the purchase by the Imperial Government of all cables connecting the outlying sections of the British Empire, to the end that a reasonable rate, within the reach of all, may be substituted for the present almost prohibitive charge.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 5th October, 1899.

SIR,—I beg leave to hand you, for the information of the Directors of your Companies, two copies of a set of resolutions adopted at their monthly meeting on the 3rd inst. by the Committee of this Chamber in reference to the tariff of rates now ruling for telegrams between the Far East and Europe.

I am instructed to invite attention to the general tendency of opinion in regard to telegraphic communication, the determination now being evinced to lay cables between the United States and the Far East, between Canada and Australia, and between Canada and Eastern Asia. The time cannot be far distant when cables will be laid across the Pacific, and what would now be a graceful and politic concession would later on be a reduction necessitated by competition.

A substantial reduction of rates would most assuredly be followed by an immediate and most substantial increase of traffic, and though for a time this might not prove quite so lucrative as under the present monopolist rates it would soon yield satisfactory profits. In any case, it is evident that if the working of ocean cables is to continue in the hands of commercial companies a modification of the existing charges is essential.

Trusting that your Companies will see that it is their interest as well as their policy to move with the times, and place in the reach of the commercial public the means of speedy communication at a rate rendering it practicable for all to make use of it,—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

J. M. BECK, Esq., Acting Manager,
E. E. A. & C. Telegraph Co., Ltd.,
Great Northern Telegraph Co.

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HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 6th October, 1899.

SIR,—I beg to enclose herewith copy of a set of resolutions unanimously adopted at a meeting of the Committee of this Chamber held on the 3rd instant.

This Chamber confidently appeals to you for support in the effort to induce the Telegraph Companies to effect a reduction in the rates now charged, which may justly be regarded as an obstruction to the development of trade.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

The Secretary, Shanghai Chamber of Commerce.

[Here follow the Resolutions as published above, attached to letter to Hongkong Government.]

Identical letters were also, on the same date, addressed to the Chambers of Commerce at Canton, Amoy, Foochow, Chinkiang, Tientsin, Hiogo, Yokohama, Singapore, Ceylon (Colombo), Rangoon, Madras, Bombay, Bengal (Calcutta), Manila, London, Liverpool, Manchester, Birmingham, Hull, Newcastle-upon-Tyne, Southampton, Cardiff, Glasgow, Edinburgh, Aberdeen, Dublin, Belfast, New York, San Francisco, Seattle, Tacoma, Chicago, Toronto, Montreal, Vancouver, Sydney, Melbourne, Brisbane, Adelaide, Hobart, Perth, Auckland, and Dunedin, N.Z.

No. 1748.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 11th October, 1899.

SIR,—I am directed to state for the information of your Chamber that a copy of your letter of the 5th instant, enclosing resolution on the subject of telegraph rates, will be transmitted to the Secretary of State for the Colonies by next mail.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

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THE EASTERN EXTENSION AUSTRALASIA
AND CHINA TELEGRAPH CO., LD.
THE GREAT NORTHERN TELEGRAPH COMPANY
OF COPENHAGEN.

HONGKONG STATION,
Hongkong, 12th October, 1899.

SIR,—I beg to acknowledge receipt of your letter dated the 5th inst. dealing with, and enclosing your Committee's resolutions on the subject of, cable rates between the Far East and Europe.

Copies of these communications are being sent to the Companies' Directors, who will, I am sure, give the matter every attention.—I am, &c.,

J. M. BECK, Acting Manager in China.

The Secretary, HONGKONG CHAMBER OF COMMERCE.

AMOI GENERAL CHAMBER OF COMMERCE,
AMOI, 12th October, 1899.

SIR,—I beg to acknowledge receipt of your letter of 6th instant enclosing copy of a set of resolutions adopted by your Chamber on the subject of the high rates charged by the Telegraph Companies.

This Chamber is in entire accord with your views and will cordially support any movement that you may initiate having as its object a reduction in the rates now charged for telegrams.—I am, &c.,

J. J. DUNNE, Secretary.

The Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE.

FOOCHOW GENERAL CHAMBER OF COMMERCE,
FOOCHOW, 21st October, 1899.

DEAR SIR,—I am desired by the Committee of this Chamber to acknowledge the receipt of your printed communication of the 6th October, with thanks, and to inform you that they heartily endorse the sentiments which your Chamber has so ably embodied in the several resolutions you have resolved to adopt in connection with *Cable Rates between The Far East and Europe*.

They further beg to express the hope that your endeavours will meet with such success as the object deserves.—I am, &c.,

JOSEPH PHILLIPS, Secretary.

The Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE, Hongkong.

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CHAMBER OF COMMERCE,
SINGAPORE, 23rd October, 1899.

DEAR SIR,—I have to acknowledge the receipt of your letter of 6th instant enclosing copy of a set of Resolutions unanimously adopted by your Committee on 3rd instant.

2. This Chamber is in fullest sympathy with the effort to obtain a substantial reduction in present rates, and my Committee have already (on 19th June) addressed the London Chamber, who have agreed to represent this Chamber in the matter.—Yours, &c.,

ALEX. J. GUNN, Secretary.

R. CHATTERTON WILCOX, Esq., Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE, Hongkong.

SHANGHAI GENERAL CHAMBER OF COMMERCE,
SHANGHAI, 27th October, 1899.

DEAR SIR,—I have to acknowledge the receipt of your letter of 6th October covering the Resolutions adopted by your Chamber in reference to a reduction of Cable Rates between the Far East and Europe, which were submitted to my Committee at their meeting yesterday, who fully agree with the Resolutions you have passed showing the excessive rates now charged. I have to inform you that my Committee are desirous of supporting you in any way possible, but they are not in a position as a cosmopolitan body of adopting your Resolution No. 5, but they will be pleased to be advised of any future action your Chamber may take.—I am, &c.,

DRUMMOND HAY, Secretary.

R. CHATTERTON WILCOX, Esq., Secretary, CHAMBER OF COMMERCE, Hongkong.

MANILA CHAMBER OF COMMERCE,
Anloague No. 8,

MANILA, 4th November, 1899.

SIR,—I beg to acknowledge receipt of your printed circular dated 6th ultimo regarding Cable Rates between the Far East and Europe.

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This communication was laid before the Committee of the Manila Chamber of Commerce yesterday, and I was instructed to thank you for same and to express the sympathy of the Committee with the first four of the resolutions adopted by your Committee, whilst they are unable to associate themselves with the last resolution.—I am, &c.,

R. CALDER SMITH, Secretary.

R. C. WILCOX, Esq., Secretary, the CHAMBER OF COMMERCE, Hongkong.

THE CHAMBER OF COMMERCE,
BOMBAY, 26th October, 1899.

DEAR SIR,—I am directed to acknowledge the receipt of your letter of the 6th instant accompanied by a copy of a Resolution adopted by your Chamber on the subject of the present charges for telegrams to Europe.

I am further instructed to forward, for the information of your Committee, copies of two letters (dated 9th March and 28th April respectively) addressed by this Chamber to the Bombay Government in the matter. I am to add that the Chamber was engaged in correspondence with all the other Indian Chambers on the subject with a view to concerted action.—Yours, &c.,

FRED. NOEL PATON, Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

Chamber of Commerce,
Bombay, 9th March, 1899.

Sir,—The principle of State aid to communication between parts of the Empire having recently received definite sanction from the institution of an Imperial penny postage, I am directed by the Committee of the Bombay Chamber of Commerce to renew the representations made to Government upon the subject of the Indo-European telegraphs.

2. If there were not, associated with the question of telegraphs, considerations foreign to the theory of posts, the official admission of the principle in regard to the latter might seem to remove all need of more than a simple request for the practical prosecution of that principle. For it is now an axiom that an Empire so dispersed as that of Britain can best mitigate the evils of dispersion by developing its means of communication.

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3. Official support is ungrudgingly given to schemes designed to promote the better acquaintance of the English peoples and their subject races. But little evident progress has been made by the persons who for fifteen years have pointed out that no true mutual understanding can be attained until the Government shall have removed the cable monopolies which at present debar the inhabitant of one part of the Empire from timely and sufficient information respecting the acts and circumstances of the persons with whom he is invited to sympathise at the other side of the world.

4. While it is unfortunately difficult to measure the malign effects wrought by telegraphic disabilities upon the progress of mere civil relations, this Chamber has in previous correspondence had the honour to show that the exorbitant charges made for telegraphy between India and the mother country impose upon the foreign trade of the dependency a tax of one-quarter to one-half per cent. It need scarcely be added that such a burden is disproportionate both to the maximum gross profits of that trade and to the actual cost of the service.

5. During the last 23 years no effective reduction of tariff has been made in respect of telegrams from India to Europe; for the trivial gold reduction has been more than counterbalanced by the fall of silver. Yet in this period enormous strides have been made in the science and cheapening of electrical art. The rate per word from India to Shanghai has been reduced from Rs. 5-11-0 in 1896 to Rs. 1-14-0 at present. That to Japan has in the same period been reduced from Rs. 7-14-0 to Rs. 3-7-0. The charge per word from England to America is one shilling. The only lines of connection upon which the public are excluded from the full benefit of those improvements or of the resultant economy are apparently those lines on which, as they bind the Empire together, lowness of rates is of especial importance.

6. In view of the preponderant importance of commercial interests both to the State and to the community, and in view of the obvious inference that charges which can be shown to press so severely upon trade and industry must retard progress, the foregoing considerations in the opinion of my Committee would by themselves justify a prompt and courageous assumption and development by Government of the cable routes for behoof of the nation, and a rigorous exercise of the Postmaster-

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General's prerogative in respect of landing rights to compel a reduction of the Indo-European rates to something like sixpence per word. That sum represents the aggregate of the charges over the various sections of the Indo-Russo-German route, plus an estimate for the intervening uncabled territory.

7. The Governments controlling the foreign sections of that route manifest a distinctive comprehension of the importance of cheap internal communication. Their rates are accordingly low; and it would probably be necessary to allow some enhancement as profit to those Governments upon alien messages in transit. But the Governments in question would be quick to see in the access of all the Indian telegraph traffic a means towards saving in their own service, and to recognise a source of profit in the continuous increase of volume which would, as this Chamber has so often contended, be induced by lowness of rates. The actual charge to the Indian customer would therefore probably be very little above the said ideal sum of sixpence per word; and it has been shown by experts that at a shilling a word the service would be not only solvent but profitable. The trivial reductions hitherto made in the charges have been largely illusory and wholly incapable of inducing any considerable expansion of traffic; but the four-per-cent. falling off in the "Private and Commercial" traffic recorded in the new Report of the Indo-European Department leaves no doubt as to what must be the ultimate effect of the present policy. A four-shilling rate not only shuts out all mere private customers, but drives commerce to the exercise of ingenuity in the elaboration of word-saving codes.

8. I am further to submit that under modern conditions it is necessary that Imperial communications should be not only perfected but safeguarded. More than one incident in recent years has brought out the facts that contingencies may rapidly arise in which national salvation will depend upon our communications, and that these may be rendered useless in an hour by that violence or conspiracy from which no international law or treaty affords effective protection. I am to represent that the time is gone when reliance might safely be placed upon any telegraph system passing under the control of nationalities with which Britain might find itself in conflict. And I am to beg that His Excellency the Governor-in-Council may be pleased to move His Excellency the Viceroy in the matter, to the

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end that the Government of India may address itself resolutely and without loss of time to the making of exclusively British cables for India, which cables, working at cost rates in the interests of the community, will induce a continuous increase in the volume of traffic, to the profit of the service, the advantage of the country's commerce, and the consolidation of national unity.

9. And I am to say, in conclusion, that if the Government of India be not prepared at present to engage in the construction of a cable or of cables the control and protection of which by England would be assured in time of war, it remains, in the opinion of my Committee, of the utmost importance, that, for the purposes of commercial expansion in time of peace, steps be taken without loss of time to complete either that route through Afghanistan which may become more practicable by virtue of the confidence subsisting between His Excellency the Viceroy and His Highness the Amir, or the alternative route through Persia.—I have, &c.,

FREDERICK NOEL PATON, Secretary.

A. ABERCROMBIE, Chairman.

Chamber of Commerce,
Bombay, 28th April, 1899.

Sir,—Under the instructions of the Committee of the Bombay Chamber of Commerce, I have the honour to acknowledge the receipt of your letter No. 230, dated 20th April, on the subject of the Indo-European telegraphs.

2. I am to say in reply that the letter of the Chamber, dated 9th March last, was written in full knowledge of the circumstances set forth in the Government of India's letter of the 25th January, 1897. Those circumstances amounted to a refusal on the part of the Common Purse to accede to the proposals for a reduction of rates. An attempt was made to justify this refusal by a declaration that "they would not admit that the demand by the public for a reduction had been demonstrated to be a real one;" but my Committee cannot recognize as final a decision arising from a misapprehension of facts so complete as is here betrayed. On the contrary they take it that the reality and indeed urgency of the demand is not now open to question. The fact that the present telegraph charges constitute a tax of from $\frac{1}{4}$ to $\frac{1}{2}$ per cent. on the total value of the import and

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export trade with Europe completely oversets the suggestion of the Companies that the rates are not high in relation to that trade. And the profits continuously made by the Companies in question and by the Government Department related to those Companies are conclusive as evidence that the said charge is more than equivalent to the services rendered.

3. The fact that any sensible reduction of rates will and must produce a proportionate increase in traffic and in the resultant trade operations appears to my Committee so obvious as to require no demonstration; and I am charged to submit that the State will, through such reduction, gain in general revenue and in fiscal vitality very much more than it could lose through temporary restriction of its telegraph proceeds.

4. The estimated profit upon the Telegraph Department for the current year is shown in the Budget as Rx. 271,200, and this under the present system goes to swell the general revenue. My Committee desire to submit that this system is an inversion of that which ought to be practised, and that the Telegraph Department which plays so large a part in the production of general revenue is entitled to, and would repay, a very large subsidy from that general revenue.

5. It has been more than once suggested that this subsidy might be made in the form of a guarantee accorded to the existing Companies against the temporary loss possibly to result from a reduction of rates; and the fact has been cited that a sweeping reduction of rates made in respect of telegrams to Australia under such a Government guarantee has resulted in a direct profit larger than that made under the higher rates previously ruling.

6. But the parallel is probably imperfect. The refusal of the Companies to assent to a reduction of rates is by well-informed persons ascribed to the fact that their existing system is incapable of dealing with and profiting by a traffic augmented in anything like the ratio of increase produced on the Australian lines. And it is believed that their failure to supplement that system is due to a consciousness that the time is gone past when a private enterprise might expect to be allowed indefinitely to press upon and paralyse the very nerves of national enterprise and prosperity. They naturally refuse to forego present profit. Nor can they be expected to yield to argument unsupported by pressure.

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7. My Committee therefore conceive that while advancing no argument likely to be recognised by the Companies as outweighing the contentions of the Common Purse, they have pointed to several considerations that not only would justify the Government of India in a renewed effort to shake the obstructive attitude of those Companies, but constitute a distinct call for some such effort. And I am to submit that in the view of this Chamber the end desired would be most advantageously and expeditiously attained by the construction by Government of an independent national cable system which will afford in time of war that security of communications in which all Chambers of Commerce must conceive themselves to be very seriously concerned.—I have, &c.,

FREDERICK NORL PATON, Secretary.

A. ABERCOMBIE, Chairman.

The Secretary to Government, Public Works Department, Bombay.

YOKOHAMA FOREIGN CHAMBER OF COMMERCE,
YOKOHAMA, 11th November, 1899.

SIR,—I beg to enclose a copy of a resolution passed at our last Committee Meeting with reference to Telegraph Tariff Rates, and shall esteem it a favour if you will be kind enough to pass it on to the authorities in support of the action already taken by your Chamber.

I may add that we are also addressing the Japanese Government on the subject with a view to soliciting their co-operation, and will advise you should they take any action in the matter.—Yours, &c.,

W. F. MITCHELL, Chairman.

To the Chairman, HONGKONG GENERAL CHAMBER OF COMMERCE.

RESOLUTION.

That the Committee of the Yokohama Foreign Chamber of Commerce are in full sympathy with the action taken by the Hongkong General Chamber of Commerce, and the Chambers of Commerce in India in reference to Telegraph Rates charged between the Far East and Europe, and are quite in accord with the reasons set forth to demonstrate that it is time a substan-

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tial reduction should be made, and to point out that Japan, which is a distance of 11,200 miles, pays a tariff of 7/10 per word, as against South Australia, 12,000 miles, 4/9.

This Committee are of opinion that if a reasonable reduction were made, it would unquestionably foster trade, thereby increasing telegraphic communication, which at present is of so costly a nature that it is only resorted to in cases of absolute necessity. It frequently happens that a telegram, which might lead to business, is not dispatched owing to the prohibitive cost, whereas were rates reduced to a reasonable level, recourse would be had to telegrams with much more frequency than is now the case.

A copy of this resolution is to be forwarded to the Hongkong General Chamber of Commerce, with a request that it may be passed through the proper channels.

W. F. MITCHELL, Chairman.

THE CHAMBER OF COMMERCE,
MADRAS, 7th November, 1899.

DEAR SIR,—I beg to acknowledge, with thanks, the receipt of your letter of the 6th ultimo, and the Resolutions which accompanied it, from which this Chamber notes with satisfaction that your Chamber has taken up the question of the reduction of cable rates to and from Europe, a question to which, as you are aware, this Chamber has already called the attention of the Government of India and the principal Chambers of Commerce in England and Scotland. This Chamber trusts that the many representations that have now been made on the subject, both by Chambers of Commerce and in the Press and Parliament, will, eventually, have the effect desired, *i.e.*, a substantial reduction from the present very high rates.—I remain, &c.,

A. E. LAWSON, Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

HIOGO AND OSAKA GENERAL CHAMBER OF COMMERCE,
HIOGO, 14th November, 1899.

DEAR SIR,—I beg to acknowledge receipt of your circular of 6th October, and the subject of Telegraph rates has been submitted to the Committee. I am instructed to say that if the Eastern Extension Company reduce

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their rates they will, no doubt, get the greater portion of the business from Japan. This Chamber desires to support you in any effort you make to obtain cheaper telegraph rates.—I am, &c.,

C. W. DIMOCK, Secretary.

R. C. WILCOX, Esq., Secretary, HONGKONG CHAMBER OF COMMERCE,
Hongkong.

CHAMBER OF COMMERCE,
RANGOON, 10th November, 1899.

DEAR SIR,—I am desired to acknowledge receipt of your letter of 6th ultimo, with copy of resolutions adopted by your Chamber, regarding cable rates between the Far East and Europe.

This Chamber has already addressed the Government of India on the subject of a reduction of telegraph rates, and fully concurs with your Chamber that the time has now arrived.—I am, &c.,

ALEX. D. WARRETT, Secretary.

The Secretary, HONGKONG CHAMBER OF COMMERCE.

BIRMINGHAM CHAMBER OF COMMERCE,
November 16th, 1899.

DEAR SIR,—I beg to acknowledge receipt of your circular letters, which were placed before my Council at their meeting yesterday.

The same have been referred to the Tariff Committee of the Chamber for consideration and report.—Yours, &c.,

W. F. HAYDON, Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

THE BOARD OF TRADE OF THE CITY OF TORONTO,
TORONTO, November 14th, 1899.

SIR,—Your circular letter of the 6th of October duly received, and same having been submitted to the Council of this Board, I am directed, in acknowledging its receipt, to say that this Board is thoroughly in accord with your Chamber in its effort to break the present monopoly in Cable Rates. To this end they have vigorously supported the efforts that have

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been made for the promotion of a Pacific Cable directly through British territory and which may now be considered an accomplished fact.—I am, &c.,

EDGAR A. WILLS, Secretary.

R. CHATTERTON WILCOX, Esq., Secretary, CHAMBER OF COMMERCE, Hongkong, China.

THE EASTERN EXTENSION, AUSTRALASIA, AND
CHINA TELEGRAPH CO., LD.,

LONDON, 22nd November, 1899.

SIR,—Your letter to our Acting Manager in China forwarding two copies of a set of Resolutions adopted by the Committee of your Chamber on the 3rd ultimo in reference to the tariff of rates now ruling for telegrams between the Far East and Europe has been submitted to my Board of Directors.

In reply I am directed to inform you that a proposal was made to Her Majesty's Government by the Eastern and Eastern Extension Companies several months ago for the general lowering of their Tariffs, but up to the present no reply has been made to the Companies on the subject.—I am, &c.,

H. E. HESSE, Manager.

R. C. WILCOX, Esq., Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE.

THE CEYLON CHAMBER OF COMMERCE, INCORPORATED,
COLOMBO, 19th December, 1899.

DEAR SIR,—I have the pleasure to hand you for your information a copy of a letter addressed to the Secretary of State for the Colonies by this Chamber *re* Reduction of Cable Rates.—Yours, &c.,

R. W. BURNS, Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

The Ceylon Chamber of Commerce, Incorporated,
COLOMBO, 26th September, 1899.

SIR,—As you are doubtless aware, there has been, during the past few years, a growing agitation over the question of telegraph cable rates between the United Kingdom and the East, and the necessity for the reduction of them.

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2.—The Ceylon Chamber of Commerce on 15th June last passed the following resolution:—"That this Chamber considers the time has now arrived when the cost of cable messages between Great Britain and the East should be reduced, and they recommend that combined action be taken in conjunction with the Chambers of Commerce in India, the Straits, and China, in order to accomplish it."

3.—Since then the Chambers of Commerce of Hongkong, Singapore, Rangoon, Calcutta, Bombay, Madras, and Upper India, have addressed the Imperial Government or its representatives, urging that steps be taken to bring about a reduction in rates, and the Ceylon Chamber desires to impress upon you the importance of this question in the interests of the Empire as a whole.

4.—The enormous importance of commercial interests to the State and to the community renders it of paramount necessity that everything that presses on trade and industry, and everything that hinders progress, should be removed. The exorbitant charges made for cable messages are of this nature, and form a tax upon the foreign trade of the Dependencies of the Empire altogether disproportionate to the maximum gross profits of that trade, and to actual cost of the services.

5.—The present rate between Ceylon and England is Rs. 3.10 per word, and practically no reduction has been made in rates for many years, notwithstanding the greater perfection of scientific appliances, which ought to contribute towards cheapening the cost of telegraphy.

6.—It is believed if a very substantial reduction were made in charges for messages, it would be followed by a large increase in messages; sufficient to cover such concession.

7.—A deputation waited on the Chancellor of the Exchequer in July last, when the views and wishes of those interested, in India and the East, were fully explained and an assurance was given that these would be laid before Government and, whether the admitted grievances are to become the subject of enquiry by a Royal Commission, or a Committee of the House of Commons, or whether Government will at once endeavour to improve the position by negotiation with the telegraph companies, failing which a linking up of existing international land lines might be adopted, it is for the Im-

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perial Authorities to decide, but the Ceylon Chamber of Commerce relies with confidence on your countenance and support being given to such action as shall be for the well-being of the best interests of the Colony.—I have, &c.,

F. M. MACKWOOD, Chairman.

The Right Honourable Joseph Chamberlain, Her Majesty's Secretary of State for the Colonies.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 19th January, 1900.

SIR,—I have to acknowledge receipt of your favour of the 22nd November last stating that the set of Resolutions adopted by my Committee on the 3rd October in reference to the tariff of rates for telegrams between the Far East and Europe now ruling had been submitted to your Directors, and informing this Chamber that a proposal had been made by your Company to the Government for a general lowering of tariff, but that up to the time of writing no reply had been received.

I am instructed now to ask if your Directors have any objection to furnish this Chamber with a copy of the letter in which the proposal referred to was made to the Government.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

To H. E. HESSE, Esq., Manager, Eastern Extension, Australasia, and China Telegraph Company, Limited.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 19th January, 1900.

DEAR SIR,—I beg to enclose herewith copy of a letter this Chamber has addressed to the Manager of your Company in London on the subject of cable rates between the Far East and Europe, and I am directed to ask if you will be good enough to inquire by wire what the reply (whether affirmative or negative) will be, in order to save time.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

F. VON DER PFORDTEN, Esq., Manager in China, Eastern Extension, Australasia, and China Telegraph Company, Limited.

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THE EASTERN EXTENSION, AUSTRALASIA, & CHINA TELEGRAPH CO., LD.,
HONGKONG, 20th January, 1900.

DEAR SIR,—In reply to your enquiry of the 19th instant, I am directed to inform you, by our Manager in London, that the Company will be only too happy to furnish the Hongkong Chamber of Commerce with a copy of the letter referred to and, if the Government approve, after being consulted, a copy will be posted at once.—I am, &c.,

F. VON DER PFORDTEN, Manager in China.
R. C. WILCOX, Esq., Secretary, CHAMBER OF COMMERCE, Hongkong.

THE CHAMBER OF COMMERCE,

SEATTLE, WASHINGTON, November 24th, 1899.

GENTLEMEN,—I am directed to forward to you the inclosed copy of resolutions presented to this body by its Committee on Legislation yesterday, and adopted by the Chamber unanimously. Your grievance seems to us a real one, but we are not sure of any action that we may take being of use to you.

I also inclose copy of the Committee's report.—Yours, &c.,

THOS. W. PROSCH, Secretary.
THE CHAMBER OF COMMERCE, Hongkong.

Be it Resolved, by the Seattle Chamber of Commerce, that in the judgment of this body that telegraphic rates to Hongkong are unnecessarily expensive and should be reduced.

And, be it further Resolved, that this Chamber direct the Secretary to communicate with the Hongkong Chamber of Commerce with a request to know in what particular direction the Chamber can be further useful or instrumental in securing the much needed reduction of Telegraphic charges.

SEATTLE, WASHINGTON, November 22nd, 1899.

GENTLEMEN,—Your Legislation Committee to which was referred under date 16th instant the communication from the Chamber of Commerce of Hongkong, seeking the co-operation of this Chamber for a reduction of Telegraph rates to that city, beg leave to submit the following report.

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In view of the growing business between Seattle merchants and their correspondents at Hongkong, this Committee recommends the adoption of a resolution in favour of a reduction of the cable and telegraphic rates to Hongkong, and further suggests that the Secretary of this Chamber report such resolution, if adopted, to the Hongkong Chamber of Commerce, with a request to know in what particular direction this Chamber can be further useful or instrumental in securing the much needed reduction of Telegraphic charges.

This Committee also noticed in the communication from Hongkong a statement that in the sparsely populated country of Australia telegrams can be sent a distance of three thousand miles for two cents a word, whereas in this populous country the charge to New York City from Seattle, about the same distance, is at the rate of one dollar for ten words, and the rate from here to San Francisco, less than one thousand miles, is sixty cents for ten words, and four cents for each extra word. The question occurs, could not this Chamber do something to secure a reduction in our present domestic high telegraphic charges.—Respectfully submitted,

ELLIS MORRISON, Chairman, Legislation Committee.
The Chamber of Commerce, City.

CHAMBER OF COMMERCE AND MANUFACTURES, (INCORPORATED BY
ROYAL CHARTER 1783),

GLASGOW, 20th December, 1899.

DEAR SIR,—I am to acknowledge receipt of your printed communication of date 8th October respecting the above, and to inform you that it was submitted to and carefully considered by the Directors of the Chamber.

The Directors felt that as the Chamber had only recently taken action with a view to the reduction of cable rates between this country and India and the Far East, it was scarcely expedient so soon to approach H. M. Government or the cable companies concerned, and therefore, while expressing cordial sympathy with the action by your Chamber, I was instructed to write you to that effect; at the same time to send for the information of your Chamber the enclosed print of a letter and relative memorandum received from the vice-chairman of the Eastern Telegraph Company, Limited, in which it is stated that the telegraph companies are willing to consider any offer which may be made for the reduction of tariffs.

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This letter and memorandum have been forwarded to the Bengal and Bombay Chambers of Commerce and have by them been submitted to the Indian Government, but so far I have not heard the result.—I am, &c.,

WILLIAM H. HILL, Secretary.

R. CHATTERTON WILCOX, Esq., Secretary, CHAMBER OF COMMERCE, Hong-kong.

THE Eastern Telegraph Company, Limited,
Winchester House, 50, Old Broad Street,
London, E. C., 8th June, 1899.

Sir,—Referring to our interview of the 1st instant, I now enclose copy of a memorandum which has been prepared with regard to the Indian Tariffs. This memorandum can be freely used, and it has been submitted to our partners, the Indo-European Telegraph Company.

I can only repeat that these companies are willing to consider any offer which may be made to them by the Indian Government for a reduction of tariffs, and are equally prepared to bear a share of and loss of revenue which may be caused by the reduction required.—Yours, &c.,

J. DENISON-PENDER, Vice-Chairman.

J. Galloway, Esq., President, Chamber of Commerce, Glasgow.

2nd June, 1899.

For some years past the companies carrying the traffic between Europe and India have been memorialised to reduce the Indian rate.

The companies have always expressed their willingness to reduce tariffs whenever experience has shown that a natural expansion of traffic has taken place, and is likely to take place, by a tariff, and have always been, and are now, willing to take a fair share in any reduction of tariff, if the Government concerned would bear a proportion of the actual loss of revenue, the companies not only bearing a share of the loss, but undertaking the extra expense of carrying any increased traffic.

The reasons which have influenced the companies with regard to the Indian tariff have been as follows :—

1.—The traffic between India and Europe has been shown by experience to be a non-expansive one, and the companies consider that it would require a very large reduction of tariff to materially increase the actual tariff carried.

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The following figures will speak for themselves. The tariff was reduced to 4s. per word on the 1st July, 1886 :—

| Words. | Revenue of Administrations owning the telegraph lines between India and Europe. |
|----------------------|---|
| 1885..... 2,158,521 | £394,270 |
| 1886..... 2,153,507 | 374,121 |
| 1887..... 2,134,002 | 342,271 |
| 1888..... 2,110,163 | 334,129 |
| 1889... .. 2,029,149 | 328,490 |
| 1890..... 2,111,456 | 338,394 |
| 1891..... 2,250,074 | 354,749 |
| 1892..... 2,300,823 | 364,196 |
| 1893..... 2,367,353 | 376,237 |
| 1894..... 2,190,102 | 347,728 |
| 1895..... 2,195,916 | 258,724 |
| 1896..... 2,180,158 | 353,683 |
| 1897..... 2,370,013 | 370,428 |
| 1898..... 2,275,371 | 365,019 |

2.—In all the correspondence which the companies have had with the merchants, who are the actual users of the telegraph, we have never had a single application for a reduction of tariff, but we have had applications to be allowed to send at a higher rate, in order that one person's telegrams might have the preference over those of others.

3.—The perfection to which the system of coding telegrams has been brought practically reduces the charge of 4s. per word to India to about 2d. per actual word sent by the merchant, a figure that cannot be called dear.

4.—If the traffic were to increase through a reduction of rate so as to recoup the companies for the total loss made, it would necessitate the laying of extra cables between Great Britain and India, a single line of which could not be laid under a million and a half of money, and, if this large increase took place, the companies would have to face this additional expenditure of capital with the consequent annual charges for interest, maintenance, and working.

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THE CHAMBER OF COMMERCE OF SAN FRANCISCO,
SAN FRANCISCO, 28th December, 1899.

DEAR SIRS,—I have the pleasure of acknowledging the receipt of your communication of the 6th of October, with a copy of a resolution in regard to cable rates, etc.

This matter was presented to a meeting of our Board of Trustees on November 14th, when a resolution was passed that the subject be referred to the two prominent telegraph companies of our country, namely, the Western Union Telegraph Company and the Postal Telegraph Cable Company, requesting their assistance.

This was accordingly done and replies received from them the purport of which was that as they were American Companies operating in the United States, they did not think they could do anything in the matter as affecting the rate between London and China. The subject was, however, again taken up by the Board of Trustees at their meeting on the 12th instant, this time considering the rate between San Francisco and China, when a resolution was passed, a copy of which I also enclose. Duly attested copies of this resolution with appropriate letters were sent to each of the above named companies. We will advise you when replies are received.

Trusting that the efforts made in behalf of cheaper rates for telegraphs to the Orient may be successful, I beg to remain,—Yours, &c.,

E. SCOTT, Secretary.

HONGKONG GENERAL CHAMBER OF COMMERCE, Hongkong, British China.

THE CHAMBER OF COMMERCE OF SAN FRANCISCO.

RESOLUTION

ADOPTED AT REGULAR MONTHLY MEETING BOARD OF TRUSTEES,
December 12th, 1899.

Whereas we believe frequent and economical communication should be maintained between business centers, and Whereas in our opinion the telegraph charges between San Francisco and China are such that they are a detriment to trade, especially do we realize this at the present time, when, should proper facilities be afforded vast opportunities are offered for the increase of our commerce with the Orient. Therefore, have the Chamber of Commerce of San Francisco

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RESOLVED that we hereby respectfully request the assistance of the Western Union Telegraph Company and the Postal Telegraph Cable Company in securing a reasonable reduction in the present high rates charged for telegrams between our City and China.

The Chamber of Commerce of San Francisco,

CHARLES NELSON, President.

E. SCOTT, Secretary.

TIENTSIN GENERAL CHAMBER OF COMMERCE,
TIENTSIN, 23rd February, 1900.

SIR,—Your two circulars dated 10th August and 6th October, relating to Telegraph Rates, were brought to the notice of this Chamber at its last meeting, and I was instructed to make you acquainted with the terms of the following resolution :—

“That this Chamber is strongly in favour of the adoption of measures that may tend to the reduction of the excessive Telegraph rates between Europe and the Far East, and its support may be relied on should steps of a definite character be undertaken having this object in view.”—I have, &c.,

JOHN H. OSBORNE, Hon. Sec.

R. CHATTERTON WILCOX, Esq., Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE.

THE EASTERN EXTENSION, AUSTRALASIA AND CHINA
TELEGRAPH CO., LD.,

HONGKONG, 16th March, 1900.

DEAR SIR,—For the information of the Hongkong Chamber of Commerce I have now the pleasure of enclosing a copy of the letter referred to in my communication to you of 13th February last.

When the above copy of the letter was posted to me from London (16th ultimo), no reply had been received by the Companies from the Secretary of the General Post Office.—I am, &c.,

F. VON DER PFORDTEN, Manager in China.

R. C. WILCOX, Esq., Secretary, CHAMBER OF COMMERCE, Hongkong.

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The Eastern Telegraph Company, Limited,

Winchester House, E.C.,

2nd August, 1899.

Sir,—I have the honour to refer to my interview with you of the 21st ultimo, and confirm the proposals I then made that the Associated Companies are prepared to negotiate with the British Government for a general reduction of tariffs to all British Colonies and Dependencies served by their lines.

I would suggest that the basis of these negotiations should be:—

- 1st. A fixed minimum of revenue for each class of traffic.
- 2nd. A gradual reduction of tariffs when such revenue averages over the fixed minimum for three years.
- 3rd. When the traffic increases so as to necessitate the laying of extra cables, the minimum revenue to be increased sufficiently to pay for the service of the extra capital, maintenance and working of the required new cables.
- 4th. All negotiations with Foreign Administrations for reduction of tariff to be undertaken by the British Government, the Companies giving all the assistance in their power.

An arrangement of this character would give the public the benefit of reductions whenever any special traffic showed development, and would enable the Government to assist in all alterations of tariffs. The arrangement is on the same lines as that offered to South Africa and Australia, and practically accepted by the former.

The Companies would, however, ask that they should be given a guarantee that they should have landing rights through all British Possessions for any additional cables that they might consider necessary for carrying traffic; that they should be able to rent subterranean lines in Great Britain at the same prices per mile as they at present pay for overhead wires, and that in all parts of the British Empire, they should be placed on terms of equality with any other Telegraph Administration that might be competing against them.

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I would suggest that the approaching Telegraph Conference would be a favourable opportunity of completing any negotiations that might be necessary with Foreign Administrations, so as to bring any reductions of tariffs into operation as soon as possible.

I should be pleased to have an interview with you to discuss any points upon which you might wish further information, perhaps some time after the holidays might be arranged, so as to give time for the proposed arrangements to be carefully considered.—I am, &c.,

J. DENISON-PENDER, Vice-Chairman.

The Secretary, General Post Office, London.

THE EASTERN EXTENSION, AUSTRALASIA AND CHINA

TELEGRAPH CO., LD.,

WINCHESTER HOUSE, 50, OLD BROAD STREET, LONDON, E.C.,

9th March, 1900.

SIR,—In reply to your letter of the 19th January last, I have to inform you that, on receipt of a telegram from our Manager at Hongkong, giving the purport of your letter under acknowledgment, we requested Her Majesty's Government to be good enough to inform us if they had any objection to our furnishing the Hongkong Chamber of Commerce with a copy of our communication to the Government embodying a proposal for a general reduction of tariffs.

On receipt of a reply from Her Majesty's Government intimating that they had no objection to this being done, we at once posted a copy to our Manager in China with a request that he would forward it to you.—I have, &c.,

J. E. HESSE, Manager.

R. CHATTERTON WILCOX, Esq., Secretary, HONGKONG CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,

HONGKONG, 9th March, 1900.

DEAR SIR,—I have the pleasure to acknowledge receipt of your esteemed favour of 16th instant, and beg to thank you, on behalf of the Committee, for copy of Mr. J. DENISON-PENDER's letter addressed to the Secretary, General Post Office, London, to which it gave cover.

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I have further to thank you for the information contained in above favour that no reply to Mr. DENISON-PENDER's letter had been received from the Post Office Authorities.—I am, &c.,

F. HENDERSON, Acting Secretary.

F. VON DER PFORDTEN, Esq., Manager in China, E. E., A. & C. Telegraph Company.

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Complaint against the Post Office.

FOOCHOW GENERAL CHAMBER OF COMMERCE,
29th July, 1899.

SIR,—On behalf of the Members of this Chamber I wish to bring the following case to your notice, asking at the same time for your valuable and kind assistance to have the recurrence of such scandalous blundering on the part of the Hongkong Post Office made impossible.

The facts of the case are briefly as follows:—The S.S. *Chingtu* left this port on the 19th June, with about 3,000 tons tea. The steamer going direct to Australia, *via* Hongkong, of course all documents, invoices, letters of advice, &c., &c., were posted by her.

This mail, as we are informed now, was landed in Hongkong and not forwarded till about 10 days later by the *Futami Maru*.

In reply to an enquiry made regarding the non-arrival of a registered cover which was wired from Melbourne, the General Post Office writes to the Postal Agent here as follows:—

“The registered cover in question arrived here ex S.S. *Chingtu* at 10 a.m. on the 21st instant. I have examined the arrival book and I find that on the morning of the 21st June there was quite a large number of arrivals from Coast Ports. The *Chingtu* left on the same day at 1 p.m. for Australia. The mail closing at 12 noon. The letter in question was not sent by the *Chingtu* as the Foochow mail was not dealt with until the Australian Mails had been closed. It was eventually forwarded to Melbourne per S.S. *Futami Maru*, 30.6.99 entered at 1 on list.

“(Signed) BARRON.”

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Comment is unnecessary and I would respectfully ask you to support us in our demand to the Hongkong General Post Office that in future mails by direct steamers to Australia or Europe are to be made up in Foochow and in no way to be interfered with in Hongkong.—I am, &c.,

G. SIEMSEN, Chairman.

To the Chairman of the HONGKONG GENERAL CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 8th August, 1899.

SIR,—I beg to hand you herewith copy of a letter received from the Foochow Chamber of Commerce, containing a complaint of the action of the Post Office in a certain case, the circumstances attending which my Committee think that you will probably be glad of the opportunity to explain.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Capt. HASTINGS, R.N., Postmaster General.

No. 567.

GENERAL POST OFFICE,
HONGKONG, 9th August, 1899.

SIR,—I have the honour to acknowledge with thanks the receipt of your letter of the 8th instant and its enclosures respecting a complaint against this office from the Foochow Chamber of Commerce, and to state that that Chamber has already addressed me directly on the subject to whom I have replied.—I am, &c.,

WM. C. H. HASTINGS, Postmaster General.

R. CHATTERTON WILCOX, Esq., Secretary,

HONGKONG GENERAL CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 14th August, 1899.

SIR,—I beg to acknowledge receipt of your despatch of the 29th ult., bringing to the notice of this Chamber a charge against the Hongkong Post Office of detention of letters to Australia which should have gone forward by the steamer in which they were despatched from Foochow.

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A copy of your letter was forwarded to the Postmaster General with a request for an explanation. To this, the enclosed reply has been received. Will you kindly furnish this Chamber with a copy of the reply referred to by Captain Hastings?—I am, &c.,

R. M. GRAY, Chairman.

To G. SIEMSEN, Esq., Chairman, FOOCHOW CHAMBER OF COMMERCE.

FOOCHOW GENERAL CHAMBER OF COMMERCE,
31st August, 1899.

SIR,—I beg to acknowledge receipt of your despatch of the 14th inst., the enclosure, however, to which you refer did not reach me.

For your information I send you herewith a copy of the reply I received from the Postmaster and our answer to the same.

Thanking you for your kind offices on our behalf,—I am, &c.,

WM. GRAHAM, Chairman.

R. M. GRAY, Esq., Chairman, HONGKONG GENERAL CHAMBER OF COMMERCE, Hongkong.

General Post Office,
Hongkong, 27th July, 1899.

Sir,—I have the honour to acknowledge the receipt of your letter of the 29th ultimo, respecting the delay in forwarding from here the registered mail ex S.S. *Chingtu*, and suggesting that authority should be given to the Postal Agent at your port to close mails by direct steamers to Australia and Europe precluding the necessity for sending them to this office.

To be accurate, the delay referred to was 9 and not 10 days; the very first opportunity offering after the *Chingtu* for despatching the mail was taken advantage of.

2. While regretting the delay that occurred on the occasion in question, I cannot admit that such delays "often occur," certainly none have occurred during the time I have been in charge of this Department, the present case being the only one within my knowledge during the past five and a half months.

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3. I shall, however, give due consideration to your request and shall so modify the present instructions, which appear to be over ten years standing, so as to meet the wishes of your Chamber.

4. It was doubtless owing to the alleged inconvenience recently caused to your firm in respect of mail matter by the above-named vessel that caused you to take up the case in your capacity as Chairman of the Foochow General Chamber of Commerce.—I am, &c.,

WM. C. H. HASTINGS, Postmaster General.

G. Siemssen, Esq., Chairman, General Chamber of Commerce, Foochow.

Copy.

Foochow General Chamber of Commerce,
Foochow, 19th August, 1899.

Dear Sir,—I have the honour to acknowledge receipt of your communication of the 27th ultimo, and thank you for your proposing to take steps to prevent recurrence of the delay complained of in the transmission of our mails through your office.

I am somewhat surprised at the remarks made in your paragraph No. 4 with reference to the motives of our late Chairman in bringing the matter forward, (which my Committee support me in thinking uncalled for), as we know they were brought forward on purely public grounds.—I am, &c.,

WM. GRAHAM, Chairman.

W. C. H. Hastings, Esq., Postmaster General, Hongkong.

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Proposed New Post Office.

HONGKONG, 17th October, 1899.

DEAR SIR,—In connection with the Estimates for next year, the following appeared in His Excellency the Governor's printed Statement, read at the meeting of the Legislative Council on Wednesday, 11th instant:—

"The most pressing public work at the present moment is the building for the New Law Courts, which blocks the way for the improvement of the Post Office, a building entirely insuf-

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ficient and unsuited for the postal requirements of the Colony. The plans for the Law Courts were returned on January 21st to London with some suggestions for improvements. I have written urging that they shall be sent out with the least possible delay."

2. In the Colonial Estimates for 1900 the Council is not asked for any vote in respect of new premises for a Post Office. It is painfully evident from the Governor's statement that the building of the new Post Office will not be commenced until the construction of the new Law Courts' Building is completed. In consequence of the unnecessary delays, vacillating and irresolute policy hitherto followed regarding the construction of the new Government Offices it is highly probable that the new Court House Building may not be completed within four years from this date, if even then. It therefore naturally follows that the new Post Office Building will not be commenced until after the Legal Departments move into their new building, say, about four years hence or in 1903. The construction of the new Post Office Building will take about two if not three years, consequently the Colony will not have a new Post Office for, say, six or seven years, or until 1905 or 1906. The present Post Office Building is and has been for some time past wholly inadequate for the Colony's requirements, badly lighted, ill ventilated, and so cramped that there is not sufficient room to sort two heavy mails at the same time. It is notorious that this is and has been for years past the actual state of affairs. With the natural increase and growth in the work of the Post Office during the next six or seven years what will it be then? The position of this important Government Department will have become positively intolerable, unworthy of and in every respect discreditable to the Colony.

3. His Excellency Sir Wm. Robinson, then Governor, appointed a Committee on 8th September, 1894, "to report on the condition of the Government Offices and the desirability of locating the various Departments under one roof." The Committee consisted of the Hon. the Director of Public Works (F. A. Cooper), the Hon. the Colonial Treasurer (A. M. Thomson), and Messrs. C. P. Chater, C.M.G., A. McConachie, and Sir T.

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Jackson. After due enquiry the members reported unanimously on 23rd November, 1896, as follows :—

"It is desirable for many reasons that the several Government Offices should be situated close together, if possible under one roof, as much loss of time and inconvenience to the public would be thereby obviated, and business greatly facilitated. Were it not for the fact that the present offices at St. John's Place are in a good structural condition, are suitably and conveniently situated for the meeting of Council, and the accommodation afforded for the Colonial Secretary's Department appears adequate, we should recommend that in any project for the erection of new buildings accommodation should be provided for that department.

"The Post Office and Treasury buildings, which had been erected in 1846, for a house for the Registrar General, on the site of the present Post Office and Treasury, and subsequently altered for the purpose of serving as a Post Office, were in 1864 found to be inadequate to meet the requirements of the Postal Department; it was therefore decided to pull them down and erect a new Post Office.

"The present main buildings, which were completed in 1867 with certain additions and alterations carried out in 1884 and 1885, consist of a ground floor and basement occupied by the Post Office and an upper floor occupied by the Treasury Department.

"The Post Office is badly lighted and ill ventilated, and the Treasury Offices are inconveniently arranged.

"The present buildings are about thirty years old and though the walls are still sound, the renewal of the internal fittings and woodwork throughout will shortly necessitate a considerable expenditure if the occupation of the building is continued.

"The accommodation in the Post Office, in spite of the recent arrangement by which the offices of Attorney General and Crown Solicitor have been placed at the disposal of the depart-

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ment, is so cramped that there is no sufficient room to sort two heavy mails at the same time, while the space devoted to the business of the Parcel Post is insufficient to secure the safe custody of parcels. In fact, the requirements of the Colony have entirely out-grown the accommodation at present available.

"For the Treasury a strong room and a stamp room are required, also a large room, easily accessible to the public, for accountants and cashiers, and better accommodation for the clerks are greatly needed."

4. The members of said Committee further unanimously reported in favour of the new Law Courts, Land Office, &c., being erected on the site on the Praya Reclamation immediately in front of the City Hall, and that the Registrar General, Treasury, Post Office and Public Works Departments should be accommodated in a new building to be erected on the site also on the new Praya Reclamation immediately to the north of that on which the new Law Courts, &c., are to be built. The two sites in question are Government land, have lain fallow for several years, and are still lying fallow.

5. Sir WM. ROBINSON's term of office expired in 1898, when he returned to England, and the Director of Public Works (Mr. COOPER) was transferred to Ceylon in 1897. General BLACK administered the Government from February to November, 1898, and a new Director of Public Works (the Hon. R. D. ORMSBY) arrived in the Colony on 20th October, 1897. In consequence of these changes, the two years' work of the Committee appointed in September, 1894, and the unanimous recommendations of its members were cast aside and in their stead the fresh proposals of the new Director of Public Works were brought forward and adopted in opposition to the reasons and arguments of the elected representatives of the people on the Legislative Council. The result is most natural—protracted, prolonged, and costly delays and the indefinite postponement of the erection of urgently needed new public offices.

6. The immediate erection of a new building suitable for the ever-increasing requirements of the Post Office in Hongkong is a matter which directly and materially affects the interests of the trade, commerce, and shipping of this growing and progressive port. Therefore let me earnestly direct

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the immediate serious attention of the Committee of the Chamber of Commerce to the extremely unsatisfactory position of affairs and the pressing urgent necessity for the Government proceeding without further delay with the building of the new Post Office on the site of Government land lying fallow on the New Praya Reclamation immediately to the north of that on which the New Law Courts are to be erected as unanimously recommended by the members of the Committee appointed in September, 1894.

7. If the building were of 4 storeys it could accommodate the Post Office, the Harbour Master, the Treasury, and the Registrar General's Office, &c. The construction thereof could be gone on with at once instead of waiting three or four years until the new Law Courts are built. The Post Office would thus be on the marine frontage and it is most desirable it should be on the Praya. This would greatly facilitate the prompt receipt, despatch, and handling of mail matter. The said site is immediately north of that on which the new Law Courts are to be built and is separated therefrom by a road 75 feet in width, on the north there is a road 75 feet wide, on the east a road 50 feet wide, and on the west there will be a proposed private lane 20 feet wide and an open turfed space, besides a road 75 feet wide. Thus, if erected on the site in question the building would have better ventilation, and far more light and air than any structure erected on the site of the present Law Courts could possibly have.

8. The Harbour Master's Office would then also be in the immediate neighbourhood and in the midst of the offices of shipping firms instead of as at present far distant therefrom. If necessary for the entrance and clearance of junks there could be, at a trifling expense, a branch of the Harbour Master's Department on the Praya opposite the junk anchorage and Sailors' Home where there is Government land available and lying fallow.

9. By utilising the two sites of Government land lying fallow on the New Praya Reclamation north of the City Hall in the manner hereinbefore mentioned, Government would have available for sale the far more valuable sites on which the present Court House, Land Office, Post Office and Harbour Master's Office stand. The present Court House, Land and Post Office site consists of 41,945 square feet at, say, \$12 per square foot, \$503,340; the site on which the Harbour Master's Office stands consists of about 9,000

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square feet value, say, \$14 per square foot, \$126,000. In addition to the latter there is the New Praya Reclamation in front thereof and on which it is proposed to erect the office for the Harbour Master's Department. If the Harbour Master's Department is accommodated in the proposed new Post Office Building the said New Reclamation in front to the north of the Harbour Master's present office would not be required and would be available for sale. It consists of about 14,500 square feet and if sold by auction would realise not less than \$14 a square foot or, say, \$203,000. These three sites if sold at auction would, there is every reason to believe, realise \$12; \$14; and \$14 per square foot respectively as hereinbefore stated, or an aggregate of \$832,340. The site on the New Praya Reclamation, immediately to the north of that on which the new Law Courts are to be erected, consists of 19,200 square feet, which, if sold at public auction, would not realise more than about \$8 per square foot or \$153,600, and the site on which the Harbour Master's Office now stands is about 9,000 square feet at, say, \$14 per square foot or \$126,000, together \$279,100, as against \$832,340 estimated to be realised for the sites on which the present Court House, Land Office, Post Office, and Harbour Master's Office stand, together with the Reclamation in front of the latter. Inland Lot No. 1542 consists of 2,567 square feet, is in the immediate vicinity of the Harbour Master's present office, and was per Government Notification No. 375 of 1st July, 1899, exposed for sale by public auction, the upset price being \$30,800, and it realised on 24th July last \$47,200, or fully \$18.38 per square foot, hence \$14 per square foot may be regarded as a not unreasonable valuation for the Harbour Master's present office and the New Praya Reclamation in front thereof.

10. The rent of the now somewhat famous building named "Beaconsfield," on which so much public money has been wastefully expended, could be saved to the Government by the addition of another storey on the building in St. John's Place in which the meetings of Council are held and in which the Colonial Secretary and Director of Public Works are accommodated. This new storey could be executed at a cost of say Twenty thousand Dollars (\$20,000) and it would give ample additional office room for the Sanitary Board, the Educational Department, &c.

11. The advantages to be derived from adopting the proposals adduced herein—to the non-biased and unprejudiced mind—are overwhelming and too obvious to need to be further demonstrated. On every ground and for

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financial reasons the building of the new Post Office, &c. should be commenced forthwith on the Government site now lying fallow immediately to the north of that on which the new Law Courts are to be erected. If the Public Works Department are unable to at once undertake the work, the Government would do well to entrust the same to local architects, who have already constructed buildings in the Colony of greater magnitude and value.

12. If the site in question to the north of that on which the new Law Courts are to be built is not now reserved for the erection thereon of the Post Office, &c., Government may at any time be asked to put it up to public auction and a buyer would probably be forthcoming.

13. The question is of such vital importance to the whole mercantile community and so materially affects the future of the trade, commerce and shipping of the Port that from my point of view the Committee would do well to call a General Meeting of the Members of the Chamber and memorialise the Secretary of State for the Colonies in favour of some such proposals as are herein stated—the Colonial Government having disregarded the unanimous recommendations of the Committee appointed in 1894 (referred to on page 4 hereof) and having decided in this matter of such grave importance to act in direct opposition to the views and the opinions of the elected representatives of the people on the Legislative Council.

14. For the information of the Ratepayers and the Community I am sending a copy of this letter to the local press. I am also forwarding a copy thereof to His Excellency the Governor for his information.—Yours, &c.,

T. H. WHITEHEAD.

R. CHATTERTON WILCOX, Esq., Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 20th October, 1899.

DEAR SIR,—I beg to acknowledge receipt of your letter of the 17th instant, on the subject of the necessity of the early erection of the projected new Post Office upon the Government site on the Praya Reclamation in proximity to the Hongkong Club.

The letter has been circulated among the Committee.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. T. H. WHITEHEAD.

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HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 3rd November, 1899.

SIR,—I beg leave to state, for the information of His Excellency the Governor, that, at yesterday's meeting of the General Committee of this Chamber, it was unanimously resolved, on the motion of Sir THOMAS JACKSON, seconded by the Hon. J. J. KESWICK :—

“That the Committee of this Chamber urge the Government to proceed immediately with the erection of a new Post Office, the present building being inadequate for the requirements of the port. At the same time they urge reorganization of the staff on a more liberal scale than that now existing.”—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. J. H. STEWART LOCKHART, C.M.G., Colonial Secretary.

No. 1937.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 8th November, 1899.

SIR,—I am directed to acknowledge the receipt of your letter of the 31st instant, transmitting a resolution passed at the meeting of the General Committee of the Chamber of Commerce held on the 2nd instant, and to state for the information of the Chamber that the question of a new Post Office is under the consideration of the Government.—I have, &c.,

A. M. THOMSON, p. Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

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Postal Facilities at the West River Ports.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 15th November, 1899.

DEAR SIR,—Will you be so good as to inform this Chamber what postal facilities there are in the West River Ports, whether letters can be registered, and whether any money order system exists?—Yours, &c.,

R. CHATTERTON WILCOX, Secretary.

Captain HASTINGS, R.N., Postmaster General.

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GENERAL POST OFFICE,
HONGKONG, 15th November, 1899.

SIR,—I have the honour to acknowledge the receipt of your letter of even date.

There are Imperial Chinese Post Offices at Wuchow, Kongmoon and Samshui (the latter only recently opened).

There is no exchange of Money Orders with Chinese Offices. Correspondence can be registered for the above named places.

The service is tri-weekly as advertised in the Mail Notices. In addition four vessels with Chinese Masters ply on the river, but as the Officer at Samshui notifies that “Owing to the present insecurity on the West River *Registered Mail Matter* will only be transmitted by steamers carrying Foreign Officers,” this office will do the same, viz., despatch registered mail by the European-officered craft only, viz., the *Wuchow*, *Samshui*, and *Sai-kong*.—I am, &c.,

W. C. H. HASTINGS, Postmaster General.

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The Piers Ordinance, 1899.

No. 965.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 15th June, 1899.

SIR,—I am directed to transmit for the consideration of the Chamber of Commerce the enclosed draft of a Bill entitled “The Piers Ordinance, 1899.”

His Excellency the Governor will be glad to receive the views of the Chamber on the proposed Ordinance at the earliest convenient date.

The Ordinance will be read for the first time at the meeting of the Legislative Council fixed for Tuesday next, the 20th instant.—I have, &c.,

J. G. T. BUCKLE, p. Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

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No. 15 :—[7.6.99.]

A BILL

ENTITLED

The Piers Ordinance, 1899.

BE it enacted by the Governor of Hongkong, with the advice and consent of the Legislative Council thereof, as follows :—

Short title. 1. This Ordinance may be cited as the Piers Ordinance, 1899.

Meaning of "pier." 2. The expression "Pier" as used in this Ordinance shall include every pier and wharf of whatever description, except a pier or wharf which belongs to the Government of this Colony or to the Naval or Military Authorities.

Rent chargeable for piers. 3. From and after the date of the passing of this Ordinance rent in accordance with the scale which is specified in the Schedule to this Ordinance shall (except in cases where rent on a higher scale is now payable to the Government by agreement) be payable to the Colonial Treasurer for the use of the Government of this Colony by the owner for the time being of any pier, whether already erected or hereafter to be erected or re-erected over Crown foreshore, notwithstanding the provisions of any Ordinance to the contrary and notwithstanding any agreement or understanding between the Government and the owner of such pier or any of his predecessors in title to the effect that no rent or rent on a lower scale should be payable in respect of such Pier.

Such rents shall be payable in advance by equal monthly instalments and, in the case of a new Pier, shall commence to be payable from the date of the granting of the licence therefor: Provided nevertheless that no rent shall be chargeable in respect of any Pier which is removed before the expiration of one calendar month from the date of the granting of the licence for its erection and that rent for such a Pier, if paid, shall be refunded.

In the case of the extension of an existing Pier the extra rent for the extra land to be covered by such extension shall commence to be payable from the date of the granting of the licence for such extension.

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In the case, however, of temporary Piers it shall be lawful for the Governor-in-Council to remit the whole or a portion of any rent which is chargeable under this section.

4. No pier shall hereafter be erected or re-erected except with the licence of the Director of Public Works, and every such Pier shall be of such design and dimensions and construction and material as shall be approved of by the Director of Public Works.

Any new pier to be of approved design, etc.

5. No alteration or extension of any Pier whatever shall at any time be made by the owner thereof except with the licence of the Director of Public Works.

Any alteration or extension to be approved.

6. The foundation, superstructure, landing-steps, roadway, and every other portion of the Pier shall at all times be maintained in a state of safety and repair by the owner.

Foundation of pier, &c., to be kept in repair.

7. The owner shall have no right of access to a Pier by water other than such as the Harbour Master shall think fit to allow.

Access to pier.

8. A green light so constructed and of such a character as to be visible from seaward on a dark night with a clear atmosphere at a distance of at least one mile shall be exhibited within six feet of the outer end of every Pier, and such light shall be erected and maintained by the owner of the Pier and at his expense, and shall be kept lighted by such owner between sunset and sunrise. Such light shall be not less than ten and not more than fifteen feet above the level of the upper surface of the Pier.

Green light to be exhibited on end of pier.

9. No buoys or moorings shall be kept or placed by the owner of any Pier otherwise than in accordance with and subject to the provisions of any Merchant Shipping Statute which may from time to time be in force in the Colony.

Restriction on buoys and moorings.

10. No Pier shall be used by any person for the storage of materials of any description, and no articles or materials or things shall remain on any Pier beyond the time actually required for their shipment or landing as the case may be.

Pier not to be used for storage.

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No building except a shelter to be erected.

11. No warehouse, shed or building of any kind, other than a shelter against the weather, shall be erected by any person on any Pier.

Owners of ferries not entitled to exclusive use of pier.

12. Steam-ferries and passenger boats shall not be entitled to make habitual use of any Pier not constructed for their sole use, but casual passengers and their luggage shall at all times have free access to any pier for the purpose of landing or embarking.

Vessel not to lie along end of pier.

13. No vessel shall lie alongside the end of any Pier.

Licence for pier not to be assigned without consent.

14. No licence given for the erection or re-erection of any Pier shall be assigned or transferred without the consent of the Director of Public Works being previously obtained in writing.

Power to order removal of pier.

15. In the event of any future extension of the Praya rendering the removal or partial removal of any Pier advisable, and in that event only, it shall be lawful for the Director of Public Works to order that such Pier shall be either partially or entirely removed by the owner and at his expense. The Director of Public Works shall alone be entitled to dictate, in the event of a partial removal of such Pier, what portions of it are to be so removed, and any such removal, whether partial or total, shall be effected by the owner within such a period as shall be ordered by the Director of Public Works in a notice in writing served upon the owner.

The cost of such removal or partial removal of any Pier shall be defrayed exclusively by the owner thereof, and no compensation will be paid by the Government for any description of loss or damage, whether direct or indirect, which the owner of such Pier may sustain by reason of any such removal or partial removal.

Power to make Regulations.

16. The Governor-in-Council shall have power to make Regulations for the erection, re-erection, alteration, extension or maintenance of Piers and generally for the further and better carrying out of the provisions of this Ordinance. Such Regulations shall be published in the Gazette.

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17. In the event of any person failing to comply with any Penalty. of the provisions of this Ordinance, or of any Regulation made thereunder, such person shall be liable to pay a fine not exceeding one hundred dollars and in default of payment of such fine to imprisonment for a period not exceeding six months, with or without hard labour, and in the event of a continued breach of any provisions of this Ordinance or of any Regulations made thereunder the person offending shall be liable to pay an additional fine of ten dollars a day for each and every day during which he shall so remain in default, and every such additional fine shall be recoverable summarily under the provisions of any Magistrates Ordinance which may from time to time be in force in the Colony.

18. The following Statutes are hereby repealed, namely, Repeals. section 68 and Schedule (D) of Ordinance 15 of 1889 and section 12 and the Schedule of Ordinance 25 of 1891.

19. From and after the date of the commencement of this Ordinance, Piers shall be exempt from the payment of rates. Piers to be exempt from rates.

20. This Ordinance shall come into force on the 1st day of July, 1899, and the new rents chargeable under section 3 of this Ordinance and the schedule shall commence to run from and including the 1st day of July, 1899. Commence-ment of Ordinance.

SCHEDULE.

Scale of annual rents chargeable under this Ordinance for encroachments of Piers over Crown Foreshore.

| | | |
|---|----|-----|
| (a.) Within the Harbour limits on the Hongkong side: | | |
| For encroachments of 500 square feet or less, | \$ | 120 |
| For encroachments exceeding 500 square feet, but not exceeding 1,000 square feet, | | 180 |
| For encroachments exceeding 1,000 square feet, but not exceeding 2,000 square feet, | | 300 |

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|--|--------|
| For encroachments exceeding 2,000 square feet, but not exceeding 3,000 square feet, | \$ 480 |
| For encroachments exceeding 3,000 square feet, but not exceeding 5,000 square feet, | 660 |
| For encroachments exceeding 5,000 square feet, but not exceeding 10,000 square feet, | 900 |
| For encroachments exceeding 10,000 square feet,... | 1,200 |

(b.) In any other place :

Half the above scale.

Objects and Reasons.

The object of this Bill is to provide for the collection of rent from the owners of piers, according to a certain fixed scale, no matter at what date and no matter under what terms and conditions such piers were erected.

The scale of rent which is specified in the schedule to this Bill is higher than that hitherto in force, but it is believed that the rate is an equitable one considering the amount of harbour space which is occupied.

Sections 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15 of the Bill are in the main merely re-enactments, with verbal alterations and modifications, of the terms recently inserted in concessions for the erection of pier, except that section 15 does not permit of the removal of a pier being ordered save in the event of any future extension of the Praya rendering such removal advisable.

Section 16 confers a general power upon the Governor-in-Council to make Regulations in furtherance of the objects of this Bill.

Section 17 lays down the penalty for breach of the provisions of the Bill or any Regulations, while section 18 effects the necessary repeals.

Section 19 provides that the new scale of rent laid down by this Ordinance shall commence to run from the 1st of July, 1899.

HENRY E. POLLOCK,
Acting Attorney General.

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HONGKONG GENERAL CHAMBER OF COMMERCE,

HONGKONG, 23rd June, 1899.

SIR,—I beg to acknowledge receipt of your letter (No. 905) of the 15th instant enclosing draft of a Bill entitled “The Piers Ordinance, 1899,” and requesting an expression of opinion thereon from the Chamber. In reply I am instructed by the Committee to remark :—

2. The time given for consideration of so important a Bill, involving large interests, is brief and quite insufficient.

3. There seems no necessity for such a measure. The rents paid hitherto have been fixed by His Excellency the Governor under an Order-in-Council, and the Committee respectfully submit that those rents are sufficient in amount.

4. The scale in the Schedule, though lower than the one proposed last year, is still very much in excess of what should be charged when it is considered that the amount is fully six times that of the Crown Rent in the Marine Lots.

5. If it were conceded that any necessity existed for this Bill, then Clause 20 ought certainly to receive an addition, something to the following effect :—“for a period of fifty years from that date, when the scale will be subject to revision.”

6. The Bill is, however, open to several other serious objections, not the least being the breach of faith in certain instances with some of the wharf owners, amounting to something in the nature of confiscation.

7. The Committee wish again to point out to the Government that many of these piers were erected mainly for the convenience of the travelling public, and that they are not now and never were intended to be a source of revenue. This is notably the case with the wharves of the River Steamboat Companies. Were these piers dispensed with and passengers and cargo landed in boats, as is done from the ocean steamers, great inconvenience would result, and the duties of the Water Police would be largely added to, while the facilities now existing for the rapid discharge and distribution of the food supplies brought in the river steamers would be much curtailed.

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8. Under all the circumstances, therefore, and having regard to the fact that any burdens laid upon wharf owners must necessarily prove obstructive to the course of trade, a tax upon shipping, and an interference with the freedom of the port, the Committee trust that His Excellency the Governor will be able to see his way to continue the system of scale of rents for wharves now existing, or with only some slight modification of the same.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.
Honourable COLONIAL SECRETARY.

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The Raw Opium Ordinance, 1899.

No. 64.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 15th June, 1899.

SIR,—I am directed to transmit for the consideration of the Chamber of Commerce the enclosed draft of a Bill entitled “An Ordinance to further amend the Raw Opium Ordinance, 1887.”

His Excellency the Governor will be glad to receive the views of the Chamber on the proposed Ordinance at the earliest convenient date.—I have, &c.,

J. G. T. BUCKLE, p. Colonial Secretary.
The Secretary, CHAMBER OF COMMERCE.

No. 12 :—[8.6.99.]

A BILL

ENTITLED

An Ordinance to further amend the Raw Opium Ordinance, 1887.

BE it enacted by the Governor of Hongkong, with the advice and consent of the Legislative Council thereof, as follows :—

1. This Bill may be cited as The Raw Opium Amendment Ordinance, 1899, and it shall be read and construed as one Ordinance with Ordinances 22 of 1887 and 22 of 1891.

Short title
and construc-
tion.

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2. Section 6 of Ordinance 22 of 1887 as amended by section 5 of Ordinance 22 of 1891 is hereby amended so as to read as follows :—

Possession of
loose opium.

“No person except the Opium Farmer shall have any loose opium other than samples not exceeding two taels in his possession or under his custody or control, and the Opium Farmer shall not have any loose opium in his possession or under his custody or control except in an opium boiling establishment which has been approved of by the Governor-in-Council.”

(See 21 of
1891, s. 10.)

3. Section 9 of Ordinance 22 of 1887 is hereby amended by inserting at the end of that section the following additional paragraph, namely :—

Storing of
opium in
warehouse
on importa-
tion.

Every person landing in the Colony any opium shall store such opium in a warehouse licensed by the Government for such purpose; and such warehouse shall be under the control of the Superintendent, and such warehouse shall be opened only in the presence of the Superintendent or his Deputy, and no opium shall be taken out of such warehouse except in the presence of the Superintendent or his Deputy, and no opium shall be removed from such warehouse except in accordance with the provisions of section 4 of this Ordinance and section 11 of the Raw Opium Ordinance, 1887.

4. Section 10 of Ordinance 22 of 1887 is hereby amended so as to read as follows :—

Export of
 chests.
Payment of
duty.

10. Every person moving opium for exportation in chests shall, before doing so, send to the Superintendent a requisition in the form of Schedule C. furnishing the particulars therein required, whereupon the Superintendent shall grant an export permit in

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the form of Schedule D. authorizing the said opium to be exported. Such person shall cause such permit to be exhibited to the Opium Farmer or his agent, and such permit shall be signed by him or his agent, and shall not be used or acted upon until it is so signed.

Moreover, every person moving opium for exportation in chests shall, before so moving it, pay to the Superintendent for the use of the Chinese Government Tariff duty and li-kin amounting to 110 Taels per chest.

In the case of opium put on board a vessel for export the master of such vessel shall furnish the Superintendent with a receipt for such opium, and such receipt shall contain full particulars of the mark, number, contents, weight, name of the shipper, name of the consignee, name of the vessel, port of destination, and the date of receipt on board.

Master of
vessel to re-
port opium.

5. The following section shall be inserted in Ordinance 22 of 1887 after section 11, and shall be numbered and lettered 11A :—

11A. The master of any ship, which arrives in the waters of this Colony with any opium on board, shall be bound, whether such opium is consigned to this Colony or to some other port, to report particulars of the mark, number, contents, weight, name of the shipper, name of the consignee, and port of destination of such opium to the Superintendent and, in the event of such master failing so to report, he shall be liable to the payment of a fine not exceeding five hundred dollars and in default of payment of such fine to imprisonment for a period not exceeding six months with or without hard labour, and such opium may be forfeited.

Repeal.

6. Section 12 of Ordinance 22 of 1887 is hereby repealed.

HENRY E. POLLOCK,
Acting Attorney General.

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No. 76.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 3rd July, 1899.

SIR,—With reference to my letter No. 64 of the 15th ultimo, I am directed to request that the early attention of the Chamber of Commerce may be given to the Draft Ordinance enclosed therewith, and that a reply may be sent as soon as possible.—I have, &c.,

J. G. T. BUCKLE, p. Colonial Secretary.
The Secretary, CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 20th July, 1899.

SIR,—I beg leave to acknowledge receipt of your despatch (No. 64) of the 15th ultimo, enclosing draft of a Bill entitled "An Ordinance to further amend the Raw Opium Ordinance, 1887," for the consideration of the Committee, and also of your letter of the 3rd instant, asking that an answer to the first might be returned as soon as possible.

With reference to the latter I am instructed to express the Committee's regret at the unavoidable delay that has taken place in the consideration of this measure, the importance of which and the possible consequences of certain of its clauses having necessitated very searching inquiries.

I am now directed to offer the subjoined observations on the Bill :—

1. Section 2. The wording of this section is somewhat obscure, and its provisions are open to grave objection as they would, if enforced, render business in other than Bengal opium impracticable. Importers are obliged to open cases of Malwa, Persian, and Turkey drug, and give samples varying from 2 to 6 taels in weight, according to quality, for the purposes of boiling and testing before purchase. Malwa is divided into various grades, soft, hard, new and old of different qualities and values, and no sale can be effected without first giving intending buyers an opportunity of testing the drug to ascertain its value, which varies in some cases as much as \$100 per chest.

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2. Section 3, amending Section 9 of Ordinance 22, making provision for the establishment of Bonded Warehouses. The opium merchants strongly urge that the practice followed in Shanghai be adopted here, substituting, however, the merchants' godowns in Hongkong for the hulks at the Treaty Port, the merchants giving similar bonds to that required in Shanghai and conforming to like regulations to those in force there.

3. Section 4. The Committee are of opinion that the second sentence of paragraph 1 of this section should be omitted. They submit that it is wholly unnecessary, and if retained would give the Opium Farmer, himself a large exporter, an unfair advantage over the merchants by placing it in his power to delay their shipments.

4. Paragraph 2 of Section 4. The Committee strongly recommend the omission of this clause in its entirety. When in their letter of the 12th August, 1898, they suggested that the Government should give its consideration to the formulation of some "other scheme which will not only provide an effective check on the import of the drug, but will trace it also to consumption or exportation," they did not intend to convey the idea that the collection of the duties should be undertaken by the Government.

For the Government to undertake such a task would not only be unnecessary, but it would lead to troublesome complications and prove vexatious to the merchants. In illustration of this assertion, I may mention that much of the opium imported—although it may not be specifically stated on the bill of lading—is really shipped for optional delivery at Hongkong or Shanghai, and the consignees here, if they wish the shipment to be continued on to the latter port, notify the carriers and pay the difference in freight. This opium would of course be manifested for Hongkong and would have to be entered again in the Shanghai manifest. Besides these optional shipments there would be the usual local shipments to Shanghai. At that port the duty is paid by the native dealer and not by the importer, and then only when it goes into consumption locally. If the opium is required elsewhere, the

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dealer merely has to tranship it, and the consignee pays duty at port of destination. Supposing the duty to be payable here, the merchants would, instead of the native dealers, be called upon to pay on every chest shipped from this port or "continued" on in the steamer, and as opium frequently remains in storage for months and even occasionally for years, the amounts paid on this account would soon accumulate. Moreover, opium on which duty had been paid here might be lost on the passage. If the Government decided to enforce the payment of this duty, such action could not fail to divert a considerable portion of the trade from Hongkong. The Committee are of opinion that all that is necessary for the Government to do, to provide an effective check on the smuggling of opium, is to establish Bonded Warehouses for the storage of the drug, making use (as previously mentioned) of the opium merchant's godowns as far as possible, and to keep an account of all opium *actually discharged* in Hongkong, furnishing the representative of the Chinese Imperial Maritime Customs with particulars of all permits issued for the export of opium.

5. Paragraph 3 of Section 4. To require the weight of the opium to be specified appears to be needless seeing that the duty is charged by the Imperial Maritime Customs by the chest. I am also to point out that the name of the consignee cannot always be stated, as bills of lading are negotiable documents and are frequently made out to order.

6. Section 5. The foregoing objections apply equally to the inclusion of the words "weight" and "name of consignee" in this section. I am further instructed to draw attention to the penalty—"imprisonment for a period not exceeding six months with or without hard labour"—to which it is proposed to subject masters of vessels for failure or omission to report arrival, which the Committee consider to be unreasonable. Finally, I am to suggest the deletion of the concluding words of this section, viz.: "and such opium may be forfeited," as being irrational.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. J. H. STEWART LOCKHART, C.M.G., Colonial Secretary.

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The Merchant Shipping Consolidation Ordinance, 1899.

No. 229.

COLONIAL SECRETARY'S OFFICE,

HONGKONG, 13th February, 1899.

SIR,—I have the honour by direction of His Excellency the Governor to forward herewith for the consideration of the Chamber of Commerce a copy of a draft Bill entitled "The Merchant Shipping Consolidation Ordinance, 1899."—I have, &c.,

J. G. T. BUCKLE, p. Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,

HONGKONG, 28th February, 1899.

SIR,—I beg to acknowledge receipt of your letter (No. 229) of the 13th instant, forwarding for the consideration of this Chamber, copy of a draft Bill entitled "The Merchant Shipping Consolidation Ordinance, 1899." The Bill is now under consideration, and I am instructed to say that the Committee will send in the result at the earliest possible date.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

THE "STAR" FERRY COMPANY, LIMITED.

HONGKONG, 12th June, 1899.

SIR,—I have the honour to bring the following facts to the notice of the Chamber of Commerce :—

- (1) This Company is possessed of two Double-Ended Ferry Boats, the "Morning" and "Guiding Star" having an Upper Deck for first class passengers.
- (2) The Government Marine Surveyor whilst agreeing that this Upper Deck is safe for the carriage of passengers, is unable to measure it for that purpose because the law gives him no power to do so.
- (3) The Government on being appealed to decline to interfere in the matter.

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- (4) The opinion of Mr. Francis, Q.C., has been taken and he agrees that the Marine Surveyor has no power to measure the deck in question.
- (5) Mr. Gillies, Messrs. Burnie and Goddard, and Captain Anderson have given it as their opinion that it is absolutely safe to carry passengers on the Upper Deck.

The position is therefore this: The Boats were specially designed for carrying passengers on the Upper Deck. Experts are of opinion that it is perfectly safe to do so and as a matter of fact they actually do carry them yet the law does not allow of the Deck being measured.

Such an anomaly is, it is considered, sufficient justification for an amendment of the law and my Directors will be much obliged if the Chamber of Commerce would embody, in the recommendations which they are making to the Government in connection with the revision of the Shipping Ordinance, a suggestion to the effect that the Upper Decks of Ferry Launches which are specially constructed for carrying passengers should be licensed accordingly.—I have, &c.,

EDWARD OSBORNE, Secretary.

R. CHATTERTON WILCOX, Esq., Secretary, GENERAL CHAMBER OF COMMERCE, Hongkong.

HONGKONG GENERAL CHAMBER OF COMMERCE,

HONGKONG, 15th June, 1899.

SIR,—Referring to the subject mentioned by me at our interview yesterday, namely, the fact that under the existing Ordinance the Marine Surveyor has no power to measure the upper decks of two of the boats employed by the Star Ferry Company, in the Kowloon Ferry Service, I now beg to forward for your consideration copy of the letter addressed to this Chamber by the Secretary of the Company.

I am sure you will agree that the present is a most favourable opportunity, by a provision in the new Bill, for measurement of Upper Decks for the removal of this anomaly.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

To Hon. H. E. POLLOCK, Acting Attorney General.



The Dangerous Goods Amendment Ordinance, 1899.

HONGKONG, 9th December, 1899.

DEAR SIR,—Referring to the new Ordinance entitled “The Dangerous Goods Amendment Ordinance of 1899,” read a first time in the Legislative Council on 30th November, we would like to draw the attention of the Committee of your Chamber to the fact that clause 5 of the Bill, as it is now enlarged, would embrace the following articles under list of “Dangerous Goods” viz. :—

Percussion Caps,
Priming Caps,
Empty Sporting Cases,

which might come in either under the denomination of “Fulminate of Mercury” or of “Ammunition of all descriptions.” These goods have hitherto been considered as not dangerous and have not been subjected to any restriction in storing or handling.

In support of the view of the more harmless character of these goods we beg to hand you enclosed copies of a letter from :—

1. Col. N. D. Magendie, H. M. Inspector of Explosives, d. d. 5.11.1885
2. Capt. J. H. Thomson, R.A., ditto d. d. 27. 9.1897

both high authorities on this question at home, in which it is stated that the Explosives Act of 1875 recognizes in the plainest and fullest manner a most marked distinction between Percussion Caps and the more dangerous explosives. Thus section 50 mentions Percussion Caps amongst the few explosives which may be kept without any licence or registration.

In our opinion, therefore, the above goods should not be classed as dangerous, and we, the undersigned, should feel much obliged if your Committee would see their way to take steps to bring this matter to the notice of the Government with a view to have the new Bill so altered as not to interfere with the above mentioned articles, and not to include them in the list of dangerous goods.

We would like also to mention that Fuzes, which are specially mentioned in the Bill, are in our opinion likewise in no way dangerous, as they



are packed quite separately and are not in any contact with Detonators.—
We are, &c.,

MEYER & Co.
SIEMSEN & Co.
CARLOWITZ & Co.
LAUTS, WEGENER & Co.
SANDER, WIELER & Co.

R. C. WILCOX, Esq., Secretary, HONGKONG CHAMBER OF COMMERCE.

Home Office,

5th November, 1885.

Gentlemen,—I have the honour to acknowledge the receipt of your letter of 4th November.

I am, of course, entirely ignorant of the considerations which have induced the Hongkong Authorities to place Percussion Caps on the same footing as Gunpowder. Such action cannot, of course, be in any way based upon or flow out of any of the provisions of the Explosives Act, 1875; for, as you are aware, that Act recognizes in plainest and fullest manner a most marked distinction between Percussion Caps and the more dangerous explosives.

Thus by section 50 Percussion Caps are among the few explosives which may be kept without any licence or registration.

Percussion Caps are not only classed in the least dangerous class (viz., Divn. 10 Class 6), but in the packing and conveying regulations they are placed under the most favourable conditions (See Order of Secretary of State 3 and 4) and are even not required to be labelled as “Explosives” at all (O. of S. of S. No. 3 Part E.S. 4c.).

Of course, Percussion Caps do not include Detonators (see Om C. 1).—
I have, &c.,

(Signed) N. D. MAGENDIE, Colonel,
H.M. Inspector of Explosives.

Messrs. Kynoch & Co., Limited, Lion Works, Witton near Birmingham.

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Home Office, Whitehall, S. W.
27th September, 1897.

Gentlemen,—I have the honour to acknowledge the receipt of yours of the 24th instant. In reply I beg to say that the position as regards Percussion Caps is exactly the same as it was at the date of Sir Vivian Magendie's letter of the 5th November, 1885. I can only repeat what was said in that letter, viz., that the Explosives Act, 1875, recognizes in the plainest and fullest manner a most marked distinction between Percussion Caps and the more dangerous explosives. Thus by section 50, Percussion Caps are among the few explosives which may be kept without any licence or registration.

Percussion Caps are not only classed in the least dangerous class (viz., Div. 1 of Class 6), but in the packing and conveying regulations they are placed under the most favourable conditions (see Orders of Secretary of State Nos. 3 and 4) and are even not required to be labelled as "Explosives" at all (O. of S. of S. No. 3 Part E.).

Of course, Percussion Caps do not include Detonators.

You are at liberty to make any use you please of this letter.—I have, &c.,

(Signed) J. H. THOMSON, Captain, R.A.,
H. M. Inspector of Explosives.

Kynoch Ltd., Lion Works, Witton near Birmingham.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 12th December, 1899.

SIR,—I have the honour to enclose, for the information of His Excellency the Governor, copies of a letter signed by the firms interested in the trade, together with enclosures, dealing with certain provisions of "The Dangerous Goods Amendment Ordinance of 1899," now under consideration by the Legislative Council. As the Committee understand that the second reading of this Bill is on the orders of the day for the Council meeting called for Thursday next, I am instructed to ask that the second reading may be postponed for a week to allow time for consideration of the provisions of the measure.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.
Honourable COLONIAL SECRETARY.

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No. 2166.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 13th December, 1899.

SIR,—In reply to your letter of the 12th instant, I am directed to inform you that His Excellency has approved of the postponement of the second reading of the Dangerous Goods Amendment Bill as requested by you on behalf of the firms interested in the trade.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.
The Secretary, CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 16th December, 1899.

SIR,—I beg to acknowledge receipt of your letter (No. 2166) of the 13th instant, and am instructed to ask you to convey the thanks of the Committee to His Excellency the Governor for consenting to postpone the second reading of the Dangerous Goods Amendment Bill.

The question was considered at the meeting of the General Committee on Thursday, when they arrived at the unanimous opinion that the articles mentioned in the letter of the firms interested in the trade as having hitherto not been classed as dangerous, viz., Percussion Caps, Priming Caps, and Empty Sporting Cases, should not be included in the list of "Dangerous Goods," and they trust the Government will, having regard to the opinions of the authorities on explosives quoted, take the same view.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.
Honourable COLONIAL SECRETARY.

No. 2188.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 16th December, 1899.

SIR,—In reply to your letter of the 16th instant, I am directed to state for the information of your Chamber that Government is prepared to make certain amendments to the Bill to amend the Dangerous Goods Ordinance in the direction indicated in the enclosures to your letter.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.
The Secretary to the CHAMBER OF COMMERCE.

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The Arms and Ammunition Amendment
Ordinance, 1899.

HONGKONG, 19th December, 1899.

DEAR SIR,—We, the undersigned firms, are interested in the trade and imports of arms and ammunition, and beg to direct the attention of the Chamber of Commerce to the proposed Bill entitled “An Ordinance to amend and consolidate the law relating to the carrying and possession of arms and ammunition” published in the *Government Gazette* of Saturday, 25th ulto. If the proposed Ordinance is passed in its present form it will assuredly and effectively serve to divert an important branch of trade from Hongkong to the neighbouring Colony of Macao. We feel sure that methods could be suggested of attaining the end the Government has in view without hurting, if not killing outright, a long-established and *bonâ fide* branch of trade.

We therefore venture to suggest your communicating with the Government and asking that the proposed measure be referred to the Chamber of Commerce for consideration and suggestions.

CARLOWITZ & Co.
SANDER, WIELER & Co.
LUTGENS, EINSTMANN & Co.
MEYER & Co.
GROSSMANN & Co.
ARNHOLD, KARBERG & Co.
RADECKER & Co.
TURNER & Co.
LAUTS, WEGENER & Co.
U. NERVEGNA & Co.
p.p. HOTZ & JACOB & Co.
H. ENGELBRECHT.

R. CHATTERTON WILCOX, Esq., Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 21st December, 1899.

SIR,—Representations having been addressed to the Committee from the firms interested in the trade and import of arms and ammunition as to the probable effect upon that trade of the Bill entitled “An Ordinance to amend

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and consolidate the law relating to the carrying and possession of Arms and Ammunition,” I am now instructed to ask the Government to be good enough to refer the proposed measure to this Chamber for consideration and suggestions.

The Committee feel confident that His Excellency the Governor will see the reasonableness of this request, as the Bill is, in its present form, calculated to adversely affect an important branch of trade.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

HON. COLONIAL SECRETARY.

No. 2223.

COLONIAL SECRETARY'S OFFICE,

HONGKONG, 22nd December, 1899.

SIR,—In reply to your letter of the 21st instant, I am directed to state for the information of your Chamber that Counsel was heard on the subject of the Arms Bill at yesterday's meeting of the Legislative Council and that his remarks are receiving the full consideration of Government.

His Excellency will, however, be glad to receive any remarks your Chamber may have to make on the subject before the next meeting of Council on Thursday, the 28th instant.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,

HONGKONG, 27th December, 1899.

SIR,—I beg to acknowledge receipt of your letter (No. 2223) of the 22nd instant, stating, with reference to the Arms and Ammunition Bill now before the Council, that Counsel was heard on the 21st instant, that his remarks were receiving the attention of the Government, but that nevertheless His Excellency the Governor would be glad to receive any suggestions the Chamber might have to make on the subject before the next meeting of Council.

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In reply, I am instructed to point out that the intervention of the Christmas holidays has rendered it impossible to get the opinions of those interested or to admit of the Committee meeting to consider the question. If, therefore, His Excellency will consent to a postponement of the Bill, my Committee would gain the necessary time to give it fair criticism.

Meantime, however, they deprecate hasty legislation in this direction, and are unanimously of opinion that, if passed in its present form, the Bill will work injustice to those engaged in the arms trade, that it will cause much irritation to the bulk of the residents by its restrictions on the possession of weapons of defence, and that it is calculated to either increase the evil it is mainly designed to prevent, or to drive the trade to neighbouring colonies.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

The Hon. COLONIAL SECRETARY.

No. 2244.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 28th December, 1899.

SIR,—In reply to your letter of yesterday's date, I am directed to inform you that in accordance with the wish of the Chamber the Governor has been pleased to postpone the further consideration of the Arms and Ammunition Bill and to state that His Excellency trusts the views of the Chamber will be received at an early date.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 30th December, 1899.

DEAR SIRS,—Referring to your letter of the 19th instant calling attention of the Chamber to the provisions of the Arms and Ammunition Amendment Bill now under consideration by the Legislative Council, I have to inform you that the Government have, in deference to the request of this Chamber, postponed the further discussion thereon for a fortnight, but have requested the Chamber to furnish their criticisms on the Bill as soon as possible.

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Will you therefore, with as little delay as possible, supply me with your objections to the Bill as it stands at present?—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

MESSRS. CARLOWITZ & Co.

„ ARNHOLD, KARBURG & Co.
„ SANDER, WIELER & Co.
„ RADECKER & Co.
„ LUTGENS, EINSTMANN & Co.
„ TURNER & Co.
„ MEYER & Co.
„ LAUTS, WEGENER & Co.
„ GROSSMANN & Co.
„ U. NERVEGNA & Co.
„ HOTZ S'JACOB & Co.

HONGKONG, 8th January, 1900.

DEAR SIR,—With reference to our letter of 19th ultimo and your favour in reply dated 30th idem in which you informed us that the Government have, in deference to the request of the Chamber, postponed the further discussion of the proposed Arms and Ammunition Ordinance, and requested you to furnish your criticisms on the Bill as soon as possible. We very greatly regret not having been able to sooner send you in our Memorandum containing the amendments we venture to suggest, our reasons in support thereof, and several suggestions. We now enclose ten printed copies of our Memorandum and we commend same to the favourable consideration of the Members of Committee.

We beg to offer the Committee of the Chamber our sincere thanks for the important services rendered us in this matter which we have no doubt will tend to promote the best interests of the Port, the freedom of which was threatened by the proposed measure.—We are, &c.,

U. NERVEGNA & Co.
RADECKER & Co.
GROSSMANN & Co.
SANDER, WIELER & Co.
LUTGENS, EINSTMANN & Co.
LAUTS, WEGENER & Co.
MEYER & Co.
CARLOWITZ & Co.
HOTZ, S'JACOB & Co.

R. C. WILCOX, Esq., Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE.

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MEMORANDUM submitted by the Importers and Wholesale Dealers in Arms and Ammunition in Hongkong on the subject of "A Bill, "entitled An Ordinance to amend and consolidate the law relating "to the carriage and possession of Arms and Ammunition."

1. There is a very extensive trade in Arms and Ammunition carried on in Hongkong. The larger and by far the more important part of that trade is a *wholesale* trade, arms and ammunition of all kinds being imported into the Colony in bulk, being stored in the Colony for longer or shorter periods according to the state of the market, and being exported from the Colony in steamers under British and foreign flags and not in junks. That export trade is carried on with Russia, Korea, Japan, China, Tonkin, and Cochin-China, the Straits Settlements, Java, Borneo and even with South America and Mexico.

2. There is also an extensive *Retail* trade, the Importers selling arms and ammunition in larger or smaller quantities to the local dealers, and the local dealers selling by retail to European customers either resident or in transit, and to Chinese, mainly small traders from neighbouring ports, casual visitors to the Colony and to the junk people.

3. It is clearly recognized that the local trade in arms and ammunition and the carrying and possession of arms and ammunition in the Colony must be regulated, but, except in so far as may be necessary for purely local purposes and for rendering the restraints on the local trade effective, there should be no interference with the wholesale trade or with the import or export of Arms and Ammunition. It is a perfectly legitimate branch of trade. It is entirely untrammelled in England. It is not forbidden by International Law. All foreign powers have the right and the power to protect themselves by making the import of arms and ammunition into their respective countries contraband. No country interferes with the trade of its own subjects in contraband, and there is no reason why the Government of this Colony should pass laws to protect Foreign countries.

4. The Importers and Wholesale Dealers in Arms are perfectly willing — (1) to take out a licence to import and deal in Arms and Ammunition ; (2) to pay a reasonable licence fee, sufficient to cover all the expenses Government may be put to in regulating the local trade ; (3) to register

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their names, places of business and godowns ; (4) to report to the Harbour Master or other proper Official, the Captain Superintendent of Police if preferred, all imports and exports of Arms and Ammunition ; (5) to keep proper stock books ; (6) to make periodical returns ; (7) to submit to examination at all reasonable times of their books and godowns by some responsible Official, and to subject themselves to penalties for any breaches of the law.

5. But the Importers and Wholesale Dealers submit that no licence fee should be levied beyond what is necessary to cover the Government expenditure ; that any higher rate is not a licence fee but a tax imposed upon the trade and an infringement of the freedom of the Port and that the additional trouble and expense thrown upon the Importers and Dealers by the stringent provisions of the Ordinance and the certain diminution of the local trade, is in itself a sufficiently heavy tax. A fee of \$100 for a Licence to Import and to deal in arms wholesale is ample ; a fee of \$10 or \$20 per annum is a sufficient licence fee to impose on Retail Dealers, whose business is likely to be seriously affected.

6. The Importers and Wholesale Dealers submit that, if their Godowns and Stores are registered and are open to the Police inspection together with their books, there is ample security that no arms will be sold or disposed of by them except for export or to Licensed Dealers, and all the restrictions on the removal and conveyance of arms and ammunition in the Colony, so far as they are concerned, are needless.

7. They suggest that any arms or ammunition that it may be necessary for them to move in the Colony whether for export or from godown to godown, or for delivery to other dealers in the Colony on sale, shall be sufficiently protected if the coolie carrying the arms or ammunition is provided with a statement properly authenticated in writing of the kind, number and quantity of the arms or ammunition or both that are being moved, of the name of the Dealer moving the arms, &c., and of their immediate destination, such statement to be on a form supplied on payment by the Government to each dealer. Where there are more coolies than two employed a Head Coolie should accompany them bearing the certificate. The requirement of the Bill that no arms or ammunition shall be moved without a removal permit or exported without an export permit is an unnecessary impediment in the way

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of business in Hongkong. It takes two or three days to get a permit as a rule and from noon on Saturday until 10 a.m. on Monday and on holidays no permit can be applied for or obtained. Much business is now done by wire, steamers remain in port but a very few days, and much valuable business is lost by the necessity of getting an export or removal permit.

8. The forfeiture of arms being moved for any purpose unaccompanied by a certificate such as is above mentioned will be in nearly all cases a more than sufficient punishment for any neglect.

9. An effective use by the Police of the power to inspect books and examine and check stocks will prevent any improper disposition of either arms or ammunition.

10. With reference to the export of arms and ammunition to China in foreign-built ships and steamers, the Importers and Dealers submit that there should be no restriction whatever. They can only go to open ports and the Imperial Maritime Customs are fully competent to protect Chinese interests at these ports and to enforce the laws of China with reference to contraband.

11. Importers and Wholesale Dealers holding licence and registered as such should not, of course, sell arms or ammunition retail in the Colony, but only to Licensed Retail Dealers.

12. It is submitted that the Ordinance would be much improved if these two classes of dealers—the Importers and Wholesale Dealers and the Retail Dealers—were dealt with separately.

13. As to the Retail Trade, it is suggested that no Wholesale Dealer should be at liberty to sell or dispose of any arms or ammunition except to Licensed Dealers. That all Retail Dealers should be licensed and registered and their names and addresses be published in *The Gazette*. That they should be required to keep Books and furnish returns like the Wholesale Dealers, and that their books and stock should be periodically examined and checked.

14. Under the existing Ordinances this examination of books and checking of stocks has never been enforced. If it had been there would have been no need for the present Bill.

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15. Retail Dealers sell in all quantities, a single rifle, or fowling piece or pistol, or a package of ammunition, or a pound of powder or a box of caps value 50 cents. It renders that trade impossible, or forces them into illegal trafficking in arms, to require every purchaser of the smallest quantity of ammunition or of the smallest fire-arm or part of a fire-arm to hold a permit to possess or carry arms or to export. It would be far better to say at once that it is intended to suppress the entire trade in arms than to harass it in this way. Thousands of Chinese come to Hongkong daily by the steamers from Canton and Macao, and by junk. Many of them are either entitled by permit from the Chinese Mandarins to have arms, or are for their own protection absolutely compelled to provide themselves with arms. Many of them are here on business only for a day. Many come one day and return the next. It is impossible for them in the time to get permits to possess, or carry, or export, and in the time what chance have they (strangers in the Colony) of getting such permit from the Captain Superintendent of Police. He is too busy to attend to them. He would refuse the permit until he had time to make inquiries and verify their statements.

16. If the provisions of the present Bill become law and are enforced the retail trade in arms will be killed dead, and with that retail trade a considerable and a valuable portion of the wholesale trade will be destroyed too, for the aggregate sale of Arms and Ammunition in the Colony by retail is very considerable in a year. The retail traders will move to Macao, and the import and wholesale trade will follow and will fall into the hands of unscrupulous persons who will make it their sole business, with the probable result that the ill-disposed both here and on the mainland will find it still more easy to procure both Arms and Ammunition. The import into the Colony of Arms and Ammunition in small quantities by junk or boat from Macao cannot be checked.

17. The following suggestions are made for the amendment of the Bill now before the Council :—

1. That it be divided into three parts. One dealing with the Importers and Wholesale Dealers. One dealing with the Retail Dealers. One regulating the carriage and possession of arms ; and that the regulations applicable to each be worked out separately.

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2. That the expression "to carry arms" be defined and limited to the carriage of arms on the person for use or ready for use, and that some other expression be introduced and defined to cover the carrying of arms in the sense of conveying them from place to place as a coolie carries arms or ammunition from shop to godown or boat, or a servant carries a gun or a belt of cartridges for his master's use. No one should carry arms in the first sense without a licence. No person conveying arms or ammunition in the second sense should be required to have more than the authorisation of the owner of the arms, who should be responsible if anything was wrong.

3. "Possession" is a word that also needs definition. There is the possession of the owner, who remains in possession, even when the arms are in the actual custody of his servant. There is possession of the servant which, if duly authorized by a person empowered to possess, ought to go free of any penalties.

4. The Captain Superintendent of Police is probably the proper person to grant licences to carry or have possession of arms. He has probably the best means of knowing who may safely be permitted to carry arms, but the period covered by the licence, the conditions on which it is granted, and the power of revocation, should be regulated by law or by Rules and Regulations made by the Governor-in-Council.

An appeal should lie to the Governor-in-Council from any refusal to grant a licence, the Captain Superintendent of Police being obliged by law on demand to state in writing his reasons for his refusal.

5. The provisions of para. 5 of the Bill are by no means clear and want defining. Under its provisions—

- (a) A man carrying a revolver in his belt ready loaded;
- (b) A coolie carrying a revolver in a case from one shop to another or to a customer, or for repairs;

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(c) A Chinaman from the mainland who has bought a dozen rounds of ammunition or a box of caps, are all in the same position and all equally need a licence to carry or possess.

6. Under section 6, sub-section (b), if a non-resident foreigner or Chinese wants to buy even a box of caps to take on board his ship or junk and not for use in the Colony the *Vendor* must obtain an export permit before he can supply what is wanted.

Why should not the purchaser, if any one, obtain this export permit? But, as already pointed out, any attempt seriously to enforce this rule will kill the retail trade in the Colony most effectually, and will not prevent one single bad character who wants to purchase weapons from providing himself with them.

7. Section 7 requires a Chinaman from the mainland who comes here one day in a junk and returns the next day and who buys a box of caps to take with him to his home to get an export permit and then when he gets on board his junk to deliver the caps to the custody of the master or mate of the junk and must return the receipt and the permit to some officer of the Government. The clause is impracticable and can properly only affect wholesale dealers. There is no provision in the Ordinance providing for the case of a man who buys a weapon in the Colony for the sole purpose of taking it out of the Colony for use in his own home.

8. Clause 8 is far too wide. It affects every person—wholesale dealer, retail dealer, person privileged or licensed—to carry arms—every one. No Member of Council can send his fowling piece to the gunsmith's to be cleaned or repaired, without a removal permit.

9. With reference to clause 10 it should be so modified so that in the case of a person *suspected* of carrying arms he should be taken at once before an inspector and searched, so that, if the suspicion was unfounded he might at once be discharged from custody, otherwise a perfectly innocent man might be detained from Saturday till Monday.

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10. The Captain Superintendent of Police should not be the person to grant or refuse licences to Dealers and Importers. Such licences should be granted by the Colonial Secretary. And there should be two classes of Licences—one for Importers and Wholesale Dealers, and one for Retail Dealers.

11. The amount of the fee payable has already been discussed.

12. There should be no power to cancel any licence once issued, except for breach of the conditions on which the licence was issued, or of some provision of the law, and after conviction. Any refusal to grant a licence should be subject to appeal, the applicant being entitled to have in writing the reasons for the refusal.

All arms and ammunition being conveyed from any part of the Colony to another, unless accompanied by a licensed person or with a certificate from the owner—a privileged person, a licensed person, a licensed Wholesale Dealer, or a licensed Retail Dealer.—giving the name of the owner, the quantity and kind of arms or ammunition conveyed, and the destination; otherwise arms liable to be forfeited, and the bearer if unable to account for his possession punishable.

Removal permits impracticable. Think of a removal permit being required to enable a man to get a packet of cartridges conveyed by a coolie from a store to his house.

The requirement of a certificate will render boxes and labels unnecessary.

Section 20 should be so modified as to authorize any Police Constable to convey any suspected person to a Station there to have his box or package opened and searched.

Section 22 requires modification to provide for the case of European passengers of standing and position, persons licensed or privileged to carry arms in Hongkong from being exposed to have their persons examined and their baggage searched for arms. It puts it in the power of a disagreeable ship's captain to grossly insult and annoy a passenger against whom he had any ill-

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feeling. It is too big a power to give any man, especially when coupled with the power to arrest. It is given to all masters of all vessels of any nationality, even Chinese junks, and might be used to deprive passengers of the means of self-defence and to leave them at the mercy of pirates.

It wants very strict limitation.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 10th January, 1900.

SIR,—I have now the pleasure of forwarding a copy of the suggestions offered by the firms interested in the Arms trade on the Bill for the amendment of the Arms and Ammunition Ordinance now under consideration by the Legislative Council, and at the same time must beg you to excuse the unavoidable delay in its transmission.

I am instructed by the Committee to state that they trust His Excellency the Governor will see his way to give full consideration to the amendments to the Bill suggested in the enclosed memorandum, which has been compiled by those who are thoroughly conversant with all the aspects and conditions of the trade.

With regard to the proposed fee for a licence to import and deal in arms and ammunition, the amount fixed, viz., \$1,200, appears to the Committee to be altogether excessive. The Government, it is presumed, in raising the fee from \$10 is influenced by two reasons: on the one hand, to cover the expense of working the provisions of the Ordinance; and, on the other hand, to ensure the respectability of the licensees. My Committee submit that those objects might be attained by fixing the fee at some reasonable figure, and therefore strongly recommend this point to the reconsideration of the Government.

The exemptions in Clause 5 of the Bill to those persons required to obtain a licence to bear or carry arms should, the Committee think, be extended to all Jurors, Common as well as Special. Because (as mentioned in the statement of objects and reasons appended to the Bill) one Common

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Juror has abused the privilege is surely a very inadequate pretext for inflicting hardship on all the rest. To meet cases of that kind, a clause might be introduced into the Bill making such abuse punishable by fine and loss of the privilege in perpetuity.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

To Hon. COLONIAL SECRETARY.

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Medical Inspection and Quarantine.

The Government have under different dates forwarded for inspection by the Chamber the original telegrams and letters conveying information to the effect :—

10th April.—Japanese Consul advises decision of Japanese Government to enforce medical inspection, on and after 4th April, at Yokohama, Kobe, and Nagasaki, against all vessels arriving from or through Hongkong.

11th April.—In continuation of above, adding that it will be against “all vessels arriving at above ports from or through Hongkong with cattle or sheep, or their bones, hides, &c. on board.”

18th April.—Telegram from H.B.M.’s Consul, Shanghai :—“Medical inspection of vessels arriving from Hongkong and Formosa from 22nd April.”

30th May.—Telegram from H.B.M.’s Consul, Alexandria, dated 29th May :—“Plague rules imposed in Egypt against arrivals from Hongkong.”

31st May.—Telegram from Colonial Secretary, Singapore :—“Bubonic plague in China. Coolie emigration to Straits has been suspended.”

7th June.—Notifications from Government of India :—

13th March, announcing enforcement Venice Convention regulations in Calcutta and Chittagong against Hongkong.

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18th March, declaring Mecca and whole littoral of the Hedjaz between Lith and Yambo, exclusive of both places, infected and stating that quarantine against vessels arriving therefrom would be enforced in Calcutta and Chittagong.

10th May, adding that the quarantine restrictions above would be extended to arrivals from Lith and Yambo.

28th June.—Forwarding notification from Straits Settlements Government, dated 14th June, declaring Penang to be infected on account of plague and imposing nine days’ quarantine on arrivals from that port.

HONGKONG GENERAL CHAMBER OF COMMERCE,

HONGKONG, 13th September, 1899.

SIR,—I am directed to ask you to be good enough to draw the attention of His Excellency the Governor to the facts that, although the bubonic plague has for some time ceased to be epidemic in this Colony, no modification of the quarantine imposed on vessels arriving at Singapore from this port has yet been made, and that the prohibition against immigration from Hongkong is still in force.

The returns published for the week ended the 9th instant show that 13 cases of plague and 12 deaths only were reported for that period, while for the following two days only 2 cases and one death were reported. The Committee are of opinion, therefore, that the disease can now only be considered sporadic and may cease altogether in a few days.

Arrivals from Hongkong at Manila are not quarantined, but merely subjected to inspection, and the Committee learn that it is also the intention of the Bangkok authorities to withdraw quarantine against Hongkong.

The Committee therefore respectfully suggest that the Government of the Straits Settlements be communicated with, either by telegraph or by letter, asking them to modify the present restrictions and to withdraw the prohibition on immigration from this Colony.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

The Hon. COLONIAL SECRETARY.

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No. 1588.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 20th September, 1899.

SIR,—I am directed to acknowledge the receipt of your letter of the 15th instant, and to state for the information of the Chamber of Commerce that a telegram has been sent to the Government of the Straits Settlements on the subject of removing restrictions on shipping from Hongkong.

A copy of your letter has also been sent to Singapore.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.
The Secretary, CHAMBER OF COMMERCE.

No. 1698.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 4th October, 1899.

SIR,—In reference to my letter No. 1588 of the 20th ultimo, I am directed to transmit for the information of your Chamber the enclosed copy of a letter from the Colonial Secretary, Singapore, on the subject of quarantine at that port.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.
The Secretary, CHAMBER OF COMMERCE.

Colonial Secretary's Office,
Singapore, 21st September, 1899.

Sir,—I am directed by the Governor of the Straits Settlements to acknowledge the receipt of your telegram of the 18th instant in the following terms:—

"Chamber of Commerce urges abolition plague restrictions shipping plague now sporadic,"
and to state that this Government is anxious to terminate the state of quarantine as soon as it may be considered safe to do so, but is not prepared at the present moment to relax the precautionary measures instituted against the importation of plague from Hongkong without more information than it now has at its disposal.—I have, &c.,

J. A. SWETTENHAM, Colonial Secretary, S. S.
The Hon. Colonial Secretary, Hongkong.

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HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 5th October, 1899.

SIR,—I beg to acknowledge receipt of your letter of the 4th instant, transmitting copy of the reply of the Straits Settlements Government to your telegram of the 18th ultimo, declining to relax the precautionary measures instituted against the importation of plague from Hongkong without more information than was then at its disposal.

I am now instructed to ask if His Excellency the Governor will be pleased to furnish without delay, and by telegram, the plague statistics of this port since the 18th ultimo, and, in view of the practical disappearance of the disease, to request the Straits Settlements Government to modify the restrictions now imposed on shipping from Hongkong.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.
The Hon. COLONIAL SECRETARY.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 10th October, 1899.

SIR,—With reference to previous correspondence on the subject of the plague restrictions in force at Singapore against Hongkong, I am directed to transmit for the information of the Chamber of Commerce the enclosed copy of a letter from the Colonial Secretary of the Straits Settlements, dated September 29th, and to state that this Government has informed the Government of the Straits Settlements that plague is no longer epidemic in this Colony and that there have been no cases for eight days.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.
The Secretary, CHAMBER OF COMMERCE.

Colonial Secretary's Office,
Singapore, 29th September, 1899.

Sir,—In reply to your letter No. 1573 of the 19th instant, forwarding a letter from the Hongkong Chamber of Commerce in which they ask that the restrictions on shipping arriving in Singapore from Hongkong may be

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abolished, I am directed to inform you that His Excellency the Governor in Council regrets that he does not as yet see his way to withdraw the restrictions complained of, but that he is giving every attention to the returns of cases of plague in Hongkong with a view to removing the restrictions on the first available opportunity.—I have, &c.,

J. A. SWETTENHAM, Colonial Secretary, S. S.
The Hon. The Colonial Secretary, Hongkong.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 12th October, 1899.

SIR,—I am directed to inform you that the following telegram has been received from the Colonial Secretary of the Straits Settlements, Singapore:—

"Prohibition of Chinese emigration removed. Chinese emigrants will be put in Quarantine. Hongkong Quarantine will be removed when duly certified no cases for 10 days. Please report whether any fresh cases sporadic or otherwise."

The Singapore Government have been duly informed by telegrams to-day that there has been no case of plague for ten consecutive days.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 18th October, 1899.

SIR,—I am directed to transmit for the information of the Chamber of Commerce the enclosed copy of a telegram which has been received from Shanghai addressed to Mr. BRENNAN, Acting Commissioner of Customs.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.
The Secretary, CHAMBER OF COMMERCE.

TELEGRAM.

"Quarantine against Canton, Hongkong, Macao removed; importation of rags, old papers, earth, mould, and coffins prohibited; inform shipping."

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HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 20th October, 1899.

SIR,—I beg to acknowledge receipt of your letters (Nos. 1752 & 1794) of the 12th and 18th instant, announcing receipt of telegram from the Colonial Secretary, Singapore, to the effect that the prohibition of the immigration of Chinese from Hongkong had been removed and that quarantine would be discontinued on receipt of assurance that there had been no cases of plague for ten days, and stating that such assurance had been telegraphed to the Straits Government; also that a telegram had been received from Shanghai announcing removal of quarantine against Canton, Macao and Hongkong.

The thanks of the Committee are due to the Government for the promptitude shown in telegraphing to Singapore.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.
To the Hon. COLONIAL SECRETARY.

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Revival of an Illegal Monopoly in Kwangtung.

THE SHELL TRANSPORT AND TRADING CO., LD.,
HONGKONG, 29th May, 1899.

SIR,—We beg to draw the attention of your Committee to the enclosed cutting, taken from the *Hongkong Daily Press* of the 27th instant, giving particulars of a new Lekin Tax which it appears has been put on kerosene oil in the Kwangtung province.

We have so far not been able to procure a copy of the original proclamation, nor have we any further evidence concerning this new tax, but we consider it important that the matter should be investigated at once and brought to the notice of H.B.M.'s Consul at Canton by the Committee of the Chamber of Commerce.

Any further information we secure we shall be pleased to put before your Committee.—We have, &c.,

ARNHOLD, KARBURG & Co., Agents,
THE SHELL TRANSPORT AND TRADING CO., LD.
R. C. WILCOX, Esq., Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE.

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[From *Hongkong Daily Press*, 27th May.]

The following proclamation has been issued by the Head Lekin Office of the Kwangtung Province :—

Be it known that on the 31st March we had the honour to receive from H.E. TAN, the Viceroy of Liang Kwang, a reply sanctioning our petition proposing that the Lekin on Kerosine Oil in the nine departments of Canton, Shu Liang, Waichow, Nam Hing, &c., &c., should be farmed out as on a previous occasion to CHEN FUK-CHEUNG, and directing us to instruct the aforesaid CHEN to carry on the business in a satisfactory manner. We are further to instruct the Pu Chao Chie [Supplementary Lekin Office] to call upon the former farmer to report the sums collected on account of lekin after the month of November, 1898, together with the books, &c., in order to make up the accounts and to fix a date for the transfer [from the old to the new] in order to avoid the possibility of fraud.

The same day we received from Governor Lu a communication in the same sense sanctioning the above mentioned arrangement and directing us to issue a proclamation and establish the farm. Moreover, we were to issue a proclamation to Customs houses and barriers to examine and report so that the amounts, &c., may be tallied.

We have to observe that the collection of lekin on oil in the new districts before referred to was formerly taken away from the Che Ye Tang farmer WANG CHE-TANG.

Now the merchant CHEN FUK-CHEANG petitions that he may be allowed to carry on the farm as before for a payment of \$90,000 per annum together with \$10,000 for expenses of collection. Any further expense to be borne by the farmer and no demands to be made on the Lekin Office. If the receipts do not come up to the sum mentioned the loss shall fall on the farmer. Any sum in excess, up to \$10,000, he shall receive 10 per cent. of, but he shall only receive 10 cent. interest on a sum up to \$30,000. [Whatever that may mean.]

On each 50 catty case of oil a sum of 15 cents, or in taels currency 1 mace 8 candareens, is to be charged. Of this 7 candareens 3 li is on account of Tsoli; 1 candareen 8 li on account of Cheli; 1

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candareen 8 li on account of Yenli. Collection to begin in the 2nd moon [March].

This has been sanctioned by the Viceroy and Governor on the lines laid down and we therefore issue this proclamation for the information of merchants and others engaged in the oil trade in the nine departments aforementioned.

Be it known that the collection of lekin on oil has now been handed over to the Merchant CHEN FUK-CHEONG, who will henceforth impose a tax according to the regulations of 15 cents on every case of kerosine oil.

Any case of extortion or improper levy should be at once reported, and the farmer will on no account be allowed to raise the tax fixed.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 1st June, 1899.

SIR,—The attention of this Chamber has been directed to the publication, in the *Hongkong Daily Press* of the 27th ultimo, of a translation of a proclamation said to have been issued by the Head Lekin Office in Kwangtung, announcing the re-establishment, by authority of H.E. the Viceroy, of a Farm for the collection of lekin on kerosine in that province, and a copy of which is enclosed herewith.

From inquiries instituted, the Committee are satisfied that such a proclamation has been issued, and though the version given by the translator may not be quite free from inaccuracies, it is substantially correct. It is, of course, a fact to be noted that the amount to be charged by the new Farmers is the same as the tax now being levied, viz., 15 cents per case of 50 catties instead of 30 cents per case collected by the old Farmers.

The Committee are not, however, so much concerned with the amount or even with the question of whether or not the Farm can collect duty on kerosine covered by Transit Pass, as they are with the principle involved in this resuscitation of an abuse which they had reason to hope had been permanently abolished. In his letter of the 18th March, 1898, conveying the

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welcome assurance to this Chamber that the collection of *Tso-li* on kerosine had been abolished, your predecessor (Mr. BRENAN) announced that the Viceroy's order to that effect had been given by direction of the Tsung-li Yamên and that in future the collection of the *Tso-li* tax must be controlled by Government officials. The appearance of this proclamation announcing the establishment of the New Farm is therefore either a direct breach of the orders transmitted from Peking, or else it indicates a reversal of those orders by the Tsung-li Yamên itself.

It cannot be pretended that this Farm is even an official monopoly; it is a monopoly granted, as on the former occasion, to a merchant, or more correctly, no doubt, a syndicate of merchants. All the old objections, save in the matter of the amount of duty, apply to the new Lekin Farm, and they cannot be too strongly insisted upon.

His Excellency Sir CLAUDE MACDONALD was thoroughly convinced of the inequity of this practice of placing monopolies of this kind in the hands of persons who are themselves interested in trade, and there is no doubt, from the tone of his despatches, that he believed the decision come to, on his representations, by the Tsung-li Yamên was final.

It is unfortunately only too evident that the evil was only scotched, not killed, and the battle has to be fought over again. Will you therefore be so good as to take up the question, and point out to His Excellency the Viceroy that the revival of this Lekin Farm is the renewal of a former attempt to build up an injurious monopoly calculated to seriously restrict foreign trade, and the continuance of which will not be tolerated by the Treaty Powers?—I have, &c.,

R. M. GRAY, Chairman.

R. W. MANSFIELD, Esq., Her Britannic Majesty's Consul, Canton.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 1st June, 1899.

DEAR SIR,—I beg to own receipt of your letter of the 29th ultimo, enclosing a cutting from the *Daily Press* being copy of a translation of a proclamation by the Head Lekin Office, Kwangtung, announcing the revival of the Farm for the collection of lekin on kerosine in that province, and suggesting that the matter be brought to the notice of H.B.M.'s Consul at Canton.

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In reply, I am instructed to say that the matter has been inquired into, the authenticity of the proclamation ascertained, and strong representations made to H.B.M.'s Consul at Canton.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

To Messrs. ARNHOLD, KARBERG & Co., Agents, Shell Transport and Trading Co., Ltd.

BRITISH CONSULATE,
CANTON, 2nd June, 1899.

SIR,—In reply to your letter of yesterday on the subject of the re-establishment of the farm for the collection of lekin and *tso-li* on kerosene in this province, I beg to state that on the appearance in the Native Press of the proclamation establishing the farm I at once telegraphed the fact to Her Majesty's Chargé d'Affaires, and have already written strongly protesting against it to the Viceroy.

I fully recognise the evils which would result were this farm allowed to carry out its operations, and you may rely on me to do all in my power to have it abolished. While using every effort locally in this direction, I am forwarding copy of your letter to Her Majesty's Minister, so that, if necessary, his influence may be brought to bear upon the Tsung-li Yamên.

It may be of interest to you to know that, from inquiries I have made, it appears that the Farmer, both in the present instance and in the former case of the Chap Yik Fong, are Chinese merchants at Hongkong. Their names are kept in the background, but I believe you will find this to be the case.—I am, &c.,

R. W. MANSFIELD, Consul.

P.S.—The translation of the proclamation sent by you is extremely inaccurate.

The Chairman, HONGKONG GENERAL CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 7th June, 1899.

SIR,—I beg to acknowledge receipt of your despatch of the 2nd instant, replying to my letter of the 1st instant, in regard to the re-establishment of the Farm for the collection of lekin on kerosine in Kwangtung, in which you

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state that the question is receiving your active attention, and that you have also forwarded a copy of my letter to H.B.M.'s Minister at Peking.

I have to thank you in the name of the Committee for the prompt action taken in the matter, and to assure you that the result of your representations thereon is being awaited with much interest.—I have, &c.,

R. M. GRAY, Chairman.

R. W. MANSFIELD, Esq., Her Britannic Majesty's Consul, Canton.

BRITISH CONSULATE,
CANTON, 8th June, 1899.

SIR,—Referring to my letter of the 2nd instant, I now beg to enclose translation of the Viceroy's reply to my protest against the re-establishment of the farm of kerosine duties.

I have read with care the correspondence in the former case of the Chap Yik Tong farm, and it appears that Sir CLAUDE MACDONALD's position there was, not that farming in principle was inadmissible, but that the farmer, being himself a dealer in the article the revenue on which was farmed, was placed in a position to secure a monopoly of the trade, in contravention of Article XIV. of the French Treaty.

This, then, is the ground on which, if it exists, the present case must be fought, and I shall be much obliged if you will endeavour to find out who are the members of the syndicate probably represented by the name Ch'en Fu-ch'ang, the farmer named in the proclamation. Also if these members are dealers in kerosine. I am making enquiries here, but I believe they are all Hongkong people.

The Viceroy's despatch is written in a conciliatory tone and if I can show him that the farming of lekin is in the present instance likely to lead to a monopoly I do not despair of inducing him to put an end to it.

The last clause in his despatch touches on the vexed question of the area of exemption from lekin at the open ports. This will never be definitely settled until our respective Governments take it up in earnest, though I am glad to say I have so far carried the point locally that no lekin is levied on goods taken from the steamers to a British shop in the city of Canton.

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I have had no complaints as yet of any attempt on the part of the Lekin Farm to levy duties on Transit Pass goods.—I am, &c.,

R. W. MANSFIELD, Consul.

The Chairman, HONGKONG GENERAL CHAMBER OF COMMERCE, Hongkong.

Canton, June 6th, 1899.

Sir,—I have the honour to acknowledge receipt of your despatch of the 2nd instant, protesting against the re-establishment of the Kerosine Tax Farm.

I have the honour to observe that since the collection of the lekin on kerosine reverted to the officials after the abolition of the Chi Yi Tang during the 2nd moon of last year, CHEN FU-CHANG, upon the recommendation of Prefect WANG, the Deputy then in charge of the Supplementary Lekin Office, was allowed to collect the tax for the time being under official superintendence, and this has gone on for several months to the satisfaction of both Chinese and Foreign merchants. During the winter the collection was again undertaken by the officials, and it was found difficult to exercise a complete surveillance, as many traders unprovided with transit passes sought to avoid the payment of lekin. So this spring, the General Lekin Office requested that CHEN FU-CHANG might again be allowed to undertake the collection as an experiment. I replied, instructing the lekin office to enjoin on CHEN FU-CHANG that he must conform with the Treaties and Trade Regulations; that kerosine under transit pass, which had not arrived at destination, or which, having arrived at destination, had not yet been shipped elsewhere, could in no sense be placed on the same footing as goods not covered by transit pass; that if he reverted to the old methods of the Chi Yi Tang the farm would be immediately abolished; that only kerosine not under transit pass or which had left the destination specified in the transit pass was liable to pay lekin; that these instructions were issued with a view to check abuses and do away with the evasion of duties. This is what is meant by the clause in the Treaty empowering the Chinese Authorities to adopt the means they may judge most proper [to prevent the revenue suffering from fraud or smuggling].

Having received your despatch above-quoted, it becomes my duty to again instruct the General Lekin Office to exercise the most careful superintendence to prevent any obstruction to trade or deficiency in the revenue.

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I have given orders to have it ascertained whether there is any objection to the opening of a lekin office at Samshui. As regards your contention that the levy of lekin within the limits of a Treaty port is entirely contrary to Treaty, I would observe that the Treaty only provides that lekin shall not be levied on foreign goods within settlement limits. It cannot be said that the levy of lekin outside the settlements upon goods not covered by Transit Pass is contrary to Treaty.

(Seal of Viceroy.)

Translated by G. D. Pitzipios, Vice-Consul.

HONGKONG GENERAL CHAMBER OF COMMERCE.
HONGKONG, 20th June, 1899.

SIR,—I beg to acknowledge receipt of your despatch of the 8th instant, enclosing copy of the Viceroy's reply to your representation on the subject of the revival of the Farm for the collection of lekin on kerosine in Kwangtung, and the Committee will be glad to see your hope realised of inducing His Excellency to abolish the re-created monopoly.

With regard to the suggestion that the Chamber should endeavour to discover the identity of the members of the syndicate composing the Farm, efforts have been made to do so; but, I regret to say, without success. You will, no doubt, have seen the statement in the *Daily Press* to the effect that a British Chinese-born subject is connected with the Hainan Lekin Farm, but whether there is any connection between that and the Kwangtung monopoly the Chamber is not at present in a position to determine.—I have, &c.,

R. M. GRAY, Chairman.

To R. W. MANSFIELD, Esq., Her Britannic Majesty's Consul, Canton.

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The Lekin Authorities and British-owned Craft on the West River.

Care of Rev. R. H. Graves, D.D.

CANTON, 23rd May, 1899.

SIR,—I beg to bring the following matter before you, judging it to be of importance to all who are or may be interested in steam navigation on the West River.

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I have a small steam-launch registered in my name at the British Consulate here as a British-owned launch. She is also registered at the Chinese Customs and has a licence for plying on Inland Waters. I have also as my property a native built boat for carrying passengers, which is towed by my launch. At present we ship no cargo either on the launch or passenger boat, but wish to do so on both vessels as soon as the arrangements are complete.

The launch had been towing the native built boat about three weeks without any trouble, when on Saturday, May 13, the Hoppo at Samshui complained to the Commissioner of Customs at Samshui that we refused to report at two Lekin stations, and having no Ch'uan-liao licence for the native built boat, she was liable to fine and confiscation. I proved to the satisfaction of the British Consul that no regulation in regard to reporting at Lekin States had been violated, and on the Consul representing that to the Commissioner of Customs, the launch papers were returned after a few days' detention, which meant a loss to the launch of some \$200. The launch is again towing the native boat, the latter carrying passengers only.

As regards the Customs contention that a Ch'uan-liao licence is necessary for a native built boat owned by a foreigner, the British Consul here refuses to recognise that claim, and considers that No. 5 Rule of Supplementary Rules under "Inland Steamer Regulations" places a native-towed boat on the same footing as the steamer towing.

I think the Consul here thinks the matter important and considers the Lekin are trying to do a squeeze. As the matter has never come up before, and is a little complicated, I think it will be referred to Peking both by the Consul and Commissioner of Customs. In the meantime if we carry cargo it will be only by "Transit pass."

I had not thought of troubling the Chamber of Commerce with the matter until friends here thought it might be well to acquaint the Chamber of Commerce with a few details.

As regards myself, I hope you will not deem it out of taste for me to write you a few particulars, as I am unknown to you. I am a merchant missionary working in connexion with "The Southern Baptist Mission." The steam launch is running in my name and for my interest. A party of Chinese Christians has also an interest in the launch.

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Captain BROWN, of the Hongkong and Kowloon Wharf and Godown Co., would, I have no doubt, give you further particulars, if you need them.—I am, &c.,

E. T. SNAGGS.

R. CHATTERTON WILCOX, Esq.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 1st June, 1899.

DEAR SIR,—I beg leave to acknowledge receipt of your letter of the 23rd ultimo, and am instructed to tender you the thanks of the Committee for making them acquainted with the particulars of your case with the Kwangtung Lekin Authorities. The case is in good hands, and the Committee will be interested to learn how it proceeds.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

E. T. SNAGGS, Esq., Canton.

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Preferential Duties on Junk-borne Cargo.

OFFICE OF THE HONGKONG, CANTON & MACAO STEAM-BOAT CO., LD.,
HONGKONG, 7th July, 1899.

DEAR SIR,—We beg reference to your letter of the 15th November, 1897, forwarding copy of a despatch from H.M. Minister at Peking upon the subject of differential duty, about which there had been much previous correspondence, and we shall be glad to know whether your Chamber will consent to take any further steps in this matter.

The difficulty of procuring documentary proof of the methods whereby the Native Customs concede advantages in the matter of duty to owners of cargo carried by junk between the ports of Hongkong and Canton was pointed out to H.M. Minister in your Chairman's despatch of the 15th October, 1897, and after an interval of nearly two years, we can only repeat that it is practically impossible for the River Steamship Companies to obtain such evidence as that which His Excellency suggested that they should

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furnish. There is, however, but little doubt that the Central Government could themselves readily procure proof of the irregular action of the Native Customs if there were any real desire on their part to put a stop to the abuses of which we complain.

The Steamboat Company first took up this matter in the year 1874 and it has, at intervals, been agitated ever since, but without practical result. Meanwhile, that share of the cargo-carrying trade between the two ports which was formerly held by the River Steamers has been gradually almost entirely diverted to junks. For years past the quantity of imports into Canton by River Steamers has been insignificant, and with regard to the export cargo, all Tea, Waste Silk, Matting, Firecrackers, Cassia, &c. is now, through the lower duties levied by the Native Customs, carried by junk and all that is left to us is the Raw Silk (and that only because merchants will not buy it for delivery here), occasional odd lots of general cargo too small in quantity to load a junk with, and the more perishable articles of food required for local consumption.

The Hoppo benefits too largely by this pernicious system for us to expect that any reform will ever come from him. The difficulty might be met if the Foreign Customs would consent to frank goods passed by the Native Customs and allow same to be shipped by our vessels without further interference. Failing this, the only practical remedy is *the collection of all duties by the Imperial Maritime Customs*, and we would suggest that that is the end which should be aimed at should your Chamber see fit to render further assistance in the matter.—We remain, &c.,

THOS. ARNOLD, Secretary,
Hongkong, Canton & Macao Steamboat Co., Ltd.

BUTTERFIELD & SWIRE, Agents,
China Navigation Co., Ltd.

R. C. WILCOX, Esq., Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 18th July, 1899.

SIR,—It is with regret that I have once more to address Her Majesty's Representative on a subject so time-worn and so unsatisfactory in the results hitherto arrived at as that of the differential duties accorded to junk-borne cargo by the Hoppo or Superintendent of Native Customs at Canton.

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In previous correspondence this Chamber has dealt with the question at great length, but at the risk of reiteration I am compelled, by reason of its importance, to again go somewhat into detail.

It is well known, and cannot be reasonably disputed, that the Steamboat Companies plying on the Canton River have for many years past been losing cargo, not through competition of rates, but owing to the lower duties paid by that cargo when shipped by junk. Documentary proof of this practice by the Native Customs of accepting lower duties on goods carried in native vessels has been asked for, but has never been obtainable owing to the reluctance of native shippers to come forward and testify for obvious reasons.

So far back as April, 1874, the Hongkong, Canton and Macao Steamboat Company, Limited, had reason to complain of the action of the Hoppo in influencing the quantity of cargo carried by their steamers. In the first three quarters of the year 1873 the steamers received their usual cargo of between 21,000 and 23,000 bales of raw cotton, but this suddenly fell, in the fourth quarter, to 1,821 bales and in the first quarter of 1874 it sank to 25 bales only. Since that date, when the trade in raw cotton was thus diverted, other articles of export have followed, such as waste silk, tea, cassia, matting, fans, firecrackers, canes, preserves, &c., until at the present moment the only trade of any great value remaining is the carrying of passengers. Whereas, prior to 1873 the Steamboat Co. received some 85 per cent. to 90 per cent. of the foregoing exports, they now carry at the utmost not more than 10 per cent. of the articles above named. Raw silk, owing to its costly nature, is still shipped in the steamers, but beyond small odd shipments of the other products, owing to various causes, such as pressure of time, temporary want of junk tonnage, or bad weather, the cargo still left to the steamers consists mainly of perishable goods for the food supply of this Colony.

The Committee would respectfully draw attention to the fact that the River Steamboat Companies were formed, and that they built large and costly vessels unsuitable for any other traffic, on the faith of the rights guaranteed by the Treaty of Tientsin, of which rights the companies submit they have been insidiously and unfairly deprived without compensation, and, in spite of repeated protests, without redress.

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The assertions of the Steamboat Companies as to the diversion of export cargo from their steamers to junks can be amply and fully corroborated by the Imperial Maritime Customs at Canton; and, where the facts are so notorious as in the present instance, the Committee submit there is no necessity for documentary evidence by Chinese.

Seeing that any prospect of redress is obviously slender so long as the two competing Customs services are maintained side by side in Kwangtung and that their continued existence synchronously must serve to obstruct and limit foreign as well as native trade in the province, the Chamber is strongly of opinion that Her Majesty's Government would be justified in demanding the abolition of the Native Customs with its Hoppo, and that the entire collection of duties be placed in the hands of the Chinese Imperial Maritime Customs, who could reimburse the Provincial Treasury the sum at present contributed by the Hoppo. The present system is abnormal, wasteful, and impractical, defensible from no point of view save on the assumption that the collection by the Imperial Maritime Customs would be a confiscation of provincial revenue, and such an assumption could not be seriously maintained. The Chamber therefore urge that, in the interests of trade and in defence of violated Treaty rights, the abolition of this Customs anachronism may be insisted upon by the British Government, who would no doubt be supported by the other Treaty Powers in so just and reasonable a demand.—I have, &c.,

R. M. GRAY, Chairman.

His Excellency H. O. BAX-IRONSIDE, H.B.M.'s Chargé d'Affaires, Peking.

HONGKONG GENERAL CHAMBER OF COMMERCE,

HONGKONG, 18th July, 1899.

SIR,—I have the honour to transmit to you, for the information of His Excellency the Governor, copy of a letter addressed by this Chamber to His Excellency Mr. H. O. Bax-Ironside, Her Britannic Majesty's Chargé d'Affaires at Peking, under this date, on the subject of the differential duties accorded by the Hoppo or Superintendent of Native Customs at Canton on junk-borne cargo to the detriment of the Steamboat Companies engaged in trade on the Canton river.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

HON. J. H. STEWART LOCKHART, C.M.G., Colonial Secretary.

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COLONIAL SECRETARY'S OFFICE,
HONGKONG, 22nd July, 1899.

SIR,—I am directed to acknowledge the receipt of your letter of the 18th instant, forwarding a copy of a letter addressed by the Chamber of Commerce to Her Britannic Majesty's Chargé d'Affaires at Peking on the subject of the preferential duties accorded by the Hoppo at Canton on junk-borne cargo, and to state that His Excellency earnestly hopes that the Chamber's representations may conduce to a satisfactory settlement of this important question.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.
The Secretary, CHAMBER OF COMMERCE.

PEKING, 7th August, 1899.

SIR,—I beg to acknowledge receipt of your letter of July 18th, with reference to the unfair advantage accorded by the Native Customs Authorities of Canton to junk-borne exports in the shape of duties lower than those of the Treaty tariff.

As you are aware, this Legation has repeatedly protested against this practice. The remonstrances of Her Majesty's Minister have invariably been met by a polite denial on the part of the Canton Native Customs Authorities conveyed through the Tsung-li Yamên and a request for proof of the assertions of the Foreign Steamship Companies.

Your present proposal to abolish the Native Customs altogether would certainly go to the root of the evil. It involves, however, such widespread consequences, in other words, the fiscal reform of that portion of the Chinese Empire to which you refer, that I feel it my duty to submit the matter for the consideration of Her Majesty's Secretary of State for Foreign Affairs.—I am, &c.,

H. O. BAX-IRONSIDE.

R. M. GRAY, Esq., Chairman, HONGKONG GENERAL CHAMBER OF COMMERCE, Hongkong.

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Inland Waters Steam Navigation.

HONGKONG, 11th September, 1899.

DEAR SIR,—We beg to send you herewith copy of a joint letter which we addressed to H.B.M. Minister at Peking on the 28th March last, pointing out the hardship entailed upon the owners of foreign steamers trading on the West River by the Inspector General of Customs' interpretation of the Steam Navigation Inland Rules and Regulation (amended) 1898, a copy of which we enclose, and in connection therewith we would particularly direct your attention to paragraph 1 of the said Regulations, which reads as follows :—

"The inland waters of China are hereby opened to all such steamers, native or foreign, as are specially registered for that trade at the Treaty ports. They may proceed to and fro at will under the following regulations, but they must confine their trade to the inland waters and must not proceed to places out of Chinese territory. The expression 'inland waters' is used with similar meaning to that given for places in the interior (*nei-li*) in the fourth article of the Chefoo Convention."

Our representations to H.B.M. Minister were duly forwarded under cover by Mr. MANSFIELD, the British Consul at Canton, and by the reply received, enclosed herewith with other correspondence on the subject, you will see that our effort to obtain redress of our grievances has been futile, although, according to Mr. Consul MANSFIELD's despatch 7th July, the Inspector-General of Customs' ruling was in direct contravention of Regulation No. 1 as quoted above. And even the privilege of calling at way ports for passengers has been withdrawn, the trade of foreign steamers being now confined solely to the treaty ports and the four ports of call mentioned in the original proclamation at the opening of the West River.

From the foregoing it will be seen that the freedom of traffic and trading on the Inland waters, about which so much has been said and written of late, is absolutely non-existent. We would therefore ask your Chamber to be good enough to take the matter up, and endeavour to obtain the removal of the restrictions of which we complain in our letter 28th March last, and which constitute a very great hindrance to the development of

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trade on the West River, so much so that we have had to take one of our steamers off the line.—We are, &c.,

THOS. ARNOLD, Secretary.
Hongkong, Canton and Macao Steamboat Co., Ltd.

JARDINE, MATHIESON & Co., General Managers,
Indo-China Steam Navigation Co., Ltd.

BUTTERFIELD & SWIRE, Agents,
China Navigation Co., Ltd.

R. CHATTERTON WILCOX, Esq., Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE.

Hongkong, 28th March, 1899.

Sir,—We hand you for your information a joint despatch we have addressed to H.B.M. Minister at Peking on the subject of Inland Navigation together with the enclosures therein alluded to.

These we shall be glad if, after perusal, you will transmit to their destination with any remarks you may think it well to make in order to emphasize the restrictions of foreign steam traffic in Inland Waters.—We have, &c.,

[Here follow signatures.]

To R. W. Mansfield, Esq., H.B.M.'s Consul, Canton.

Hongkong, 28th March, 1899.

Sir,—We have the honour to enclose copies of certain correspondence relating to the opening of the inland waters of China to steam navigation, from which it will be seen that in addition to an evasive policy with regard to the publication of the Rules to be in force at the various lekin barriers promised in clause 8 of the Supplementary Rules the Chinese Government seek to impose such restrictions on the opening of these waters as will render the whole concession valueless.

Before any advantage can be taken of the opening of these waters by foreign steamers we are of the unanimous opinion that :—

1st.—The prompt publication of the Rules and Regulations promised in Rule 7 of the Inland Regulations and Clause 8 of the Supplementary Rules and also of the appointment of the provincial officer referred to in Clause 9 of the latter ;

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2nd.—The rescinding of the Inspector-General's decision that inter-treaty-port steamers shall not also be registered for inland navigation ;

3rd.—The strict enforcement of Clause 5 of the Supplementary Rules must be insisted on.

As explanatory of this letter we attach a memorandum dealing fully with the subject.—We have, &c.,

[Here follow signatures.]

To His Excellency Sir Claude Macdonald, K.C.M.G., K.C.B., H.B.M. Minister in China.

MEMORANDUM.

In order that the nature and meaning of these restrictions may be fully understood it is necessary to enter into somewhat lengthy details, but the importance of the stake at issue will, we think, form ample apology for doing so.

At the opening of the West River to foreign trade two lines of steamers were started by us to engage in the carrying trade of it—one for the direct trade between Hongkong and Wuchow viâ Samshui and the “ports of call”; the other between Canton and Wuchow also viâ Samshui and the “ports of call.” On the direct route the advantage accruing to merchants from the payment of a fixed sum for import duty and transit dues which franked their goods through to the remote parts of Yunnan and Kweichow caused a considerable rush of imports to find their way in from Hongkong by water carriage instead of viâ the Pakhoi overland route, etc., etc., which they had followed previous to the opening of the river. The lekin authorities have from time to time held out threats of reducing their import duty on goods, thus diverting them from foreign to native craft, but although the Canton provincial authorities have adopted these tactics with the success which usually characterizes their actions of this sort, there has been up to date no systematic attempt to extend them throughout the length of the West River, so that to a large extent the competition we encounter although keen is but the natural result of rivalry in trade.

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When the inland waters of China were first declared to be open a good deal of doubt existed as to the conditions under which the navigation of them would be allowed, and with a view to gaining information on this important point—important to us, not only from the expansion of trade that would result but also that it might seriously modify the plans of vessels we were then contracting to have built—we applied to the Imperial Maritime Customs at Samshui to register the steamer *Kongpak* for inland navigation. After reference to Peking this was refused by the Inspector-General of Customs, whose decision on the matter is given in the Samshui Commissioner's letter, copy of which is attached. While we still think that the privileges asked for might be accorded without danger to the safety of the revenue of China we must at the same time admit that there are considerable difficulties in the way and that probably the only effective way of meeting them would be to open Kongmoon or some other place situated at the mouth of the river as a treaty port, whence and also from Samshui and Wuchow, after payment of duties, goods would be free to find their way inland carried either by the importing or other steamer as was found most convenient.

So far we have only dealt with the effect the opening of inland waters has had on the direct trade with Hongkong, the craft engaged in which come under the heading of vessels engaged in trade with ports outside Chinese jurisdiction and are therefore excluded from any direct participation in the benefits which should result therefrom. There still, however, remains the Canton-Wuchow trade, the steamers on which, being vessels engaged in inter-treaty-port trade, are also, by the Inspector-General's ruling, debarred from inland water privileges. It is to this decision as affecting this class of vessel that we would beg your most earnest attention, as we are of the unanimous opinion that if enforced it will, as we have already stated, render the whole concession valueless.

From the beginning our vessels on the Canton-Wuchow line have been subjected to such restrictions that it seemed quite hopeless for them to attempt to compete with their more favoured Chinese rivals, who by means of specially constructed lighters towed by steam-launches secure the great bulk of the cargo and, until recently, of the passengers. The system adopted at the treaty ports is for these lighters and their cargoes to come

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under the lekin administration, and the steam-launch, which is merely the means of propulsion and carries no cargo, comes under the I.M. Customs, a dual system of control which gives the advantage of the quickness of steam transit and an elastic tariff for the payment of duty on the cargo carried on the lighters. Nor is it so much the fact that the lekin collected on this cargo is less than the one and a half duty which would be levied by the I.M. Customs if it were carried in our steamers, as it is if so carried, lekin taxes before shipment and after discharge would be payable in addition to the Customs duty and a half. The foregoing facts are only too well known and have been frequently commented on, notably by H.B.M. Consul at Canton in his trade report for 1897; but if further proof be needed it is abundantly supplied by the fact that the only domestic trade of which we secure the carriage is a few piculs of goods between Samshui and Wuchow, whereas the merchants refuse to ship the same goods by our vessels between Wuchow and Canton even although the freight charged be the same in both cases! That is to say, taxation and cost of transport being equal for both distances, they will ship by our vessels over the shorter one but steadily refuse to do so over the longer one! The explanation of this is simple. At Samshui by vigorous protests made at the opening of the port the native goods carried in foreign vessels are to a certain extent exempt from lekin taxes before shipment and after discharge, while at Canton the reverse is the case, and as the bulk of the domestic trade of the West River districts is destined for or comes from Canton as being the great centre or mart of trade the natural result of this differential taxation is that our Chinese rivals secure the carriage of the whole of it. Nor does the evil stop at this, for knowing that our earnings must be made out of the carriage of foreign goods—into which, as far as the carrying in steamers between treaty ports goes, the question of taxation does not enter—they can either conform to our rates of freight and compete against us or by lowering them slightly get the monopoly of the carriage of these as they do of the domestic trade.

Although the subject of this representation is the advantages under which we suffer as British Shipping Companies engaged in the carrying trade of China we will for the moment waive this question and look at it from the broader standpoint of trade in general. From the foregoing, it

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might be urged that although we as individual concerns suffer, the great circulation of goods is facilitated by steam traffic. Were such the case we might well find compensation for our losses in the general prosperity that would result, but it is only to the privileged few that permission is given to run this class of vessel and any attempt to encroach on the monopoly thus secured, either on the part of Chinese or Foreign steamers, is rendered nugatory by differential duties in the manner we have shewn.

Again, with the passenger traffic the Chinese vessels had the option of using all routes connecting Canton with the West River, whereas we were confined to one only, laid down by the Customs entailing an increase in the distance traversed of some thirty miles. They were also privileged to stop at any and all places *en route* for the embarking and disembarking of passengers or cargo while we were confined to the four ports of call (See Canton Commissioner's Trade Report, 1897, paras. 4 and 7).

The question of opening the shorter routes to foreign vessels was made the subject of representation to H. M. Consul at Canton, but so scandalous had the disabilities under which we laboured become and so heavy the losses incurred in running steamers practically empty that the question of withdrawing them altogether from the trade was being seriously considered when the throwing open of the inland waters gave the I. M. Customs the chance, of which they gladly availed themselves, of attempting to place us on terms of equality with our opponents. This equality in respect to the carriage of passengers we now enjoy and we were not without hopes that, by Clause 5 of the Supplementary Rules under Inland Steam Navigation Regulations, goods carried in native boats towed by steamers would come under the same rules for duty payment as goods carried in our vessels, but up to date there is no sign of any attempt being made to bring this about, and moreover by the Inspector-General's decision it would appear that instead of a further step being taken to secure equality of taxation for all goods no matter how carried a retrograde movement is contemplated that will place us in the disastrous position we occupied at the opening of which trade.

If this decision hold good the utter impossibility of any steamer securing the carriage of goods under inland navigation rules can perhaps be best shown by an illustration. Certain foreign goods are imported into Samshui,

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where they pay import duty and transit dues, being destined between Samshui and Canton. We as British Shipping Companies compete with the Chinese referred to throughout this memorandum for the carriage of them. If we wish to secure them we must provide a special steamer to run from Samshui to the place in question although our inter-treaty-port steamers pass it *en route* every day and are, for the reasons already given, practically empty. The Chinese Companies not being under any such restrictions will be at liberty to carry them in their lighters, which are also free to engage in inter-treaty-port trade! We have endeavoured to show that as long as the tax of one duty and half on cargo carried in steamers between two treaty ports is enforced, while it is permitted to other craft coming under the native administration to compound for a less sum, the domestic trade will surely be diverted to vessels so privileged and that the monopoly so gained can be and will be used to secure the carriage of foreign goods from one port to the other or to any point lying between them. So by an analogous reasoning it can be shown that, in the event of our attempting to start any steamers under inland navigation rules to run beyond the precincts of the last treaty port, so surely will this differential treatment be extended to the goods carried in them.

We are only too well aware that nothing short of the abolition of the dual system of custom houses in vogue in China will provide an effectual remedy for the evils we complain of. We are not so sanguine as to entertain the belief that a workable tariff will ever be published by the provincial officials, but by insisting on the measures suggested in our covering letter the hand of the Chinese Government will be so forced that it must ultimately result in the I. M. Customs being called upon to undertake the compilation of a general tariff applicable to the whole of the internal taxation of China, the maximum basis of which might be the $7\frac{1}{2}$ per cent (duty and a half) now charged on goods steamer borne between two treaty ports and which it is evident that the Inspector General's ruling is intended to protect.

Hongkong, 23th March, 1899.

British Consulate,
Canton, 6th May, 1899.

Gentlemen.—Referring to your letter of March 28th, forwarding a joint petition of British shipping firms to Her Majesty's Minister at Peking with reference to the working of the Inland Steam Navigation, I am directed to

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hand you the enclosed reply, and have to ask you to communicate it to the other British firms interested.—I am, &c.,

R. W. MANSFIELD,

Messrs. Jardine, Matheson & Co., Hongkong.

Peking, 27th April, 1899.

Gentlemen,—I beg to acknowledge receipt of your letter of 28th March with reference to the provisions of the Regulations and Rules for the Steam Navigation of the Inland Waters of China.

The various questions raised by you are receiving my close attention and I will communicate with you further on the subject.—I am, &c.,

H. O. BAX-IRONSIDE.

To Messrs. Jardine, Matheson & Co., Messrs. Butterfield & Swire, Hongkong, Canton & Macao Steam-boat Co.

Peking, 17th May, 1899.

Gentlemen,—In continuation of my letter to you of 27th April, I beg to inform you that I have been in communication with the Inspector General of Maritime Customs with reference to the observations on the Rules and Regulations for Inland Steam Navigation in China made by you in your letter to this Legation of 28th March.

Sir Robert Hart was entrusted by the Chinese Government with the task of drawing up these Rules and Regulations and his views on the subject are therefore of considerable importance. He has written to me a reply dated 12th instant, copy of which I enclose for your information.

The system is, of course, upon its trial and is being carefully watched and reported upon by Her Majesty's Consuls in all parts of China. It should be given due time to afford a fair test of its merits. Your remarks as to the West River trade will be borne in mind in case revision prove to be necessary.—I am, &c.,

H. O. BAX-IRONSIDE.

To Messrs. Jardine, Matheson & Co., Messrs. Butterfield & Swire, Hongkong, Canton & Macao Steam-boat Co., Ltd.

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Inspectorate-General of Customs,
Peking, 12th May, 1899.

Sir,—I have the honour to acknowledge your communication of the 27th April concerning Steam Navigation Inland.

2.—When the Ministers of the Yamên originally decided to memorialize for authority to open the inland waters to steam the idea was simply to permit steamers to do what junks and boats do subject to the same inland charges, but when the privilege was extended to include foreign flag steamers some modifications were introduced in the rules first drafted. While the object of these modifications was to secure for the foreigners concerned the benefit of certain treaty stipulations therewith connected, their effect has been to create difficulty for the scheme generally, for, whereas the original plan was to apply inland local regulations in all their integrity to steamers as well as junks, and, by thus protecting the revenue, insure the support of the provincial officials, the introduction of the treaty element necessitates an exceptional procedure which interferes with former practice, makes taxation more difficult, tempt Chinese owners to buy foreign flags, and alarms and alienates both the inland authorities responsible for, and inland administration dependent on, inland revenue. The very sanctioning of the modification referred to created a necessity for strictness in interpreting the other parts of the inland steam privilege, and accordingly, in order both to protect and keep separate the Imperial Maritime and the Provincial Inland revenues, the opening of the inland waters to steam has had to be defined as forbidding licensed vessels to quit Chinese waters and as excluding vessels that trade between treaty ports.

3.—What precedes will suffice without further detail to suggest explanations of, and reasons for, the restrictions foreign merchants now complain about, but in point of fact there is no differential treatment; whatever licensed Chinese steamers can do inland, foreign flag licensed steamers can do also, and whatever interport foreign steamers cannot do inland, interport Chinese steamers are likewise forbidden to do, but, just as Chinese waters and foreign waters are two different things, so interport trading and inland trading are also two different things, and, belonging to two different fiscal systems—the Imperial and the Provincial—must be differently treated. The hybrid character of the West River has, of course, its inconveniences;

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from one point of view it is a continuation of the sea and a highway leading to the two open ports of Samshui and Wuchowfoo, while from another it is an inland water; to one set of eyes it is, notwithstanding its double character, one and the same thing, while to another it possesses, while one and the same thing, a double entity; the interport owner wonders why his interport steamer cannot do what he sees done by inland steamers passed here and there, while the responsible revenue officials require the two trades and the two vessels to be kept separate; while the apparent anomaly of two treatments existing side by side on the same stream is a puzzle to one party, there is the further fact that at its mouth are the foreign waters and the foreign colonies of Hongkong and Macao, and for the other party—the revenue officials—this fact opens up possibilities which render it all the more necessary to distinguish between the two trades and act accordingly. Treaties, conventions, and rules being what they are on the one side, and the fiscal responsibilities being what they are on the other, the principle of the present treatment—distinction between inland and interport trades—seems both logical and necessary, and any revision which ignores that distinction will be but a one-sided and therefore unpalatable remedy. It is not for a moment to be supposed that the inland steam navigation concession was intended to either abolish provincial taxation or kill native trade, and it is not unreasonable to ask for a recognition of provincial conditions and assent to provincial requirements. The expectations that heralded the opening of the West River were somewhat sanguine, but, even granted they could ever be realised, it is not the distinction between inland and interport trade that is either postponing or impeding that realisation. The concession was launched without sufficient consideration or preparation, and as it now is, it does not satisfy either side. The foreign trader fears that the restrictions which provincial officials call for will thwart development, and the provincial official fears that the development which the foreigner aims at will destroy revenue; but both one and the other are alarmed, and perhaps unnecessarily, before the event, and plead from fear rather than from facts. If steam navigation inland is to work quietly and be a benefit, it will be necessary to legislate locally at many different points and in accordance with many different sets of circumstances, conditions, and requirements. It will only be when that is done that regulations and procedure will be suitable and also contain in the eyes of both sides the proper preparation of support and control.

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4.—As regards the rules and regulations promised in rule 7 of the regulations and clause 8 of the supplementary rules, there has been much consultation, and much passing and repassing of draft rules for consideration, but up to the present none have been issued for publication; and as for the appointment of the provincial officers referred to in clause 9 of the rules, such appointments are to follow publication and have not yet been announced. It is hardly likely that this delay has caused either inconvenience or damage, seeing that it has not taken from or interfered with the enjoyment of any existing rights, and that foreign capital is neither known nor expected to be invested—at least to any considerable extent—in the petty craft to which the depth and width of inland water channels necessarily confine the steam navigation privilege, and this privilege itself, whether rightly or wrongly thought valuable, will require years of patient nursing before it can possibly answer any expectations.—I have, &c.,

ROBERT HART,
I.G. of Customs.

H. O. Bax-Ironside, Esq., H.B.M. Chargé d'Affaires, Peking.

Hongkong, 17th June, 1899.

Sir,—We have the honour to acknowledge the receipt of your despatches of the 27th April and 17th May, which, with enclosures, reached us through the medium of H.B.M. Consul at Canton.

It is with much disappointment that we infer from your despatch that you do not propose to take any steps and that you think it well in the meanwhile to concur in the interpretation placed by Sir ROBERT HART on the Rules and Regulations for Inland Steam Navigation in China, and that the system should be given due time to afford a fair test of its merits.

If the Rules and Regulations as interpreted by Sir ROBERT HART could be regarded as in any respect satisfactory, or if they gave fair promise of eventually meeting the requirements of the West River navigation and trade, we would readily assent to your suggestion that they should have a trial to test their merits, but there can be no hope of eventual satisfaction with a system which seriously impairs the value of the original concession.

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We have carefully read the letter from Sir ROBERT HART which you have been good enough to forward and while admitting that his views are important on the working of Rules and Regulations which he himself has drawn up, we take exception to the interpretation given them. The difficulty with which the Inspector-General was confronted was, we readily admit, a very serious one, for he had the choice of coming into conflict with the interests of the Provincial authorities in the matter of revenue on the one hand, and on the other the necessity of so constructing the Rules and Regulations as to render their working in no respect inimical to the Provincial system of revenue. He adopted the latter course, with the result that the value of the Inland Navigation concession has been affected to an extent which manifestly could not have been contemplated by the British Minister at the time of its negotiation. The memorandum which we previously forwarded to you afforded full information of the effects of the Rules and Regulations as now worked, and we do not deem it necessary to supplement them, but we would beg to point out that the trade between Hongkong and the Treaty ports on the West River, and between the Treaty ports themselves, is not of sufficient volume to allow of steamers being run profitably, but with liberty to call at way ports, *i.e.*, inland places, permission for which has been withdrawn since we addressed Sir CLAUDE MACDONALD on the 28th March, the increased traffic would in time probably be remunerative. The pioneer steamers which are now running cannot cover their expenses under existing conditions, and others specially constructed for the trade which are now leaving the builders' hands, and again others which have just been contracted for, had better not have been ordered.

In view of the foregoing, we venture to again seek your good offices in the hope that you will be able to bring about a more practicable construction of the Rules and Regulations as they affect Navigation on the West River, which, as already mentioned, cannot be said to have been opened to trade in the sense contemplated by Sir CLAUDE MACDONALD and understood by the public at large.—We have, &c.,

JARDINE, MATHESON & Co., General Managers, Indo-China
S.N. Co., Ltd.

BUTTERFIELD & SWIRE, Agents, China Navigation Com-
pany, Ltd.

THOS. ARNOLD, Secretary, Hongkong, Canton & Macao S. B.
Co., Ltd.

To H. O. Bax-Ironside, Esq., H.B.M. Chargé d'Affaires, Peking.

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British Consulate,
Canton, 9th August, 1899.

Gentlemen,—In reply to your letter of 7th instant, I beg to inform you that I telegraphed to Her Majesty's Chargé d'Affaires as requested, and that from his reply just to hand it appears that your letter of the 17th June miscarried and has never reached him. I am sending him a copy from that in my archives.

As you are laying your grievance before the Chamber of Commerce, it may be of interest to you to read the enclosed copies of two despatches dated June 10 and July 7 respectively, addressed to Her Majesty's Chargé d'Affaires by me on the subject of the reading which the Imperial Maritime Customs have been pleased to put on the Steam Navigation Inland Regulations.—I am, &c.,

R. W. MANSFIELD, Consul.

P.S.—I shall be obliged if you will communicate the above to the Hongkong, Canton and Macao Steamboat Company and to the China Navigation Company.

Messrs. Jardine, Matheson & Co., Hongkong.

British Consulate,
Canton, 7th July, 1899.

Sir,—In my despatch No. 27 of the 10th ultimo I had the honour to report that the I.M. Customs had prohibited launches plying under the Steam Navigation Inland Regulations from calling at treaty ports *en route*.

This prohibition has now been extended to apply to Kongmoon, Kun Chuk, Shiu Hing, and Tak Hing, mentioned as "places of call" in the West River Regulations.

I have entered a strong protest against this ruling as being in direct contravention of Regulation 1, which says that steamers "may proceed to and fro *at will* under the regulations, but they must not proceed to places out of the Chinese territory." (The italics are mine.)

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The result of this action, which I can only characterize as arbitrary, is that steamers, under West River certificate, cannot call now, having had their Inland Waters licenses withdrawn, anywhere but at open ports and "places of call," and steamers with the Inland Waters license, though they may pass these places, may not enter them. The whole traffic is therefore split up into two services, and two steamers running over the same ground are required to do the work of one. Under such circumstances, I have no hesitation in saying that the Steam Navigation Inland Regulations are absolutely valueless.

I am powerless locally as the Commissioner of Customs states that he is acting under instructions from Peking.—I am, &c.,

R. W. MANSFIELD.

H.B.M. Chargé d'Affaires, Peking.

H. B. M. Consulate,
Canton, June 10th, 1899.

Sir,—Referring to the remarks contained in my despatch No. 16 of the 11th April on the prayer of the Shipping Companies for "the rescinding of the Inspector General's decision that inter-treaty-port steamers shall not also be registered for inland navigation," I have now the honour to report that about a week ago the Inland Water licenses of the s.s. *Lungshan* and *Lungkiang*, two British vessels plying under West River certificates between Canton and Wuchow *via* Samshui, were withdrawn, to their very considerable loss.

Two or three days later a British-owned launch plying under Inland Water Steam Navigation Regulations between Canton and Shiuling on the West River was informed by the Customs that she could not call in at the Treaty port of Samshui, which she passes *en route*.

This is the logical converse of the ruling of the Inspector General with regard to the *Lung* steamers, but I venture to suggest that it is its *reductio ad absurdum*. A British vessel running on a certain line under certain regulations passes a number of ports. One of these happens to have been opened by Treaty and this one she is debarred from entering.

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This is not a case where any loss of national revenue is involved, and it is conceded here that the liberty hitherto enjoyed had not led to any abuses.

It appears to me that the West River Regulations, while remaining in force for steamers running to and from Hongkong, might very well be abolished for steamers confined to Chinese inland waters. The Inland Waters Regulations with very slight modifications could be adapted to the whole trade, premising always that the disabilities caused by the present reading of the Regulations be removed.

The remarks in Consul Hosie's Report on the Trade of Wuchow under the heading "Taxation of domestic trade" are very much to the point.—I have, &c.,

R. W. MANSFIELD.

H. O. Bax-Ironside, Esq., H.B.M. Chargé d'Affaires, Peking.

Peking, 24th August, 1899.

Gentlemen,—Your letter under date Hongkong, June 17th, forwarded under flying seal through Her Majesty's Consul at Canton, and addressed to me, only reached this Legation on the evening of Saturday, the 19th instant.

Referring to my letter to you of the 17th May, I beg to state that I have referred the whole question of the Rules and Regulations for Inland Steam Navigation in China to the Foreign Office for the consideration of the MARQUESS OF SALISBURY, Her Majesty's Principal Secretary of State for Foreign Affairs.

I am personally of opinion that the ruling of the Imperial Chinese Customs as laid down in Sir ROBERT HART's letter to me of May 12th, copy of which was enclosed in my letter to you of May 17th, is a fair one, in view of the original concession, which was to allow foreign merchants to use steam vessels for conveyances of goods in the interior, in places where they have hitherto been allowed to use native boats.

It appears to me that you are anxious to obtain a share of the native carrying trade of the interior, which trade was not formerly carried on by foreigners using native boats. If this can be done under the existing Regulations well and good: these Regulations ought not, however, to be strained to attain this object.

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The Imperial Chinese Customs have decided that it is necessary to separate the two branches of traffic, interport and inland.

This separation seems reasonable when the consequences which would result from the adoption of another are considered, as pointed out by Sir ROBERT HART.

The question of the opening of the West River and the opening of the inland waters are separate ones and the two branches of traffic are governed by separate Regulations.

It would be regrettable if experience showed that one branch of traffic cannot be made to pay without the aid and assistance of the other, and a request for a modification of the Rules and Regulations might eventually be based upon that ground, but sufficient time has not, in my opinion, elapsed, nor have sufficient data been, as yet, forthcoming, to enable me to take action to obtain such a modification at the present time.—I am, &c.,

H. O. BAX-IRONSIDE, H.M. Chargé d'Affaires.
Messrs. Jardine, Matheson & Co., Messrs. Butterfield & Swire, and Thomas Arnold, Esq., Hongkong.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 21st September, 1899.

SIR,—I am instructed to beg you will be good enough to lay before His Excellency the Governor statement of the manner in which the privilege lately secured by Sir CLAUDE MACDONALD of the navigation by foreign steamers of the inland waters of South China has been practically nullified by the interpretation given to the Steam Navigation Inland Rules and Regulations by the Inspector-General of the Chinese Imperial Maritime Customs.

A lengthy correspondence on this subject has already passed between the representatives of the Steamboat Companies, the British Consul at Canton, H. B. M.'s Chargé d'Affaires, and Sir ROBERT HART. The latter, referring to the Inland Rules and Regulations, lays it down that, owing to the hybrid character of the West River,—being from one point of view a

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continuation of the sea and a highway leading to the two open ports of Samshui and Wuchowfu, and from another an inland water,—there are two kinds of trade to be regulated, viz., interport and inland water trade, for which different sets of local circumstances have to be provided. Thus the foreign steamers plying between Hongkong and Canton and Wuchow must be debarred from inland water privileges and those engaged in the inland trade could not be allowed to touch at the ports they pass *en route*.

Foreign steamers are also handicapped in competition with Chinese-owned launches, which can be used for the towage of lighters; the latter carrying the cargo, the former merely supplying the means of propulsion.

As Mr. MANSFIELD has clearly pointed out, in one of his despatches to Mr. BAX-IRONSIDE, the ruling of the Inspector-General is in direct contravention of paragraph 1 of the Steam Navigation Inland Rules and Regulations, which runs as follows :—

“The inland waters of China are hereby opened to all such steamers, native or foreign, as are specially registered for that trade at the Treaty Ports. They may proceed to and fro at will under the following regulations, but they must confine their trade to the inland waters and must not proceed to places out of Chinese territory. The expression ‘inland waters’ is read with similar meaning to that given for places in the interior (*nei-ti*) in the fourth article of the Chefoo Convention.”

My Committee are of opinion that the British Minister, when negotiating for the opening of the inland waterways to foreign trade and navigation, had in view the unrestricted freedom of foreign steamboats to proceed from port to port along those waterways, and not for the navigation to be divided into separate classes, namely, interport and inland.

The Steamboat Companies have a further serious grievance in the fact that some little time after the concession was granted it was allowed to include the right of calling at way ports for passengers, but this privilege was, a few months ago, withdrawn without any reason being given, and the so-called opening of the Inland Waterways of South China has thus been narrowed down to a point which has rendered it a mere farce.

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In consequence of this action of the Chinese Authorities, the Steamboat Companies, who had been induced by this supposed concession to construct boats specially adapted for the trade, now find themselves compelled to withdraw some of the vessels and, in effect, to retire from a trade which they had hoped to create by the provision of better facilities for more rapid communication.

The appeal of the Steamboat Companies to Her Majesty's Representative at Peking has been without effect, but the matter is one of such great importance to the trade of the Colony that they have now requested the Chamber to bring it to the attention of Her Majesty's Government through another channel. The Committee therefore trust that His Excellency the Governor will have the kindness to lay the question before the Right Honourable the Secretary of State for the Colonies, who is known to take a lively interest in all that appertains to the progress of British trade.

As that progress has been checked and thwarted not alone by this open attempt to misconstrue the terms of an agreement but also by the effort to divert trade from foreign steamers by the grant of preferential duties on junk-borne cargo and by the grievous failure of the Kwangtung Authorities to maintain order on the West River and in the district watered by it, no resource is left to the Chamber but to place the circumstances in the possession of the Government in the hope that Sir CLAUDE MACDONALD will on his return to Peking come armed with definite instructions to take the necessary steps to render this concession a real benefit instead of a hopeless sham.

A copy of the memorandum on this question of inland water navigation addressed by the Steamboat Companies to Her Britannic Majesty's Chargé d'Affaires is enclosed for the information of His Excellency the Governor.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. COLONIAL SECRETARY.

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The Piracies in the Two Kwang.

HONGKONG, 31st July, 1899.

SIR,—We beg to enclose copies of letters which our Canton firms have addressed to H.B.M.'s Consul at Canton, and also to the Canton Chamber of Commerce, on the subject of the disorganisation of the silk trade there caused by the lawlessness now prevalent in the provinces of Kwangtung and Kwangsi, which seriously interferes with the delivery of silk that is under contract to foreign buyers.

The Chinese officials hitherto have shown themselves quite incapable of coping with the situation, which is daily becoming worse, and it requires no stretch of imagination to discern that this state of affairs must seriously interfere with all branches of trade.

The large interests involved impel us to request the Committee of the Hongkong Chamber of Commerce to take up this matter as early as possible, and to make such representations to H.B.M.'s Minister at Peking that steps may be taken for the effective protection of British interests in these provinces.

Trusting that the Committee will be good enough to give their early attention to this important question,—We are, &c.,

JARDINE, MATHESON & Co.

REISS & Co.

To the Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE.

Canton, 25th July, 1899.

Dear Sir,—The undersigned British firms beg to bring to your notice that they have received a letter from a number of silk dealers referring to the unsettled state in the chief silk districts near Canton, which renders it impossible to them to duly deliver to us the silk previously sold to us for forward delivery.

We beg to enclose a copy of said letter received by us, giving details of a few of the robberies, piracies, and blackmailing cases committed lately.

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Since several weeks our native friends have daily been reporting to us why the deliveries of silk should come in so slowly ; but instead of diminishing, the danger to the trade in general, and particularly to the silk trade (owing to the great value of silk), has been growing daily, so that the interests of the foreign firms in Canton are now seriously affected.

As is usual in the silk trade, the native merchants have during the last 4-6 months made considerable contracts with the foreign firms, for delivery chiefly in June, July, August. Some considerable deliveries were made in June, but since a few weeks, notwithstanding a good third crop having come forward, deliveries are daily falling off.

As you will see from the information sent to you direct by each of the undersigned, the contracts they have still on hand are of considerable magnitude, and we would therefore ask you to find some means to protect, as far as possible, our threatened interests.

It is evident that all the silk bought by us from the natives has been sold in Europe and America and that we are responsible for all claims arising from late or non-delivery of these silks.--We are, &c.,

JARDINE, MATHESON & Co.
HERBERT DENT & Co.
ROWE & Co.
T. E. GRIFFITH.
REISS & Co.

CANTON, 25th July, 1899.

DEAR SIR,—We have pleasure in handing you herewith press copy of a joint letter, sent by us to-day as British silk merchants, to H.B.M.'s Consul here, with reference to the numerous robberies, piracies, and blackmailing cases committed lately in the chief silk districts.

This matter being one of very great importance to a great many of the members of the Chamber, we beg to suggest that the Committee of the Canton Chamber of Commerce also address the Consul on this subject, so as to add more weight to the complaint brought forward by us.--We are, &c.,

REISS & Co.

To the Chairman, Canton Chamber of Commerce.

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We, the undersigned Silk merchants of Canton, having made contracts with fixed delivery with your firm, have to inform you that, owing to the present unsettled state in the silk districts, we are afraid of being unable to fulfil the said engagements in due time.

Owing to numerous robberies, piracies, and blackmailing cases occurred within the last few weeks in the chief silk districts, it has become almost impossible for us to get the silk down from the country, and our agents there have asked us not to forward any more money to them, as the boats carrying it would likely be intercepted.

As a few instances of the numerous robberies perpetrated lately we may quote :—

At 9 a.m. 9-7-99 in Kong Tau creek some pirates abducted a supercargo and his cocoons belonging to the cocoon shops of Koon Shan in Namhoi District.

Sheng Fung & Co., Kung Kee & Co., and other cocoon shops in Koon Shan have been threatened and asked for a sum of Tls. 500 from each shop ; and as they refused to pay, they are pressed to pay a larger sum of Tls. 800 each.

At 8 a.m. 10-7-99, in Ngao Hu a cocoon dealer was robbed, and lost 30 odd packages of cocoons ; one boatman killed and supercargo wounded.

Each of the four cocoon shops in Luk Chung Hu of Shun Tak has been asked to pay a sum of Tls. 700.

At noon, 14-7-92 a cocoon boat was robbed at the entrance of the creek of Kat Yau village ; booty worth 1,000 odd taels. The silk filatures of Sai Shiu and Sai Po have been asked to pay sums up to several thousand taels.

These occurrences do seriously interfere with the whole silk trade and unless your firm in combination with the other foreign silk firms can through your Consul bring some pressure on the Chinese Government to make arrangements to clear the country from the hundreds of robbers and pirates, we fear that by no fault of ours we will not be able to fulfill our engagements punctually.

[Here follow chops.]

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Canton, 24th July, 1899.

A timber dealer in Sin Tong, Namhoi district, was forced to pay \$10,000.

Cheong Hop of Sui Tung, Shun Tak district, timber merchant, had his cargo seized on the way to Lo Chun by robbers; \$400 had to be paid for the release of same.

Two girls in a house boat in Heung Kau, Shun Tak district, were abducted and held for ransom.

At Lok Cheng, Shun Tak district, \$4,000 were demanded from all the pork dealers. The money not forthcoming, three boats laden with pigs valued at \$200 to \$300 each were seized.

Four houses at Loong Kong were surrounded by robbers and clothing and jewellery, &c. carried away.

At Kwong Wah, Shun Tak district, an eating house was robbed of \$600.

A boat from Loong Kong to Sui Lam, nearing Locklow, was "held up" by pirates, and \$1,200 stolen.

Another boat, plying from Canton to Kong Moon, was stopped by pirates and threatened to be seized unless the captain pay \$400 on his next trip.

At Loong Kong, Shun Tak district, a rich family was robbed to the extent of \$2,000.

A steam launch from Macao to Wuchow was held by pirates, valuable cargo stolen, and the purser shot.

A steam launch from Canton to Whampoa was likewise stopped by pirates, and \$1,000 stolen.

Quan Hing, a silk merchant, sending money to Loong Kong to buy silk, was robbed on the way to the extent of \$1,000.

HONGKONG, 10th August, 1899.

DEAR SIR,—A practical instance of the interruption to trade caused by piracy on the rivers of the Kwangtung province was brought before us this morning when a leading dealer refused to entertain business in produce on

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the ground that there was no security for transport. The business would in ordinary circumstances, we believe, have gone through.

On questioning the dealer, he alleged that repeated cases of junks "held up" for payments, had recently occurred, causing serious apprehension, that under the circumstances he preferred not to come under engagement.—We are, &c.,

BRADLEY & Co.

R. M. GRAY, Esq., Chairman, HONGKONG CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 14th August, 1899.

DEAR SIRS,—I beg to acknowledge receipt of your letter of the 10th instant, giving a very practical instance of the interruption to business caused by piracy now prevailing in the provinces of Kwangtung and Kwangsi, which I laid before the Committee. The subject is now receiving attention at the hands of the Committee, who trust their representations will not prove without effect.—I am, &c.,

R. M. GRAY, Chairman.

To Messrs. BRADLEY & Co., Hongkong.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 11th August, 1899.

SIR,—By the courtesy of Messrs. Jardine, Matheson Co., we sent yesterday, through the medium of Mr. W. KESWICK, M.P., the following telegram to you:—

"Kwang provinces very unsettled. No reliance can be placed in the Viceroy of Canton. Piracy interferes seriously with trade. We urge upon you the necessity of more gunboats to protect our interests West River."

I now beg to confirm the above, and in doing so will endeavour to give some particulars of the condition of affairs in the provinces of Kwangtung and Kwangsi, through which the West River and its numerous feeders flow.

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For some time past, owing to the weakness and corruption of the Administration, the rich producing districts in these provinces have been terrorised by bands of robbers, who, encouraged by impunity and enriched by plunder, have armed themselves, acquired junks and even steam-launches, by the aid of which they have "held up" whole villages and towns and pirated vessels on the rivers. These outrages have increased latterly to such an extent that within the last month no less than nineteen daring robberies and piracies, many of them attended with bloodshed, have been committed within the silk producing districts alone, and these are only cases that have been brought to our notice; the actual condition of affairs being in reality far worse than this statement might be supposed to indicate. The pirates are growing so bold that they are only deterred by the greater risk from attacking foreign as well as native steamers. Indeed, only as recently as the 20th ultimo on the West River a steam-launch flying the Portuguese flag was overhauled and boarded by a piratical launch, the Portuguese in charge and a native seaman shot down, and the vessel looted. Since then another steamer has been stopped and the cargo removed by the pirates.

The feeble attempts of the Canton Government to cope with the banditti and pirates, who are now in a position to blackmail the industrious portion of the population, have been worse than useless. The marauders are well armed with rifles and revolvers, have their strongholds in the hills, and have so far successfully defied any force of so-called soldiers the Viceroy may, under pressure, have despatched to attempt their suppression.

Trade has for some months been greatly hampered by the feeling of insecurity induced through the frequent robberies and the extortion practised by the heads of the gangs, but lately the position has become much more serious. The Silk trade is completely disorganised in consequence thereof. The merchants in Canton who have made contracts to deliver silk to foreign firms there, have given formal notice that they are afraid they may be unable to fulfil their engagements owing to the danger attending the transport of silk and treasure. The silk filatures and cocoon shops in the silk districts have been threatened and plundered, and unless order is soon restored it is to be feared that trade will be reduced to small limits. The

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foreign steamboats engaged in the river trade now only get light cargoes and even the passage traffic is much restricted.

The appearance of one small British gunboat (the *Sandpiper*) on the West River has been hailed with considerable satisfaction, and her presence is much appreciated by merchants and traders; but this great waterway is lengthy and the pirates are so numerous that the moral effect is necessarily restricted, and a small flotilla of these useful and serviceable craft is desirable if the West River is to be efficiently patrolled, while light draught steam-launches might be usefully employed for work in the creeks. It is useless to look for any effective action from the present Viceroy, and as his influence at Peking is understood to be considerable, it is to be feared that any reference to the Tsungli Yamên would at best result in some temporary measures of doubtful utility. In the increase of the British patrolling squadron only can we hope for any permanent improvement in the present state of disorder. A precedent exists for this intervention, as in former years Her Majesty's warships undertook to scotch piracy on the coast of China, and accomplished the work so thoroughly that this pest to commerce was practically extinguished, only recurring since at long intervals and under exceptional circumstances.

My Committee will be glad therefore if the East India and China Section of your Chamber can see its way to take up this important question and press it upon the attention of the Imperial Government. This Chamber is already indebted to your Chamber for the vigorous and effective manner in which it espoused the cause of this Colony in connection with the representation sent home on the question of the extension of its boundaries and the inclusion therein of Kowloon City, and the Committee now hope you will be equally successful in convincing the Government of the deplorable state of affairs at present existing in these two provinces and of the urgent necessity for prompt and decisive action to prevent the disorganisation and possible suspension of trade on the southern waterways of China.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.
To KENRIC B. MURRAY, Esq., Secretary, London Chamber of Commerce.

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HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 14th August, 1899.

SIR,—It is with regret that the Committee of this Chamber have to bring to your attention facts that are not only reducing the concession lately obtained of the opening to foreign trade of the inland waterways of South China to a valueless point, but are also seriously hampering and restricting business generally.

I allude to the piracy on the West River and the condition of disorder and lawlessness which prevails in wide districts of both the Two Kwang provinces. Bands of brigands, well armed with modern weapons, and possessing strongholds among the hills, make descents upon the villages and towns in the silk producing and other prosperous districts and either plunder the inhabitants or extort regular contributions from merchants and producers. Traders carrying produce to port of shipment and those returning with the bullion received therefor are robbed, and, if they offer resistance are shot or otherwise disposed of. Vessels of all descriptions on the river, from native junks to foreign steam-launches, are attacked and looted, and in several cases murder has preceded robbery. Only so lately as the 20th ultimo a launch flying the flag of Portugal was boarded by a pirate craft, the master shot, the crew overpowered, and the vessel robbed.

It is perhaps hardly to be wondered that, under such circumstances, the wealthier inhabitants of these districts should be sending their money for investment elsewhere, or that the silk merchants at Canton should have given notice that there is some possibility that they may not be able to fulfil contracts for delivery of silk, the producers being afraid either to attempt its transport to Canton or to make the return journey with treasure of which they are so likely to be despoiled *en route*. Native merchants are, as a result, loth to enter into contracts for export, and business threatens to come to a comparative standstill. The foreign steamboat companies, which have been pluckily engaged in an uphill pioneer work on the West River, also find their earnings seriously curtailed by the operations of the pirates and banditti.

The British Consul at Canton has no doubt informed you of the condition of affairs in the Two Kwang, and not improbably he has made you acquainted with the very unsatisfactory nature of the steps taken by the

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Viceroy to cope with predatory gangs who set the local authorities at defiance. The Committee trust you may make such representations to the Tsung-li Yamên as will lead to a determined effort on the part of the Provincial Government to put down the banditti and pirates whose lawless actions, if continued, will render legitimate commerce all but impossible.

It is to be feared, however, that under the administration of the present Viceroy no really sustained effort is likely to be made to restore the sovereignty of the law in these provinces, and the Committee are of opinion that the most practical as well as the surest means of restoring confidence and safety along the southern waterways will be for Her Majesty's Government to employ a flotilla of boats of the *Sandpiper* class to patrol the West River, with armed shallow-draft steam-launches to watch the creeks. The appearance of such craft in the waterways would be hailed with satisfaction by the native traders and merchants and need not excite official hostility, as they could act in conjunction with the vessels employed for the Canton Government, but which, unfortunately, are ludicrously inadequate for the work and not infrequently go off duty to act as tugs for native craft. The number of gunboats and guardboats on the river has, if I am rightly informed, been reduced. The above suggestion has been already mooted in telegrams despatched to London, and the Committee trust it will receive your approval and support.—I have, &c.,

R. M. GRAY, Chairman.

To H. O. BAX-IRONSIDE, Esq., H.B.M.'s Chargé d'Affaires, Peking.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 15th August, 1899.

SIR,—I am directed to transmit to you for the information of His Excellency the Governor, copy of a letter addressed by this Chamber to Her Britannic Majesty's Chargé d'Affaires at Peking on the subject of the disorders prevailing in the Kwang province (culminating on the 12th instant in an engagement with the Imperial troops at Cot-Kaw on the West River which ended in the complete defeat of the troops by the rebels) and the consequent derangement of trade on the inland waterways.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. J. H. STEWART LOCKHART, C.M.G., Colonial Secretary.

V

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 16th August, 1899.

SIR,—I beg to hand you herewith a copy of the letter addressed by this Chamber to Mr. BAX-IRONSIDE, Her Britannic Majesty's Chargé d'Affaires at Peking, on the subject of the internal disorders and lawlessness prevailing in the Kwang provinces and their effect upon trade generally and the silk business in particular.—I have, &c.,

R. M. GRAY, Chairman.

To H. B. M.'s Consul, Canton.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 21st September, 1899.

SIR,—I am directed by my Committee to again invite the attention of His Excellency the Governor to the condition of the districts watered by the West River and the piracies committed on that waterway and its tributaries, to the serious obstruction of trade.

The despatch of the gunboat *Tweed* and of a torpedo boat hence to the West River has no doubt had a good effect in some portions of the territory in question, but the length of the river and the numerous creeks preclude such a small force from having more than a very partial effect. If the Chinese Authorities could be relied upon to do their duty and second the efforts made to rid the country of the lawless characters who batten upon the labours of the industrious portion of the population, probably the force sent thither might suffice for the purpose. Unfortunately, however, the reverse is the case; nothing is attempted in real earnest by the Chinese officials and if the evil is to be rooted out it seems that it will have to be done by a British naval patrol.

This being the case the Committee would respectfully suggest to His Excellency the Governor the propriety of still further augmenting the gunboat flotilla by getting out more boats of the *Sandpiper* class, as soon as they can be procured. Meantime, it might perhaps be practicable to send armed light draft steam-launches to be attached to the larger vessels for use in the shallow waters.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. Colonial Secretary.

V

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 28th September, 1899.

SIR,—In continuation of previous correspondence and adverting particularly to my letter of the 21st instant on the subject of the obstructions caused to trade by the disturbances on the West River and district watered by it, I am desired by the Committee to offer a further suggestion for the consideration of His Excellency the Governor.

Recognising the fact that the provision of the number of steam-launches required to effectually police the inland waterways would necessarily entail a heavy expense upon the British Government for their upkeep, the Committee think that a similar result might perhaps be attained if all vessels flying the British flag and trading on inland waters were to be given the right to call for passengers and cargo at every inland port or place on the river at which a Custom House or Lekin Station is maintained. Under the British flag, in properly appointed vessels, greater safety would be secured for passengers and cargo and the mere fact of a sufficient number of such vessels being constantly in evidence moving up and down the river would prove a deterrent to the trade of piracy which is now being carried on and would thereby necessitate the continuance of only a few gunboats on this duty.

The British Government have every right to make this demand. In principle the opening of the Inland Waterways of South China to foreign trade and navigation has already been conceded, while in practice, as is so widely known, the concession has been rendered of no effect. The grounds on which this demand should be made are therefore, first, to secure us the reality of what has only been given, apparently, with intent to convert it into a sham; and secondly, that it is necessary to give security to trade, to the traders travelling, and to the natives who form their constituency. At the present moment the greatest sufferers from these perpetual piracies are the native traders who carry on business with the foreign merchants. That they should receive protection against lawless characters is of supreme importance, and it is the policy as well as the desire of the British merchants to see that the peaceable portion of the population is not disturbed or plundered.

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Seeing therefore that the privilege suggested is but a means (and that an easy and practicable one) of securing a concession previously made and that it will be the means of conferring benefits on the whole of the district concerned while at the same time yielding increased revenue to the Chinese Government, the Committee are of opinion that there should be no difficulty in obtaining it. They accordingly hope that His Excellency the Governor will see his way to make representations to this effect to the Right Honourable the Secretary of State for the Colonies.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. J. H. STEWART LOCKHART, C.M.G., Colonial Secretary.

No. 1741.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 10th October, 1899.

SIR,—I am directed to state for the information of your Chamber that a copy of your letter of the 21st ultimo, together with other correspondence on the subject of piracies on the West River has been forwarded for the consideration of the Secretary of State for the Colonies.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

THE LONDON CHAMBER OF COMMERCE INCORPORATED,
Botolph House, Eastcheap, London, E.C.,
12th September, 1899.

SIR,—I am in receipt of your telegram of the 10th August, and your letter of the 11th in further and fuller explanation thereof, in connection with which I now beg to enclose copy of my letter to the Foreign Office and their reply thereon. Trusting that this will meet with your requirements.—I am, &c.,

KENRIC B. MURRAY, Secretary.

The Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE, Hongkong, China.

V

London, 16th August, 1899.

My Lord,—The Chamber of Commerce of Hongkong has forwarded to this Chamber a telegram pointing out that the present position of affairs in the Kwang provinces is very unsettled, that no reliance can be placed on the Viceroy of Canton, that piracy interferes very seriously with trade, and urging the necessity for more gunboats to protect British interests in the West River.

In view of the very grave state of affairs indicated in this telegram, this Chamber supports the wish of the Hongkong Chamber that special measures will be taken for the protection of British interests in the West River, and I am desired to express the hope that your Lordship will cause these representations to receive the serious attention locally of Her Majesty's representatives in China.—I am, &c.,

KENRIC B. MURRAY, Secretary.

The Most Noble the Marquess of SALISBURY, K.G., H.M.'s Secretary of State for Foreign Affairs, Foreign Office, Whitehall, London, S. W.

Foreign Office,
August 23rd, 1899.

SIR,—I am directed by the Marquess of SALISBURY to acknowledge the receipt of your letter of the 16th instant calling attention to the unsettled state of affairs in the Kwang provinces and advocating the adoption of special measures for the protection of British interests in the West River.

I am to inform you that the matter in question is occupying the attention of Her Majesty's Government.—I am, &c.,

FRANCIS BERTIE.

The Secretary, London Chamber of Commerce, Botolph House, Eastcheap, E. C.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 20th October, 1899.

SIR,—I beg to acknowledge receipt of your letter of the 12th ultimo, enclosing copy of your letter to the Foreign Office on the subject of the piracies on the West River and its tributaries, concerning which this Chamber telegraphed and wrote to you on the 10th and 11th August last respectively, and of copy of reply thereto.

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I am instructed to convey to you the hearty thanks of my Committee for the prompt and courteous attention given by you to the matter, which action on the part of your Chamber resulted in an almost immediate increase in the patrol established by the Naval Authorities on these inland waters. I regret, however, to be unable to add that any improvement is yet noticeable in the condition of lawlessness into which the district in question has degenerated.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

To KENRIC B. MURRAY, Esq., Secretary, London Chamber of Commerce.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 2nd November, 1899.

SIR,—With reference to previous correspondence on the subject of the prevalence of piracy in the waters of Southern China, I am directed to transmit for the information of the Chamber of Commerce the enclosed copy of a despatch received by His Excellency the Governor annexing a letter from the Foreign Office to the Under Secretary of State for the Colonies.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

No. 211.

DOWNING STREET,
29th September, 1899.

SIR,—I have the honour to acknowledge the receipt of your despatch No. 234 of the 18th August last, relative to the prevalence of piracy in the waters of Southern China, and to transmit to you, for your information, a copy of a letter from the Foreign Office showing the steps which are being taken by the Admiralty for the protection of British interests on the West River.—I have, &c.,

J. CHAMBERLAIN.

Governor Sir HENRY A. BLAKE, G.C.M.G., &c., &c.

Foreign Office,
September 25th, 1899.

SIR,—I am directed by the Marquess of SALISBURY to acknowledge the receipt of your letter 25038/99 of the 21st instant inclosing a despatch from the Governor of Hongkong relative to piracy on the West River.

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Sir HENRY BLAKE's despatch is returned herewith as requested.

The Lords Commissioners of the Admiralty informed Lord SALISBURY on the 22nd ultimo that the Commander-in-Chief on the China Station had ordered Her Majesty's ship *Tweed* to patrol the West River with Her Majesty's ship *Sandpiper*, and that if further assistance were required for the protection of British interests he proposed to send a torpedo boat as tender to the *Tweed*.—I am, &c.,

FRANCIS BERTIE.

The Under Secretary of State, Colonial Office.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 3rd November, 1899.

SIR,—I beg to acknowledge receipt of your letter (No. 1789) of the 2nd instant transmitting, for the information of this Chamber, copy of a despatch received by His Excellency the Governor from the Secretary of State for the Colonies annexing a letter from the Foreign Office to the Colonial Office on the subject of the recent piracies on the West River and the steps taken to protect British interests on that waterway.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

Hon. Colonial Secretary.

W

Amoy and the Formosa Tea Trade.

AMOY GENERAL CHAMBER OF COMMERCE,
AMOY, 25th July, 1899.

SIR,—I beg to enclose copy of a despatch which this Chamber is sending to Sir E. SATOW, K.C.M.G., H.B.M.'s Minister at Tokyo, protesting against a discriminating duty of Yen 1.60 per picul on Formosa tea which the Japanese Government intends to impose from the 4th proximo on shipments to Foreign Countries whilst allowing tea to be shipped from Formosa to Japan free of duty and thence exported abroad likewise free of duty.

If your Chamber can endorse the views set forth, any support that you may be able to give them will be much appreciated.—I am, &c.,

J. J. DUNNE, Secretary.

The Secretary, HONGKONG CHAMBER OF COMMERCE, Hongkong.

W

Amoy General Chamber of Commerce,
Amoy, 24th July, 1899.

Your Excellency,—Referring to the telegram which this Chamber despatched to you to-day reading :—

“Chamber Commerce urge you protest against duty Formosa tea other than that leviable Japan. Despatch of date follows—CASS, Chairman.”

I have the honour to bring to your notice that the Formosan Government has notified its intention of imposing a duty of yen 1.60 per picul on tea exported from Formosa to foreign countries, whilst tea exported to Japan will be free of duty and may be shipped thence abroad likewise free of duty.

The object of this proposed duty is to favour the line of steamers running between Formosa and Japan and to divert the tea trade as much as possible from the present channel *via* Amoy and Hongkong by placing a discriminating duty of yen 1.60 per picul on it.

This would not seem to be in accordance with the new Treaties, which, as we read them, require that Japan and her possessions should have the same tariff.

The consumption of Formosa tea in Japan and China is absolutely nil, such teas, whether landed in Japan, a China port, or Hongkong, are in transit for the United States, Great Britain, the Continent of Europe, Australia, or the Dutch Colonies. The route from Formosa *via* Japan might favour the teas shipped by the Pacific, but as regards the great bulk of the shipments, that is, those *via* Suez to the United States, Great Britain, and the Continent of Europe, and those to Australia and the Dutch Colonies, it is out of the question to send such to Japan. The proposed duty would, therefore, discriminate in favour of one route to one country, and against all other routes and countries.

It is argued that the Japanese Government only asserts its right to fix the tariff between Formosa and Amoy (the latter being a Chinese port) in accordance with agreements between Japan and China. This argument disregards the fact, as shown above, that the teas do not come to Amoy for consumption, but in transit to foreign countries.

W

Our merchants claim that they are at liberty to clear their teas at the Formosa Customs for the United States, Europe, &c., *via* Amoy or any other route, paying duty according to the Japan tariff applicable to such countries of final destination, and it is in the hope that you will support this view that this Chamber asks your assistance in combating in good time any disability which may be impending to the liberty of a merchant to ship by whichever route he may please.—I have, &c.,

FRANCIS CASS, Chairman.

Sir Ernest M. Satow, K.C.M.G., H.B.M.'s Envoy Extraordinary and Minister Plenipotentiary, Tokyo.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 5th August, 1899.

SIR,—The attention of this Chamber has been drawn by the Amoy Chamber of Commerce to a notification issued by the Government of Formosa announcing the imposition of a duty of yen 1.60 per picul on tea exported from Formosa to foreign countries, whilst the leaf if exported to Japan is exempted from duty and can be shipped thence to foreign ports free of imposts. This of course amounts to the imposition of a discriminating duty, specially designed to divert the tea trade of Formosa from its accustomed channels and to compel shippers to send it in the Japanese subsidised steamers to Japan instead of, as at present, *via* Amoy and Hongkong. As the vast bulk of these teas go by way of the Suez Canal to the United States, Great Britain, and the Continent of Europe, it would be obviously most inconvenient to ship them *via* Japan.

The imposition of a discriminatory duty on an article of export in a Japanese possession in order to divert traffic is not, this Chamber ventures to think, in accordance with the spirit of the new Treaties, which may be taken to authorise the clearance of teas through the Formosan Customs for foreign ports by any route, provided they pay duty according to the Japanese tariff, without being compelled to ship them in the first instance to Japan.

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This Chamber, therefore, strongly supports the protest addressed to you by the Amoy Chamber of Commerce on the subject, and sincerely trusts that your Excellency will succeed in convincing the Japanese Government of the inequitable and illiberal character of the step they propose to take, and which if persisted in cannot fail to inflict unexpected loss and annoyance on these foreign firms who have for so many years embarked their capital and employed their energies in the development of a trade which they never doubted would remain free from discriminating duties when the Japanese Government took over the administration of the island.—I have, &c.,

R. M. GRAY, Chairman.

To His Excellency Sir E. SATOW, K.C.M.G., &c., Her Britannic Majesty's Minister to Japan.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 5th August, 1899.

SIR,—I beg to acknowledge receipt of your letter of the 26th ultimo enclosing copy of a despatch addressed by your Chamber to H.E. Sir E. SATOW, K.C.M.G., Her Britannic Majesty's Minister at Tokyo, protesting against a discriminating duty of yen 1.60 per picul on Formosa teas which the Japanese Government proposed to levy from the 4th instant on shipments to foreign countries whilst permitting to be shipped from Formosa to Japan free of duty and thence exported also free.

In reply to your request that this Chamber will give your Chamber's protest its support, I am directed to inform you that the Committee have addressed the British Minister in Japan on the subject, and to transmit for your information copy of the despatch.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.
The Secretary, AMOY GENERAL CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 5th August, 1899.

SIR,—I have the honour to forward, for the information of His Excellency the Governor, copy of a despatch addressed to Her Britannic Majesty's Minister in Tokyo on the subject of the imposition by the Japanese

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Government of a discriminating duty on Formosa teas shipped to foreign countries whilst shipments made to Japanese ports are allowed free of duty and thence abroad likewise free of duty.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

The Hon. COLONIAL SECRETARY, Hongkong.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 14th August, 1899.

SIR,—I am directed to acknowledge the receipt of your letter of the 5th instant, with enclosure, on the subject of a discriminating duty on Formosa Teas shipped to Foreign Ports and to state, for the information of your Chamber, that a copy has been forwarded to the Secretary of State for the Colonies—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.
The Secretary, CHAMBER OF COMMERCE.

AMOY GENERAL CHAMBER OF COMMERCE,
AMOY, 12th August, 1899.

SIR,—I beg to acknowledge receipt of your letter dated 5th instant, enclosing copy of a despatch addressed to Sir E. SATOW, K.C.M.G., H.B.M.'s Minister at Tokyo, in support of this Chamber's protest to him against the levying by the Japanese Government of a discriminating duty on Teas shipped direct to foreign countries from Formosa. This Chamber begs you to accept its best thanks for your action in the matter.—I am, &c.,

J. J. DUNNE, Secretary.
The Secretary, HONGKONG GENERAL CHAMBER OF COMMERCE, Hongkong.

TOKYO, August 16th, 1899.

SIR,—I am directed by Her Majesty's Minister to acknowledge the receipt of your communication of the 5th instant, supporting the protest made by the Amoy Chamber of Commerce against the imposition by the Formosan Government of a duty on tea exported from Formosa to foreign countries.

W

Sir ERNEST SATOW desires me to inform you that he has referred the matter to the consideration of Her Majesty's Government.—I am, &c.,

MILNE CHEETHAM.

The Chairman, HONGKONG GENERAL CHAMBER OF COMMERCE.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 14th November, 1899.

Sir,—I am directed to transmit for the information of the Chamber the enclosed copy of a despatch received from the Secretary of State for the Colonies.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

No. 223.

Downing Street,
10th October, 1899.

Sir,—I have the honour to acknowledge the receipt of your despatch No. 217 of the 11th of August last, enclosing copy of a letter addressed to Her Majesty's Minister at Tokio by the Hongkong Chamber of Commerce on the subject of the discriminating duty recently imposed by the Japanese Government on Formosa teas shipped to foreign ports, and to inform you that a copy of that despatch has been laid before the Secretary of State for Foreign Affairs.—I have, &c.,

J. CHAMBERLAIN.

Governor Sir Henry A. Blake, G.C.M.G., &c., &c.

X

Proposed Conservancy Board for the Whangpoo River.

SHANGHAI GENERAL CHAMBER OF COMMERCE,
SHANGHAI, 21st August, 1899.

Sir,—The condition of the Whangpoo River generally and of the Woosung Bar in particular has for many years past been a great obstruction to the trade of Shanghai, and a cause of great expense by reason of the fact that many steamers engaged in the trade of the port are unable to cross the

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Bar, and are forced to take in and discharge their cargoes outside Woosung. As the evil was growing and threatened the future existence of Shanghai as a shipping port, this Chamber engaged Mr. J. DE RIJKE, a well-known Dutch expert in the service of the Japanese Government, to make a preliminary survey of the River and Bar with the object of suggesting remedial measures.

When this Report was completed it became evident that no such remedial measures could be effectually undertaken unless a Conservancy Board was established, with full authority to carry out all necessary works of improvement and to collect funds to cover the expense of same. This Chamber therefore drew up a scheme embodying their views, which they laid before the Consular Body, as you will see by annexed correspondence, and this being favourably received was forwarded to Peking for the approval of the Foreign Representatives. As the latter have decided that certain points in the proposed scheme must be submitted to their respective Governments, this Chamber begs your earnest assistance in support of its proposal, and trusts you will do your best to impress upon your Government the great necessity, in the interests of international trade, for the establishment of a Conservancy Board which will be empowered to restore and conserve the river approaches to this important emporium.—I am, &c.,

WILLIAM D. LITTLE, Chairman.

To the Chairman, CHAMBER OF COMMERCE, Hongkong.

H.M.F.M.'s Consulate-General,
Shanghai, 27th January, 1899.

Sir,—After a thorough study of the scheme of a Conservancy Board for the Woosung River, contained in your letter dated 13th December last, the Consular Body, at their meeting of 20th instant, closely considered and discussed the matter and desired me to state the following:—

The Consular Body admit the great urgency, in the interest of trade, to constitute a River Conservancy Board having under its control the works at the bar or elsewhere found necessary by technic, dredging, removal of wrecks and other obstacles, pilot service, floating lights, buoys, etc., such Board being also intrusted with the funds raised from agreed sources, their manage-

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ment and expenditure and, if possible, the issue of regulations and performance of certain maritime police functions, and other prerogatives enunciated in your scheme.

Although its cosmopolitan nature and the privileges of extritoriality enjoyed by Foreign Powers in China demand that such Board be constituted by an International Convention signed at Peking, it is nevertheless evident that this constitution must be formulated in Shanghai, where all wants and obligatory conditions are known.

The said Convention must determine the responsibilities for the Board and its Members' acts, carefully avoid in the constitution of said Board any political character or motive of dispute in questions of principles and provide the Board with means to secure the accomplishment of its functions. All those necessities imply the condition that the Board be constituted like, for instance, the Company for the Canal of Suez, governing itself by its statutes in which are foreseen the rights and duties of the members, the working and representation of the institution.

It must be noted that the responsibilities of the Board now contemplated, for its actions, can only be claimed before a Court of Consuls, it is therefore necessary that its rights and duties be formulated, as exactly as possible, in regulations to be elaborated preferably in Shanghai.

These considerations make it evident that Consuls cannot be on the Board; the presence there of any official element would be of much greater inconvenience than use.

Finally, the Consular Body are of opinion that a scheme in which the above mentioned conditions would not be respected, would carry in itself the cause of its condemnation.

Those are the reasons why my Colleagues, before forwarding your scheme to the Diplomatic Body at Peking, found it advisable to address you the present letter and ask if on account of the above stated considerations the Chamber of Commerce will not find it necessary to bring some modifications into their original scheme, a copy of which I beg to return herewith enclosed.—I have, &c.,

JOAQUIM MARIA TRAVASSOS VALDEZ,
Consul-General for Portugal and Senior Consul.

E. F. Alford, Esq., Chairman of the Shanghai General Chamber of Commerce.

X

No. 37 S.

H.M.F.M.'s Consulate-General,
Shanghai, 22nd February, 1899.

Sir,—I have the honour to acknowledge receipt of your letter of 6th instant, replying to the communication which, on behalf of my Colleagues, I addressed to you upon the constitution of a River Conservancy Board.

The Consular Body, to whom I gave knowledge of the said letter, saw with satisfaction the amendments it includes, but believing it useful that only one scheme be forwarded to Peking, they request now the Chamber to amalgamate the first scheme with the suggested amendments and send me a new one.

The Consular Body also considered the motives that prevented the Chamber to eliminate the Consuls from the scheme and, while greatly appreciating the reasons that induced the Chamber to admit in principle that the interests of all Consuls had to be represented and safeguarded as proposed, they direct me to state that the remarks of the Consular Body on the subject were simply made in consideration of a legal principle, as the Consuls never can be represented and have interests in the River Conservancy Board and eventually become judges over the same Board without offending the said principle, which could perhaps easily be maintained and conciliated if the Consular Body be entitled to elect two Representatives chosen amongst Residents of Shanghai.—I have, &c.,

JOAQUIM MARIA TRAVASSOS VALDEZ,
Consul-General for Portugal and Senior Consul.

E. F. Alford, Esq., Chairman of the Shanghai General Chamber of Commerce.

Shanghai General Chamber of Commerce,
Shanghai, 19th April, 1899.

Sir,—In reply to your letter of 22nd February, I have the honour to inform you that the Committee have since had under consideration the scheme for the constitution of a Conservancy Board embodying certain revisions as suggested by you, and I now submit same to you in its entirety as recommended by the Committee at their recent meeting.

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That the Board should consist of:—

Two representatives selected by the Consular Body from among the resident Foreign Merchants of Shanghai.

The Commissioner of Customs or his nominee.

Two representatives of the Chamber of Commerce to be nominated by the Committee.

Two representatives of the shipping interests to be nominated by firms or persons whose entrances and clearances exceed 50,000 tons per annum.

If considered desirable the Board might still further be increased by a representative of the Municipal Council and a representative of the French Municipal Council.

The Board to elect their own Chairman and Vice-Chairman.

A paid Secretary to be appointed.

The Harbour Master and a body of water police and watchmen to be servants of the Conservancy Board.

In the event of the river being conserved a competent Engineer should be appointed who will have supreme control (under the Board) of the entire work.

1.—*Regulation of Traffic*:—To issue such regulations as may be found necessary for the regulation of the traffic between the upper limit of the Foreign Settlements to the Red Buoy in the Yangtze, and over all waterways (such as the Soochow and other Creeks) within the area of the Foreign Settlements at Shanghai and the Settlement at Woosung.

2.—*Dredging and Bunding*:—No dredging or bunding works to be carried out in this section of the river, or in the above mentioned creeks, without the permission of the Board.

3.—*Removal of Obstacles*:—To have full power to remove all obstacles in the river or creeks, and where necessary (as in the case of wrecks for example) to recover the cost of so doing from those responsible.

4.—*Control of Lights*:—To have complete control of all floating lights, buoys, etc., in this section of the river and of such marks on shore as may be necessary for the safe navigation of the river, with the exception of Light-

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houses, which will remain as provided for in Clause 32 of the Treaty of 1858 between Great Britain and China.

5.—*To Receive Proportion of Tonnage Dues*:—The Board to receive a proportion of the tonnage dues paid to the Imperial Maritime Customs at Shanghai, Woosung and any other port on the Whangpoo, sufficient to cover cost of such work or duties as would be carried out by the Harbour Authorities were the Board not in existence.

6.—*Control of Conservancy Works*:—In the event of its being decided (by the Board) to carry out the Conservancy of the River, the whole work of so doing to be under the control of the Board, even though this may entail work outside the proposed limit of their jurisdiction.

7.—*Collection and Expenditure of Funds*:—The Board to have the collection and expenditure of all funds which may be raised for such works and to have the power to enforce payment, once the levying of the Tax has been agreed to by the Joint Powers.

8.—*Police and Watchmen*:—The Board to have power to organise police and/or watchmen to carry out their orders.

9.—*Control of Pilot Service*.—The Board to control the Shanghai Pilot Service. No licenses to be issued except by the Board, who will have power to deal with these licenses.

10.—*Enforcements of Regulations*:—With regard to enforcing observance of their regulations, the Conservancy Board being constituted in concert between the Treaty Powers and the Chinese Government, will have the power to sue those who disregard the regulations before their Consuls, and in the case of Chinese before the Mixed Court Magistrate, in the presence of a Foreign Assessor. All suits against the Board shall be brought before the Court of Consuls in the name of the Secretary of the Board.

1.—A special annual charge on the assessed value of the property in the Foreign Settlements, which even at one-tenth of one per cent. would produce some Taels 33,000 per annum.

2.—A similar charge on the property with water frontage on both sides of the river outside the Foreign Settlements, but between them and the Yangtze.

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3.—A tax on all shipping entering or leaving the port of Shanghai, Woosung or any other port on the Whangpoo, in the shape of a sur-tax on Tonnage Dues to be collected at same time as Tonnage Dues and by the same methods. This at 5 cand. per ton, making the total charge 45 cand. instead of 40 cand. as fixed by Art. XXIX of the Treaty between Great Britain and China of 1858, would give an income of Tls. 52,500 per annum.

4.—A charge on all merchandise passed through the Customs at Shanghai, Woosung and any other port on the Whangpoo in a similar manner to the present wharfage charges, giving at one-tenth of one per cent., say Tls. 55,000 per annum.

5.—An Imperial contribution from the Chinese Government, equal to three-tenths of the tonnage dues collected in Shanghai would result in some Tls. 120,000. It being understood that this proportion of the tonnage dues has been for many years past, and still is, diverted from the purpose implied by the Treaties, into alien channels. A similar contribution to be made on all tonnage dues which may be collected at Woosung or any other port on the Whangpoo.

6.—The aggregate of these annual receipts would probably be sufficient to enable a constituted authority to raise the necessary capital.

7.—As already stated (Article 2, section 7) this constituted authority would be the Conservancy Board. Should the annual revenue not be sufficient to provide interest and amortization for the capital raised for the Conservancy works, the Board to have power to make such increase in the tax on shipping, property and trade as may be necessary to produce the funds required. Three months' notice of such increase to be given to the Consular Body, who in their turn shall publicly notify this increase at least one month before it comes into operation.

8.—The Board shall within six months of the close of their yearly accounts furnish the Consular Body with a detailed statement giving full particulars of their management, receipts and expenditure during the past twelve months. This report to be subsequently published for general information.

The Committee of this Chamber trust that the above suggested Regulations for the Constitution of a Conservancy Board will so far meet with the

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approval of the Consular Body that they may be able to transmit them to Peking for the consideration of the Foreign Representatives, with a strong recommendation for their adoption.—I have, &c.,

WM. D. LITTLE, Acting Chairman.

J. M. T. Valdez, Esq., Consul-General for Portugal and Senior Consul.

H.M.F.M.'s Consulate-General,
Shanghai, 26th June, 1899.

Sir,—On behalf of my Colleagues I have the honour to inform you that I received from His Excellency D. Bernardo de Cologan, Doyen of the Diplomatic Body at Peking, a letter dated 13th instant, stating that the Diplomatic Body have taken knowledge of the proposal made by the Shanghai General Chamber of Commerce for the formation of a River Conservancy Board.

The Foreign Ministers desired His Excellency to reply that although they sympathised with the proposal, before trying to enter into negotiations on the subject, they found it necessary to consult their respective governments on certain points of the said proposal.—I have, &c.,

JOAQUIM MARIA TRAVASSOS VALDEZ,
Consul-General for Portugal and Senior Consul.

W. D. Little, Esq., Chairman of the Shanghai General Chamber of Commerce.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 14th September, 1899.

DEAR SIR,—I have to acknowledge receipt of your letter of the 21st ultimo, covering copy of correspondence between your Chamber and the Consular Body at Shanghai in reference to the establishment of a Conservancy Board to be empowered to restore and conserve the river approaches to Shanghai, and requesting the support and assistance of this Chamber in impressing upon the Governments of the various Treaty Powers the importance to trade of this project.

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In reply, I am directed to state that the Committee, while quite in sympathy with, and heartily approving of, the proposal for the better conservancy of the river Whangpoo, the necessity for which is fully recognised, are not aware what this Chamber can do to forward the scheme. Should you be prepared to recommend any particular line of action, my Committee will be pleased to give it consideration.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

To DRUMMOND HAY, Esq., Secretary, SHANGHAI GENERAL CHAMBER OF COMMERCE.

No. 2178.

COLONIAL SECRETARY'S OFFICE,

HONGKONG, 15th December, 1899.

SIR,—I am directed by the Governor to forward for the information of the Chamber the enclosed copy of a despatch from the Secretary of State together with copies of the correspondence sent therewith, relating to a proposal for establishing a Conservancy Board for the Woosung River.

2. His Excellency will be glad to receive any information which the Chamber can supply as to the effect of the present state of the river upon Hongkong trade.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

No. 254.

Downing Street,

8th November, 1899.

SIR,—I have the honour to transmit to you, for any observations that you may wish to make, a copy of a despatch, noted below, forwarding a letter from the Shanghai General Chamber of Commerce, in reference to a proposal for establishing a Conservancy Board for the Woosung River.—I have, &c.,

EDWARD WINGFIELD, for the Secretary of State.

The Officer Administering the Government of Hongkong.

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Government House,
Singapore, 12th September, 1899.

SIR,—I have the honour to give cover to the enclosed correspondence in favour of a scheme for improving the Woosung River below Shanghai promoted by the Shanghai Chamber of Commerce.

Anything which tends to develop China benefits the interests of this port and of Penang, and for this reason I should be glad to see the improvement of the Woosung Bar seriously taken in hand if competent engineers advise it and the Government of China can be persuaded to entrust the undertaking to an honest Corporation.

Some details of the scheme seem open to amendment *e.g.* the revenue from sources other than shipping is very small whereas the work will benefit the whole of the riverain provinces and in the composition of the Board the Shanghai merchant seems to have an unduly large share.—I have, &c.,

C. B. H. MITCHELL.

The Right Hon. Joseph Chamberlain, M.P., &c., &c.

Chamber of Commerce,
Singapore, 7th September, 1899.

SIR,—I have the honour to invite your attention to the enclosed letter of 21st ultimo, from the Shanghai General Chamber of Commerce in reference to a scheme for the establishment of a Conservancy Board for the Woosung River with the object of improving the condition of that river generally and of the Woosung Bar in particular—for many years past a cause of great obstruction and consequent expense to the trade of Shanghai, owing to many steamers engaged therein being unable to cross the Bar and having to load and discharge outside.

2. The Shanghai Chamber desires to impress upon the Government the great necessity in the interests of international trade for the establishment of such a Conservancy Board, and as it would have a beneficial effect on the trade of this port and has the full approval of the Chamber, my Committee hope that the Government may be able in some way to lend its support to the proposal of the Shanghai Chamber.—I have, &c.,

ALEX. J. GUNN, Secretary.

The Hon. The Colonial Secretary, S.S.

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HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 19th January, 1900.

SIR,—I beg to acknowledge receipt of your letter (No. 2178) of the 15th ultimo, covering copy of a despatch from the Secretary of State for the Colonies, together with copies of the correspondence sent therewith relating to a proposal for establishing a Conservancy Board for the Woosung River.

The correspondence from Shanghai had already been received from the Chamber of Commerce at that port, and the Chamber is in full sympathy with the project though it does not directly affect this port. I am instructed by the Committee to express the hope that the Government will give its cordial support to the project on general principles. Anything that is likely to conduce to the alleviation of the excessive burdens imposed on shipping frequenting Shanghai must benefit the trade of China, in the development of which this Colony is deeply and directly interested. As matters now stand, owing to the unsatisfactory state of the approaches to Shanghai, which entail heavy lighterage expenses and vexatious and costly detentions, added to the exorbitant tonnage dues levied there, much of the shipping trading with the Far East which would otherwise call there is compelled to avoid the port. This Chamber will therefore hail with satisfaction any steps that can be taken to improve the navigation of the Woosung.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

To Hon. COLONIAL SECRETARY.

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The International Commercial Congress at Philadelphia.
No. 966.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 15th June, 1899.

SIR,—I am directed to transmit to you for an expression of opinion from the Chamber of Commerce a copy of a Circular despatch from the Secretary of State for the Colonies and of its enclosure relative to the International Commercial Congress to be held at Philadelphia in October next.—I have, &c.,

J. G. T. BUCKLE, for Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

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Downing Street,
29th April, 1899.

Sir,—I have the honour to transmit to you a letter from the Director of the Philadelphia Commercial Museum inviting your Government to take part in an International Commercial Congress to be held at Philadelphia in October next.

The United States Ambassador in London in forwarding this invitation has expressed the hope that it will be possible for your Government to avail itself of it.

I have at the same time to enclose for your information a copy of a letter addressed by the Director of the Philadelphia Commercial Museum to Her Majesty's Consul at Philadelphia respecting this Congress.—I have, &c.,

J. CHAMBERLAIN.

The Officer Administering the Government of Hongkong.

The Philadelphia Commercial Museums,
233, South Fourth Street,
Philadelphia, 7th April, 1899.

Dear Sir,—From the nature of several enquiries which have reached us from abroad, it would appear that a slight misapprehension exists in some quarters concerning the aim and scope of the Congress and Exposition to be held under the auspices of this Institution in the City of Philadelphia during the coming Autumn. In order to leave no room for doubt upon any point, we beg to restate the entire matter briefly as follows :—

First, as regards the Exposition, which is the outgrowth of the work of this Institution and which will be held in the City of Philadelphia from September 14th to November 30th, 1899. This enterprise is officially designated "The Philadelphia Exposition of 1899, a National Exposition of American Manufacturers for the Expansion of Export Trade." As its name indicates, its first object will be the exhibition of American products with a view to extending the foreign trade of this country. It is true that its plan also includes the showing of goods from other countries, but these will not be in the nature of individual exhibits. They will rather consist of trade

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samples carefully selected by our commissioners abroad and classified in such a manner as to afford those who attend the Exposition an opportunity to compare American with foreign goods in certain lines, especially those sold in the open markets of the world. The admission of individual foreign exhibits would be impossible with the space at our command. Although 200,000 square feet are contained in the magnificent building now being erected for the Exposition, the indications already are that this will not suffice to meet the demands of our own manufacturers who desire to make displays.

Secondly, as regards what is now officially designated as the "International Commercial Congress": This Congress will be opened by the President of the United States in person, on October 10th, and will be all-embracing in its character. Invitations to send delegates and participate in its deliberations have been forwarded through the State Department at Washington to 115 different countries. Each country is to be represented by one delegate. Chambers of Commerce and similar bodies in all parts of the world have also been invited to send two or three delegates each. All regularly accredited delegates from Governments and Commercial bodies will be the guests of the City of Philadelphia during the sessions of the Congress. The fullest and freest discussion is assured, and it is desired that delegates will be instructed to present papers upon such matters as may be of benefit to the countries participating, and for the general advancement of international commerce. We should receive early notice of the subjects to be presented in order that the official programme may be issued in time for general distribution.

We may add that, in addition to the delegates already mentioned, leading business houses everywhere will be invited to send representatives in a private capacity to attend the Congress and Exposition, and we would be pleased to have you suggest the names of as many as possible in your country, if you have not already favoured us with the same. They will find this an exceptional opportunity to make a desirable business trip at a minimum expense (reduced transportation rates, &c., being now under negotiation), and will be enabled to make business connections on the spot, such as could not at any other time be possible without making an extended journey to all parts of the United States.

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Trusting that the above information may enable you to answer fully any enquiries that may come to you, and thanking you in advance for the favour of answering the same.—We beg, &c.,

W. P. WILSON, Director.

Hon. Wilfred Powell, Consul of Great Britain, 708, Locust Street, Philadelphia, Pa.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 22nd June, 1899.

DEAR SIR,—I am instructed by the Committee to invite you to represent this Chamber at the International Commercial Conference to be held at Philadelphia in October next, commencing on the 12th of that month.

I beg to forward for your information a copy of the Report of the Chamber for 1898, from which you will gather what are the subjects that for the present interest and affect the Colony. Perhaps the question of most interest to this port likely to come up for discussion at the conference will be the tariff the United States Government intends to levy on imports and exports in the Philippines. Unless some tariff far more liberal to foreigners than that imposed under the Spanish *régime* is sanctioned at Washington the development of trade in this important group of islands must prove disappointingly slow.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

To A. M. TOWNSEND, Esq., New York.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 26th June, 1899.

SIR,—I beg leave to acknowledge receipt of your letter (No. 966) of the 15th instant, transmitting copy of circular despatch from the Secretary of State for the Colonies and of its enclosure relative to the International Commercial Congress to be held at Philadelphia in October next.

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In reply, I am directed to ask you to kindly inform His Excellency the Governor that the Committee have invited Mr. A. M. TOWNSEND, Agent in New York of the Hongkong and Shanghai Banking Corporation, to attend the Congress as representative of this Chamber.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

To Hon. COLONIAL SECRETARY.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 26th June, 1899.

DEAR SIR,—In response to the invitation conveyed by letter, and verbally through Mr. NIEDERLEIN, for this Chamber to send a delegate to the forthcoming International Commercial Congress at Philadelphia, I am directed to convey to your Board the thanks of my Committee and to inform you that they have asked Mr. A. M. TOWNSEND, the Agent in New York of the Hongkong and Shanghai Banking Corporation, to represent the Chamber at the Congress.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

To Dr. W. P. WILSON, Director, Philadelphia Commercial Museums.

THE PHILADELPHIA COMMERCIAL MUSEUMS,
233, South Fourth Street.
PHILADELPHIA, 21st June, 1899.

DEAR SIR,—Pardon us if we make inquiry whether, as President of the Hongkong General Chamber of Commerce, you received two letters of invitation from this Institution dated on or about February 1st.

One of these letters called attention to the work of the Philadelphia Commercial Museum in building up international commerce and mutually benefitting the producers and consumers of our respective countries, and concluded by extending an invitation to join our International Advisory Board, which action it was explained would carry with it no pecuniary obligations on your part, but would at once put your Chamber in touch with the best commercial organizations in the world and provide connections in the United States whereby all your wishes and recommendations would be made known to the American people thereby enabling your members to establish most desirable business relations.

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In the second letter, as a prospective member of the Advisory Board, your Chamber was invited to send two or three delegates to the International Commercial Congress which convenes under the auspices of this Institution on October 10th, 1899, and which will be composed of duly appointed representatives from Governments and Chambers of Commerce and similar organizations. All duly accredited delegates, it was explained, would be the honoured guests of the city of Philadelphia during the sessions of the Congress.

Interest in this important gathering, we may state, is constantly increasing. We have, through the Department of State at Washington, received the assurance that the Governments of Great Britain, Russia, Greece, Australia, Mexico, Peru, Venezuela, Guatemala, Honduras, Haiti and China, have already accepted the invitation to send delegates, and are assured also from other sources that Argentina, Bolivia, Brazil, Chile, Ecuador, Jamaica, Japan and Paraguay will be represented. In fact, many more of the 133 Governments which had been invited will no doubt be heard from favourably in due time.

Of the 800 Chambers of Commerce and similar organizations in all parts of the world to which invitations were sent, 196 are already represented on the International Advisory Board and will send delegates to the Congress.

There can, therefore, be no doubt of the success of this most desirable commercial gathering, and we would urge upon your enterprising Chamber the importance of being represented in its deliberations. We would also urge upon your members generally the great desirability of making a business trip to the United States upon the occasion of the Exposition of American Manufactures which will be held from September 14th to November 30th, and concerning which we beg to send you some additional printed matter under separate cover.

Hoping that we may have the pleasure of hearing from your Chamber at an early date and that it may be possible for it to participate in the events above briefly alluded to, we beg to remain,—Yours, &c.,

W. P. WILSON, Director.

To the President, The Hongkong General Chamber of Commerce, Hongkong, China.

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50, WALL STREET, NEW YORK,
31st July, 1899.

DEAR SIR,—I am in receipt of your letter of the 22nd June, inviting me to represent your Chamber at the International Commercial Congress at Philadelphia next October, and in reply I beg to say that it will give me much pleasure to do so; and I shall be very glad of an opportunity of doing something to advance the interests of the Commerce of your Colony.

Thanking you for the copy of the Report of the Committee of your Chamber for last year,—I am, &c.,

A. M. TOWNSEND.

The Secretary, Hongkong General Chamber of Commerce, Hongkong.

PHILADELPHIA, 4th August, 1899.

DEAR SIR,—We are in receipt of your letter of June 26th, in which you inform us of the appointment of Mr. A. M. TOWNSEND, the Agent in New York of the Hongkong and Shanghai Banking Corporation, to represent the Chamber in the International Commercial Congress. We are very much pleased at this nomination and are sending him personal invitation to attend.

Trusting that his attendance at the Congress may be mutually beneficial,—We remain, &c.,

W. P. WILSON, Director.

Mr. R. Chatterton Wilcox, Secretary, Hongkong Chamber of Commerce.

No. 1881.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 30th October, 1899.

SIR,—I am directed to inform you that this Government has been furnished with a copy of a letter addressed by the Director of the forthcoming International Commercial Congress at Philadelphia to the Under Secretary of State for Foreign Affairs, in which it is noted that Mr. A. M. TOWNSEND of New York will represent the Colony of Hongkong. The Director states on behalf of himself and his colleagues that Mr. TOWNSEND and the other colonial representatives will be welcomed at the opening session of the Congress and hopes that nothing will occur to prevent their attendance.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

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50, WALL STREET, NEW YORK,
30th October, 1899.

DEAR SIR,—I now beg to hand you a copy of the proceedings on "China Day" at the Commercial Congress at Philadelphia and am glad to report that not only was the meeting well attended but I believe will help considerably through the Press Notices to increase the interest in this country generally in the Trade and Politics of the Orient.—I am, &c.,

A. M. TOWNSEND.

The Secretary, Hongkong General Chamber of Commerce.

EXTRACTS FROM REPORT OF THE INTERNATIONAL COMMERCIAL CONGRESS.
PHILADELPHIA, October 18th, 1899.

Director W. P. WILSON :—It gives me great pleasure this morning to have the opportunity of introducing, as Chairman of this session, the Hon. CORNELIUS N. BLISS, of New York. (Applause.)

Hon. CORNELIUS N. BLISS :—Gentlemen.—I thank you for the privilege to express my appreciation of your kindness in inviting me to preside over the deliberations of this China Day, as I understand it to be by the programme. After a few brief observations I shall give way to the regular business of the day.

Of the many expositions that have followed the Centennial Exhibition, organized in the good City of Philadelphia, culminating in the White City of Chicago, none has been, it seems to me, of greater practical importance, or is likely to have larger influence on the commerce of the world than this Exhibition, or Congress, instituted by the Philadelphia Commercial Museum. Here we have gathered the official representatives of commercial bodies of the chief business centres of the world for consideration, face to face, of the complicated questions that may lead to the perpetuation of present relations and the forming of such others as may be found mutually advantageous.

Commerce cannot be conducted on sentimental lines; it depends upon reciprocation of interests that will make it fairly remunerative to those who engage in it. If prices of our merchandise are not competitive with those of other countries, if the exchanges favor other capitals, you, gentlemen of the

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Orient, will not trade with this part of the Occident. It must be our joint effort here to establish a basis for conducting the vast business which awaits the enterprise of the commercial men of the east and west. We, of America, are not entering upon a new and untried field in proposing business relations with China and the Indies. In the early days of the republic, and up to recent times, when the telegraph, railroad and steamship changed the current of trade, our ships went out to the East loaded with American products, returning two years later, if they escaped the dangers of navigation and Malay proas, bearing the teas, spices and silks of the Orient. The aroma of those cargoes still floats about the old warehouses of Central Wharf in Boston and in the old counting rooms lingers an occasional venerable white-haired mariner who loves to tell of the dangers and triumphs of his career. He occasionally writes to the papers lamenting the decadence of our shipping, and decline of our foreign commerce, not realizing that, although our commerce is not of the magnitude that it should be, it is still a thousand times greater than it was under the old conditions, when he sailed his beautiful ship of five or six hundred tons for the Straits and a market.

Possibly the merchants of the United States have not been so aggressive as they might have been in seeking new fields of activity, but we have not been an idle people. The coming census will show a population of over seventy millions; our resources have been developed to a marvellous extent in agriculture, in manufactures and in mining, and our vast territory has been covered with telegraph and railroad lines. Westward and still westward has been the march of the people, from the Atlantic to the Pacific, until to-day a great population rests on the border of that once lonely looking ocean, looking still westward, and with true commercial instinct they say to you of China, Japan and the islands of the seas: "Let us take counsel together, and, acting for our mutual advantage, let us cover this silent ocean with fleets of swift laden steamships that shall bear in interchange the products of the people of the Orient and the Occident, that may rival the commerce of the Atlantic on our eastern border." Then will come, after 400 years, the realization of the dream of Columbus, and the western route to Cathay will be open to the commerce of the world. The events of the past two years have given to us a community of neighbourhoods. As you merchants of China sail towards the Continent of North America you will find

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your first greeting under our flag at Manila and again at Gnam and at Hawaii. That we hold under the sovereignty of the United States these convenient stations in the Pacific is ascribed by timid citizens, who are afraid of commerce and expansion of American commerce, to a desire on the part of the government and people for imperial power. No such word as imperialism exists in the American vocabulary. I prefer to believe that it is the old-time Providence in the God whom the fathers believed, that has not only permitted, but *commanded*, this nation to deliver the people of the Philippines from the oppression and tyranny of the centuries and to give to them, as will be done in due time, the blessings of peace, civilization and good government. As near neighbours to you of China we desire to cultivate with you the closest commercial and friendly relations. We desire to see your vast ancient empire maintain its integrity. We ask no special "sphere of influence," so called, which appears to be only another term for disintegration and ruin for China, but we hope to see her ere long abandoning the policy of seclusion, come forth in the light of her civilization and power and join the community of nations, to share in the prosperity that awaits the grand commercial development of the twentieth century.

Proceeding with the regular order, gentlemen and delegates, the first paper to be read this morning is by Mr. ARTHUR E. DOWLER, delegate from the Chamber of Commerce of Shanghai.

Mr. ARTHUR E. DOWLER:—To the engrossing subject which we are discussing to-day, I would like to add a few words with which, in as concise a form as possible, I will endeavour to lay before you some suggestions and facts which appear to me to be especially applicable to this occasion, although, in the time at our disposal, it is impossible to treat so prodigious a subject as that of our trade with the vast empire of China in anything like a manner of which it is worthy. Still it is undoubtedly the hope of all that any seeds of information which we may, on this occasion, be able to plant, will, in future, bear good fruit and enable us to secure a portion of China's trade commensurate to our position as one of the foremost producing nations of the world.

As any one who studies the progress of nations can easily perceive, the producing capacity of these United States of America has now reached a stage which far exceeds the consumption, and the ratio of excess is assuming greater proportions year by year. It is, therefore, imperative for the manu-

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facturers of this country to look beyond its border for markets wherein they can profitably dispose of their goods, and I say that our geographical position points out the vast Empire of China and the continent of Asia with its yet undeveloped trade, as pre-eminently ours. The natural course of events in the world, the enormous natural wealth of this country and the character of its people, precludes the possibility which some would have us follow of a continuance of our past seclusion, or what I would take the liberty of terming, a continuance of a hermit trade.

With the adoption of a colonial policy by the United States, we may now hope to see a rapid development of the schemes for bringing this country into closer connection with China—I refer to the laying of the Pacific cable and the building of the Nicaraguan Canal—the latter of which will bring us on the Atlantic coast thousands of miles nearer to China and make us independent of the present Suez route. It will bring us within easy reach of a market consisting of eighteen provinces—I refer to China proper only—with an area of 1,300,000 miles, a population of nearly 400,000,000 souls, equal to about 290 per square mile, a country in which the germ of progress is now making fast strides, and in which the possibilities are limitless; a vast empire in which we, by right of treaty, are entitled to the same privileges as those enjoyed by others, or by the most favoured nation. I ask you all, therefore, to earnestly support the policy of the most rigid maintenance of American rights, and to demand the security of American trade.

To be successful in China we must have a fuller knowledge of its requirements and be in close and daily touch with its people, and I look forward to the day when this country may have close ties—and I might say family ties—with China, as our English and German friends. It is this close connection which brings distant countries so much nearer home and makes them so much more understandable to them than to Americans, who are so sparsely represented in the Empire of China: but while on this point I can only reiterate and emphatically endorse what more than one of your consular agents have stated, that it is worse than useless to send to China, as representatives of American enterprise and trade, any but those of undoubted reputation and business ability, for a Chinaman is capable of judging men perhaps as well, if not better, than most other human beings, and in one's dealings with the Oriental character, and knowledge of character plays a great rôle.

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I cannot too urgently call to the attention of your manufacturers the importance of studying the requirements of the market for which your goods are intended, and of closely following minute details, which greatly accounts for the success of our European competitors. Shanghai, which is known as the New York of China, is the great distributing centre of the north. Its import and export trade amounts approximately to \$70,000,000. The means of communication in China are at present primitive, being chiefly confined to a great network of waterways. It is, therefore, most important, in the making up of goods, that the size of the packages, etc., should be adapted to the manner and mode of transportation, either by steamer, junk or pack animal.

Another important matter is that of trade marks, for the Chinaman lays great store or worth on brands. Even now, with our growing trade with the East yet in its infancy, this question is beginning to cause confusion, owing to the similarity of brands used by different firms, and it is only by the exercise of courtesy and extreme good-will that now exists between the representatives of China firms and manufacturers in this country that we are able to avoid greater inconvenience. In regard to piece-goods, I would suggest to manufacturers the inadvisability of selling or giving the monopoly of their original mill brands to any one party. This, in my opinion—which, I believe, is shared by many others—restricts the consumption of your well-known mill brands, and I would propose that such monopolies of a cloth or article, if desired, be confined to private marks owned by firms in China; but keep the original mill brands or makes open to all traders.

While on the subject of brands, I may be allowed to express the hope that in course of time, it will be found feasible to adopt a practical, easy, inexpensive method for the registration of trade marks in the same manner as that at present pursued in England.

Then again, I would call your serious attention to the matter of quality. A Chinaman is at all times an excellent judge as to whether he is or is not getting his money's worth or goods as represented, and this fact is, I think, in this country, little appreciated. It matters not whether it be locomotives, rails, water-pipes, piece-goods, soap, raw cotton, or any other article. At all times the quality must be maintained, and the thought ever present that we do not desire the trade merely for to-day or to-morrow; but to get and

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maintain a foothold through the excellence, price, worthiness and regularity of our goods which will bring us to the foremost ranks of traders with China.

The matter of deliveries is also often a vexed question here in America. Of course it is to be found all over the world ; but is, I think, a little more accentuated over here than elsewhere. In the closing of contracts with China, there are many matters to be taken into consideration, such as freights, exchanges and opening and closing of navigation, etc., which vary according to the time on which you figure goods will be shipped, and the cautious merchant, as a rule, when closing a contract, arranges for the freighting and exchange at the same time that he fixes the prices and date of delivery with the manufacturer. You can easily, therefore, conceive that if the latter does not fulfil his contract in regard to delivery, it not only leads to serious complications with the buyer in China, but also to considerable loss oftentimes in exchange and rate of freight. I would advise manufacturers, therefore, to be very conservative on this point and allow a good latitude for deliveries in making contracts.

If we intend to secure our share of this export trade to China, it is of vital importance that we should at all times be prepared to cater to it. At present the outcry is often heard there, that it is useless to endeavour to build up a regular trade in this or that line of American goods, as you only use China as a dumping ground for surplus stocks in time of trade depression over here. Therefore I say to the manufacturers of this country, now that you have entered upon the policy of expansion—now that you do earnestly intend to strive after foreign trade—follow the example of your European competitors—set apart a portion of your plant or adopt such other methods as will make you always prepared to entertain such business and to supply a regular trade. Do not look upon the business as one of only to-day or to-morrow, but as one that will be with you always.

I have often heard the question propounded as to which is the best means of bringing American manufactures and products before the notice of the Chinese and know of no better medium than that so successfully adopted by our European competitors, viz., through the intermediary of the great commercial houses long established in China, many of which are represented in this country and are bending their energies to-day to extend their Ameri-

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can business ; but find comparatively little support from manufacturers in this country, although I think I can safely say that they will be only too willing to give all the necessary information and help—and in fact I assume that this is one of their objects in being on the spot.

I think also the adoption of a parcels post on a liberal basis with the far East would prove of immeasurable value, as the means of sending or receiving small packages or samples at present are primitive in the extreme between this country and China.

Now to give you an idea of the growth in trade between the two countries in one article alone, viz., cotton-piece goods, during the first seven months of this year, 202,652 packages, approximate value \$6,000,000, against 119,477 packages, approximate value \$3,500,000, for the same period of last year, were exported from this country to the Chinese Empire, which with its teeming population of 400,000,000 has as yet been exploited only on its borders. To bring the size and possibilities nearer home, let us compare some of the provinces with the States of this Union.

Hupei, population 33,000,000 ; area about the same as Indiana and Ohio combined, with 6,000,000.

Honan, 22,000,000 ; area same as Missouri, with 2,750,000.

Szechuen, 67,000,000 ; area about the same as Ohio, Indiana, Illinois, and Kentucky, with 11,500,000.

Kwangtung, 29,000,000 ; area the same as Kansas, with 1,500,000, etc.

I ask you, therefore, is it possible to overestimate the possibilities of trade in such a vast empire, all points of which are slowly but surely going to be thrown open to the world by a system of railways, some now in course of construction, others projected, but so far only 350 miles completed ? Such a trade prospect as this thrown open to us is worth having and protecting to the utmost ; but to discuss this I should have to pass over from the commercial to the political, and, as this latter aspect will be put before you this afternoon I would restrict myself by commending to your urgent notice the following clauses which appear in the treaties between China and this country, viz. :

“Citizens of the United States resorting to China for the purpose of commerce will pay the duties of import and export prescribed in the tariff.

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They shall in no case be subject to other and higher duties than are or shall be required of the people of any other nation whatever, and if additional advantages of whatever description be conceded hereafter by China to any other nation, the United States and the citizens thereof shall be entitled thereupon to complete, equal, and impartial participation in the same."

Further, in a later treaty:

"The contracting parties hereby agree that should at any time the Tatsing Empire grant to any nation, or the merchants or citizens of any nation, any right, privilege, or favour connected either with navigation, commerce, political or other intercourse, which is not conferred by this treaty, such privilege and favour shall at once freely inure to the benefit of the United States, its public officers, merchants, and citizens."

And I would ask you if this does not give us the right to require, of the Government of the United States, action and support to maintain our rights at all costs, to maintain the absolute equality of trade advantages, the integrity of China.

There is an article in the September number of the *North American Review*, entitled "Ex Oriente Lux," written by Mr. ARCHIBALD LITTLE, than whom there are probably few better judges of the situation in China, and to those who have not already read it, I would suggest doing so. In it Mr. LITTLE says:—"The only question for America to decide is: How far is it wise for her to abandon her present expectant policy in the far East and to actively interest herself in the international struggle, of which the Chinese metropolis has unwittingly become the distracted centre? For," he adds, "there is little doubt that events in China are hurrying to a crisis, and that every nation that would safeguard its interests in the face of such a crisis must decide on the course of action, form a definite policy and be prepared to meet eventualities that all can foresee."

In conclusion, I congratulate the Philadelphia Museums on the great work which they have inaugurated. We look for good results from the joint efforts of the American Asiatic Association of New York, the American Association of China, and the Philadelphia Museums, and I ask your cordial support of these three important bodies who are working so earnestly in the interests of American trade in the largest market of the world—the Empire of China.

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Mr. THOS. R. WHEELOCK:—I will not occupy your valuable time by placing before you the numberless opportunities for the expansion of trade which is offered in China, as the ground has been so ably covered by many writers—a paper which appeared in the Journal of the American Asiatic Association of June 10, by Mr. FOORD, covers the ground so completely that I recommend it to your perusal and serious consideration. I do this without Mr. FOORD's knowledge, and hope he will pardon me for the liberty I am taking.

There are several questions of vital importance to Shanghai I wish to bring before this Congress—the principal one being the Conservancy of the River Whangpoo (upon which Shanghai is situated) and its approaches.

This is a question which has been before the mercantile community of Shanghai for a great many years, and efforts have constantly been made to induce the Chinese Government to do something towards improving them, without, however, any success.

It is now evident that nothing can be expected from that quarter, and a scheme is proposed for the formation of a Conservancy Board, with full authority to carry out all necessary works of improvement and to collect funds to cover the expense of same.

I submit herewith a full report upon the whole question, and shall be glad to confer with your representatives as to the best means of bringing the matter to the notice of this Government, as it is of vital importance that the port of Shanghai be made available for the largest steamships.

The navigation is becoming more dangerous year by year, and farther delay will render the work more difficult and expensive.

There are many other questions to be considered in connection with the China trade, and I shall be glad to meet and co-operate with your representatives in bringing the most important to the notice of the Government.

The principal of these are the placing of the transit pass system upon a more satisfactory basis, and the opening of the inland waters of navigation by foreign vessels. This has already been done to a certain extent, but under the present regulations the privilege is of little value.

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These questions are of vital importance to American and British merchants, and as their interests are identical some concerted action should be taken to place the trade of these countries on a more satisfactory basis, and to insist upon their treaty rights being respected—these have been and are being violated in numberless instances.

I would turn your attention to a memorandum upon the present condition of foreign trade in China by Mr. C. I. DUDGEON, Chairman of the China Association in Shanghai, published in the *North China Herald* on the 30th of January last. Although this memorandum was written in the interest of British trade, it places the question so clearly that I have pleasure in submitting it for your consideration. [*Read Memorandum.*]

HON. CORNELIUS N. BLISS :—We now have the pleasure of hearing Mr. TOWNSEND, delegate from the Chamber of Commerce, Hongkong.

MR. A. M. TOWNSEND :—In speaking this morning on behalf of the Hongkong General Chamber of Commerce, I would say that I represent no mean city—though sixty years ago Hongkong was an unknown and barren island, to-day it is not only one of the most beautiful cities of the world, but commercially one of the most important.

It may surprise some here to hear that the annual tonnage entering the port of Hongkong is 8,000,000 tons—which I believe is next to London and Liverpool as a shipping centre. The annual trade of Hongkong is valued at 250,000,000 gold dollars, and the place is alive with business activity. Foreign banks are established there. Among its factories it has three large sugar refineries, glass and match factories, cement works, ice factories, cotton mills, tramways and three large docks, and the importance of Hongkong will still further be increased when it becomes the southern terminus of the great American Railway from Hankow to its adjacent colony of Kowloon. But at this time Hongkong must have a special interest to this country, lying as it does on the highway of Manila, and being so closely connected with the trade of the Philippines. In the first place it must be an interesting question as to what the wonderful growth of Hongkong is due; and the answer to that question is free trade, open ports and government; and in arguing on this conference the importance, the necessity of a liberal commercial policy in dealing with the Philippines, I speak with no uncertain voice. The developments the prosperity of the native interests demand this no less than your

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own trade. In Hongkong we have long witnessed the strangling effects in the Philippines of selfish and restrictive commercial legislation, and now with the American flag we look for freedom, progress and prosperity. We are not afraid of prosperous neighbours; we like them. I think it must be obvious to anyone who studies the question that many acts of protective legislation that may be acceptable in this country would be quite unsuitable to the situation in the Philippines. Take, for instance, the Anti-Chinese Immigration Act, which it is proposed to apply to the Philippines. In this country you have the highest form of intelligent labour, resenting the intrusion of inferior labour; whereas there you have inferior labour awaiting the impulse of superior talent. There is no demand for any such law from the natives, and so far as the American residents are concerned the Chinese would not come into competition with them, but would be most useful allies. The Chinaman is a born trader and the Filipino is not, and it is to the Chinaman that you have to look for a reliable and useful middleman in developing and expanding your trade with the natives. In fact I do not see how you can do without him, not only as a trader but as a go-between, in the matter of carrying out public works and contracts.

Although it is premature to attempt to discuss the subject of the currency in Manila I would like to make a few remarks on that subject. The banking currency and the money of commerce in Manila is the silver Mex-dollar. At the present time what business there is there is mostly in connection with the United States army, who naturally do their thinking in money matters in United States gold dollars, but when commerce again resumes its course then the Mex-dollar will still be the natural currency, and it would in my opinion be introducing an unnecessary cause of friction with the natives to try to make any radical change at present. The wheels of commerce will run smoothly on the accustomed silver basis for some time to come.

Now I would like to say one word about credit, which is the soul of business. I sometimes meet with men so shrewd, so clever, that they tell me "that they trust no one." I think this shows a lack of knowledge of the use, the value, the necessity of credit, and there is no stronger evidence wanted of the desire to push American trade, and to make use in an intelligent way of all the aids provided than is offered by this great exhibition and the work of this Congress, and it is even necessary to sound a note of warning on the other side of the question.

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I believe myself that America is destined to control a large and increasing share of the trade of the Orient, and the caution I would venture to give is, that in dealing with new markets it is not necessary to deal with new men; the old are better. There are plenty of old established houses in the China trade ready and able not only to undertake but to co-operate with you in introducing all kinds of new business until such time as it seems to you advisable to establish your own houses there, and by dealing with them you will be saved from many disappointments and bad debts.

And finally, there is no subject that I can call the attention of this Congress to of more importance than that of the necessity of maintaining in their integrity all the privileges and rights now existing under treaties with the present Government of China. These treaties provide for free trade, subject to modern revenue duties with all the ports of China open to foreign trade, and with a huge trade looming before you it surely behoves this Congress to use all its influence to prevent any of those rights being in any way infringed or curtailed.

(The Chairman then introduced Mr. EVERETT FRASER.)

Mr. EVERETT FRASER:—Of our good friend, Mr. TOWNSEND, I can speak from a very long acquaintance and a great many years of residence in China and Japan and the East. He is a very modest man and you might not understand the influence that has been exerted for the good of the large institution over which he presides in New York. Many of you may not know this gentleman. I will say he is an Englishman and that he has been with us in New York for a great many years. He is manager of the Hongkong and Shanghai Bank, the largest banking institution in the East—India, China, and Japan and all institutions engage in trade with the United States, Great Britain and the Continent. The good that banking institution has done in building up our trade I can speak from personal intercourse and transactions with that bank going back to 1860 in Shanghai, when I was a resident there of fifteen years. I will tell you that we owe more to the Hongkong and Shanghai Bank than all of the banking institutions in China put together. As an English gentleman, I may say he is about two-thirds American. His trade is American very largely. We are treated as merchants so honourably and esteem that bank so much—and, you know, we have no

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American Banking Institutions yet, although, stepping on his toes, I may say that I hope we may soon, with the proper development of the Philippines—but to-day no banking institution exists in China that can attend to the business between these two countries. You will pardon me for interfering just here, but I feel in duty bound for a little further introduction of our friend, Mr. TOWNSEND, and the large banking institution which he represents. His paper on Hongkong is a most excellent one. I could say much more, but I must not infringe on your time.

Hon. CORNELIUS M. BLISS:—I can certainly corroborate all that Mr. FRASER has said, if it needs corroboration. It never occurred to me—Mr. TOWNSEND is so well known in New York—that he needed a special introduction to this audience.

CORNELIUS M. BLISS:—The next paper will be by EMIL S. FISCHER, delegate from the Wiener Kaufmannischer Verein.

Mr. EMIL S. FISCHER (from Shanghai):—One of the subjects that I put up for discussion at this Congress was "Currency and Banking" combined with the money question. For those who are acquainted with the trade of China and those who are intending to enter into business relations with this country, there is no question more important than the Chinese currency and banking problem. The defectiveness of the Chinese currency even is confirmed by the greatest Chinese administration, the Imperial Maritime Customs, which is governed by Europeans. A book, "China's Defective Currency," was published in 1897 by order of the Inspector-General of Customs, but nothing seems to have been done since that time. During almost forty centuries the Chinese Government only coined the so-called copper "cash," which is a small metal coin having a small square hole in the centre, in order that a number, mostly about a thousand, may be carried on a string. I must state that 500 to 1,000 of these "cash" are only the equivalent of \$1.00. In former times these coins were made like small knives and spades. I do not want to enter more fully into the question of this coin, but only to say, that there seems to be no question but that cash are becoming more scarce every year. Owing to the high price of copper, the minting of cash has become unprofitable, and good copper cash are mostly withdrawn, to be used by people in the manufacture of all

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kinds of copper goods, so that the circulation of these coins is becoming very limited: still there is a great need of them because the great mass of people want to buy their rice and local products with this money. All the manufacturers of China suffer on account of the high price of cash because they have to pay labourers in this coin.

If we look into any of the books referring to the money and coins of the whole world, we will find that China has a silver currency called the "tael," but in reality there is no such coin brought into circulation by the Government of China. For most of those acquainted with Chinese affairs, this currency called "tael" remains a myth, and it is true that most of the foreigners arriving in China soon give up trying to penetrate the mystery of this fiction. They only know that their bank accounts are kept in tael and that all they buy is to be paid in tael and all they sell is invoiced either in foreign currency or at its equivalent in the Chinese so-called "tael." Not only is there no uniform tael standard for the whole country, but the most astonishing fact is the existence of different tael in one place: as, for instance, in Tientsin, where you can find about eight different tael to count with. One is different from another. Each government administration in Tientsin has its own standard value of trade. Of course, there is no one tael in Tientsin on which everything is calculated. This is the local commercial tael of Tientsin, but it is queer enough when you consider that there are so many different values in one place alone.

For those who are not acquainted with Chinese reckoning I must give some explanation regarding the taels. What is a tael? A tael represents one part of a Chinese weight. The Chinese reckon with piculs, catties, taels, mace, candareens, and cash. These are only the names of weights adopted by foreigners in the trade with the Chinese. The Chinese names respectively are Tan, Ching, Liang, Chienfen and Li.

One picul has 100 catties.

One cattie has 16 taels.

One tael has 10 mace.

One mace has 10 candareens.

One candareen has 10 cash.

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Therefore you can see that a tael is only a part of a weight of a picul. Piculs are reckoned exclusively for the weight of merchandise. One picul is equal to $133\frac{1}{3}$ English pounds, but as to the tael, this has a different weight in each place, according to the fineness of the silver used in this place. These taels are the standard of the currency.

There is no coin made in China which are taels, but there are ingots of silver of different weight which we call "sycee," or silver shoe. The system of silver shoes was established in China about ten or fifteen centuries ago. Silver was at that time brought to China in bars in exchange for goods sold. This prevailing system, which, as before stated, has numerous inconveniences, is not exactly a merchandise and is not yet a currency. It is one used to represent the reckoning currency called tael. This is the unit of important commercial transactions. The ingots or shoes are reckoned according to the number of taels' weight which they represent. The name of the money is the same as its weight. Therefore, speaking of ten taels is the same as speaking of the value of ten taels' weight of silver.

The short time which is accorded me to speak about the currency does not allow me to give you any more information about the different taels, but I want to say that the Chinese buy the silver which is imported by the foreign banks in bars from England and America. These bars are melted down into ingots of about seven pounds' weight, which ingots have the appearance and form of a certain kind of Chinese shoe. The Chinese call the shoe "sycee," which means "fine silk," because the silver could be sewn into fine, silk-like threads. These ingots or shoes have certain stamps from local official authorities of the places.

I only can see that for the prosperity of this great country it would be very necessary that a change in the system of the currency ought to be adopted by its Government. If the currency of China would be administered like the Customs, under European supervision, then I am sure that, like the imperial Customs of China, it will be of great importance to the country. There have been certain movements by different governors to erect mints. The first move in this direction was made about ten years ago by the Viceroy of Canton, who established there the greatest mint in the world, but this mint at the present day turns out, on account of high copper prices, only a

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very small quantity of copper cash. Other mints have been erected since then in Hankow, Tientsin, Nanking, and other places. These mints turned out a great quantity of small silver coins of the value of five, ten, and twenty cents and circulated them, but they never succeeded in bringing into circulation any quantity of Chinese dollars. The country people in general object to the acceptance of any of these coins. It is only in the trading ports that the silver coins have become the medium of money exchange.

I want to state here that it is almost exclusively the Mexican dollar which is imported from abroad that serves as a medium of exchange in the trading ports in the purchase of necessary articles for foreigners as well as Chinese. In southern Chinese ports the Hongkong dollar and the Japanese silver yen is accepted for the same purpose, but as for large commercial transactions, the local tael is the only basis of reckoning. There is a continuous basis of exchange between taels, dollars and cash, which fluctuate according to the market value; if the foreign merchants did not have Chinese employees, (compradores and shroffs), who are accustomed to all these complications, they would never find their way through these money transactions. The commercial dealings of the European with the Chinese which are based on taels are mostly balanced with money orders on Chinese banks called bank chops. These bank chops are placed by the foreign merchants into the hands of their foreign bankers, who are entrusted with the collection. The banker collects the silver shoes as soon as the bank chop is due and puts the silver into his vaults. There is no clearing house in China, and the banks who receive so many hundred thousands of taels a day or have to pay as many to another bank, will have to deliver it in actual silver weight. It can easily be imagined what an inconvenience this is, and as before stated, it would be very desirable if China would adopt a currency on an international basis.

I do not want to refer much to gold, as this precious metal, which is found in large quantities in the north of China, is mostly dealt with as merchandise. Gold is bought by the foreign banks and shipped to Europe. The actual value of the gold shipped to Europe in 1894 was 12,746,727 taels. This was the highest amount exported from China in the last ten years.

In 1898 the export of gold amounted only to 7,703,842 taels. China is trading on a silver basis exclusively, and suffers very much from the depreciation of the white metal. Merchants do not know how to calculate their

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imports. They always want to expect raising exchanges. On the other side, the tea, silk and other products, of course, depend on the fall of silver, and this constant fluctuation of change is what makes the continuous excitement among business men. This situation renders exports very dangerous and the imports very difficult. Stocks bought at one time are undervalued by the following purchases made at an inferior rate of exchange, without being compensated by an increase of price in China or abroad. The exporters are suffering in the same way. Will they succeed in getting in China a currency on modern principles? Will there be a tael coined in the regular way at the regular standard, or will they generalize the use of the dollar? This is a question very hard to answer. It will depend upon the number of circumstances, the principle of which will be a larger or smaller degree of interference by foreigners who are doing business in China. The cash cannot be abolished.

This is all to which the Chinese look to buy their rice. All that can be hoped is to see once a uniform currency and constant relations with an adopted writ. If ever these things can be realized one may foresee an epoch of great progress for the Chinese as well as the foreign merchants. Inextricable complications beyond the reach of accidental intellect, and the bargaining, and profits derived therefrom is all that reflects the Chinese mind. The Chinese are rather conservative, especially in monetary questions, and attempts to change their currency have many times failed, but it would be the greatest progress to the country if the Chinese Central Government would adopt a circulating money medium on foreign principles, and assuredly China would derive a great benefit.

There has been in the last few years a great development of industrial enterprise in China. The time seems near when also railroads will be built and opened throughout the vast country. Mines will be worked and will affect the expansion of the trade: and it is to be hoped that a uniform currency will facilitate the commerce of China in general.

Having for many years been connected with the German Bank of Shanghai, it was my special object during all this time, not only to take an interest in Chinese money matters, but to study the Chinese money question from Chinese books with the aid of my Chinese teacher. (Applause.)

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The Fourth Congress of British Chambers of Commerce.

THE LONDON CHAMBER OF COMMERCE INCORPORATED,
BOTOLPH HOUSE, EASTCHEAP, LONDON, E.C.

7th July, 1899.

DEAR SIR,—The Council of the London Chamber of Commerce, who were responsible for the organisation of the three Congresses of Chambers of Commerce of the Empire held in 1886, 1892 and 1896, have recently decided to proceed with the organisation of a similar Congress to be held towards the end of June next year. This date is selected as likely to be suitable to the convenience of a large number of Colonial merchants and traders who, it is expected, will be attending the Paris Exhibition in 1900, and I am therefore to invite your Association to co-operate in this Congress.

A representative Organising Committee, a list of which appears on pages 3 and 4 of this invitation, has been formed, and at its meeting on June 7th approved of the following list of topics as likely to afford material for discussion at the Congress :—

1. Commercial Relations between the Mother Country and Her Colonies and Dependencies.
2. Inter-Colonial Trade Relations.
3. Foreign and Colonial Bounties.
4. Foreign Competition.
5. Boards of Labour Conciliation and Arbitration.
6. Codification of the Commercial Law of the Empire.
7. Bills of Exchange: Uniform procedure.
8. Bills of Lading Reform.
9. Commercial Education.
10. The Decimal System of Weights, Measures, and Currency.
11. Light Dues.
12. Railways; Light Railways; Railway Communication with India and the East.
13. Secret Commissions.
14. Arbitration for International Disputes.

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15. Imperial Trade Marks Registration and Patent Law.
16. Cable Communication: Construction, Rates, Codes.
17. Steamship Communication: Rates, Subsidies, War Risks, Insurance.
18. Closer connection between Governments and Chambers of Commerce by establishment of Commercial Advisory or Consultative Councils, Home and Colonial.
19. Supply of Government Publications to Chambers of Commerce and Mutual Interchange of Documents.
20. Representation of United Kingdom in Colonies, and in other parts of the Empire for the promotion of mutual trade.
21. Appointment of an Imperial Council to consider commercial questions of Imperial interest.
22. Copyright.
23. Municipal Trading.

It is not intended that the foregoing list should be exhaustive of the questions to be considered by the Congress, but that it should only be regarded as suggestive of suitable matters for consideration. I am therefore to request that you will inform me, at the earliest possible moment, whether your Association approves of these subjects being brought forward, and if so (a) whether your Association desires to submit any special resolutions thereon, and (b) what suggestions, if any, you have to make as additions to the programme of business?

Invitations, similar to this, have been forwarded to the Associations whose names are appended hereto (pp. 5-7), and in the event of your being aware of the existence of a Chamber of Commerce or similar Commercial Association not included in this list, in any part of the Empire (and especially in your neighbourhood), I am to ask you to be good enough to kindly transmit an indication of its style and address to me, by an early mail, in order that the Organising Committee may consider the desirability of extending an invitation to such bodies.

It will materially assist the Organising Committee if you will, without taking any decision as to your Association bringing forward any special subject or resolution before the Congress, *kindly inform me* at your earliest

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convenience, and, if possible, *not later than October next*, as to the decision of your Association in regard to this invitation to be represented at the Congress. A communication of any subjects or resolutions recommended by your Association can follow subsequently, upon which I shall have an opportunity of communicating further with you, although, in view of the wide distribution of the invited bodies, it is desirable that the Organising Committee should be in possession of information as to subjects likely to be brought forward for consideration *at least three months before the meeting of the Congress*.

To facilitate the transmission to us of the names of delegates who may be eventually nominated by your body, I have pleasure in enclosing you a nomination form.

I would point out that, in order to add to the importance and representativeness of the Congress, it is desirable that each Colonial Association should, as far as possible, delegate at least one or two residential colonists to represent them, the nomination of London merchants being, as far as possible, avoided, in order to more fully effect the object of the Congress, which is to bring into personal contact representative commercial men of the Mother Country.

No financial liability will be incurred by any Association accepting this invitation to take part in the Congress.—I am, &c.,

KENRIC B. MURRAY, Secretary.

To the Secretary, HONGKONG CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,

HONGKONG, 21st September, 1899.

DEAR SIR,—I have to acknowledge receipt of the invitation from the Council of your Chamber contained in your letter of the 7th July, for this Chamber to send Representatives to take part in the Fourth Congress of Chambers of Commerce of the Empire to be held in June, 1900, and am directed by my Committee to thank you for the same.

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In reply, they have nominated two members of the Committee, who will be in London at that time, as Delegates to represent the Chamber, viz.:—Sir THOMAS JACKSON, Knight, and Hon. T. H. WHITEHEAD, M.L.C. I enclose the nomination form duly filled in.

My Committee approve the list of topics proposed for discussion at the Congress.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

To KENRIC B. MURRAY, Esq., Secretary, LONDON CHAMBER OF COMMERCE.

THE LONDON CHAMBER OF COMMERCE INCORPORATED,
10, EASTCHEAP, LONDON, E.C.,
1st December, 1899.

DEAR SIR,—The Organising Committee, at their last meeting, appointed a special Sub-Committee for the purpose of considering the Resolutions sent in by the Associations participating in the Congress, with a view to arranging a definite programme of business for circulation beforehand.

To enable my Committee to carry out this intention, I shall be much obliged if you will let me know whether your Association desires to submit any resolutions on the particular subjects mentioned in my communication of the 7th July last.

As stated, however, in my previous communication, this list of subjects is only suggestive of the direction in which the Organising Committee think the Congress may usefully move, and my Committee would be equally willing to receive resolutions on any economic and non-political subject which your Association and my Committee consider suitable for discussion.

In the event of your submitting resolutions, I am directed to say that the same *should reach me here not later than the 25th March next*, and should no communication have been received from your Chamber prior to that date, I shall take it that your Association does not wish to move on any particular subject.

You will readily see how important it is that my Committee should be in receipt of resolutions as early as possible, in order that the programme of business may be circulated to the participating bodies before the holding of the Congress, as was done on previous occasions.

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Should your Chamber not yet have appointed its delegates, might I mention that, where possible, delegates should be residents of the particular Province or Colony which they undertake to represent. In this way, when questions of Imperial character arise, a genuine expression of the views held in all parts of the Empire can be ascertained. This Chamber, I need hardly add, has every facility for consulting London residents.—Yours, &c.,

KENRIC B. MURRAY, Secretary.

To the Secretary, CHAMBER OF COMMERCE, Hongkong.

HONGKONG GENERAL CHAMBER OF COMMERCE.

HONGKONG, 16th February, 1900.

DEAR SIR,—In reply to your circular letter of the 1st December, repeating the list of subjects constituting the programme of the Congress, and stating that the Organising Committee are willing to receive resolutions on any economic and non-political subject which this Chamber might consider suitable for discussion, I am now instructed by my Committee to submit the resolutions attached for discussion.

In the event of the Organising Committee of the Congress accepting the three resolutions submitted, it has been arranged that Sir THOMAS JACKSON will propose the first, dealing with the navigation by foreign steamers of the Inland Waters of China, and the Hon. T. H. WHITEHEAD will propose the second and third on the subjects of the reduction of Cable Rates and fresh Marine Surveys in Eastern Seas.—I am, &c.,

R. CHATTERTON WILCOX, Secretary.

To KENRIC B. MURRAY, Esq., Secretary, LONDON CHAMBER OF COMMERCE.

RESOLVED—

That the manner in which the Inland Waters Navigation Regulations have been interpreted by the officials of the Chinese Government being such as to render the right to run steamers on the West River and other Inland Waters an almost valueless concession, the Secretary of State for Foreign Affairs be asked to open special negotiations with the Chinese Government in order to obtain a construction of these regulations more in accordance with the terms of the original agreement.

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That the time has arrived when the Tariff of Rates for Telegrams on all lines, land and submarine, should be materially reduced, and that representation to this effect be made to Her Majesty's Government, the International Telegraph Convention at Berne, and the Telegraph Companies concerned.

That in consequence of the rapid increase in the numbers, tonnage, and speed of steamers employed in the trade, and the frequent discovery in some tracks of sunken rocks not recorded on existing charts, the fact should be brought to the notice of Her Majesty's Government that it is necessary to have made, with as little delay as possible, a thorough re-survey of the navigable channels and coast lines in Eastern Seas.

THE LONDON CHAMBER OF COMMERCE, INCORPORATED,
10, EASTCHEAP, LONDON, E.C.,

19th February, 1900.

DEAR SIR,—With reference to my previous communications on this subject, I have pleasure in informing you that the work of organisation is proceeding satisfactorily, and at the last meeting of the Organising Committee it was decided to hold the Congress on the 26th, 27th, 28th, and 29th June next.

By kind permission of the Worshipful Company of Fishmongers, the Committee have secured the Hall of that Company (London Bridge) in which to hold the Business Meetings of the Congress.

I would remind you, should you not already have appointed delegates, that it facilitates the preparation and issue of the official programme of the meeting if the names of representatives are sent in at an early date.

With regard to resolutions to be moved by the various Boards of Trade and Chambers of Commerce, the Committee have decided to extend the time for sending in such resolutions *until the end of April*. This will give the participating Associations ample time to prepare and forward resolutions to allow of their inclusion in the official programme. You will find in both of my previous communications a list of subjects which my Committee think

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might be advantageously discussed, but this list is merely suggestive, and is by no means to be taken as implying that this, or other Chambers will bring forward resolutions thereon. Perhaps I should add that this Chamber much prefers other bodies to take the initiative in this respect. I shall be glad therefore to receive resolutions from your Association on any of the subjects mentioned in my previous communications, or on any other subject you may think suitable, which shall be submitted to my special Committee for approval.

Several applications have reached me for copies of the reports of previous Congresses, but the demand for the reports has been so large that my stock is completely exhausted. I must therefore ask your Association to come to an early decision as to the number of copies which it intends to order, as you will readily understand that we can only print a sufficient number of copies to meet the orders received prior to the Congress.—Yours, &c.,

KENRIC B. MURRAY, Secretary.

The Secretary, HONGKONG CHAMBER OF COMMERCE.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 28th March, 1900.

DEAR SIR,—This serves to introduce to you Sir THOMAS JACKSON, who is shortly leaving for England, and, as I have already had the pleasure of informing you, has kindly consented to represent this Chamber at the Congress of Chambers, and will, if it be approved by the Organising Committee, propose the annexed Resolution, dealing with the navigation by Foreign Steamers of the Inland Waters of China.

Any assistance you may be good enough to render Sir THOMAS JACKSON in connection with the above matter will be very highly appreciated by the Committee, who beg to tender to you their thanks in anticipation.—I am, &c.,

F. HENDERSON, Acting Secretary.

To KENRIC B. MURRAY, Esq., Secretary, LONDON CHAMBER OF COMMERCE,
London.

[A similar letter introducing Hon. T. H. WHITEHEAD was forwarded at same time.]

Z 1

Hongkong and the Canadian Preferential Duties.

CANADIAN PACIFIC RAILWAY COMPANY'S
ROYAL MAIL STEAMSHIP LINE,
HONGKONG, 14th December, 1899.

DEAR SIR,—I beg to bring to your notice a matter which I consider should receive attention at the hands of your Chamber, in order that exports from Hongkong should benefit by the laws of Canada relating to Preferential Duties, to which, it would appear, they are rightly entitled.

To place the question before you clearly I quote at length, below, Paragraph 1 and part of Paragraph 6 of the "Memorandum of Information and Instructions respecting the British Preferential Tariff," dated "Customs Department of Canada, Ottawa, 14th July, 1898." From this, you will notice, that exports from Hongkong are not provided for, and, apparently, do not participate in the advantages of the Preferential Duty Laws.

"1. That all articles except wines, malt liquors, spirits, spirituous liquors, liquid medicines and articles containing alcohol; tobacco, cigars, and cigarettes which are the growth, produce or manufacture of any of the following countries, and which are declared to be dutiable upon importation into Canada, may, when imported direct into Canada from any of such countries," be entered for duty or taken out of warehouse for consumption in Canada, on and after the first day of August, 1898, at a reduction of one-fourth from the general tariff rates of duty:—

"(a.) The United Kingdom of Great Britain and Ireland;

"(b.) The British Colony of Bermuda;

"(c.) The British Colonies commonly called the British West Indies, including the following:—

"The Bahamas;

"Jamaica;

"Turks Island and the Caicos Islands;

"The Leeward Islands (Antigua, St. Christopher, Nevis, Dominica, Montserrat and the Virgin Islands);

"The Windward Islands (Grenada, St. Vincent and St. Lucia);

"Barbadoes;

"Trinidad and Tobago;

"(d.) British Guiana;

"(e.) Any other British Colony or possession, the customs tariff of which, on the whole, is as favorable to Canada as the British Preferential Tariff is to such Colony or possession. (See list hereafter of colonies or possessions which have been admitted under this sub-section.)"

"6. That the Minister of Customs may with the approval of the Governor-in-Council make such regulations as may be deemed necessary for carrying out the intention of the Act."

"The Minister of Customs has, under the power vested in him by the said Act, and with the approval of the Governor-in-Council, determined that the following British Colonies and possessions are entitled to the benefits of the said Preferential Tariff, viz. :—

"British India ;

"Ceylon ;

"Straits Settlements ;

"New South Wales ;

"....."

The exports (consisting of the actual growth, produce or manufacture of Hongkong) may be somewhat limited, but, considering that Hongkong is an entirely free Port ; and Canadian goods are consequently admitted free of any duty, I think, in common justice, Hongkong should be included in the list of places covered by the Canadian Customs Regulations and thereby enable merchants to participate, without question, in the benefit of the Preferential Duties.

In further support of my contention that Hongkong should be included in the list of Colonies benefitted, I would mention a case which has come under my personal notice. Until the Preferential Law came into force a certain class of cargo, the produce of East India, was being shipped to Canada *via* Hongkong, but now merchants are shipping *via* London, on account of the Import Duty being 25 % less by that route than *via* Hongkong ; thus a certain amount of trade is lost to Hongkong, which, until recently, came this way and was confined entirely to this route. Why cargo from East India to Canada with transshipment at London should benefit by the Preferential Duty, while the same cargo, re-shipped at Hongkong, instead of London, is debarred from participation, it is difficult to understand.

Trusting you will find this question one of sufficient importance to investigate,—I am, &c.,

D. W. CRADDOCK,
p. D. E. BROWN, General Agent.

MEMORANDUM OF INFORMATION AND INSTRUCTIONS RESPECTING THE BRITISH PREFERENTIAL TARIFF.

By an Act of the Parliament of Canada, assented to on the 13th of June, 1898, it is provided—

1. That all articles except wines, malt liquors, spirits, spirituous liquors, liquid medicines and articles containing alcohol ; tobacco, cigars, and cigarettes which are the growth, produce or manufacture of any of the following countries, and which are declared to be dutiable upon importation into Canada, may, when imported direct into Canada from any of such countries, be entered for duty or taken out of warehouse for consumption in Canada, on and after the first day of August, 1898, at a reduction of one-fourth from the general tariff rates of duty :—

(a.) The United Kingdom of Great Britain and Ireland ;

(b.) The British Colony of Bermuda ;

(c.) The British Colonies commonly called the British West Indies, including the following :—

The Bahamas ;

Jamaica ;

Turks Island and the Caicos Islands ;

The Leeward Islands (Antigua, St. Christopher, Nevis, Dominica, Montserrat and the Virgin Islands) ;

The Windward Islands (Grenada, St. Vincent, and St. Lucia) ;

Barbadoes ;

Trinidad and Tobago ;

(d.) British Guiana ;

(e.) Any other British Colony or possession the customs tariff of which on the whole, is as favourable to Canada as the British Preferential Tariff is to such Colony or possession. (See list hereafter of Colonies or possessions which have been admitted under this sub-section.)

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2.—That manufactured articles to be admitted under such Preferential Tariff shall *bonâ fide* be the manufactures of a country or countries entitled to the benefits of such Tariff, and that such benefits shall not extend to the importation of articles into the production of which there has not entered a substantial portion of the labour of such countries. Any question that may arise as to any articles being entitled to such benefits shall be decided by the Minister of Customs, whose decision shall be final.

3.—That raw sugar, including sugar drainings or pumpings drained in transit, melado or concentrated melado, tank bottoms, and sugar concrete, the produce of any British Colony or possession, may, when imported direct from any British Colony or possession, be entered for duty or taken out of warehouse for consumption in Canada at the reduced rate of duty provided in the British Preferential Tariff.

4.—That the reduction under the Preferential Tariff shall only apply to refined sugars when evidence satisfactory to the Minister of Customs is furnished that such refined sugar has been manufactured wholly from raw sugar produced in the British Colonies or possessions.

5.—That the Minister of Customs with the approval of the Governor-in-Council shall determine what British Colonies or possessions shall be entitled to the benefits of the said Preferential Tariff under clause (e) of paragraph 1 of this memorandum.

6.—That the Minister of Customs may with the approval of the Governor-in-Council make such regulations as may be deemed necessary for carrying out the intention of the Act.

The Minister of Customs has, under the power vested in him by the said Act, and with the approval of the Governor-in-Council, determined that the following British Colonies and possessions are entitled to the benefits of the said Preferential Tariff, viz.:—

British India ;
Ceylon ;
Straits Settlements ;
New South Wales.

Under the power vested in him by the said Act, the said Minister of Customs has also, with the approval of the Governor-in-Council, made certain regulations for carrying out the intention of such Act, the full text

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of which regulations is set forth in the Order-in-Council of 14th July, 1898, as per copy annexed hereto. Unless the regulations be complied with in every respect the articles will be subject to payment of the general tariff rates of duty upon importation into Canada.

It is deemed advisable to draw the attention of exporters to the fact that the Customs laws of Canada provide severe penalties for the making of false invoices and certificates whereby the Customs Revenue shall or may be defrauded.

In such cases, the goods are liable to forfeiture, and the exporter making such fraudulent invoice or certificate as well as the importer using them, is subject to heavy pecuniary penalties in addition to the forfeiture of the goods. Exporters are, therefore, advised and cautioned to use every care in furnishing true and correct invoices and certificates for goods shipped to Canada.

Attention is directed to the following requirements of the Canadian Customs Laws :—

1.—Every invoice of goods imported into Canada shall be certified in writing as correct by the person, firm, or corporation selling or consigning the goods, and shall truly show the whole and actual value of the goods in the currency of the country whence the goods have been exported directly to Canada, and the quantity and description of such goods, and the marks and numbers on the packages, in such a manner as to indicate truly the quantities and values of the articles comprised in each exportation package, all of which packages shall be legibly marked and numbered on the outside when of such a character as to enable such marks and numbers to be placed thereon.

2.—If invoices are made out at lower prices for goods exported directly to Canada than the fair market value at the same time and place for goods when sold for home consumption in the country whence so exported, in all such cases the invoices are also to show clearly, in a special column, or by an addition thereto, such fair market value, as aforesaid, for the goods described therein.

Exporters will note particularly that a separate invoice must be furnished for goods entitled to entry under the Preferential Tariff and that the certificates required must be written, printed or stamped on the invoice, and

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also that the Preferential Tariff does not apply to any of the following articles, viz.—wines, malt liquors, spirits, spirituous liquors, liquid medicines, and articles containing alcohol; tobacco, cigars and cigarettes.

Exporters are required to mark distinctly in writing on all invoices of sugars exported to Canada that the sugars described therein are either Raw or Refined in every case, whether for entry under the Preferential Tariff or under the General Tariff.

JOHN McDUGALD, Commissioner of Customs.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 19th January, 1900.

SIR,—I am instructed to ask you to bring to the attention of His Excellency the Governor the fact that this Colony is not included in those British Colonies or Possessions entitled to the benefits of the British Preferential Tariff in Canada. Bermuda and the West Indies were first admitted to participation in the advantages of this Tariff, and the Canadian Minister of Customs subsequently added British India, Ceylon, Straits Settlements, and New South Wales to the favoured list, but has omitted Hongkong, although it is a free port and therefore properly comes under the tariff provision (c) as follows:—"Any other British Colony or possession the customs tariff of which, on the whole is as favourable to Canada as the British Preferential Tariff is to such Colony or possession."

It is true that at present Hongkong is not a large producing Colony, but I am to point out, as an instance of how the new law works adversely to this port, that, until it came into force, a certain class of cargo, the produce of India, was being shipped to Canada *via* Hongkong, but merchants are now shipping it *via* London on account of the import duty being 25 % less by that route than by way of this port. No doubt other articles of export will also be diverted from this channel unless Hongkong is allowed to share in the privileges of the Preferential Tariff.

Believing the omission to include Hongkong in the Preferential list to be the result of an oversight, my Committee will be glad if His Excellency

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the Governor will be good enough to represent the matter to the Secretary of State for the Colonies.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.
To Hon. COLONIAL SECRETARY.

No. 169.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 30th January, 1900.

SIR,—I am directed to acknowledge the receipt of your letter of the 19th instant, in which you point out that, probably owing to an oversight, Hongkong has not been included in the list of Colonies which are entitled to enjoy the benefits of the Canadian Preferential Tariff, and to inform you that the matter has been duly reported to the Secretary of State for the Colonies.—I have, &c.,

J. H. STEWART LOCKHART, Colonial Secretary.
The Secretary, CHAMBER OF COMMERCE.

Z 2

Nomination of a Member to the Legislative Council.

GOVERNMENT HOUSE,
HONGKONG, 17th April, 1900.

SIR,—I have the honour to inform you that I have granted to the Hon. T. H. WHITEHEAD, Member of the Legislative Council, nine months' leave of absence from the 14th instant, and that there is therefore a vacancy in the Council which I desire should be filled without delay by one who, like Mr. WHITEHEAD, will represent the interests of the Chamber of Commerce.

I have therefore to request you to be good enough to call a meeting of the Chamber of Commerce at an early date, and to submit to me the name of the gentleman whom the Chamber may desire to be appointed to the vacancy in question.—I have, &c.,

W. J. GASCOIGNE, Major-General,
Administering the Government.
The Chairman, THE CHAMBER OF COMMERCE.

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HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 21st April, 1900.

SIR,—I have the honour to acknowledge receipt of your letter of the 17th instant, stating that you have granted nine months' leave of absence to the Honourable T. H. WHITEHEAD, that there is now a vacancy in the Legislative Council which you desire to fill without delay, and asking to be informed of the wishes of the Chamber of Commerce with regard to the appointment.

Your letter was considered at the meeting of the General Committee on the 18th instant, when it was decided to bring the matter before the members at a special meeting to be held just before the annual meeting on the 30th instant, when the result will be promptly communicated to your Excellency.

—I have, &c.,

R. M. GRAY, Chairman.

His Excellency Major-General GASCOIGNE, C.M.G., Officer Administering the Government.

HONGKONG GENERAL CHAMBER OF COMMERCE,
HONGKONG, 30th April, 1900.

SIR,—I have the honour to acquaint you, for the information of His Excellency the Officer Administering the Government, that at a Special General Meeting of the Chamber, held this afternoon, Mr. HERBERT SMITH, of Messrs. BUTTERFIELD & SWIRE, was unanimously selected as their nominee for a seat in the Legislative Council during the absence from the Colony of the Honourable T. H. WHITEHEAD.

In connection with the above nomination I beg to hand you the following papers :—

- 1.—A copy of the notice convening the meeting.
- 2.—A list of members present at the meeting.
- 3.—The name of the candidate and the names of the proposer and seconder.—I have, &c.,

R. CHATTERTON WILCOX, Secretary.

To Honourable F. H. MAY, C.M.G., Acting Colonial Secretary.

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NOTICE.

Hongkong General Chamber of Commerce,
Hongkong, 30th April, 1900.

A Special General Meeting of the Members will be held to-day, (Monday), the 30th April, at 2.45 p.m., at the Chamber Rooms, City Hall, to nominate a member of the Chamber to take the place of the Honourable T. H. WHITEHEAD, in the Legislative Council, during his absence from the Colony.

The Annual General Meeting of the Members of the Hongkong General Chamber of Commerce will be held the same day at 3 o'clock p.m., for the purpose of receiving the Report of the Committee and passing the Secretary's Accounts for the year ended 31st December, 1899.

By Order,

R. CHATTERTON WILCOX, Secretary.

List of Members present at the Special General Meeting of the Hongkong General Chamber of Commerce, held on Monday, 30th April, 1900, at 2.45 p.m. :—

| | |
|-------------------------------|-----------------------|
| Mr. R. M. GRAY (Chairman). | Mr. T. F. HOUGH. |
| Mr. A. HAUPT, | Mr. J. H. LEWIS. |
| Hon. J. J. KESWICK, | Mr. F. MAITLAND. |
| Mr. N. A. SIEBS, | Mr. J. A. MACKAY. |
| Mr. HERBERT SMITH, | Mr. A. M. MARSHALL. |
| Mr. R. C. WILCOX (Secretary). | Mr. M. M. MEHTA. |
| Mr. G. ATZENROTH. | Mr. D. M. MOSES. |
| Mr. L. BERINDOAGUE. | Mr. G. C. MOXON. |
| Mr. H. M. BEVIS. | Mr. G. H. POTTS. |
| Mr. G. DE CHAMPEAUX. | Mr. A. J. RAYMOND. |
| Hon. C. P. CHATER, C.M.G. | Mr. R. L. RICHARDSON. |
| Mr. D. W. CRADDOCK. | Mr. E. W. RUTTER. |
| Mr. D. R. CRAWFORD. | Mr. S. D. SETNA. |
| Mr. W. DANBY. | Mr. C. S. SHARP. |
| Mr. J. J. FRANCIS, Q.C. | Mr. M. STEWART. |
| Mr. D. GILLIES. | Mr. J. THURBURN. |
| Mr. D. M. GILMOUR. | Mr. G. L. TOMLIN. |
| Mr. D. HASKELL. | Mr. F. URBIG. |
| Mr. Ho FOOK. | Mr. G. VEITCH. |
| Mr. A. SHELTON HOOPER. | Mr. W. M. WATSON. |

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Candidate proposed at a Special General Meeting of the Hongkong General Chamber of Commerce, held at 2.45 p.m., on Monday, the 30th April, 1900, to nominate a member to the Legislative Council to take the place of the Honourable T. H. WHITEHEAD during his absence, on leave, from the Colony:—

Mr. HERBERT SMITH.

Proposed by Honourable J. J. KESWICK.

Seconded by the CHAIRMAN.

No. 777.

COLONIAL SECRETARY'S OFFICE,
HONGKONG, 3rd May, 1900.

SIR,—I am directed by the Officer Administering the Government to acknowledge the receipt of your letter of the 30th ultimo, stating that the Chamber of Commerce at a meeting held on the same date selected Mr. HERBERT SMITH as the representative whom they would desire to see appointed to the seat on the Legislative Council rendered temporarily vacant by the absence of Mr. T. H. WHITEHEAD, and to inform you that His Excellency has been pleased to appoint Mr. HERBERT SMITH, provisionally and subject to Her Majesty's pleasure, to be an Unofficial Member of the Council.—I have, &c.,

F. H. MAY, Acting Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE.

Hongkong to Wuchow, and Back.

At a time when the West River has become somewhat notorious;—firstly, by reason of its waters having been nominally opened to foreign trade and navigation; secondly, on account of this privilege having, like many another Chinese concession, proved less valuable than was expected owing to official duplicity; and, thirdly, because of the piracies which have become chronic in the district through which it courses;—a brief account of the voyage to Wuchow, the present head of steam navigation, may be interesting.

The three steamboat companies—the Hongkong, Canton, and Macao Steamboat Co., the China Navigation Co., and the Indo-China S. N. Co.—have placed two steamboats, especially built for the trade, on the line between Hongkong and Wuchow, calling *en route* at the Treaty port of Samshui, and at the way ports Kongmün, Kumchuk, Shiuhing and Takhing. These steamers carry a large number of Chinese passengers, and they have good accommodation for 16 saloon passengers. The bulk of the cargo is conveyed in a lighter, which is towed up and down river, and carries some 360 tons. The steamer *Wuchow* left the wharf at 5.15 p.m. on the 20th October and having picked up her parasite (the lighter) in the quarantine anchorage we steamed off through the Capsuimun. The parasite carried kerosene below, while her deck was piled with the properties of a Chinese theatrical troupe, bound for Kongmun. After dinner we passed Lintin, and about 9 p.m. entered the Kerr Channel through the Wang Moon entrance. This creek is narrow and the banks low, but the scenery soon becomes pretty.

It was about 4 o'clock in the morning that I was roused by the cessation of the screw and the outbreak of a hubbub consequent on the disembarkation of the Chinese Thespians with their baggage and properties. The steamer also disgorged a large number of other passengers.

TO SAMSHUI.

At dawn I peeped out of my cabin window and observed that we were passing through a charming and productive country, pleasantly broken by hills; and about 8 a.m. we reached Kumchuk, where we only stayed a few minutes to drop some passengers. The gunboat *Tweed* was lying at anchor on the opposite side of the creek and looked far more imposing in her solitary state than she does when anchored among other shipping in Hongkong harbour.

From hence our passage was through an opulent and highly productive country. Mulberry plantations lined the banks, and numerous towns and villages, all bearing evidences of considerable prosperity, were passed. At 9 a.m. the steamer was abreast of the extensive and populous town of Kow-kong, which stretches for miles along the river bank and spreads, to all appearance, a long distance inland. The massive towers of numerous pawnshops broke the monotony of the low roofs, and yamên and graduates' poles were plentifully sprinkled among the mass of buildings, many of which are large well-built family houses embowered in clumps of venerable looking trees. This is one of the great centres of the silk district, and is famous for its wealth and influence. Mr. HENRY, in his book entitled "Ling Nam," states, as a proof of its importance, that at one time, Kow-kong was reckoned to be able to supply 300,000 troops to the Imperial army if wanted, and it is obvious from the view gained from the deck of the *Wuchow* that it is a place of first-class importance. But no steamer calls there. Probably it derives all its supplies from Canton.

Beyond Kow-kong the river broadens out and several pagodas are passed, until about fifteen miles further up it sweeps round a point marked on the chart as Poo Gee Kok, where the current is very strong. Just beyond this rises on a bold point Kumchow Pagoda, a fine tower of seven stories in good condition, at foot of which lies a small picturesque island. Some large brick kilns were next passed, close to the banks, where the blue bricks so well known in Kwangtung are manufactured. These are baked with fuel brought down the river from upper Kwangtung and Kwangsi, consisting of grass, twigs, and other vegetable refuse. It is stacked neatly on flat boats and is generally accompanied by another craft carrying a similarly sized stack of fodder for the buffaloes who are used for working in the brick fields. A curious sight is presented in these brickfields by the scores of mat umbrellas dotted about, under which the men shape the bricks. The collection of the fuel and fodder constitutes quite an important industry further up the river.

THE TREATY PORT OF SAMSHUI.

A few miles further and the steamer enters a creek, near the entrance to which on the south bank stands the Treaty port of Kongkum, of which all that can be seen is a rather fine temple and some few good houses, but it is quite insignificant, though it is almost directly opposite to the mouth of the

North River, which here debouches, forking in two channels round a leg-of-mutton shaped island called Lo-ah-chow or Rattler Island, a low flat cultivated island. A short distance beyond the further arm of the North River, on the northern bank, is Ho-kow, the port of Samshui, which city lies about a mile away inland, its walls, pawnshop towers, and pagoda being conspicuous owing to a slight rise in the land. Ho-kow is merely an anchorage, marked by a line of insignificant buildings on the banks, broken now by the residence of the Commissioner of Customs and a few new Chinese houses and godowns, and a considerable collection of native craft. The British Consulate is for the present located in a houseboat and everything seems of a rather temporary character. The trade, however, is increasing, and the little port had, at the time of our arrival, a decided air of business. The steamers *Wuchow*, *Samshui* and *Cheunghong*, the gunboat *Sandpiper*, and several Chinese steam-launches combined to give it an animated appearance. It is, however, evident to the most superficial observer that *malgré* the position of Hokow and Kongkum at the mouth of the North River, the proper site for the treaty port naturally should be Sainam, a large and flourishing town, with a population of about 40,000, about three miles further up the creek, and which was plainly visible from the deck of the *Wuchow*. I could see through a field glass the banks of the stream at Sainam were lined with craft of various kinds, and that the town covered a considerable area and stretched far along the banks. It seems, however, that the existence of a sandbank which extends across the river just before entering the port from Samshui, and on which for some months there is only from two to three feet of water, operates as an obstacle to this town being made the Treaty Port. I understand that though the British Minister wanted Sainam to be made the Treaty Port, the Chinese would not consent. From Sainam, no doubt, comes much of the cargo which the steamers take from Samshui. At Sainam are extensive godowns, a silk filature, large soy factories, and some tinning establishment, where rice birds and other dainties are put up for Hongkong and foreign markets.

We left Samshui soon after two o'clock p.m. and were abreast of Kongkum on our way out into the West River, when we suddenly found the passage barred by a big timber raft, which had just come down the North River, and had put out anchors at both ends. Although signals were made from the steamer to the raft, they took no notice, and a great deal of tiresome delay took place. The engines had to be reversed, the parasite unshackled and slipped astern, and some delicate manœuvring gone through

to avoid getting ashore on the other bank of the creek; but at length the task of steering between Scylla and Charybdis was safely accomplished by the exercise of tact and patience, and without any damage to the raft. Whilst this manœuvre was in progress a swarm of small boats put off from shore like a cloud of vultures ready to swoop down upon the *débris* of the raft in the hoped-for event of the timber being scattered by a collision with the steamer, when they would have claimed it as derelict.

But these harpies were disappointed. The *Wuchow* steamed safely past the giant obstruction without smashing it up, and, entering the broad stream of the West River, went peacefully on her way.

THE SHIUHING GORGES.

For some miles the river flows between rather low banks, on which good crops, often of sugarcane, can be seen. Near the town of Wongchow, a Chinese steam-launch was seen high and dry on the shelving bank. She had gone ashore when the river was higher, but at the time we passed she was some distance from the water, and two boats with a number of coolies were busily engaged in cutting a passage down to it in the sand. As the launch had been ashore quite two months it is evident the work did not progress very quickly, and it seemed to me that John Chinaman was using a very false economy in his tactics. A steamer might easily have towed the launch off when she first went ashore, but John probably could not bring himself to incur the cost of salvage in that way; he thought it would be cheaper to dig the craft out by the aid of coolies, and never calculated the loss of interest on his capital while she was lying high and dry on the river bank.

At 4.30 the steamer got abreast of the considerable town of Kwang-li, situated on the left bank of the river. A pagoda with several pawnshop towers and the lofty mat roof of a native theatre stood up prominently over the houses, which appeared to be of a good class. We were now nearing the famous gorges of Shiuhing, and the scenery was growing more beautiful with every mile. A long line of bold and lofty mountains, rising in some cases to a height of some 3,000 feet, bounded the view in front and seemed to bar further progress. On the left we passed the town of To-kai, only the roofs of which were visible, partly owing to the trees in which it is embowered and partly to the lower level of the plain on that side. A small octagonal pagoda stood on the river bank close to the head of the town.

Meantime we were rapidly approaching the foot of the mountains, and a sharp bend suddenly brought us to the entrance to the gorges, the river narrowing there from over a mile to about a quarter of a mile in width. The mountains rose steeply on either side, those on the left bank fairly covered with vegetation while those on the right were nearly bare of foliage. This lovely pass is about four and half miles long, and the hills that hem it in are, I should estimate, from 1,500 to 2,500 feet in height. Near the entrance is an abrupt break in the hills on the left, where they rise in precipitous grandeur. They are all bold and rugged, and some are strikingly picturesque. At the other end of the gorge the river again widens out to more than a mile in width, and a new and lovely panorama opens to the view.

At the Shiuhing end of the defile on the slope of the terminating hill on either side a rather handsome temple has been erected, and from the water they both appear to be in a good state of preservation. Passing these, in a few minutes the pagodas of Shiuhing came into sight in the distance, and the far-famed marble rocks rose from the plain beyond in dim mystery in the purple light of evening. The sun was dropping below the horizon as we came abreast of the city, which appeared grey and sombre in the dusk, but with its five pagodas and strongly built walls giving the impression of unusual importance for a Chinese city. We stayed only a few minutes waiting for passengers, who came not, and then proceeded on our way. The river after leaving Shiuhing narrows somewhat between high hills and steep banks, then again broadens into a lake-like expanse which appears to have no outlet, until another sharp corner is turned and its broad tide spreads for several miles straight ahead a track of burnished silver in the bright moonlight. Seen under such circumstances the journey up a great river through a strange land has a peculiar fascination, and I lingered long into the night gazing on fresh scenes and weird effects as we shot quickly by. It was very late when we reached Takhing, and as it was dark when we passed this city on the return I saw little of it.

The next morning found us steaming through the country *par excellence* of the bamboo. All along the banks, which were steep and hemmed in by low hills, the bamboo grows luxuriantly and in rich feathery masses unknown in the delta. It is here regarded as an article of commerce, and large quantities are sent down the river by raft. This and the timber trade, which appears extensive, and that in matting, silk, straw-bags, limestone, bricks,

firewood, fuel and fodder for cattle, and hides and horns, would seem to form the chief exports of the natives. Sugar-cane is also grown in small patches but not in large plantations as in the delta. The shelving banks, whereon the river silt had been left by the falling waters, had all at once been eagerly annexed by the cultivator, and where a few weeks earlier the water had flowed, there were now neatly planted patches of vegetables, &c., many of which were already covered with green crops.

WUCHOW.

We had now entered the province of Kwangsi, and about 9 a.m. the pagoda on the hill near Wuchow, but on the opposite bank of the river, became visible, and before long the city opened out to view. A small rocky island, connected by a sand-bank with a smaller rock, is passed just before reaching the city. The river is here about a mile and a half broad and has a fine sweep. Wuchow is well situated, the houses and walls climbing up the hills in the background for some distance near the Fu-ho, or Kwei River, which forms the western boundary of the city, and there flows into the West River. Wuchow occupies a very similar position to Hankow: the Fu-ho, like the Han, coming down from the north and washing one side of the city. Instead, however, of a second city like Hanyang occupying the opposite bank of the Fu-ho, there is only a small suburb, with one fine temple and a hill, which has been purchased as a site for the projected British Consulate. *En passant* I may remark that this is, from the point of view of the public convenience, the most unsuitable spot that could have been chosen for the purpose. At any time it is remote from the anchorage where foreign vessels lie, and when the spring freshets come down the Fu-ho it will be almost inaccessible, as that affluent then rushes down with such force as to render its passage impracticable. Probably the site might prove healthy, as it certainly would be breezy, but it would be terribly exposed in a gale.

The most conspicuous building from the water is Messrs. JARDINE, MATHESON & Co.'s new hong, just erected. This firm have purchased all the land eastward of the city walls, but the Customs have bought from them a site, next to the new hong, for the erection of a Custom House, examination sheds, and quarters for the out-door staff. They have also secured another hill site to the eastward for residences of the Commissioner, the indoor staff, and the harbour master. At present both the Customs Staff and the British Consul occupy large house-boats moored close to the bank, but these marine

residences are not too accessible from the shore in muddy weather. Wuchow presents a rather imposing aspect from the river, and the banks are enlivened by the presence of a host of native craft, which pack thickly to the east and all along the banks of the Fu-ho. Among these the peculiarly shaped cargo-boats at once attract attention. These have deep bulging sides, which, seen end on, have a remarkable appearance. They are built in this manner to render it difficult for the Customs officers to gauge the quantity of cargo and thus enable the crafty owners to evade payment of full duty. The city, which has a population estimated at 50,000, is fairly built and shows indications of prosperity. I went through the principal streets and found the shops well supplied both with native and foreign goods. The provision shops contained an abundance and a variety of fish, fruits, and vegetables. I noticed baskets full of small lizards for sale as food, and some of these are carried down to Hongkong, where they are sold as medicine for sick persons. I am sorry to say the Chinese skin these wretched reptiles alive, and they are sold without the skin, which apparently has some commercial value. The pewter ware, which is often supposed to be *spécialité* of Swatow, is manufactured both in Wuchow and Shiu-hing; the designs at the latter city are the more tasteful and characteristic. Wuchow possesses several fairly built but not peculiarly clean temples. On the opposite side of the street to a temple in the centre of the city is a rather striking gateway having three archways, with more pretensions to architecture than structures of the kind in China usually display. It certainly forms a most effective outlook from the street and approach to the river, which lies some forty feet below, down a shelving mud bank. At the principal landing place up the Fu-ho are two carved iron pillars, which were formerly used to connect a bridge of boats connecting both banks. According to the inscriptions on the pillars they are nearly 700 years old. Although neither the walls nor the temples show signs of any great age, it is known that Wuchow is a place of much antiquity. The city is said to have been erected in A. D. 592 and legend avers that an earlier town existed a little below the present site.

Wuchow is subject to floods in the summer, when the rivers rise many feet above their banks, or a total of sixty-four feet difference between summer and winter levels since the record has been kept by the Imperial Maritime Customs. I saw the flood marks on some trees near Messrs. JARDINE, MATHESON & Co.'s compound, which prove that at certain seasons the people have to betake themselves to the upper stories of their houses for

refuge. These floods are, however, regarded very philosophically, and no provision is apparently made to cope with them. Whether they are, as some of the natives think, a not unmixed evil, is perhaps a matter for debate : but they do not appear to work much serious damage.

A TRIP UP THE FU-HO.

Having chartered a steam-launch for the purpose, we made up quite a party after tillin and ascended the Fu-ho river to a place called, so far as I could make out, Ang-how, about fourteen miles from Wuchow. On leaving the steamer *Wuchow*, we steamed to the north of the Fu-ho and proceeded slowly through the native shipping which lines both banks of that river for about half-a-mile. The water of the Fu-ho is clear and green, in striking contrast to the red or tawny water of the West River, which holds so much sand in solution. The outer suburb of Wuchow, I remarked, was a mass of charred and blackened ruins, the result of the raid made upon it about a fortnight previous by a band of about one hundred armed robbers. Curiously enough, the tall pawnshop, which was the central point of their attack, stands still uninjured among the wrecked houses around, the attempt to fire it having entirely failed. Several of the inhabitants were killed in the fight, and the brigands got off with a quantity of loot. The incident affords a striking commentary on the manner in which property is protected in the Central Kingdom, and shows that the security afforded by city walls is, in China at any rate, still a reality.

We soon lost sight of Wuchow, the river taking some sharp bends between high hills. The country is well wooded, and in the valleys, which were occasionally revealed between the hills, cultivation of sweet potatoes, yams, sugar-cane, and various crops is carried on. But of towns or large villages no trace was visible, and peasant life was represented by a few men and women here and there cultivating the alluvial soil left exposed on the banks by the fall of the stream or herding buffaloes. One or two small steam-launches were passed towing boats, and some passage boats were seen, but when about ten miles up stream traffic seemed scanty. There is, however, a good deal of traffic with Kweilin, the capital of the province, though the amount could no doubt be enormously increased by the substitution of very light draft stern-wheel steamers for the native boats. Many small herds of water buffaloes were passed, some of which were encountered swimming across the river. The calves, terrified by the launch whistle, took refuge among the cows, who obviously supported them in the water.

We landed at Ang-how by the aid of a native boat which put off in response to our hail, *malgré* the sour looks of the man apparently in charge, and whose surly and sullen countenance nothing could lighten up, including the silver bestowed as a *cumshaw*. After a walk of about a mile on the high banks, from which a view of tolerably extensive tracts of cultivated country was obtainable, and making a detour to avoid a herd of sniffling and hostile buffaloes, we rejoined the launch, weighed anchor and started to return to Wuchow. We touched the bottom once on the way down, but got off again without much difficulty, and arrived at Wuchow about 7 p.m., finding some little difficulty in threading a passage through the small craft at the mouth of the Fu-ho.

I was informed that badgers were very plentiful round Wuchow, and were hunted by the natives, who eat them. The armadillo is also common in the country up the Fu-ho. Of tigers I saw nothing and heard little. They do not appear to be plentiful. Birds seemed scarce, but I saw one or two varieties that were new to me.

The next morning dawned dull, cold, and wet, and on consulting the thermometer I found it had dropped from 86 deg. Fahr. on the previous afternoon to 64 deg. Of course we all got into warmer clothing, and a light dustcoat I had taken proved acceptable. At breakfast we learned that a slight but distinct shock of earthquake had been felt ashore about 4 a.m., but no one observed it on board the steamer. I had arranged to go ashore and have another ramble through the city after breakfast in search of adventure or curios, but the rain came on so smartly that I abandoned the intention, the inducement to face the sleet and mud not being sufficient.

THE RETURN JOURNEY.

We lifted anchor at 2.30 p.m., steamed across the river to the kerosene anchorage, and picked up the parasite, which was taken in tow, and started on the return voyage with a light cargo and few passengers. It was still raining, but the skies looked like clearing, a promise that was fulfilled some two hours later. At 4 p.m. we passed Fong Chuen, a small walled city on the left bank, lying among lovely scenery, but having no commercial importance. About 5.15 p.m. we were opposite Dosing, a very considerable town on the right bank, at which until recently the steamers were wont to call for passengers. This is a rather important centre of trade : there is a large

lekin establishment there, and small native craft line the banks for some distance.

A quarter of an hour later we were passing the famous rock known as the Monk's Head, called by the Chinese "Fa Pew." This great landmark rises 1,410 feet from the river bed, but at first sight, approaching it from Wuchow, it appears much lower. The rock seen from that point assumes the appearance of a gigantic crouched figure, the head bent forward overlooking the surrounding country. When abreast of the rock, however, its proportions are much more imposing, and as you leave it in the rear it presents the aspect of a tall shaven bonze with a spectral looking face standing at full height gazing solemnly over valley and river. It is certainly a very striking looking eminence, and could not be easily scaled.

The twilight was deepening into dusk when we slowed down opposite the city of Tak-hing. This place is approached through a short gorge, and stands on a plain on the left bank of the river going down. It is encircled by a wall, but it was too dark to see much of it beyond the houses on the bank, partly screened by thick clumps of trees, and a nine-storied pagoda perched on a low hill at one end of the city. The plain is highly cultivated, and Tak-hing ought to be worth calling at. Silk is largely produced in the district, and there is an extensive matting industry, which is capable of great expansion. Tak-hing is a way port, but few passengers have as yet been picked up there. The Cockscomb Rock, a curious jagged ridge, one of the salient features of the river, some little distance further down, was passed in the dark.

After dinner it was clear and bright, and when the moon got up we had some beautiful revelations of scenery as we swept down the river to Shiuhing, some fifty miles distant from Tak-hing, and where it was intended to anchor on arrival. I turned in about 10 p.m., and slept soundly until wakened by the noises attendant on arrival at Shiuhing about 3 a.m.

SHIUHING CITY.

A tap at the cabin door some time before dawn reminded me of the arrangement made the previous evening to visit the Marble Rocks and the Caverns before breakfast, so I tumbled into my togs with all speed, joined my fellow passengers on deck, and after a hurried snack we got into a boat and pulled ashore at the central landing place of Shiuhing, mounted the long

flight of cut granite steps laid with great neatness to the top of the bank, and, crossing a piece of unoccupied land, plunged into the city.

The inhabitants were but just turning out and many of the shopkeepers were opening their cases and displaying their manifold wares. Some, less energetic, had not taken down their shutters; but the purveyors of food of all kinds were all on the alert and the day's supplies of fish, flesh, fowl, vegetables and fruits were all on view, and business had already commenced. Speaking of fish, I may here remark that we had a kind of fresh water sole, purchased here, for breakfast, which was most delicious. It is like the ordinary sole, but smaller, the flesh very white and firm and delicate.

Shiuhing is for a Chinese city unusually well built. No doubt this is due to its former position as capital of the province of Kwangtung. Vestiges of departed importance still cling to it in the breadth, cleanliness, and style of its main streets, the excellence of its pavements, and its comparative freedom from the odours which usually assail the pedestrian's nostrils in Chinese towns. It undoubtedly ranks high in this respect, and is certainly beyond all comparison the cleanest and least unsavoury town I have seen in the Chinese Empire. Some of the shops are handsome and well supplied; ordinary goods of all descriptions, whether native or foreign, may be purchased in them; but I failed to discover any "curio" shops. The only things peculiar to Shiuhing are the articles (mostly cups and saucers and images of Buddha or other gods) made out of the local marble, which can be bought here at moderate prices. Pewter-ware is also made in considerable variety in several shops in the outskirts.

I had no time to visit any of the public buildings, but these are extensive, though some are in a rather ruinous condition, nor did we investigate any temples within the walls, for time pressed. Our programme was cut out, the Marble Rocks to be visited, and so on we went straight through the city, passing under three lofty arched gateways, the iron studded gates of which are always closed at dusk every day, with, I fancy, excellent reason. The City would otherwise be raided by the banditti who infest the district, but of whom we saw nothing. We paused to run up a flight of steps leading on to the walls, which I noted were in an excellent state of preservation, and which I should have liked much to have perambulated, as I could see the views of the surrounding country from them would be very interesting. In Shiuhing there were no hostile wonks, no unfriendly *canaille* to hang on

our rear, and indulge in observations of a personal and disgusting nature; the people were perfectly civil and well behaved on both occasions, and utterly unlike the rowdy inhabitants of the City of Rams.

THE MARBLE ROCKS AND CAVERNS.

Outside the gates we found the chairs we had engaged awaiting us, but as the air was keen and the sun had not yet mounted to the heavens, I preferred to stretch my legs. Our path lay for some distance among gardens and lily ponds until we reached a new and cheerful looking temple, built in the usual style, but furnished with rather superior decoration. The approach to this is guarded by a gate in a very solid wall, no doubt closed at night. Passing through this we emerged on the open plain, across which the path, on a slightly raised causeway, pursues its devious way. It is but a narrow track about two feet in width, formed by two slabs of granite laid lengthwise and this presently narrows to a single slab about a foot wide. Before us, across the plain, rose the famous Rocks, which consist of groups or in some instances, isolated precipitous hills, purplish black in colour, which stand out very boldly against the background of bare red mountains beyond. The distance to be traversed was about three miles, and it was necessary to look to our feet as the granite slabs were very slippery and none too evenly laid. The highway is unquestionably like all Chinese country roads—a work of simple utility; it is contrived to serve a double purpose: that of boundary to the fields, then mostly under water, and as a means of communication. The limited nature of the accommodation rendered it necessary to supply, here and there, a wider additional stone, at which points it is possible for meeting wayfarers to pass without one party being inadvertently landed in the mud or water.

In due course—we had walked quickly—a point is reached where the track divides, but it was an easy matter to determine which arm of it to take. Only one large shallow lake-like field intervened between us and the nearest group of Rocks. The steep sides of these were now seen to be dotted here and there with trees, while the bases of some were thickly dotted with vegetation. Far up the precipitous sides of the two nearest hills were perched picturesque temples or monasteries, to which at first sight there appeared no means of access.

At the foot of the nearest hill thus honoured stands an ancient Buddhist temple of considerable dimensions, to which our guide conducted us. This temple, I was told, was erected during the Ming dynasty, and it bears unmistakable signs of antiquity both in its structure and in the idols it enshrines. It is built mainly of the blue brick of the country, but the bases of the great wooden pillars supporting the roofs are of white marble, discoloured and dulled by age and exposure. The temple consists of three courts, one above the other, the inner one being reached by a double flight of steps. In the first or outer court there is a most interesting group of josses, consisting of three huge gilt Buddhas, placid and stately, and ten iron figures, painted in originally bright colours, now much faded. These statues, ranged five on each side of the Buddhas, are no doubt representatives of sages or notable personages in the Buddhist Pantheon. In the second court were enshrined three really fine bronze Buddhas about ten feet in height, well cast, and in good preservation. A handsome though not large bronze bell with a sweet tone hung in this court. Ascending to the inner and highest court—the holy of holies—we found another striking group of deities and warriors. In the centre was a grave, calm-faced figure of Buddha, flanked on either side by a pair of bronze effigies evidently representing two of his disciples with shaven crowns. On the right and left of these meek-looking bonzes, were two truculent warriors of the Ming period arrayed in armour, both endowed with most expressive features and much vigour of gesture. One of them is thoroughly typical of the Chinese idea of a "brave," and wears a most ferocious and blood-curdling scowl.

Quitting this interesting temple we then proceeded along the base of the rock to the mouth of the famous limestone cave. I confess I was somewhat disappointed at first sight of this Chinese wonder. The entrance is low and looks much lower than it really is, as there is plenty of room for the tallest man to walk in upright. The cavern speedily widens on entering, and after traversing a paved causeway a distance of some eighty feet, the head of it is reached. The bottom of the cavern is full of water, and the paved causeway, which is railed on either side, has been made for the convenience of visitors. The roof gradually grows loftier until at the head of the cave it rises into quite a lofty dome, the actual height of which we were unable to discover although we sent up several ineffective Chinese rockets. There is a peculiar weird echo, and one rock when struck by a mat bag gave forth a loud resonant sound almost like the booming of a drum. There was no need for

torches, because the light enters from both ends. At the head of the cavern a few steps up near the other outlet is a small rock cut temple, the presiding divinity of which is a figure of the Goddess of Heaven, seated in a deep recess. Two nearly life-sized figures of warriors, each carved out of solid blocks of marble, also stand in this sanctuary. Yet another flight of stairs, and we found ourselves in the open air on the other side of the rock, on a small gallery cut out of it, from which a room is entered, where the bonze comes forward and invites us to inscribe our names in a book kept for the purpose. This done and some silver distributed among the priests and their satellites, we return through the cavern and treat the aborigines to a scramble, in which, I regret to say, the males showed a sad lack of gallantry towards the weaker sex. I should have liked to visit some of the other rocks and see where the marble is quarried, but time did not permit. The pathway was in several parts paved with pieces of marble of various colours as well as of jet black and pure white. I was also unable to visit any of the monasteries perched up on the rocks in places where there was apparently only foothold for goats. A splendid view of the plain and river is no doubt obtainable from these eyries.

Our party then got into the chairs, which were of a quaint description, peculiar, I should imagine, to Shiuhing. They are so small that the passenger has to sit tight; and they are boxed up at the sides yet without a roof, a flapping little shutter of black matting falling in front on a level with the eyes, obstructing the view but answering no other conceivable purpose. They are so frail that I put my foot through the bottom when getting into it, and one of them completely collapsed under the weight of another somewhat heavier member of the party, nearly letting him into the water in the paddy field below. I soon got tired of this mode of conveyance, and at the first halting place severed all connection (save that of paying) with both chair and bearers. We reached Shiuhing without further adventure, stopping only to purchase some marble ware, and went on board with all despatch. The steamer was all ready, anchor was weighed directly we were on board, and we were quickly under steam for Samshui, which we should have reached an hour earlier but for interposing timber rafts.

At Samshui we took in some cargo and passengers, and then continued the voyage, calling, as on the up trip, at Kumchuk and Kougmün, the latter in the dark, and arrived safely in Hongkong harbour about 7 a.m. on the 25th October.

The trip is a most enjoyable one, and affords a complete change of scene to the jaded resident of Hongkong, while to the stranger in these parts it will afford a good idea of the inland navigation of South China and the resources of the delta. The scenery is certainly not so grand as that of the gorges on the Upper Yangtze, but it is incomparably superior to any met with on the lower arm of that great father of waters.

For certain facts regarding Wuchow I am indebted to the excellent and interesting report by Mr. ACHESON, Commissioner of Customs, on the trade of the then newly opened port for 1898, while for much general information I am under obligations to Captain THOMAS, of the steamer *Wuchow*, whose readiness to impart it and general desire to minister to the comforts of the passengers I am only too pleased to acknowledge.

DIFFICULTIES OF NAVIGATION.

The difficulties of navigating the West River are very considerable. Sandbanks occur frequently in some parts, and in others rocks are numerous, many of them being only visible at very low water; indeed, by far the greater number never show, but have from two to six feet of water over them. Needless to say, none of these dangers are yet buoyed or lighted. The rocks in the river between Shiuhing and Wuchow are indicated by a bamboo, and the Steamboat Companies, the steam-launches, and the native passage boats combine to pay the leper boats for keeping these dangers indicated. There are, however, many other dangers still unknown and possibly unsuspected. The commanders of the river steamers have therefore to maintain a ceaseless vigilance; one of them told me that he now knew just enough of the river to make him anxious. The Admiralty chart of the West River and delta is far from correct; it is indeed only approximate. Captain THOMAS showed me a channel drawn by himself on it which did not exist in the hydrographer's knowledge, and through which he was the first to navigate a steamer. Captain THOMAS is by degrees making a corrected chart of the West River, noting all new dangers or obstructions discovered, but this is necessarily a slow business, as the rapid movement of the steamer does not give him time to perfect many observations. No doubt the Chinese Imperial Customs will soon give some attention to this matter of buoying and marking the dangers to navigation in the West River and its tributaries.

Another form of obstruction to navigation, and one which is often encountered, is the thoughtless manner in which the men in charge of the huge timber rafts monopolise the fairway. Twice in my brief experience I saw

the fairway completely blocked by these cumbrous craft. It is not uncommon for these rafts to measure more than an acre, and to have half a dozen huts erected on them, and they will put down their anchors anywhere without considering the obstruction to traffic involved. There should be some regulations to control the movements of the timber rafts, or at any rate to prevent them blocking the entrance to the Samshui creek from the West River. The launches engaged in the towing of small craft down river should also come under some regulations as to lighting, as they often fail to show any light at all, and on a dark night collisions are thus often imminent before their presence is discovered, and the danger is the greater as they not infrequently have nearly a score of boats in tow.

Since the above was written I have been supplied by Captain THOMAS with some more detailed notes on the navigation, which I think should prove useful.

HONGKONG TO WEST RIVER.

The long lines of fish stakes between Lintin and Ki Au are very dangerous because they frequently have no lights; some of them are between 300 and 400 yards in length, and the stakes are about eight inches in diameter and project from ten to fourteen above the water. The entrance to the Wang-moon is very difficult, as there is only a narrow channel through some four-and-a-half miles of sand banks. There are no leading marks, as it is all flat country. On the western side there are a few hills, but at night the distance can only be calculated by merest guesswork. During the day Off and Crag Islands may be used, but on a dark night it is very often impossible to distinguish them from the hills behind. Vessels not infrequently run ashore and have to wait for the tide to rise before they can get off again. This applies more especially to vessels engaged in towing, as they cannot go astern when they find the water shoaling, for fear of winding the tow-rope round the propeller, or having a collision with the lighter coming up astern. A light is badly wanted either on Crag Island, or on a light-vessel moored in the channel.

On the chart, Forester Rock is marked on the right bank of Junction Channel, instead of which it is about 250 to 300 feet from the left bank. This rock has about six feet over it at low water springs. Tsui Hoi Chao is a large rock just below the entrance to Junction Channel, and constitutes a serious danger during the summer months, as it is then covered. On dark nights, too, it is very dangerous, as there is only a narrow channel on either

side of it. An iron beacon might easily be placed on this rock, from which a red lamp could be hoisted at night. This is where the torpedo-boat was wrecked.

There are four reefs between Kunchuk and Kongmun not marked on the chart. The sandbank opposite Kongmun ought to be surveyed and marked, as it only leaves a very narrow channel off the Custom House. Lau Tau Shek is another rock not marked on the chart: it lies off Kow-kong, and has about four feet over it at low water springs. There is a channel on either side of it. Just above Kulo a reef runs out for over one hundred yards; this, also, finds no place on the chart.

In the centre of the entrance to the Samshui Reach there is a small sandbank with four feet of water on it in the winter months; this is not shown on any chart. During the winter the banks at the mouth of the North River undergo a complete change and leave only a very narrow channel. The Bar shoals up to four feet, and no vessel is able to get nearer than one-and-a-quarter mile of the Custom House. During the freshets the entrance to Samshui is very dangerous. In making it several vessels have been swept ashore, while others have been turned right round in spite of the helm and engines, and only saved from severe damage by promptly letting go the anchor.

Narrow Island and sandbank is a very awkward place on a dark night, there being only a narrow channel and a nasty reef in the middle running out from the right bank. A light boat might with advantage be moored on the upper end of the bank. A number of rocks exist off the left bank opposite the Luttow Sandbank, and the rock on which the *Po Wa* was wrecked is much further out than shown on the chart. This obstruction ought to be buoyed.

Another very dangerous rock on a dark night is that known as Flat Rock, above Tak-hing. To avert disasters, a boat with a red light ought to be moored alongside it. This rock only shows when the water falls 4' 6" on the Customs gauge.

Pai Sheng Rock, or Pan Tung Shek, is marked on the chart as being close to the left bank, whereas it is in the middle of the river. The lorch *Sai Ping* was wrecked on this rock. It is marked during the winter with two bamboos kept there by a leper.

From the Dosing Lekin Station to Wuchow, the river is full of rocks and sand banks, and the second Bar has to be crossed; this bar only has 7' 6" at very low water, and there are several rocks on it, hence the utmost care and vigilance are required in navigating. Moreover it is very risky for any vessel to go above the Lekin Station after dark during the winter months, as it is impossible to pick up the bamboos that show the rocks, or the leading marks to clear the various dangers. During the day time the bamboos placed by the fishermen and lepers to mark various rocks are of use to a certain extent but should not be relied on altogether, as they are often shifted out of position by rafts, and days may sometimes elapse before they are replaced. All these dangers should be marked by spar buoys, under the control of the Imperial Maritime Customs, who might employ the same fishermen and lepers who look after them now. This would insure the buoys not being removed and would secure to these poor people continuance of their livelihood.

CANTON TO THE WEST RIVER.

The first obstruction met with in this passage is a decayed barrier in the Sai Wan Channel, the only indication to which is a dead tree on the bank. This barrier ought to be marked by a post with a lamp as is done in the Canton River.

There is no chart of the Fu-Lu-Kong. This is a short cut from the Tai Shek barrier to the Chun Chune Channel. It is very much used during the summer months, as it saves an hour-and-a-half in a passage of four-and-a-half hours. There is one rock in mid stream about two miles from the Tai Shek entrance.

In the Chun Chune Channel, there is a nasty reef of rocks, but the owners of junks running between Chun Chune, Hongkong, and Macao keep a light on the bank abreast of the rocks. The silk merchants have a red buoy with a red lamp marking a rock, at the entrance of the creek that leads to Shun Tuk.

The Brick Kiln Creek, Shun Tuk Branch, Tam Chau Channel, and Fatshan Branch all want surveying, as vessels could use them to go to Samshui during the summer months, and save nearly six hours thereby. The rocks at the Kum Chuk rapids also ought to be blown up and then vessels could use this creek nearly all the year round.

SOME NOTES ON TRADE.

The application of the Inspector-General's interpretation of the Inland Steam Navigation Regulations is doing much to render the trade of foreign vessels unremunerative. The ridiculous manner in which it works has been already sufficiently pointed out, and it is to be hoped that the British Minister will soon be convinced that the Regulations have received the fair trial he has expressed himself anxious they should receive. Sir ROBERT HART's reading of them reduced the right of navigation on the inland waterways to something like a farce, and although that may possibly be what the Chinese Government had in contemplation when making the concession, it is certainly not what the British Government had in view when they instructed Sir CLAUDE MACDONALD to negotiate for it. The steamers should be permitted to call at every place on the river or its tributaries where there is a Customs station. Before the privilege of calling at Dosing was withdrawn, the river steamers seldom took up or dropped less than fifty to seventy passengers at this busy town. If the steamers were allowed to call at Kowkong, I doubt not a large passenger traffic would soon be created, though cargo might probably be more difficult to divert from its accustomed channels. There is a large matting export from Tak-hing, and at Shiuhing some thousands of straw bags are shipped by every steamer, and the trade in both will no doubt grow steadily if the Lekin authorities do not seek to divert it to native craft. The silk both from Tak-hing and above Wuchow is all carried by junk owing to the lekin being considerably less than the duty imposed by the Maritime Customs.

The prospects of trade on the West River will no doubt improve when Nanning-fu and Posé are opened to steam navigation, but until then no very great development can be expected. The delta is rich and productive, but cargo generally finds its way in native craft down to Canton, and it will be some time before any considerable portion of that traffic can be captured. Nor is there much likelihood of the trade on the river above the Shiuhing gorges increasing rapidly. The country beyond those barriers is not either specially rich or productive, and though the trade will grow with the new facilities provided it will be a slow and gradual progress. The passenger traffic, however, all along the river should advance quickly and largely. The natives are always ready to avail themselves of facilities for cheap travelling if no obstructions are placed in the way.

The Customs returns for 1898 at Wuchow and Samshui both showed a most satisfactory increase on the figures for the six months of 1897 during which they were open, and there is no doubt that the exports will go on improving if only the trade has fair play. The trade in imports is increasing all the time, but trade must suffer materially if the constant piracies on the river are allowed to go unchecked.

THE NAVIGATION TO POSÉ.

When I passed through Samshui on my return, the Commander of the *Sandpiper* was contemplating the practicability of an ascent up river to Nanning and Posé, and he was sanguine as to the ability of his craft to make the passage although the river was falling pretty fast at the time. The steamers built for the Wuchow trade would not be able to get up to Nanning, as they draw too much water. A very light craft, almost flat-bottomed, with sternwheel, similar to the boats used for the trade on the upper reaches of the Red River in Tonkin, would probably prove the most suitable for the upper reaches of the West River, and I understand that two steamers of this type are now in course of construction in this Colony.

R. CHATTERTON WILCOX.

FORTNIGHTLY CURRENT QUOTATIONS FOR THE YEAR 1899.

FORTNIGHTLY CURRENT EXCHANGE AND

| QUOTATIONS. | On London Bank, 4 months' sight. | Telegraphic Transfer. | Private Credits, 4 months' sight. | Docu- mentary, 4 months' sight. |
|------------------------------------|---|--------------------------|--|--|
| Fortnight ending 7th January,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 |
| Do. do. 21st January,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 $\frac{1}{8}$ |
| Do. do. 4th February,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 |
| Do. do. 18th February,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 |
| Do. do. 4th March,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ |
| Do. do. 18th March,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ |
| Do. do. 1st April,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ |
| Do. do. 15th April,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 |
| Do. do. 29th April,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 $\frac{1}{8}$ | 2/0 $\frac{1}{8}$ |
| Do. do. 12th May,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 $\frac{1}{8}$ | 2/0 $\frac{1}{8}$ |
| Do. do. 27th May,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 | 2/0 $\frac{1}{8}$ |
| Do. do. 10th June,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 | 2/0 $\frac{1}{8}$ |
| Do. do. 24th June,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 | 2/0 $\frac{1}{8}$ |
| Do. do. 8th July,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 | 2/0 $\frac{1}{8}$ |
| Do. do. 22nd July,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 | 2/0 $\frac{1}{8}$ |
| Do. do. 5th August,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 $\frac{1}{8}$ | 2/0 $\frac{1}{8}$ |
| Do. do. 19th August,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ |
| Do. do. 2nd September,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ |
| Do. do. 16th September,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ |
| Do. do. 30th September,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ |
| Do. do. 14th October,..... | 1/11 $\frac{1}{8}$ | 1/10 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ |
| Do. do. 28th October,..... | 1/11 $\frac{1}{8}$ | 1/10 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ |
| Do. do. 11th November,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ |
| Do. do. 25th November,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 | 2/0 $\frac{1}{8}$ |
| Do. do. 9th December,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 $\frac{1}{8}$ | 2/0 $\frac{1}{8}$ |
| Do. do. 23rd December,..... | 1/11 $\frac{1}{8}$ | 1/11 $\frac{1}{8}$ | 2/0 $\frac{1}{8}$ | 2/0 $\frac{1}{8}$ |

BULLION QUOTATIONS DURING THE YEAR 1899.

| On France, 4 months' sight. | On Bombay, Demand. | On Calcutta, Demand. | Bar Silver. | Sycee. | Clean Mexican Dollars. | Gold Bars, 98 touch. | Gold Leaf, 100 touch. |
|--------------------------------------|--------------------------|----------------------------|------------------------|-----------------------|------------------------------|-------------------------------|--------------------------------|
| Fcs. 2.50 $\frac{1}{2}$ | Rs. 146 | Rs. 146 | 10 $\frac{1}{4}$ % pm. | 9 $\frac{1}{8}$ % pm. | $\frac{7}{8}$ % pm. | \$51.60 | \$53.00 |
| Fcs. 2.51 $\frac{1}{2}$ | Rs. 146 $\frac{1}{2}$ | Rs. 146 $\frac{1}{2}$ | 10 $\frac{1}{4}$ " | 9 $\frac{1}{8}$ " | $\frac{7}{8}$ " | \$51.60 | \$53.00 |
| Fcs. 2.51 | Rs. 146 | Rs. 146 | 10 $\frac{1}{4}$ " | 9 $\frac{1}{8}$ " | 1 $\frac{1}{8}$ " | \$52.05 | \$53.50 |
| Fcs. 2.50 $\frac{1}{2}$ | Rs. 146 $\frac{1}{2}$ | Rs. 146 $\frac{1}{2}$ | 9 $\frac{1}{4}$ " | 8 $\frac{3}{4}$ " | 1 $\frac{1}{8}$ " | \$52.80 | \$54.25 |
| Fcs. 2.49 $\frac{1}{2}$ | Rs. 146 | Rs. 146 | 9 $\frac{1}{2}$ " | 8 $\frac{3}{4}$ " | $\frac{7}{8}$ " | \$52.70 | \$54.25 |
| Fcs. 2.49 $\frac{1}{2}$ | Rs. 146 | Rs. 146 | 9 $\frac{1}{2}$ " | 8 $\frac{3}{4}$ " | $\frac{7}{8}$ " | \$52.15 | \$53.70 |
| Fcs. 2.49 $\frac{1}{2}$ | Rs. 146 $\frac{1}{2}$ | Rs. 146 $\frac{1}{2}$ | 9 $\frac{1}{2}$ " | 8 $\frac{3}{4}$ " | 1 " | \$51.90 | \$53.40 |
| Fcs. 2.51 | Rs. 147 $\frac{1}{2}$ | Rs. 147 $\frac{1}{2}$ | 9 $\frac{1}{2}$ " | 8 $\frac{3}{4}$ " | 1 $\frac{1}{4}$ " | \$51.50 | \$53.00 |
| Fcs. 2.53 $\frac{1}{2}$ | Rs. 148 $\frac{1}{2}$ | Rs. 148 $\frac{1}{2}$ | 9 $\frac{1}{2}$ " | 8 $\frac{3}{4}$ " | 1 $\frac{1}{8}$ " | \$51.00 | \$52.50 |
| Fcs. 2.52 $\frac{1}{2}$ | Rs. 148 | Rs. 148 | 9 $\frac{1}{2}$ " | 8 $\frac{3}{4}$ " | 1 $\frac{1}{2}$ " | \$51.00 | \$52.75 |
| Fcs. 2.52 | Rs. 148 $\frac{1}{2}$ | Rs. 148 $\frac{1}{2}$ | 9 $\frac{1}{2}$ " | 8 $\frac{3}{4}$ " | 1 $\frac{1}{8}$ " | \$51.00 | \$52.75 |
| Fcs. 2.52 | Rs. 148 | Rs. 148 | 9 $\frac{1}{2}$ " | 8 $\frac{3}{4}$ " | 2 $\frac{1}{8}$ " | \$51.00 | \$52.75 |
| Fcs. 2.52 | Rs. 148 | Rs. 148 | 9 $\frac{1}{2}$ " | 8 $\frac{3}{4}$ " | 2 $\frac{1}{8}$ " | \$51.00 | \$52.75 |
| Fcs. 2.52 | Rs. 147 $\frac{1}{2}$ | Rs. 147 $\frac{1}{2}$ | 9 $\frac{1}{2}$ " | 9 " | 3 $\frac{1}{4}$ " | \$51.15 | \$52.90 |
| Fcs. 2.52 $\frac{1}{2}$ | Rs. 148 | Rs. 148 | 10 " | 9 $\frac{1}{8}$ " | 1 $\frac{1}{2}$ " | \$51.15 | \$52.90 |
| Fcs. 2.52 $\frac{1}{2}$ | Rs. 148 | Rs. 148 | 10 $\frac{1}{4}$ " | 9 $\frac{1}{2}$ " | 1 $\frac{1}{4}$ " | \$51.10 | \$52.80 |
| Fcs. 2.53 | Rs. 148 | Rs. 148 | 10 $\frac{1}{2}$ " | 9 $\frac{3}{8}$ " | 1 $\frac{1}{2}$ " | \$50.95 | \$52.65 |
| Fcs. 2.50 | Rs. 146 | Rs. 146 | 10 " | 9 " | 1 $\frac{1}{2}$ " | \$51.55 | \$53.30 |
| Fcs. 2.50 $\frac{1}{2}$ | Rs. 145 $\frac{1}{2}$ | Rs. 145 $\frac{1}{2}$ | 9 $\frac{1}{4}$ " | 8 $\frac{7}{8}$ " | 2 $\frac{3}{8}$ " | \$51.65 | \$53.40 |
| Fcs. 2.49 $\frac{1}{2}$ | Rs. 144 $\frac{1}{2}$ | Rs. 144 $\frac{1}{2}$ | 10 " | 8 $\frac{1}{4}$ " | 2 $\frac{1}{4}$ " | \$51.80 | \$53.50 |
| Fcs. 2.47 | Rs. 142 $\frac{1}{4}$ | Rs. 142 $\frac{1}{4}$ | 10 " | 8 $\frac{3}{8}$ " | 3 $\frac{3}{8}$ " | \$52.70 | \$54.40 |
| Fcs. 2.47 | Rs. 142 $\frac{1}{4}$ | Rs. 142 $\frac{1}{4}$ | 10 $\frac{1}{2}$ " | 8 $\frac{1}{4}$ " | 8 $\frac{3}{8}$ " | \$52.80 | \$54.50 |
| Fcs. 2.50 | Rs. 144 $\frac{1}{2}$ | Rs. 144 $\frac{1}{2}$ | 10 $\frac{1}{4}$ " | 9 $\frac{1}{2}$ " | 4 $\frac{1}{2}$ " | \$52.30 | \$53.90 |
| Fcs. 2.52 | Rs. 145 $\frac{1}{2}$ | Rs. 145 $\frac{1}{2}$ | 10 $\frac{1}{2}$ " | 9 $\frac{1}{4}$ " | 4 $\frac{1}{2}$ " | \$51.85 | \$53.40 |
| Fcs. 2.52 $\frac{1}{2}$ | Rs. 146 | Rs. 146 | 10 $\frac{1}{4}$ " | 9 $\frac{1}{2}$ " | 5 $\frac{3}{8}$ " | \$51.75 | \$53.30 |
| Fcs. 2.53 $\frac{1}{2}$ | Rs. 145 | Rs. 145 | 10 $\frac{1}{4}$ " | 9 $\frac{3}{8}$ " | 3 $\frac{1}{4}$ " | \$51.95 | \$53.50 |

THE HARBOUR MASTER'S REPORT.

No. 71.

HARBOUR DEPARTMENT,
HONGKONG, 24th February, 1900.

SIR,—I have the honour to forward the Annual Report for this Department for the year ending 31st December, 1899.

SHIPPING.

1. The total tonnage entering and clearing during the year 1899 amounted to 18,101,309 tons, being an increase, compared with 1898, of 835,529 tons, and the same number in excess of any previous year.

There were 44,278 arrivals of 9,052,501 tons, and 44,349 departures of 9,048,808 tons.

Of British Ocean-going tonnage 2,587,478 tons entered, and 2,587,369 tons cleared.

Of River Steamers (British) 1,774,728 tons entered and 1,775,441 tons cleared; making a grand total of British tonnage of 8,725,016 tons entering and clearing.

Of Foreign Ocean-going tonnage 2,352,740 tons entered, and 2,347,745 tons cleared.

Of Foreign River Steamers 5,823 tons entered, and 5,823 tons cleared; making a grand total of Foreign Tonnage of 4,712,131 tons entering and clearing.

Of junks in Foreign Trade, 1,849,435 tons entered and 1,846,749 tons cleared.

Of junks in Local Trade, 482,297 tons entered, and 485,681 tons cleared.

Thus—

| | | |
|-----------------------------|-------------|--------|
| British Ocean-going tonnage | represented | 28.5 % |
| „ River | „ | 19.5 % |
| Foreign Ocean-going | „ | 25.8 % |
| „ River | „ | 0.6 % |
| Junk (Foreign Trade) | „ | 20.3 % |
| „ (Local Trade) | „ | 5.3 % |

2. Five thousand three hundred and eighty-six (5,386) steamers, 58 sailing vessels, and 22,566 junks in Foreign Trade entered during the year, giving a daily average of 76.9 as against 96 in 1898.

For European-constructed vessels the daily average entry would be 14.91, against 15.17 in 1898, and, of the steamers entering, 68.17 % were British.

3. A comparison between the years 1898 and 1899 is shewn in the following Table:—

Comparative Shipping Return for the Years 1898 and 1899.

| | 1898. | | 1899. | | INCREASE. | | DECREASE. | |
|------------------------------|--------|------------|--------|------------|-----------|----------|-----------|----------|
| | Ships. | Tonnage. | Ships. | Tonnage. | Ships. | Tonnage. | Ships. | Tonnage. |
| British,..... | 7,456 | 8,705,648 | 7,408 | 8,725,016 | ... | 19,368 | 48 | ... |
| Foreign,..... | 3,602 | 4,547,085 | 3,497 | 4,712,131 | ... | 165,046 | 105 | ... |
| Junks in Foreign Trade,..... | 58,936 | 3,626,754 | 45,067 | 3,696,184 | ... | 69,430 | 13,869 | ... |
| Total,..... | 69,994 | 16,879,487 | 55,972 | 17,133,331 | ... | 253,844 | 14,022 | ... |
| Junks in Local Trade,..... | 9,635 | 386,293 | 32,655 | 967,978 | 23,020 | 581,685 | ... | ... |
| Grand Total,... | 79,629 | 17,265,780 | 88,627 | 18,101,309 | 23,020 | 835,529 | 14,022 | ... |
| NETT,..... | | | | | 8,998 | 835,529 | ... | ... |

* Including 18,700 Conservancy and Dust Boats measuring 409,840 tons.

† Including 4,918 Conservancy and Dust Boats measuring 108,834 tons.

‡ Including 12,826 Conservancy and Dust Boats measuring 316,300 tons.

4. For vessels under the British Flag, this table shows a falling off of 48 ships. This may be attributed to the return to normal conditions of the shipping of the port. In 1898 there was a large extra number of tramp colliers entered from home. These were subsequently employed in the inflated rice trade to Japan, which continued up to the end of 1898. These steamers have now returned home. An additional cause for the diminution lies in the fact that the steamers of the Northern Pacific Line have turned over to the United States Flag. There is also a great decrease in the number of sailing vessels calling here which, alone, would account for more than the 48.

The British tonnage, on the other hand, shows an increase of 19,368 tons. This may be accounted for by the gradual substitution of large for small vessels.

For vessels under Foreign Flags, there is also a numerical decrease with an increase of measurement. The decrease of 105 ships is explained by—(i) The total disappearance of West River Lorches under German colours. (ii) A certain number of German coasting steamers, usually calling here, having been, during the greater part of the year, on time charter in the Northern ports. And (iii) Three Danish steamers, of small tonnage, and of former frequent entry, have ceased to call here.

The increase of tonnage of 165,046 tons is accounted for by—(i) The starting of a new Japanese line of steamers, the Osaka Shosen Kaisha, calling here. (ii) The increased number of Japanese coasting steamers. (iii) An increase in Marty's Fleet (French). (iv) The Northern Pacific Line, having shifted from British to United States colours, were running here during the first half of the year. (v) The greatly increased size of many steamers now employed on the European runs. The remarks as to British sailing vessels (above) also apply here.

5. The actual number of ships, of European construction, (exclusive of River steamers) entering the port during the year 1899 was 603, being 312 British and 291 Foreign.

These 603 vessels entered 3,316 times, and gave a total tonnage of 4,940,218 tons. In 1898, 656 vessels entered 3,564 times, and gave an aggregate tonnage of 4,871,213 tons.

Thus 53 fewer vessels entered 203 less times, and gave a total tonnage increased by 69,005 tons.

STEAMERS.

| Flag. | Ships. | | No. of times Entered. | | Total Tonnage. | |
|----------------------|--------|-------|-----------------------|-------|----------------|-----------|
| | 1898. | 1899. | 1898. | 1899. | 1898. | 1899. |
| British, | 303 | 289 | 1,690 | 1,654 | 2,545,055 | 2,557,920 |
| Austrian, | 9 | 11 | 25 | 27 | 66,159 | 71,195 |
| Belgian, | 1 | 3 | 1 | 4 | 2,174 | 4,574 |
| Chinese, | 21 | 18 | 211 | 191 | 262,613 | 248,809 |
| Danish, | 7 | 7 | 68 | 11 | 43,045 | 23,560 |
| Dutch, | 5 | 1 | 6 | 2 | 8,839 | 2,470 |
| French, | 20 | 20 | 157 | 221 | 175,227 | 218,669 |
| German, | 87 | 78 | 695 | 632 | 881,094 | 826,275 |
| Hawaiian, | 2 | 1 | 5 | 2 | 11,696 | 4,596 |
| Italian, | 2 | 6 | 13 | 15 | 18,995 | 26,710 |
| Japanese, | 60 | 68 | 240 | 330 | 502,618 | 671,817 |
| Norwegian, | 36 | 25 | 204 | 125 | 188,213 | 117,220 |
| Portuguese, | ... | 2 | ... | 31 | ... | 1,672 |
| Russian, | 1 | 3 | 1 | 4 | 3,427 | 4,889 |
| Spanish, | 3 | 1 | 3 | 6 | 1,200 | 3,516 |
| United States, | 11 | 17 | 19 | 48 | 39,793 | 80,493 |
| Total,..... | 568 | 550 | 3,338 | 3,303 | 4,750,148 | 4,864,385 |

SAILING SHIPS.

| Flag. | Ships. | | No. of times Entered. | | Total Tonnage. | |
|----------------------|--------|-------|-----------------------|-------|----------------|--------|
| | 1898. | 1899. | 1898. | 1899. | 1898. | 1899. |
| British,..... | 36 | 23 | 115 | 27 | 52,287 | 29,558 |
| German, | 10 | 5 | 51 | 5 | 16,918 | 9,241 |
| Italian, | 1 | 1 | 1 | 1 | 794 | 794 |
| United States, | 32 | 24 | 50 | 25 | 44,233 | 36,240 |
| Danish,..... | 1 | ... | 1 | ... | 382 | ... |
| French,..... | 1 | ... | 1 | ... | 1,114 | ... |
| Hawaiian, | 2 | ... | 2 | ... | 2,159 | ... |
| Norwegian, | 3 | ... | 3 | ... | 2,398 | ... |
| Russian, | 1 | ... | 1 | ... | 471 | ... |
| Siamese, | 1 | ... | 1 | ... | 309 | ... |
| Total,..... | 88 | 53 | 226 | 58 | 121,065 | 75,833 |

6. The 312 British ships carried 2,286 British Officers, and 27 Foreign Officers; as follows:—

| | |
|---------------------|-------|
| British | 2,286 |
| German | 10 |
| United States | 8 |
| Danish | 5 |
| Swedish | 1 |
| Austrian | 1 |
| Portuguese | 2 |

Total,.....2,313

The proportion of Foreign Officers was, therefore, 1.18 % comprising 6 nationalities—a decrease of 0.62 % with an increase of ships.

The 291 Foreign ships carried 1,867 Officers, of whom 253 were British; borne as follows:—

| | |
|-----------------------------|-----|
| In Japanese ships | 159 |
| „ Chinese ships | 73 |
| „ French ships..... | 9 |
| „ Belgian ships..... | 8 |
| „ United States ships | 3 |
| „ German ships | 1 |
| Total,..... | 253 |

The proportion of British Officers in Foreign ships was, therefore, 15.6 % distributed among 6 nationalities. An increase of 4.3 % on 1898, with a decrease of 26 ships.

Of the crews of British vessels—

| |
|--------------------------|
| 17.6 % were British. |
| 0.7 % „ Other Europeans. |
| 81.7 % „ Asiatics. |

Of the crews of Foreign vessels—

| |
|---------------------------|
| 2.2 % were British. |
| 24.0 % „ Other Europeans. |
| 73.8 % „ Asiatics. |

This shows a tendency towards a greater employment of Asiatic labour both in British and Foreign vessels, with a corresponding reduction in the proportion of Europeans.

At the same time, there is a reduction in the percentage of “Other Europeans” employed in British ships, and an increased proportion of British seamen employed in Foreign vessels.

Taking the total entries and departures, the average crew of British ships was 60 (an increase of 3), of whom 18.2 % were Europeans (a decrease of 1.8 %). For Foreign ships the average crew numbered 53 (an increase of 6), of whom 26.2 % were Europeans (a decrease of 2.4 %).

TRADE.

7. The principal features to be remarked as to the trade of the port for the year 1899 are:—

- (i) A large increase reported in the Case Oil imported.
- (ii) The import of Rice, which had more than doubled in 1898, shows a still further increase.
- (iii) A great decrease in the Coal trade reported.
- (iv) Sugar and Hemp also show a great falling off.

Case Oil, which was stationary in 1898, appears to have increased by 21,473 tons in 1899, (or 36.4 %). Bulk Oil, on the other hand, has declined by 6,335 tons.

Rice again shows an increase of 24,435 tons, or 3.2 %.

Timber increases by 14,511 tons, or 31.0 %.

Coal, which had increased unprecedentedly in 1898, now suffers a reaction, and falls off by 130,410 tons, or 25.25 %.

Hemp decreases by 22,292 tons, or 40.0 %, while Sugar declines 84,260 tons, or 31.8 %.

The net decrease in imports reported amounts to 206,884 tons.

In exports there is also a decrease (net) of 237,298 tons.

The transit cargo return shows a net decrease of 62,619 tons.

As has already been pointed out in previous annual returns, these cargo statistics cannot be regarded as accurately representing the trade of the port, as they are compiled from information gratuitously given, without any special staff or power to demand accurate returns.

8. The total import trade of the port for 1899 amounts to 28,010 vessels of 8,570,204 tons, carrying 5,707,898 tons of cargo, of which 3,750,195 tons were discharged at Hongkong. This does not include tonnage, number, or cargo of Local Trade Junks.

| COUNTRY. | SHIPS. | TONS. | CARGO. | |
|--|--------|-----------|------------------|----------------|
| | | | Dis- charged. | In Transit. |
| CLASS I. | | | | |
| Canada, | 20 | 56,740 | 21,766 | 130 |
| Continent of Europe, | 111 | 279,458 | 106,815 | 194,306 |
| Great Britain, | 156 | 431,791 | 229,155 | 492,461 |
| Mauritius, | 3 | 2,671 | 1,665 | ... |
| United States, | 136 | 319,719 | 204,860 | 107,462 |
| | 426 | 1,090,349 | 564,261 | 794,359 |
| CLASS II. | | | | |
| Australia and New Zealand,.... | 50 | 84,268 | 34,359 | 35,487 |
| India and Straits Settlements,... | 139 | 268,874 | 202,475 | 138,081 |
| Japan, | 405 | 881,705 | 649,499 | 337,644 |
| Java and Indian Archipelago,... | 144 | 181,675 | 214,770 | 41,371 |
| North and South Pacific, | 1 | 89 | 60 | ... |
| Russia in Asia,..... | 11 | 16,787 | 5,524 | 2,000 |
| | 750 | 1,433,398 | 1,106,687 | 554,583 |
| CLASS III. | | | | |
| North Borneo, | 15 | 22,765 | 28,480 | 3,000 |
| Coast of China, ... | 1,129 | 1,441,014 | 247,992 | 540,897 |
| Cochin-China, | 246 | 269,648 | 446,586 | 7,200 |
| Formosa, | 150 | 118,479 | 32,150 | ... |
| Philippine Islands, | 148 | 153,854 | 77,559 | 300 |
| Hainan and Gulf of Tonkin,.... | 298 | 235,947 | 225,483 | 49,964 |
| Siam, | 166 | 171,932 | 268,230 | 7,400 |
| Macao, | 33 | 2,832 | ... | ... |
| | 2,185 | 2,416,571 | 1,326,480 | 608,761 |
| CLASS IV. | | | | |
| River Steamers,—Canton, Macao and West River, | 2,083 | 1,780,551 | 184,177 | ... |
| CLASS V. | | | | |
| Junks in Foreign Trade,..... | 22,566 | 1,849,435 | 568,590 | ... |
| TOTAL, | 28,010 | 8,570,204 | 3,750,195 | 1,957,703 |

Similarly, the Export Trade for 1899 was represented by 27,962 vessels of 8,563,127 tons carrying 2,914,797 tons of cargo, and shipping 493,871 tons of Bunker Coal.

| COUNTRY. | SHIPS. | TONS. | CARGO. | |
|--|--------|-----------|-----------|--------------|
| | | | Shipped. | Bunker Coal. |
| CLASS I. | | | | |
| Canada, | 21 | 57,013 | 19,291 | ... |
| Continent of Europe, | 86 | 225,823 | 66,980 | 21,482 |
| Great Britain, | 93 | 287,622 | 81,617 | 750 |
| Mauritius, | 1 | 828 | 700 | 400 |
| Sandwich Islands, | 2 | 1,884 | 120 | ... |
| South America, | 4 | 4,306 | 4,404 | ... |
| United States, | 87 | 214,486 | 180,688 | 2,200 |
| | 294 | 791,962 | 353,800 | 24,832 |
| CLASS II. | | | | |
| Australia and New Zealand, ... | 38 | 64,230 | 31,506 | 7,145 |
| India and Straits Settlements,... | 158 | 272,881 | 240,368 | 55,123 |
| Japan, | 375 | 790,787 | 246,001 | 41,326 |
| Java and Indian Archipelago,... | 36 | 49,419 | 11,474 | 11,015 |
| North and South Pacific, | 1 | 89 | 103 | ... |
| Russia in Asia,..... | 27 | 37,183 | 30,760 | 4,625 |
| | 635 | 1,214,589 | 560,212 | 119,234 |
| CLASS III. | | | | |
| North Borneo, | 18 | 23,078 | 4,499 | 4,150 |
| Coast of China, | 1,572 | 2,074,365 | 570,293 | 173,838 |
| Cochin-China, | 243 | 278,199 | 48,316 | 48,819 |
| Formosa, | 15 | 15,845 | 65,865 | 2,290 |
| Philippine Islands, | 142 | 150,731 | 123,096 | 30,023 |
| Hainan and Gulf of Tonkin,... | 336 | 272,101 | 111,581 | 41,895 |
| Siam,..... | 80 | 95,182 | 33,110 | 22,088 |
| Kiaochow,..... | 3 | 6,148 | 150 | 480 |
| Macao. | 38 | 12,914 | 1,612 | 15 |
| | 2,447 | 2,928,563 | 958,522 | 323,598 |
| CLASS IV. | | | | |
| River Steamers,—Canton, Macao and West River, ... | 2,085 | 1,781,264 | 131,362 | 26,207 |
| CLASS V. | | | | |
| Junks in Foreign Trade,..... | 22,501 | 1,846,749 | 910,901 | ... |
| | 27,962 | 8,563,127 | 2,914,797 | 493,871 |

Comparing this with 1898, we find that the Import Trade has decreased generally. The decrease being fairly evenly distributed among the several classes. There is, however, a slight increase in classes I and IV.

The Transit cargo has also decreased.

In Exports, although the tonnage cleared has increased by 137,623 tons, yet the number of vessels is less by 7,027, and the Export Cargo has diminished by 91,677 tons.

9. During the year, 10,905 vessels of European construction, of 13,437,147 tons (Net Register) carried 7,637,075 tons of cargo, as follows:—

| | |
|----------------------------|-----------|
| Import Cargo, | 3,181,605 |
| Export " | 2,003,896 |
| Transit " | 1,957,703 |
| Bunker Coal shipped, | 493,871 |

7,637,075

The total number of tons carried was, therefore, 56.8 % of the total registered tonnage, or 74.0 % exclusive of River steamers, and was apportioned as follows:—

Imports—

| | |
|----------------------|-----------|
| British Ships, | 1,718,003 |
| Foreign do., | 1,463,602 |

3,181,605

Exports—

| | |
|----------------------|-----------|
| British Ships, | 1,144,090 |
| Foreign do., | 859,806 |

2,003,896

Transit—

| | |
|----------------------|-----------|
| British Ships, | 1,191,828 |
| Foreign do., | 765,875 |

1,957,703

Bunker Coal—

| | |
|----------------------|---------|
| British Ships, | 280,747 |
| Foreign do., | 213,124 |

493,871

Grand Total,

7,637,075

Trade of the Port of Hongkong for the Year ending 31st December, 1899.

| | TONS. | | | | | | | Passengers Carried. |
|---------------------------------|---------------|-------------|-----------|-------------|----------------------|-----------|---------------------|---------------------|
| | No. of Ships. | Discharged. | Shipped. | In Transit. | Bunker Coal Shipped. | Total. | Registered Tonnage. | |
| British, | 3,370 | 1,541,468 | 1,023,070 | 1,191,828 | 255,237 | 4,011,603 | 5,174,847 | 289,680 |
| Foreign, | 3,367 | 1,455,960 | 849,464 | 765,875 | 212,427 | 3,283,726 | 4,700,485 | 151,448 |
| River Steamers (British), | 4,038 | 176,535 | 121,020 | ... | 25,510 | 323,065 | 3,550,169 | 1,095,266 |
| Do. (Foreign), | 130 | 7,642 | 10,342 | ... | 697 | 18,681 | 11,646 | ... |
| Total, | 10,905 | 3,181,605 | 2,003,896 | 1,957,703 | 493,871 | 7,637,075 | 13,437,147 | 1,536,394 |
| Junks in Foreign Trade, | 45,067 | 568,590 | 910,901 | ... | ... | 1,479,491 | 3,696,184 | 164,098 |
| Total, | 55,972 | 3,750,195 | 2,914,797 | 1,957,703 | 493,871 | 9,116,566 | 17,133,331 | 1,700,492 |
| Junks in Local Trade, | 32,655 | 165,286 | 34,545 | ... | ... | 199,831 | 967,978 | 93,781 |
| Grand Total, | 88,627 | 3,915,481 | 2,949,342 | 1,957,703 | 493,871 | 9,316,397 | 18,101,309 | 1,794,273 Total. |

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IMPORTS.

EUROPEAN CONSTRUCTED VESSELS.

| | 1898. | | 1899. | | Increase. | | Decrease. | |
|------------------------|-----------|-----------|-----------|-----------|-----------|----------|-----------|----------|
| | No. | Tonnage. | No. | Tonnage. | No. | Tonnage. | No. | Tonnage. |
| Steamers, | 3,338 | 4,750,148 | 3,303 | 4,864,385 | ... | 114,237 | 35 | ... |
| River Steamers, | 1,975 | 1,768,489 | 2,083 | 1,780,551 | 108 | 12,062 | ... | ... |
| Sailing Vessels, | 226 | 121,065 | 58 | 75,833 | ... | ... | 168 | 45,232 |
| Total, | 5,539 | 6,639,702 | 5,444 | 6,720,769 | 108 | 126,299 | 203 | 45,232 |
| Nett, | | | | | ... | 81,067 | 108 | ... |
| Imported tons, | 3,388,489 | | 3,181,605 | | | | | |

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As follows :—

| Articles. | 1898. | 1899. | Increase. | Decrease. |
|-------------------------------|-----------|-----------|-----------|-----------|
| Beaus, | 11,092 | 8,110 | ... | 2,982 |
| Bones, | 500 | 1,800 | 1,300 | ... |
| Coal, | 817,967 | 687,557 | ... | 130,410 |
| Cotton Yarn and Cotton, | 36,611 | 34,470 | ... | 2,141 |
| Flour, | 103,544 | 101,939 | ... | 1,605 |
| Hemp, | 55,160 | 32,868 | ... | 22,292 |
| Kerosine (bulk), | 67,362 | 61,027 | ... | 6,335 |
| (case), | 59,115 | 80,588 | 21,473 | ... |
| Lead, | 4,200 | 6,468 | 2,268 | ... |
| Liquid Fuel, | 2,150 | ... | ... | 2,150 |
| Opium, | 2,638 | 2,775 | 137 | ... |
| Pitch, | ... | ... | ... | 2,443 |
| Rattan, | 6,441 | 3,998 | ... | ... |
| Rice, | 747,395 | 771,830 | 24,435 | 773 |
| Sandalwood, | 2,055 | 1,282 | ... | 29 |
| Sulphur, | 535 | 506 | ... | 84,260 |
| Sugar, | 267,422 | 183,162 | ... | 267 |
| Tea, | 6,554 | 6,287 | ... | ... |
| Timber, | 46,599 | 61,110 | 14,511 | 15,321 |
| General, | 1,151,149 | 1,135,828 | ... | ... |
| Total, | 3,388,489 | 3,181,605 | 64,124 | 271,008 |
| Transit, | 2,020,322 | 1,957,703 | ... | 62,619 |
| Grand Total, | 5,408,811 | 5,139,308 | 64,124 | 333,627 |
| Nett, | ... | ... | ... | 269,503 |

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EXPORTS.

| | 1898. | | 1899. | | Increase. | | Decrease. | |
|------------------------|-----------|--------------|-------|--------------|-----------|--------------|-----------|--------------|
| | No. | Tonnage. | No. | Tonnage. | No. | Tonnage. | No. | Tonnage. |
| Steamers, | 3,319 | 4,729,952 | 3,319 | 4,861,012 | ... | 132,060 | ... | ... |
| River Steamers, | 1,970 | 1,765,555 | 2,085 | 1,781,264 | 115 | 15,709 | ... | ... |
| Sailing Vessels, | 230 | 118,524 | 57 | 74,102 | ... | ... | 173 | 44,422 |
| Total, | 5,519 | 6,613,031 | 5,461 | 6,716,378 | 115 | 147,769 | 173 | 44,422 |
| Nett, | ... | ... | ... | ... | ... | 103,347 | 58 | ... |
| Exported tons, | 2,241,194 | 2,003,896 | ... | ... | ... | ... | 237,289 | ... |
| | Strs. | Bunker Coal. | Strs. | Bunker Coal. | Strs. | Bunker Coal. | Strs. | Bunker Coal. |
| | No. | Tonnage. | No. | Tonnage. | No. | Tonnage. | No. | Tonnage. |
| Steamers, | 3,319 | 467,729 | 3,319 | 467,664 | ... | ... | ... | 65 |
| River Steamers, | 1,970 | 25,922 | 2,085 | 26,207 | 115 | 285 | ... | ... |
| Total, | 5,289 | 493,651 | 5,404 | 493,871 | 115 | 285 | ... | 65 |
| Nett, | ... | ... | ... | ... | 115 | 220 | ... | ... |

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RIVER TRADE.
Imports, Exports and Passengers.

| Year. | Imports. | Exports. | Passengers. |
|-------------|----------|----------|-------------|
| 1898, | 164,769 | 131,127 | 1,144,639 |
| 1899, | 184,177 | 131,362 | 1,095,266 |

JUNKS.

Imports.

| | | | |
|----------------|--------|-----------|-----------------|
| Foreign trade, | 22,566 | measuring | 1,849,435 tons. |
| Local trade, | 16,268 | " | 482,297 " |
| Total, | 38,834 | " | 2,331,732 " |

Imported 733,876 tons as under:—

| | |
|-------------------------|-------------|
| Tea, | 3,277 tons. |
| Oil, | 506 " |
| Rice, | 652 " |
| Swine, | 1,233 " |
| Earth and Stones, | 134,066 " |
| General, | 594,142 " |
| Total, | 733,876 " |

Exports.

| | | | |
|----------------|--------|-----------|-----------------|
| Foreign trade, | 22,501 | measuring | 1,846,749 tons. |
| Local trade, | 16,387 | " | 485,681 " |
| Total, | 38,888 | " | 2,332,430 " |

Exported 945,446 tons as under:—

| | |
|-----------------------------------|--------------|
| Kerosine (1,413,692 cases), | 50,489 tons. |
| Rice and Paddy, | 397,430 " |
| Earth and Stones, | 8,116 " |
| General, | 489,411 " |
| Total, | 945,446 " |

10.

PASSENGERS.

| | 1898. | 1899. | Increase. | Decrease. |
|---------------------------------|---------|---------|-----------|-----------|
| British vessels arrivals, | 130,176 | 139,621 | 9,445 | ... |
| „ departures, ... | 92,296 | 105,701 | 13,405 | ... |
| „ Emigrants, ... | 47,278 | 44,358 | ... | 2,920 |
| Total, | 269,750 | 289,680 | 22,850 | 2,920 |
| Nett, | | | 19,930 | ... |

| | | | | |
|---------------------------------|---------|---------|--------|-----|
| Foreign vessels arrivals, | 65,802 | 77,214 | 11,412 | ... |
| „ departures, ... | 49,511 | 57,517 | 8,008 | ... |
| „ Emigrants, ... | 13,154 | 16,717 | 3,563 | ... |
| Total, | 128,467 | 151,448 | 22,981 | ... |
| Nett, | | | 22,981 | ... |

| | | | | |
|--------------------------------|-----------|-----------|-----|--------|
| River steamers arrivals, | 579,012 | 558,028 | ... | 20,984 |
| „ departures, ... | 565,627 | 537,238 | ... | 28,389 |
| Total, | 1,144,639 | 1,095,266 | ... | 49,373 |
| Nett, | | | ... | 49,373 |

| | | | | |
|-------------------------------------|---------|---------|-----|--------|
| Junks foreign trade arrivals, | 120,795 | 83,239 | ... | 37,556 |
| „ departures, | 124,749 | 80,859 | ... | 43,890 |
| Total, | 245,544 | 164,098 | ... | 81,446 |
| Nett, | | | ... | 81,446 |

PASSENGERS,—Continued.

| | | | | |
|---------------------------------|-----------|-----------|-----------|-----------|
| Total arrivals, | 895,785 | 858,102 | ... | 37,683 |
| „ departures, | 832,183 | 781,315 | ... | 50,868 |
| Total,..... | 1,727,968 | 1,639,417 | ... | 88,551 |
| „ Emigrants, | 60,432 | 61,075 | 643 | ... |
| Total,..... | 1,788,400 | 1,700,492 | 643 | 88,551 |
| Nett,..... | | | ... | 87,908 |
| | 1898. | 1899. | Increase. | Decrease. |
| Diff. of Arrivals and Dep..... | 63,602 | 76,787 | 13,185 | ... |
| Emigrants, | 60,432 | 61,075 | 643 | ... |
| Remainder + or— | + 3,170 | + 15,712 | + 12,542 | ... |
| Nett,..... | | | + 12,542 | ... |
| Junks local trade arrivals, ... | 4,114 | 47,087 | 42,973 | ... |
| „ departures, .. | 3,577 | 46,694 | 42,117 | ... |
| Total,..... | 7,691 | 93,781 | 85,090 | ... |
| Nett,..... | | | 85,090 | ... |

REVENUE.

11. The total Revenue collected by the Harbour Department during the year was \$190,555.50, being an increase of \$6,927.49 on the previous year.

| | |
|---------------------------------------|--------------|
| 1. Light Dues, | \$ 52,406.93 |
| 2. Licences and Internal Revenue..... | 39,127.50 |
| 3. Fees of Court and Office, | 99,021.07 |
| Total,..... | \$190,555.50 |

STEAM LAUNCHES.

12. On 31st December there were 165 Steam Launches employed in the Harbour; of these 71 were licensed for the conveyance of passengers, 77 were privately owned, 12 were the property of the Colonial Government, and 5 belonged to the Imperial Government in charge of the Military Authorities.

One Master's Certificate was suspended for three months, two for one month, and one Master was cautioned.

EMIGRATION.

13. Sixty-one thousand and seventy-five (61,075) Emigrants left Hongkong for various places during the year; of these, 44,358 were carried by British ships, and 16,717 by Foreign ships; 110,448 were reported as having been brought to Hongkong from places to which they had emigrated and of these, 86,235 were brought in British ships, and 24,213 by Foreign ships.

Returns Nos. XVII and XVIII will give the details of this branch of the Department.

REGISTRY OF SHIPPING.

14. During the year, 7 ships were registered under the provisions of the Imperial Act, and 7 Certificates were cancelled.

MARINE MAGISTRATE'S COURT.

15. Twelve cases were heard in the Marine Magistrate's Court; refusal of duty and breach of Harbour Regulations were the principal offences.

EXAMINATION OF MASTERS, MATES, AND ENGINEERS.

(Under Section 15 of Ordinance No. 26 of 1891.)

16. The following table will show the number of Candidates examined for Certificates of Competency, distinguishing those who were successful and those who failed:—

| Grade. | Passed. | Failed. |
|-------------------------------|---------|---------|
| Masters, | 18 | 2 |
| First Mates, | 24 | 5 |
| Only Mates, | ... | ... |
| Second Mates, | 6 | 5 |
| Total,..... | 48 | 12 |
| First Class Engineers, | 14 | 1 |
| Second Class Engineers, | 29 | 16 |
| Total,..... | 43 | 17 |

MARINE COURTS.

(Under Section 13 of Ordinance No. 26 of 1891).

17. The following Courts have been held during the year:—

1. On the 12th and 13th January, inquiry respecting the circumstances connected with the loss of the British Steam-ship *Glenavon*, Official No. 84,305, of Glasgow, on the Ling Ting rocks on the night of the 29th December, 1898. The Master's (WILLIAM PITHIE) certificate of competency was suspended for twelve months.

2. On the 13th and 14th April, inquiry respecting the circumstances connected with the loss of the British barque *Clywd*, Official No. 106,845, of Liverpool, on the Pratas Shoal on the 1st April, 1899. The Master's (THOMAS THOMAS) certificate of competency was suspended for six months.

3. On the 22nd September, inquiry respecting the circumstances connected with the loss of the British Steam-ship *White Cloud*, Official No. 64,124, of Hongkong, when about 80 miles from Hongkong, on the morning of the 9th September, 1899. The Master (ARTHUR MYRVIN RAYMOND) was not present at the inquiry, though he was served with a notice to attend. The loss of the *White Cloud* was to be attributed to her not being in a seaworthy condition for the voyage to Manila. She was not prematurely abandoned, and her loss was not caused by any wrongful act or default of the Master or Officers.

4. On the 25th October, inquiry respecting the circumstances connected with the British Steam-ship *Esmeralda*, Official No. 95,859 of Hongkong, striking some submerged obstacle on the 14th September, 1899, whilst on the voyage to Manila *via* Amoy. The Master's (ALEXANDER WILLIAM ROSS COBBAN) certificate of competency was returned to him.

5. On the 2nd November, inquiry respecting the circumstances connected with the stranding of the British Steam-ship *Shantung*, Official No. 99,039, of London, when passing close to Seraia Island (Natuna Group) on the 7th July, 1899. The Master's (HEATHFIELD CHARLES DALTON FRAMPTON) certificate of competency was returned to him.

6. On the 19th December, inquiry respecting the circumstances connected with the foundering of the British Steam-ship *Hupek*, Official No. 99,024, of London, in the China Sea on the 20th November, 1899. The Master's (GEORGE HENRY PENNEFATHER) certificate of competency was returned to him.

SUNDAY CARGO-WORKING.

(Ordinance No. 6 of 1891.)

18. During the year, 233 permits were issued, under the provisions of the Ordinance; of these, 67 were not availed of owing to its being found unnecessary for the ship to work cargo on the Sunday, and the fee paid for the permit was refunded in each case, and 25 permits were issued, free of charge, to Mail steamers.

The Revenue collected under this heading was \$21,825; this was \$4,100 less than in 1898.

The Revenue collected each year since the Ordinance came into force is as follows:—

| | |
|-------|----------|
| 1892, | \$ 4,800 |
| 1893, | 7,900 |
| 1894, | 13,375 |
| 1895, | 11,600 |
| 1896, | 7,575 |
| 1897, | 11,850 |
| 1898, | 25,925 |
| 1899, | 21,825 |

SEAMEN.

19. Eighteen thousand three hundred and fifty-four (18,354) seamen were shipped, and 21,094 discharged, at the Mercantile Marine Office and on board ships during the year.

Two hundred and twelve (212) "Distressed Seamen" were received during the year; of these, 33 were sent to the United Kingdom, 1 to Singapore, 2 to Sydney, 1 to Calcutta, 1 drowned, 3 died, 2 remained at the Victoria Gaol, 4 at the Government Civil Hospital, and 165 obtained employment.

Five thousand four hundred and forty-two Dollars and Twenty-five Cents (\$5,442.25) were expended by the Harbour Master on behalf of the Board of Trade in the relief of these "Distressed Seamen," and \$704 by the Colony.

MARINE SURVEYOR'S SUB-DEPARTMENT.

20. Return No. XXII shows the work performed by this branch of the Harbour Department, and in forwarding this I again desire to record my appreciation of the manner in which the work of this sub-department is carried out.

In my Annual Report of 1894 I referred at length to the case of the Government Marine Surveyor and his Assistant, and I reproduced an extract from a report made by me in a letter dated 14th June, 1892, as follows:—

"The duties of these Surveyors, I am convinced, are very onerous, "the inspection of boilers and engines, especially during the hot "weather, being most trying.

"The conditions also under which these surveys are held at Hongkong are peculiar owing to the short time that vessels as a rule "remain in port. In order to save time, applications for survey are "constantly received before the vessel's arrival, and it frequently "happens that the completion of the survey is the final act before she "again leaves. They cannot even afford to wait for their passenger "certificates, clearances being frequently granted them by me on "receipt of a report from the Surveyor that the requirements of the "law have been complied with.

"It is, therefore, most important that the work of surveying "vessels should be carried on as expeditiously as possible, and the "importance of these surveys renders it imperative that the examina- "tion should be thorough; in order to insure these conditions it is "necessary that there should be an adequate and efficient staff. It "will be seen from the report of Mr. Dixon attached hereto that the "survey of a vessel for Passenger Certificate occupies himself and his "Assistant eight hours, spread over a number of visits, about four. "The time consumed, however, on this work is often considerably in "excess of this eight hours, as the ship may be anywhere between the "Hunghom Docks and Aberdeen. Other surveys, though not occupy- "ing so much time, in each case, are made under somewhat similar "circumstances.

"There are four local Marine Surveyors carrying on business in "Hongkong; in addition to these, some of the Steamship Companies "employ special surveyors for their vessels. The Government Marine "Surveyors practically do a very large proportion of the amalgamated "work of all these, having at the same time to so arrange that if possi- "ble there should be no delay or inconvenience to any one. No easy "matter in a place where, as may be expected, each owner or agent "considers his own interest as paramount."

In the same report (1894) I compared the work done at Liverpool by eleven men and at Cardiff by six men, and I showed that at Liverpool there were about 40 vessels of 92,000 tons per surveyor and at Cardiff 27 vessels of 53,000 tons, while at Hongkong with all its disadvantage of climate, &c., we had 56 vessels of over 100,000 tons to each surveyor.

Once more I must dwell on this subject; the amount of work performed by our surveyors continues to increase and, that it becomes necessary for me to draw attention to it is, I think, ample testimony that it is satisfactorily performed, for we all know that public duties ill performed soon declare themselves.

During the ten months January-October, 1899, the tonnage surveyed at Liverpool was 1,077,260 tons, in Hongkong 239,280 tons were surveyed, this gives 97,932 tons per surveyor at Liverpool and 119,640 tons per surveyor at Hongkong.

The Revenue derived by the Colony from the work performed by the Marine Surveyors has increased from \$10,055.87 in 1890 to \$13,598.61 in 1899, the "overtime" fees alone in 1899 amounting to \$480.

The Right Honourable the Secretary of State for the Colonies has recently notified his sanction to an increase in the salaries of certain Officers, and I would very respectfully suggest that his professional qualifications might place the Government Marine Surveyor in the same category as the senior Executive Engineers of the Public Works Department with regard to their increase, and similarly that the Assistant Marine Surveyor who is also a qualified Engineer should be placed on the same footing as the other Executive Engineers of the Public Works Department.

LIGHTHOUSES.

21. The amount of Light Dues collected was as follows:—

| Class of Vessels. | Rate per ton. | No. of Ships. | Tonnage. | Total Fees Collected. |
|--|-----------------|---------------|-----------|-----------------------|
| Ocean Vessels, | 1 cent | 3,381 | 4,947,355 | \$ c. 49,473.55 |
| Steam-Launches, | 1 " | 118 | 4,355 | 43.55 |
| River Steamers, (night boats), ... | $\frac{1}{3}$ " | 1,187 | 846,072 | 2,820.61 |
| Launches plying exclusively to Macao and West River, by night, | $\frac{1}{3}$ " | 388 | 20,725 | 69.22 |
| River Steamers (day boats), ... | Free | 896 | 934,479 | ... |
| Launches plying to Macao and West River, by day, | do. | 206 | 10,812 | ... |
| Total, | | 6,176 | 6,763,798 | 52,406.93 |

Telegraphic and telephonic communication has been kept up with the Gap Rock and Cape D'Aguilar during the year. From the former station 907 vessels have been reported as passing, and in addition 149 messages were received and 3,444 sent, including the daily weather report for the Observatory.

From Cape D'Aguilar 1,271 vessels were reported, and in addition 1,827 messages were sent and 14 received.

28 hours and 50 minutes of fog were reported from Gap Rock during the year, and the fog signal gun was fired 181 times. On one occasion the fortnightly relief could not be effected owing to the rough sea.

GOVERNMENT GUNPOWDER DEPÔT.

22. During the year 1899 there has been stored in the Government Gunpowder Depôt, Stone Cutters' Island:—

| | No. of Cases. | Approximate Weight. |
|---|---------------|---------------------|
| | | lbs. |
| Gunpowder, privately owned, | 33,403 | 604,170 |
| Do., Government owned, | 91 | 1,820 |
| Cartridges, privately owned, | 6,613 | 1,363,358 |
| Do., Government owned, | 77 | 16,225 |
| Explosive Compounds, privately owned, | 2,342 | 123,339 |
| Do., Government owned, ... | 21 | 1,226 |
| Total, | 42,547 | 2,110,138 |

During the same period there has been delivered out of the Depôt:—

| | No. of Cases. | Approximate Weight. |
|---|---------------|---------------------|
| | | lbs. |
| For Sale in the Colony:— | | |
| Gunpowder, privately owned, | 18,886 | 317,102 |
| Cartridges, do., | 2,512 | 597,666 |
| Explosive Compounds, privately owned, ... | 356 | 24,095 |
| For Export:— | | |
| Gunpowder, privately owned, | 7,139 | 124,193 |
| Cartridges, do., | 2,875 | 561,142 |
| Explosive Compounds, privately owned, ... | 1,794 | 89,604 |
| Total, | 33,562 | 1,713,802 |

On the 31st December, 1899, there remained as under:—

| | No. of Cases. | Approximate Weight. |
|---|---------------|---------------------|
| | | lbs. |
| Gunpowder, privately owned, | 7,378 | 162,875 |
| Do., Government owned, | 50 | 1,000 |
| Cartridges, privately owned, | 1,226 | 204,550 |
| Do., Government owned, | 41 | 14,840 |
| Explosive Compounds, privately owned, | 192 | 9,640 |
| Do., Government owned, | ... | ... |
| Total, | 8,887 | 392,905 |

GENERAL.

23. As there appears no immediate prospect of any improvement in the accommodation provided for the work of the Harbour Department I desire to call special attention to the matter.

The present building was first occupied in 1874 or 25 years ago, the staff is practically the same as it was then, the pay taken on a sterling basis is less, and the tonnage has increased from 6,528,000 tons to over 18,000,000 tons.

The present offices are small, badly lighted, badly ventilated and badly arranged, in fact the Harbour Office combines all the disadvantages of which we have frequently heard in connection with the Post Office and the Law Courts; but being at the West end of the town and somewhat out of the European business quarter, it is out of sight and, I fear, out of mind.

As the Port Office of the largest Shipping Port in any British Possession abroad it is, to say the least of it, not creditable.

In 1894, I stated to the Retrenchment Committee as follows:—

“The only way in which the enormous amount of clerical work, which goes on at the Harbour Office is done, is owing to the fact that the clerks at work there—the first, second, third, and fourth—are all men who have been in the Harbour Department for upwards of 20 or 25 years. They have grown with the work and it is only because they have grown with it that they are now able to do it.”

This statement I have now to reiterate, with one exception only, namely, that the fourth clerk has only been in the office for $1\frac{1}{2}$ years—though he was in the Opium Office branch 11 years previously—he came in when the first clerk retired on pension in 1898, and there was a general “fleet up” amongst the others on a diminished scale of pay.

The work continues to increase with the increase of shipping, to say nothing of territory, overtime work is the rule rather than the exception, and any temporary absence through sickness—a condition which happily seldom happens—is keenly felt by the others.

It is much to be desired that the New Harbour Office will shortly receive attention. The new site is now reclaimed and the sale of the old site would pay for building the new office, which sale, I understand, could take place any day “on time.”

IMPORTS AND EXPORTS (OPIUM) OFFICE.

24. The Return shows that during the year the amount of Opium reported was as follows:—

| | 1898. | 1899. | Increase. |
|--|----------------------|----------------|---------------------|
| | <i>chests.</i> | <i>chests.</i> | <i>chests.</i> |
| Imported | 39,392 $\frac{1}{2}$ | 41,690 | 2,297 $\frac{1}{2}$ |
| Exported | 37,828 $\frac{1}{2}$ | 40,524 | 2,695 $\frac{1}{2}$ |
| Through Cargo reported but not landed... | 15,482 $\frac{1}{2}$ | 17,346 | 1,863 $\frac{1}{2}$ |

15,300 permits were issued from this Office during the year, being an increase of 117 as compared with 1898.

A daily memo. of exports to Chinese ports was during the year supplied to the Commissioner of Imperial Maritime Customs at Kowloon, and a daily memo. of exports to Macao was supplied to the Superintendent of Raw Opium Department of Macao.

Surprise visits were paid to 93 godowns during the year.

I have the honour to be,

Sir,

Your most obedient Servant,

R. MURRAY RUMSEY, Retd. Comd., R.N.
Harbour Master, &c.

The Honourable F. H. MAY, C.M.G.,
Acting Colonial Secretary.

Sec., Sec., Sec.

