

Hong Kong General Chamber of Commerce

> Report For The Year 1903

REPORT

OF THE

COMMITTEE

OF THE

HONGKONG GENERAL CHAMBER OF COMMERCE

FOR THE

Year ending 31st December, 1903,

PRESENTED TO THE MEMBERS

AT THE

ANNUAL MEETING HELD ON 27th APRIL, 1904.

HONGKONG:

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1904.

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COMMITTEE, 1904.

(Elected 27th April.)

MR. E. A. HEWETT, Chairman.

MR. D. R. LAW, Vice-Chairman. MR. W. J. GRESSON.

MR. A. HAUPT. MR. N. A. SIEBS. MR. J. R. M. SMITH.
MR. H. E. TOMKINS.
MR. R. C. WILCOX.
MR. A. G. WOOD.

HON. H. E. POLLOCK, K.C., (ex officio.)
MR. A. R. LOWE, Sceretary.

ARBITRATION COMMITTEE, 1904.

MR. A. HAUPT MR. N. A. SIEBS. MR. H. E. TOMKINS.

MR. A. G. WOOD. MR. W. J. GRESSON.

CORRESPONDING COMMITTEE, 1904.

THE CHAIRMAN.
THE VICE-CHAIRMAN.

MR. J. R. M SMITH. MR. R. C. WILCOX.

LIST OF MEMBERS, 1904.

MR. FERD BORNEMANN.
P. BREWITT.
SIR C. P. CHATER, C.M.G.
MR. WM. DANBY.
D. S. DADY-BURJOR.
A. M. ESSABHOY.
FUNG WA CHUEN.
A. G. GORDON.
C. L. GORHAM.
D. HASKELL.
HO FOOK.
HO TUNG.
DR. JORDAN.
MR. E. KADOOBIE.

MR. G. P. LAMMERT,
, A. R. MARTY.
, J. R. MICHAEL.
H. N. MODY.
, G. C. MOXON.
H. M. H. NEMAZEE.
DR. J. W. NOBLE.
HON. H. E. POLLOCK, K.C.
MR. E. C. RAY.
, A. H. RENNIE.
, M. S. SASSOON.
, E. H. SHARP, K.C.
, A. G. STOKES.

MESSRS A. V. APCAR & Co. ARNHOLD, KARBERG & Co. W. S. BAILEY & Co. BANKER & Co. BARKETTO & Co. BENJAMIN, KELLY & POTTS. F. BLACKHEAD & Co. BRADLEY & Co. BUTTERFIELD & SWIRE. CALDBECK, MACGREGOR & Co. CARLOWITZ & Co. CAWASJEE, PALANJEE & Co. S. J. DAVID & Co. DEACON, LOOKER & DEACON. DENNYS & BOWLEY. EWENS & HARSTON. GIBB, LIVINGSTON & Co. GILMANN & Co. GODDARD & DOUGLAS. GROSSMAN & Co. HUGHES & HOUGH. MEYER & Co. WM. MEYERINK & Co. MING KEE HONG. N. MODY & Co.

MESSRS. J. D. HUMPHREYS & SON. W. G. HUMPHREYS & Co. J. D. HUTCHINSON & Co. JARDINE, MATHESON & Co. JEBSEN & Co. JOHNSON, STOKES & MASTER. KRUSE & Co. LAI HING HONG. LAMKE & ROGGE. DOUGLAS, LAPRAIK & Co. LANE, CRAWFORD & Co. LAUTS, WEGENER & Co. r. LEMAIRE & Co. LINSTEAD & DAVIS. W. R. LOXLEY & Co. LUTGENS, EINSTMANN & Co. D. MACDONALD & Co. McEWEN, FRICKEL & Co. McGREGOR BROS, & GOW. MELCHERS & Co. SANDER, WIELER & Co. E. D. SASSOON & Co. SHEWAN, TOMES & Co.

SIEMSSEN & Co.

LIST OF MEMBERS, - Continued.

MESSRS.	MOUNSEY & BRUTTON.	MESSUS.	H. SKOTT & Co.
de	E. PABANEY & Co.		SMITH, BELL & Co.
**	H. PRICE & Co.	***	STEWART BROS.
2,	PUNCHARD, LOWTHER & Co.		TATA & Co.
19	RADECKER & Co.		TURNER & Co.
25	REISS & Co.	4.	VERNON & SMYTH.
12	REUTER, BROCKELMANN &	**	WENDT & Co.
	Co.		HARRY WICKING & Co.
25	ALEX. ROSS & Co.	**	E. C. WILKS & Co.
200	BUZABIU V CO		

AGENCY (PACIFIC MAIL STEAMSHIP CO. OCCIDENTAL & ORIENTAL S.S. CO. TOYO KISEN KAISHA. BANQUE DE L'INDO-CHINE. BANQUE DE L'INDO-CHINE.
BRITISH-AMERICAN TOBACCO COMPANY, LIMITED.
CANADIAN PACIFIC RAILWAY COMPANY, LIMITED.
CANTON INSURANCE OFFICE, LIMITED.
CHARTERED BANK OF INDIA, AUSTRALIA & CHINA.
CHINA COMMERCIAL STEAMSHIP COMPANY, LIMITED.
CHINA EXPORT, IMPORT AND BANK CO.
CHINA FIRE INSURANCE COMPANY, LIMITED.
CHINA & JAPAN TELEPHONE & ELECTRIC CO., LD.
CHINA MERCHANTS' STEAM NAVIGATION COMPANY.
CHINA SUGAR REFINING COMPANY, LIMITED.
CHINA TRADERS' INSURANCE COMPANY, LIMITED.
CHUN ON FIRE INSURANCE COMPANY, LIMITED.
COMPAGNIE DES MESSAGERIES MARITIMES. COMPAGNIE DES MESSAGERIES MARITIMES. DAVID SASSOON & COMPANY, LIMITED. DEUTSCHE ASIATISCHE BANK. DODWELL & COMPANY, LIMITED.

EAST ASIATIC TRADING CO. (OSTASIATISCHE HANDELS-GESELLSCHAFT.)

EASTERN EXTENSION, AUSTRALASIA & CHINA TELEGRAPH CO., LD.

GREEN ISLAND CEMENT COMPANY, LIMITED.

GUARANTY TRUST COMPANY OF NEW YORK.

HAMBURG-AMERIKA LINIE. HAMBURG-AMERIKA LINIE.
HOLLAND-CHINA TRADING CO.
HONGKONG, CANTON & MACAO STEAMBOAT COMPANY, LIMITED.
HONGKONG & CHINA GAS COMPANY, LIMITED.
HONGKONG FIRE INSURANCE COMPANY, LIMITED.
HONGKONG & KOWLOON WHARF & GODOWN COMPANY, LIMITED.
HONGKONG LAND INVESTMENT & AGENCY COMPANY, LIMITED.
HONGKONG ROPE MANUFACTURING COMPANY, LIMITED.
HONGKONG & SHANGHAI RANKING COMPONATION. HONGKONG & SHANGHAI BANKING CORPORATION. HONGKONG & WHAMPOA DOCK COMPANY, LIMITED. IMPERIAL BANK OF CHINA INTERNATIONAL BANKING CORPORATION.
JAVA-CHINA-JAPAN LIJN.
MERCANTILE BANK OF INDIA, LIMITED. MITSUI BUSSAN KAISHA. NATIONAL BANK OF CHINA, LIMITED. NIPPON YUSEN KAISHA. OSAKA SHOSEN KAISHA. PENINSULAR & ORIENTAL STEAM NAVIGATION COMPANY. RUSSO-CHINESE BANK. RUSSO-CHINESE BANK.
SHELL TRANSPORT AND TRADING COMPANY.
SHIU ON STEAM-SHIP COMPANY, LIWITED.
SPERRY FLOUR COMPANY OF SAN FRANCISCO.
STANDARD OIL COMPANY OF NEW YORK.
TAI SHING PAPER MANUFACTURING COMPANY, LIMITED,
UNION INSURANCE SOCIETY OF CANTON, LIMITED,
WATKINS, LIMITED. WILKINSON, HEYWOOD & CLARKE, LIMITED, YOKOHAMA SPECIE BANK, LIMITED.

OFFICERS OF THE HONGKONG GENERAL CHAMBER OF COMMERCE.

From date of Formation in 1861 to 1904.

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. Lemann	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. Neel 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. Pennys.
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. MacEweu	H. M. Baily.
1887	P. Ryrie	A. P. MacEwen	H. U. Jeffries.
1888	l'. 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.
1901	Sir Thomas Jackson	C. S. Sharp	R. C. Wilcox.
	Sir Thomas Jackson	C. S. Sharp	A. R. Lowe.
1902	DIF THOMAS JACKSOIL	U. D. OHill D	A. H. Lauve.

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.
1900	John Thurburn	Elected 18th June, on resignation of Mr. H. Smith.
1901	Thomas Henderson Whitehead	Returned from leave, 22nd June, 1901.
1902	Robert Gordon Shewan	Elected 5th June, Mr. Whitehead on leave.
1902	Robert Gordon Shewan	Elected 3rd October, on expiry of term.
1903	Henry Edward Pollock, K.C	

RULES AND REGULATIONS.

(CONFIRMED AT THE ANNUAL GENERAL MEETING HELD 19TH MAY, 1903.)

Name.

I. The Society shall be styled THE HONGKONG GENERAL CHAMBER OF COMMERCE.

Objects.

II. 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 references to be recorded for future use or guidance.

Membership and Subscription.

III. All Mercantile Firms, and persons engaged or interested in the trade of Hongkong or China shall be eligible for admission as Members in the manner hereafter described, and on payment of \$50 for Firms, and \$20 for single individuals for the current year of their election, and a like annual subscription thereafter, payable on 1st January.

IV. Candidates for admission must be proposed by one Member, and seconded by another, and elected at the Annual General Meetings by a majority of the votes of the Members there present entitled to vote. They may also be elected by the Committee in the interval between such Annual General Meetings, but subject to confirmation at the next Annual General Meeting.

Management.

V. The business and funds of the Chamber shall be managed by the Committee.

VI. The Committee shall consist of nine Members to be elected at the Annual Meeting of the Chamber and shall hold Office for one year. Vacancies occurring during the year shall be filled up by the Committee.

The Committee shall enter upon office as soon as the Annual Meeting has been held and shall remain in office until their report and accounts have been accepted and passed by the Chamber and their successors assume office.

At their first meeting the new Committee shall elect a Chairman and Vice-Chairman who shall hold office for the year.

VII. In the event of the Representative of the Chamber of Commerce in the Legislative Council not being a member of the Committee he shall ex officio have a seat on the Committee.

VIII. The Committee shall meet at least once a mouth Committee (on such day as may be fixed) for the transaction of business, Meetings. 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 consider expedient. In case of the non-attendance of the Chairman and Vice-Chairman, a chairman shall be chosen by the Members of the Committee present.

IX. At Meetings of the Committee four Members shall form a quorum, and in case of an equality in voting the Chairman shall have a casting vote in addition to his own.

X. The Committee shall have power to appoint Sub- Sub-Com-Committees for such purposes as may be deemed advisable, mittees,

XI. The Committee shall have power to frame By-laws, 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 after such confirmation, such By-laws shall be binding on all Members equally with these Rules.

XII. The Funds of the Chamber shall be paid into one Accounts. of the Banks under an account to be opened by the Committee, and may be invested in such manner as may be con-

sidered advisable.

XIII. All cheques shall be signed by the Secretary of the Chamber, and countersigned by the Chairman, or Vice-Chairman, or in their absence by one of the Committee. All disbursements shall be sanctioned by the Committee at their ordinary Meetings.

An Account duly audited by two Members of the Chamber shall be laid before the Annual General Meeting.

XIV. A yearly Report of the proceedings shall be pre- Annual pared, which, after being approved at the Annual General Report. Meeting, shall be printed and circulated.

XV. A paid Secretary shall be appointed by the Com- Secretary. mittee, such appointment to be subject to confirmation at the next ensuing Annual General Meeting.

XVI. The Annual General Meeting of the Chamber shall Annual and be held in the month of February (or as soon thereafter as Special may be convenient) of each year for the purpose of receiving the Committee's Report, of examining and passing the Accounts of the previous year, of electing the Committee for the ensuing year, and of transacting general business.

All important questions affecting the Port, and its commercial relations with the Empire of China, or with other States may be discussed, at the Annual Meetings, or at Special General Meetings convened for the purpose in the manner provided for by Rule 17.

Extraordinary General Meetings.

XVII. The Committee may whenever they think fit, or shall upon a requisition made in writing signed by at least five Members of the Chamber, convene an Extraordinary General Meeting of the Chamber. Any such requisition shall state the objects of the Meeting proposed to be held, and upon receipt of such requisition the Committee shall forthwith call an Extraordinary General Meeting to be held within 10 days subsequent to the receipt of such requisition.

XVIII. At least five days' notice, either by Advertisement or printed Circular, shall be given of each Annual or Extraordinary General Meeting, and in the case of the latter the notice shall state the nature of the business for which the Meeting is called.

Quorum.

XIX. No business shall be transacted at any General Meeting unless there be personally present at the time the Meeting proceeds to business ten or more Members.

Voting.

XX. Voting by Proxy, or by Members whose subscriptions are in arrear, shall not be allowed, nor shall more than one Member of the same Firm be entitled to vote for such Firm on the same occasion.

XXI. In the absence from the Colony of all the partners in a Firm, their representative by Power of Attorney shall be entitled to vote.

Member.

Expulsion of XXII. In case the conduct of any Member shall in the opinion of the Committee be injurious to the character or interests of the Chamber, the Committee may after due enquiry, and after opportunity of making his defence has been afforded to such Member, pass a Resolution for the expulsion of such Member from the Chamber, and such Resolution shall take effect after it has been communicated to the Members, and been passed at a General Meeting by a majority of not less than two-thirds of those present and qualified to vote at such Meeting.

Alteration of Rules.

XXIII. The Rules of the Chamber shall not be repealed, added to, or altered except by a majority of Members present at a General Meeting (called for that purpose) and after at least ten days' notice has been given of the proposed changes.

XXIV. The Rules and By-laws shall be printed and a copy thereof shall be furnished to every Member.

BY-LAWS.

(CONFIRMED AT THE ANNUAL GENERAL MEETING HELD 19TH MAY, 1903.)

I. The Office shall be open daily from noon to 1 o'clock Office hours. 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 Secretary's those of the Arbitration Committee, if required), keep a duties. journal of all proceedings, take charge of all documents, keep the accounts of the Chamber, collect Subscriptions and obtain Statistics of Trade, 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 Correspondthrough the Chairman, Vice-Chairman, or Secretary.

IV. No documents belonging to the Chamber shall be re- Documents moved during Office hours, nor shall any minute of its not to be proceedings be made public without an order of the Com- removed.

V. Notice of any proposition or business to be brought General by Members before the Yearly General Meeting shall be given Meeting to the Secretary at least 5 days before the Meeting, who, Notice. in the circular or advertisement calling such Meeting, will state the business or proposition, and by whom to be brought forward.

VI. In addition to the Subscriptions as provided for by Revenue Rule III, funds for the requirements of the Chamber may be other than raised in the following manner: By the sale of statements Subscripof trade, by fees on Arbitration and References, by fees for certified copies of the Records and other Documents in the Archives of the Chamber or for Certificates for any Commercial matters, by the issue of telegraphic or other information of general interest, and by Voluntary gifts and contributions either in money, maps, books or anything which may be useful to the Society.

VII. The Committee shall appoint every year from their Correspondnumber a Corresponding Committee to supervise all matters ing and connected with the correspondence of the Chamber, and an Committees. Arbitration Committee to conduct and decide cases submitted to the arbitration of the Chamber. The functions of the Arbitration Committee shall continue so long as any business submitted to them during their period of service remains undecided.

Appointment of outside Arbitrators.

In cases of dispute relating to matters of a technical nature the Arbitration Committee may appoint one or more persons other than of their number to examine and or arbitrate in the matter at such fee or fees as the Committee may decide.

Arbitration Fees.

VIII. Each Member of the Arbitration Committee shall be entitled to a Fee of not less than \$5, and not more than \$10 for each sitting, 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.

Terms Arbitration Committee to enforce.

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.

Construction XI. In the event of any question as to the conof By-laws, struction 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.

RULES TO REGULATE PROCEEDINGS AT MEETINGS HELD FOR THE NOMINATION OF REPRESENTATIVES OF THE CHAMBER IN THE LEGISLATIVE COUNCIL.

(CONFIRMED AT THE ANNUAL GENERAL MEETING HELD 19TH MAY, 1903.)

1. On receipt of a request from the Government to Notice of nominate a representative of the Chamber in the Legislative Meeting. Council, a General Meeting of the Members shall be called by the Committee, notice of which shall be given by advertisement in the public Press at least 5 days before the holding of such Meeting.

2. Notice in writing of the names of Candidates, and Proposal of of their proposers and seconders, to be lodged with the Candidates. Secretary at least 48 hours before the time appointed for holding the General Meeting.

- 3. If only one Candidate, the Voting to be by show of Voting. hands, if more than one Candidate, the Voting to be by Ballot.
- 4. In the case of a Ballot, Scrutineers to be appointed by
- 5. In the case of a Ballot, a voting paper to be handed to each Member entitled to vote attending the Meeting, and when the Poll takes place, the voting papers with the name of the Selected Candidates filled in, to be placed in a receptacle (to be indicated by the Chairman of the Meeting) at the place of Ballot; the Scrutineers (or Secretary) to register the names of the Voters as the voting papers are so deposited.
- 6. After a Candidate has been proposed and seconded Order of Members may speak to the proposal before the Meeting. speeches.

- 7. When all the Candidates have been proposed and seconded the Candidates may address the Meeting in the order in which their names have been submitted to the Meeting.
- 8. Thereafter no further addresses may be made, and the Ballot shall take place.
- 9. After the Scrutineers have reported in writing to the Result. Chairman of the Meeting the result of the Ballot, the Chairman shall declare the same to the Meeting.
- 10. In the case of an equality of votes between the case of Candidates standing highest in the Poll, the Ballot as equality of between these Candidates shall be held over again at a fur-votes. ther Meeting to be called on a date to be decided on by the General Committee, such date to be not later than 10 days after the first Meeting.

SCALE OF COMMISSIONS AND BROKERAGES

adopted by the Hongkong General Chamber of Commerce,

at the Annual General Meeting held 19th May, 1903.

COMMISSIONS.

Purchasing or selling Tea,
Par Sills
Cotton
Onium 2
all other Goods and Produce
" Shine and Landed Property
Steaky and Shares
Inspecting Tea,2 "
" Silk, " "
Guaranteeing Sales,
" Remittances, ,
Drawing or endorsing Bills of Exchange,
" or negotiating Bills of Exchange without recourse, . 1/2 .,
Purchasing or realising Bullion or Bills of Exchange, 1/2 ,,
Remitting the Proceeds of Bullion or Bills of Exchange, ½ ,
Paying and receiving Money in Current Account,,
" Ship's Disbursements,
Collecting Freight,
Obtaining Freight or Charter,
,, ,, and collecting same Freight,6 ,,
Adjusting Insurance Claims on Amount Recovered,
Effecting Insurance, on the Insured Amount,
Prosecuting or defending successfully Claims, either at Law (5
or by Arbitration,
91
Prosecuting or defending unsuccessfully,
Managing Estates and collecting Rents (on Gross Receipts), 5,
Transhipping and forwarding Jewellery, and Bullion, 4 ,,
Forwarding or transhipping Cargo,
Transhipping or forwarding Opium,\$2 per chest.
Goods withdrawn or re-shipped, 2 Commission
Granting Letters of Credit
For doing ship's business when no inward or outward Com- 1 20 cents per
mission is earned,

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,	. 1/8	per cent.	Payable	by	Seller
Produce and General Merchandise,	. 1	**	,,		22
Fire Arms,	.1	**	**		**
For negotiating and completing Charters and procuring Freight,	- 1	,,	15	by	Ship.
For negotiating sale or purchase of Landed \\ Property,	1	,,			

THE STOCKBROKERS' ASSOCIATION OF HONGKONG.

TARIFF OF BROKERAGES

To be charged to Buyer and Seller.

BANKS-	Docks, Wharves & Godowns, Contd
Hongkong & Shanghai \$1.00	New Amoy Dock 15c.
National Bank of China, Ltd 50c.	COTTON MILLS—
Do. Founders'\$1.00	Ewo 50c.
Insurances—	International 50c.
Canton 50c.	Laou-Kung-Mow 50c
China Fire 50c.	Soychee\$2.50
China Traders' 50c.	Hongkong Cotton 15c.
Hongkong Fire\$1.00	REFINERIES-
North China	China Sugar 50c.
Straits Marine	Luzon Sugar 50c.
Union\$1.00	Miscellaneous—
Yangtsze 50c.	Bell's Asbestos 15c.
LAND & BUILDING-	Campbell, Moore & Co 10c.
H.K. Land Investment 50c.	China Borneo
Humphreys' Estate 15c.	China Light & Power 15c.
Kowloon Land Investment 25c.	China Providents 15c.
West Point Building 50c.	Dairy Farm 10c.
Hotels-	Farnham 75c.
Hongkong Hotel 50c.	Fenwick & Co., Geo 25c.
Oriente Hotel 50c.	Green Island
STEAMSHIP-	Hongkong Bakery 50c.
Hongkong, Canton & Macao 25c.	Hongkong Electric 10c.
China & Manila 50c.	Do. new issue 10a.
Do. new issue 25c.	Hongkong Gas Co 50c.
Indo-China 59c.	Hongkong Ice 50c.
Douglas S. S. Co 50c.	Hongkong Rope 50c.
Star Ferry 10c.	Hongkong Tramways\$1.00
Do. new issue 10c.	Manila Investment
Shell Transports 25c.	Robinson Piano Co., Ld 50c.
Steam Water Boat Co 10c.	Tebrau Planting 10c.
Mining-	United Asbestos 10c.
Charbonnages\$2.50*	Do. Founders\$1.00
Jelebus 10c.	Universal 25c.
Punjom 10c.	Watkins, Limited 15c.
Do. preference 5c.	Watson & Co., A. S 15c.
Raubs 20c.	William Powell 15c.
Docks, Wharves & Godowns-	CIGAR COMPANIES—
Hongkong & Kowloon Wharf 50c.	Alhambra\$2.00
Hongkong & Whampon Dock 50c.	Philippine Trust 50c.
All Stocks, Market Value \$1 and ur	nder, as follows:

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

Under 25 cents $2\frac{1}{2}$ cents per Share.

N.B.—On all stocks, on which the brokerage is fixed at 50 cents per share by the above list, and the market value of which falls below \$20 per share, the brokerage will be 25 cents per share; below \$10 per share, the brokerage will be 15 cents per share; and if the stock drops under \$5 per share, only 10 cents per share brokerage will be charged.

On all stocks, on which the brokerage is fixed at 20 cents per share by the above list, and the market value of which falls below \$10 per share, the brokerage will be 15 cents per share; and if the stock falls below \$5 per share, the brokerage will be 10 cents per share only.

For the Committee,

E. S. JOSEPH. Acting Hon. Secretary.

* If \$500 and over, the Brokerage will be \$2.50 per share.

[The above Tariff is published for general information, but is not sanctioned by the Chamber

MINUTES of the Yearly General Meeting of the Hongkong General Chamber of Commerce, held on Wednesday, the 27th April, 1904, at 3.30 p.m., for the purpose of receiving the Report of the Committee and passing the Secretary's Accounts for the year ending 31st December, 1903.

Present:-

Mr. E. A. Hewett, (Chairman), and Messis. D. R. Law, (Vice-chairman), J. R. M. Smith, R. C. Wilcox, A. G. Wood, N. A. Siebs, H. E. Tomkins, A. Haupt, A. Forbes, T. Cochrane, W. B. Dixon, A. S. Mihara, E. W. Mitchell, E. H. Hinds, G. W. F. Playfair, W. D. Graham, J. R. Michael, A. Marty, Murray Stewart, O. I. Ellis, G. Currie, E. Ormiston, E. S. Whealler, Taro Hodzumi, C. H. Thompson, W. Danby, G. H. Dann, A. J. Raymond, G. C. Moxon, J. J. Leiria, H. P. White, D. E. Brown, W. S. Harrison, C. A. Tomes, H. Skott, G. de Champeaux, and A. R. Lowe, (Secretary.)

The Secretary having read the notice calling the meeting.

The Chairman, (Mr. Hewett) said:—Gentlemen,—The first business before the meeting is a purely formal one—to confirm the report of the last annual meeting, May, 1903, and the report of a special meeting held on 12th August, 1903, with regard to the election of a representative of the Chamber of Commerce on the Legislative Council. The minutes of these meetings were published at the time and I take it you will hold them as read. I beg therefore to propose that these be confirmed.

Mr D. R. Law seconded, and the motion was agreed to.

The CHAIRMAN said:—Gentlemen,—The reports and accounts of the Chamber for last year have been in your hands for some days and we will therefore with your permission take them as read. I will offer a few remarks on the more important questions which have engaged the attention of your Committee during 1903, and will then ask those members who may wish to do so to address the meeting. For the sake of convenience I will take the various matters dealt with in the report in due order.

The question of the Brussels Sugar Convention has recently engaged the earnest attention of the Committee. In order that full protection under this convention be secured for our important local sugar industries, certain suggestions have been made to the Government here with a view to the possibilities of the future rather than to the actual needs of the present.

At our last meeting we had to express regret that the Hongkong Government declined to accede to our request that all those employed as pilots in the waters of the Colony should be licensed. As you are aware the Chamber has again urged this, and a bill has recently been before the Legislative Council dealing with this important question. The Ordinance appears to fully meet the requirements of the case, and we trust it will not be long before the pilot service is placed on a satisfactory footing.

In August last His Excellency the British Minister to China while on his return to Peking, was good enough to agree to meet the Committee of the Chamber and in the report will be found the address presented to him which dealt with a number of important questions. Sir Errest Satow fully discussed these various matters and expressed his desire to do all possible to further the interest of our trade with China and his readiness to give full consideration to such representations as the Chamber might make to him.

Last summer the Viceroy of Canton being anxious to increase the revenue of the Province endeavoured to revive the illegal taxation on foreign opium attempted in the previous year by his predecessor. The excuse for this impost being one very generally put forward by the native officials when additional funds are required, viz., the payment of the war indemnity. A telegram was at once despatched to H.B.M.'s Chargé d'Affaires at Peking protesting against this proposed violation of treaty, and, thanks to the prompt action of Mr. Townley and the British Consul General at Canton, the tax has been "suspended," but it is very evident that it will be necessary for the Chamber to continue to keep a careful watch upon our tradal relations with China in order to prevent the officials from levying illegal taxes when pressed for funds. (Applause.)

As mentioned at our last annual meeting the question of the compulsory adoption of an official code vocabulary drawn up by the Telegraph Companies has been again before us and a telegram was therefore sent to the London Chamber of Commerce protesting on behalf of this Colony against this proposal. The objections raised have been so universal among business communities that it is to be hoped this vexed question has been finally disposed of.

With regard to the currency question, since our last meeting the decision of the Secretary of State for the Colonies has been given, which is to the effect that "it was out of the question to entertain the idea of adopting a gold standard for Hongkong while China retained her silver standard." As a first step therefore towards a reform of the currency in China a joint memorial from the Chambers of Commerce of Tientsin, Shanghai and Hongkong has been forwarded to the Diplomatic Body at Peking urging that no further time be lost in providing a uniform currency for China, and the placing of the Provincial Mints under the control of the Central Government, but it is with regret that we find up to the present nothing further has been done in this direction.

From time to time attention has been directed to the Crown Agent system, and some correspondence has passed on this subject between this Chamber and that of Ceylon. In order to more clearly form an opinion on the matter a series of questions was drawn up and presented by our Representative at the Legislative Council. While the Committee are not prepared to say that it would not be possible to effect improve-

ments in the working of the system, they are of opinion that it is decidedly to the advantage of the Colony that the Crown Agent system should be continued.

During the year under review several questions relating to the shipping interests of the Colony have engaged our attention. While it is admitted that regulations are necessary for dealing with vessels bringing explosives into the harbour, the Committee cannot but consider that the manner of enforcing the regulations constitute an unreasonable and vexatious restriction on the trade of the port, and that the regulations might with perfect safety be modified. After considerable correspondence some slight concession was obtained from the Government and it now remains to be seen whether the result will prove satisfactory.

The question of medical inspection of vessels is an old one, having been dealt with by the Committee in 1897 and again in 1901. After giving the new scheme a fair trial the Committee are unanimously of opinion that the time has now arrived when the posts of Health Officer of the Port and his assistants should be held by officials devoting their entire time to the work, to the exclusion of private practice; in fact that the system should be here adopted which now obtains in many British Ports where the number of entrances and clearances is far smaller than in Hongkong, which now ranks as one of the largest shipping ports in the world. The Committee intend to again address the Government on this subject, and trust that, on further consideration, the reasonableness of their request will be admitted. They feel convinced that in this matter they can rely on the support of all those members of the Chamber who are directly interested in shipping. (Applause.)

We are glad to be able to record that the Government has, after considerable correspondence, agreed to effect certain improvements in the signalling of storm warnings, and trust that the practical experience which will be obtained during the approaching typhoon season may show that the change effected will result in all that has been hoped for it.

One other point affecting the shipping requires to be dealt with. I refer to the Imbecile Immigrants Ordinance. This Bill as originally put before the Legislative Council was of such a nature as to give rise to the greatest uneasiness on the part of those whose business it is to protect the interests of shipowners trading with the Colony. A protest against this Ordinance was unanimously signed by the shipping companies here represented, and while the Bill was not abandoned, as we had hoped might be the case, still very important modifications were obtained in committee, and we can only regret that the efforts of our representative in this direction were not more successful. I consider it necessary to specially direct attention to this Bill, as the whole prosperity of Hongkong so largely depends upon the facilities and encouragement given to shipping to visit the port. I fear that this fact is sometimes lost sight of and that from time to time attempts at legislation are suggested, and not infrequently carried out, calculated to impose undue restrictions and expenditure on the shipping, which in the aggregate form such a tax, either by loss of time or by actual expenditure, as to tend to discourage shipping from visiting the Colony. It must be remembered that the position of Hongkong as a distributing centre is not impregnable. This is a point which cannot be too strongly urged.

Turning to questions of a wider interest which still closely concern the welfare of our Colony, I would refer to the opening of Kongmoon as a treaty port, and the establishment of a number of ports of call on the West River to the benefit of the large and increasing native passenger traffic. It is but right that acknowledgment should be

made of the manner in which the officials of the Imperial Maritime Customs have endeavoured to prevent difficulties arising in connection with the work of opening this port and also of the able assistance rendered by Mr. Fox, H.B.M.'s Consul. (Applause.)

While on the question of new treaties I would also mention that the Committee of the Chamber has addressed the British Minister at Peking with regard to the advantage which would accrue to the Colony through the opening of Waichow to foreign trade. You will recollect that Article VIII of the Shanghai Treaty of 1902 provided for the opening of this city, but as it will probably be some time before this section of that Treaty becomes operative the Committee consider efforts should be made to have Waichow opened without further delay. I would add that in our opinion the Treaty port area should also include the sister city of Kwaishin. The question of piracy on the West River continues to be one requiring constant attention, though I am glad to be able to add that during the past year complaints of this nature have not been so frequent as in the past. During the last few weeks however there have been some cases of piracy and it is evident that the local Chinese officials have never attempted to seriously deal with the evil. The only means of finally disposing of this question is to break up the piratical villages the positions of which are perfectly well known to the Chinese author-

Although considerable time has elapsed since the question of the removal of the barriers in the Canton River was last dealt with officially by this Chamber, we understood privately that matters were progressing favourably and that before long the barriers would be removed. We regret to find that in this as in other matters of hope for improvement no advance has been made by the local Chinese officials. While most scrupulously exacting due observance of the terms of the Treaties limiting our relations with China the native officials consistently evade their own obligations whenever possible. The delay in removing the barriers is yet one more instance of their bad faith, and it is to be hoped that the necessary steps will be taken to compel the Chinese to remove these barriers within the time stipulated by treaty. The improvement in the lighting of the Canton River is another question which requires attention, and we have reason to believe that the importance of this has not been lost sight of and that steps are being taken both by the Colonial Government and the Chinese Imperial Maritime Customs to deal with it. The great increase which has of recent years taken place in the steamer traffic between Hongkong and Canton renders it more than ever necessary that this improvement should be effected with the least possible delay. (Applause.) Progress with the new Commercial Treaties with China has been slow and the present political situation in the Far East is not calculated to facilitate matters in this respect. The text of the new American and also the Japanese Treaties has been published and while some objections have been made to certain omissions in the former they are both in some respects improvements on the British Treaty. It is satisfactory to find that the payment of duties in silver is ensured under the terms of these Treaties. We understand that the German Treaty will also shortly be ready for signature but so far as I am aware the text has not yet been published.

The agitation now being carried on at home with regard to the fiscal policy of the Empire has naturally attracted much attention in this Colony, and while the time has not yet arrived to deal seriously with the question we have good ground for stating that the majority of the British business community here is agreed that a change should be made so as to place British trade on an equality with its rivals in the world's markets. I need only cite as an example one section of our business, viz., shipping. It is obvious that if we are to hold our position against foreign competitors equal facilities should not be granted them with our shipping in British ports unless we in turn receive in their ports the same favourable treatment accorded to their own shipping. (Applause.) This in the majority of cases is denied to us. The whole question of fiscal reform is as yet very much in the clouds but nevertheless very nearly concerns the Colony, and the Committee will therefore continue to follow closely the movement at home and should it ultimately be decided to seriously deal with the whole question no doubt full opportunity will be offered us to give our views on any matter which is calculated to affect the prosperity of Hongkong. It must of course always be borne in mind that Hongkong, while a British Crown Colony, is chiefly a port of call for shipping. Its local productions are practically nil and its manufactures limited. An enormous volume of trade, a large percentage of which is non-British, centres here for distribution to China, Philippines and other non-British territories, and consequently we must strain every nerve to attract this foreign trade to our port, and we cannot in our own local interests therefore regard this question of fiscal reform from the strictly Imperial point of view which may be possible or desirable in other outlying portions of our Empire.

I have reserved to the last what I think you will all agree is to Hongkong the most important question as far as this Colony is

concerned that has arisen during the past few years although it has not as yet been formally dealt with by this Chamber. I refer to the proposed Canton-Kowloon Railway. (Applause.) Throughout the whole of China we see new railways being projected and in some cases actually completed, mainly, I regret to say, by the enterprise of those other than British. The race is to the swift and we cannot grudge the well-earned success of our commercial rivals who under other flags press forward where our British investor apparently fears to tread. The British investor, I am informed on high authority, does not care to put his money into railways in China, and in view of the aid that other Governments render their nationals, while our Foreign Office refuses to give us equal support, it is not perhaps surprising that British concessions for railways in China languish while we see foreign capital freely spent in developing foreign concessions. The Under Secretary of State for Foreign Affairs is reported at a recent gathering in London to have made a statement to the following effect. Speaking on behalf of the Foreign Office, he says:-"We are alive to the importance of railway development in civilising a country and in promoting its commercial development * * * but in China we had not ourselves administrative

responsibility and the work must be done by the foresight motives and self-interest of private capitalists." This, I think, fully explains, and in a manner justifies, the attitude of the British investor. Whether or not the Under Secretary of State has been correctly reported, I am not in a position to say, but even though he may not have made use of the words above quoted, the policy of the Foreign Office as understood by us is here clearly defined. The time has now arrived however when an exception should be made to this policy. As I have already stated, the prosperity of this Colony depends upon its maintaining its position as a distributing centre for the trade of South China. This being the case it is imperative that the first railway line connecting Canton with the sea should be the Canton-Kowloon Railway. If funds for this line, estimated at a million and a half sterling, cannot be raised by other means, then our Foreign and Colonial Offices should join hands. This Colony should be allowed to guarantee for a term of years the interest on the capital required for the section of the line across the New Territory, or, if necessary, should construct and own the line, while the Home Government should for once in the interests of British trade in China, break through its traditions and guarantee the interest on the cost of the section outside the Colony. (Applause.) The distance is somewhere about 120 miles of which one-fifth would be in Hongkong territory, and the cost of this section of the line would be about one-third

of the whole. The importance of this question, both from a local and Imperial point of view, is so great that I make no apology for dealing at such length with the matter.

Since our last meeting the war cloud which had been hanging over our heads for so long has burst, and we grieve to see two brave nations involved in a contest which, whatever the result may be, must mean heavy loss in life and treasure to both. Already the result of this conflict has been severely felt by the business section of this community, and we hope, not entirely on selfish grounds, that the struggle may be brief, tending to shorten the period of distress and to minimise the disastrous results of the war.

Before I take my seat I feel I should like to refer to matters of more direct personal interest. Our late Governor, Sir Henry Blake, after many years spent here, has been now transferred to another sphere of activity. A somewhat unusually long interregnum has occurred between his departure and the arrival of his successor, but we were glad to find that His Majesty's Secretary of State has appointed for Administrator so experienced and able an official as the Colonial Secretary. (Applause.) Still another official who, while not connected with the Government of Hongkong, has been closely linked with the trade of the Colony has recently left us. I refer to Mr. James Scott, H.B.M.'s Consul General at Canton. It was with sincere regret we bade Mr. Scott farewell, particularly in view of his health having so seriously suffered during the discharge of his onerous duties. I believe I am right in saying that there is good reason to fear Mr. Scott may not return to China, and I take this opportunity therefore of placing on record our high appreciation of the energy and ability always displayed by him in the execution of his work. I feel confident that all those members of the Chamber who have had dealings with Mr. Scott will readily endorse what I say. (Applause.) While it is the object of the Chamber of Commerce to deal with all questions relating to our trade as they arise and so far as may be to provide for future contingencies, it is well occasionally to give a glance backward and to recall those who have worked in the past and by whose labours we now benefit. During the past year a very notable figure has disappeared from the scene, and while it is perhaps somewhat invidious to make special reference to one when so many did good work, still the unique position he occupied must be my excuse for mentioning the name of Admiral of the Fleet Sir HENRY KEPPEL. Admiral KEPPEL, as we all know, specially distinguished himself in the earlier days of the Colony by his brilliant services under fire, and also against

the piratical craft which then swarmed in these waters, while later he was very closely connected with the history of Hongkong. He has now passed to his rest full of years and honours, leaving behind him a reputation which all must regard as a high example of good service fearlessly rendered in the interests of the Empire. We have recently had brought before us in a forcible manner the advantage which lies with those who hold the command of the sea, and it is good on occasion to recall the debt we owe to His Majesty's senior service and to remember that their presence here means security to our trade in these far distant waters and ensures the safety of all those who dwell under the shadow of our wide-flung flag. (Applause.) With these remarks I beg to propose the adoption of the report and accounts.

Mr. E. S. WHEALLER: -Mr. Chairman, I have very great pleasure indeed in seconding the proposal. I think that from the report and the Chairman's speech it must be evident to all the members of this Chamber that the commercial affairs of the Colony have been very well cared for, and our thanks are due to the Committee for the way in which they have looked after those things both great and small. There are one or two things which the Chairman has referred to which I would like to mention. With regard to the question of explosives on board steamers I can only say it seems difficult to understand why it is that we cannot get on with similar regulations here to those that exist elsewhere. The Government has not told us, as far as I understand, why special regulations are required here. With regard to the Medical Officer of the Port we have, so far as things go, and can be with a gentleman in private parctice, perhaps as efficient a service as we can expect, but for one of the biggest shipping centres in the world that service is not nearly good enough. My experience last year when I was travelling-and I was in most of the ports in this part of the world two or three times—was that on the two occasions on which I arrived in Hongkong it took an immensely longer time than in any port in China or Japan, Manila or Dalny, for the medical officer to get on board the steamer; and I think that is an unsatisfactory state of affairs in one of the principal shipping ports in the world. (Applause.)

Perhaps one of the most interesting and important points to which reference has been made is the currency question. Well, it is satisfactory to see that it is not quite asleep, but as I do not understand currency I will leave that to somebody else. The most important thing to which the Chairman has referred, and it is one to which I do not notice any refer-

ence in the report, is the question of the Canton-Kowloon Railway. That, I think, is a question of absolutely vital importance to Hongkong. It is a question on which we may find the progress of Hongkong entirely rests. It is a question on which the vitality of Hongkong may depend, and I think it is one of those things which we should ask the Committee to keep careful watch on and to do every thing they can to keep it before the Government, and to do all they can to see that the present concessionaires do something. I believe there is no concession in British territory, and there must surely be some way of getting some activity put into this business. I believe that either shortly before or shortly after the concession was obtained, about five years ago, a concession was also obtained for a railway from Tsintau to Tsinanfu. I do not think there was much difference between the dates. And this railway of 250 miles is now in operation, yet nothing is done by the concessionaires to build the railway between here and Canton. I think this is a most vitally important question. The China Association at their meeting referred to this question, and in their report there was a letter on the subject as to whether the railway should go by way of Wai-chow. But that is a detail. What we want is a railway, the terminus of which must be British Kowloon. It seems to me that the railway question is one of the very utmost importance. There is no place in China to which a railway is so important as it is to Hongkong and there is no place where there has been less done to get it. (Applause.) I beg to second the motion.

Mr. J. R. MICHAEL: -Mr. Chairman, I am sure the members generally will agree with me that the record of work done during the past year has been very satisfactory, and the Committee are to be congratulated upon the result of their efforts. I am very glad to see that the heavy fluctuations of exchange, which continue in an even more aggravated form, are now awakening some interest in the currency question. I sincerely trust that the efforts now being made by those affected and assisted by the powerful advocacy of the Chambers of Commerce here and in North China, in support of the Commission on International Exchange from the United States of America to frame a workable scheme for securing stability of exchange, will soon prove successful. I hope at any rate we shall soon learn that a possible basis for the currency of China has been evolved, and that we shall arrive in sight of some settlement of this great hindrance to the development of legitimate trade. There is another subject in which I am sure every person interested in the welfare of this Colony must take a keen interest. I allude to the projected Kowloon-Canton Railway. We want, Mr. Chairman, to see that enterprise removed from the domain of projects to that of accomplished facts. It is high time that the railway was completed instead of waiting for commencement. I hope the Chamber will use the whole weight of its influence with the Government to induce them to assist with that section of the line which has to pass through British territory. With this at any rate something can be done by us, and the sooner it is taken in hand the better. (Applause.)

Mr. Whealler:—Mr. Chairman, with your permission I should like to read, à propos of what I said just now about the railway question, an extract from the circular of Messrs. Ilbert & Co., dated Shanghai, 22nd April:—"A feature which is rapidly becoming noticeable in the Northern trade is the transference of business from Chefoo to Kiaochau; the facilities for loading and unloading cargo there and the rapid transit by rail to the interior are creating an exodus from Chefoo and the establishment of the same hongs in Kiaochau: it is said that important markets in the interior can be reached in one day whereas formerly the same class of cargo did not reach its destination under three weeks." I think that emphasises the importance of railways. (Applause.)

The CHAIRMAN: -Gentlemen, with regard to the remarks made by Mr. WHEALLER and Mr. MICHAEL I can only say that the members of the Committee of this Chamber fully realize, as I am sure we all dothe very vital importance which attaches to the subject of the construc, tion of a railway connecting the trunk lines of China with this Colony. As I hope I made it clear in my remarks just now, the question hitherto has not been dealt with formally by the Committee of this Chamber as certain concessions, we understood, were still in existence and these concessionaires were engaged upon the attempt to carry out their concession. But as it appears to be the wish of this Chamber as here represented that the Committee should officially take up this question, I can only state that the Committee for this year, whoever they may be, will, I am quite sure, deal with this very important matter. (Applause.) I may add that I have reason to believe that the Hongkong Government is as fully alive to the importance of this question as we are and that the facts stated by Mr. WHEALLER just now in an extract, I think from Messrs. Ilbert's circular, are admitted by us all. As business men it is made clear to us that any port which is left out in the cold in the matter of railways must go to the wall, and Chefoo is a very good example of what would happen to Hongk ong if we are not the first to be connected to China by railway. With regard to the currency

question, as you know, the Chambers of Commerce of the three principal ports in this part of the world have addressed the Diplomatic Body on the subject, but beyond expressions of their polite sympathy nothing has been done, at present; but, as we all know, the reform of China's currency is provided for by Treaty and it is a matter which will be dealt with very promptly by the Committee of this Chamber, who will continue to urge the importance of this upon the Diplomatic Body until, we hope, at no distant time reform will be accomplished. (Applause).

The motion was agreed to.

The Chairman moved the confirmation of the election to membership of the following:—Messrs. Goddard & Douglas, Barretto & Co., Lamke & Rogge, E. C. Wilks & Co., Chun On Fire Insurance Co., Ld., Shiu On S. S. Co., Ld., Osaka Shosen Kaisha, Java-China-Japan Lijn, China and Japan Telephone and Electric Co., Ld., Deacon, Looker & Deacon, Mr. E. H Sharp, K.C., Mr. G. C. Moxon, Mr. A. M. Essabhoy, and Messrs. D. Macdonald & Co.

Mr. G. W. F. Playfair seconded, and the motion was agreed to.

Mr. A. Forbes moved the re-election of the Committee for the ensuing year, with the exception that Hon. C. W. Dickson (who goes home shortly) be succeeded by Mr. W. J. Gresson.

Mr. J. R. MICHAEL seconded, and the motion was agreed to.

The Chairman thanked the members for the honour they had done the Committee in re-electing them, and the meeting closed. Report of the General Committee of the Hongkong General Chamber of Commerce, for the Year ending 31st December, 1903, for presentation to the Members at the Annual Meeting, to be held on Wednesday, the 27th April, 1904, at 3.30 p.m.

During the past year, which was somewhat encroached upon by 1902 Report, fewer subjects have engaged the attention of the Chamber, but much satisfactory work has nevertheless been accomplished in certain directions.

Sugar Convention.

A copy of this Convention, which came into force on the 1st September, 1902, was published in the last Report. Since then much progress has been made by the Permanent Commission in putting through the necessary legislative machinery in order to comply with the terms of the Convention.

As the Imperial Government undertook, on behalf of the Colonies not possessing responsible Governments (of which Hongkong is one) to take the necessary measures to prevent bounty-fed sugar which has passed in transit through the territory of a Contracting State from enjoying the benefits of the Convention in the market to which it is being sent, local legislation became necessary, and a Sub-Committee, composed of the Chairman, Vice-Chairman, and Hon. C. W. Dickson, was therefore appointed to watch the effects of the findings of the Permanent Commission on the import and export sugar trade of Hongkong. At the Government's request various suggestions have been made during the year with the object of leading the proposed legislation in the direction best suited to the peculiar conditions of the trade in this Colony. The Colonial Secretary for the time being had been appointed as the "Fiscal Authority" in Hongkong. (Appendix A.)

Japanese Markets and Hongkong Sugar.

The Consul for Japan in Hongkong having written to the "Daily Press" protesting against the imputation levelled by that paper against Japan for the discriminating treatment accorded in Japan to Hongkong Sugars as compared with Japanese manufactured Sugars, a letter was sent to the Consul calling attention to certain inaccuracies in his letter, and the opportunity was taken to point out that, although the discrim-

ination alluded to in his letter may have been aimed chiefly against bounty-fed Continental Sugar, it obviously applied equally to Sugar from Hongkong not bounty-fed and there was wanting any evidence of a desire on the part of Japan to treat Hongkong products as Japanese products are treated in this Colony. (Appendix B.)

Licensing of Pilots.

It will be remembered that a long correspondence with the Government took place in 1902 with the object of making it obligatory on the part of the pilots plying for hire within the waters of the Colony to register themselves with, and prove their qualifications before, a Board having the requisite authority from the Government to act, and although, as was pointed out, similar regulations were in force dealing with the coxswains and engineers of steam launches, the Government could not then see its way to extend the principle to pilots.

The Committee again brought the matter forward in December last and instanced the flagrant incompetence of the pilot on board the s.s. "Tjipanas" when she steamed over the wreck of the "Pakshan", which happened to be indifferently buoyed with danger signals. The Captain was fined for negligent seamanship by the Harbour Master, who would neither recognise the part played by the pilot nor allow him to give evidence.

The Government replied that the matter was receiving attention, and recently a Bill has been introduced by the Government dealing with the question. (Appendix C.)

Brokerage on Stocks and Shares.

The Committee proposed to the Stockbrokers' Association of Hongkong that brokerage should be borne by the seller only, as the present sytem in vogue of charging both buyer and seller with brokerage precluded the brokers from acting impartially for both parties. Unfortunately the Association was unable to see the force of the argument, contending that the danger of partiality would only be accentuated by the change inasmuch as a broker might consider his duty was due more to the seller from whom he would receive his commission than to the buyer from whom he would not receive any brokerage, whereas under the present system it is the imperative duty of a broker receiving his commission from both sides to see, to the best of his ability, that both buyer and seller are treated with the greatest impartiality and in accordance with the ruling rates on the market. (Appendix D.)

Sir Ernest Satow's Interview with the Committee.

Following the precedent set on former visits of H. B. M.'s Ministers at Peking to the Colony, the Committee took the opportunity of inviting Sir Ernest Satow, G.C.M.G., H. B. M.'s Envoy Extraordinary and Minister Plenipotentiary in China, to meet them and receive an Address on the various questions awaiting settlement relating to the Colony's commercial dealings with China, amongst which were:—

Obstructions in the Canton River.
Registration of Native-owned Junks under Foreign Flags.
Piracy on the West River.
Inland Navigation Rules.
Absconding Chinese Debtors.
National Coinage for China.
Payment of Customs Duties in Gold.
British Commercial Treaty of Shanghai, 1902.
Proposed Increase of Taxation on Opium at Canton.

The meeting took place in the Chamber Room on the 6th August, and, after the Address had been read by the Chairman, His Excellency proceeded to discuss the subjects touched upon therein, taking them seriatim, asking for further information on several points, of which he made notes, and promising to give his early attention to all on his arrival in Peking. He concluded by expressing his gratification at having been afforded the opportunity of meeting the Committee and thus being able to interchange views with them, and added an assurance of his readiness at all times to consider questions which might be brought to his notice by the Chamber.

The Committee have reason to believe that this interview will strengthen the Chamber's future relations with H. B. M.'s Foreign Office Representative in China and lead to even more ready and sympathetic acquiescence with the views from time to time laid before His Excellency. (Appendix E.)

Additional Tax on Foreign Opium at Canton.

A proclamation issued by the Viceroy's authority with regard to the re-imposition of an additional tax on foreign Opium in the Two Kwang Provinces appeared in Canton in June last, and as prompt measures were necessary in order to prevent the collection of this illegal tax, a telegram was despatched to Mr. Walter Townley, H. B. M.'s Chargé d'Affaires, Peking, protesting against the proposed re-introduc-

tion in modified form of the tax which was successfully opposed after negotiation extending over seven months in 1902. Full details followed by letter and support also solicited from H. E. the Governor and Mr. Consul General Scott. Energetic steps were taken by Mr. Walter Townley and Mr. James Scott at Peking and Canton respectively, with the result that in August last the Committee had the satisfaction of learning that the exaction had once more been stopped. (Appendix F.)

Official Code Vocabulary.

Since 1890 the Telegraph Companies have been striving to impose on the Mercantile Community of the World an Official Code Vocabulary, and with equal regularity this Chamber along with many others, chief of whom was the London Chamber, has strongly protested against such an arbitrary measure, which would have had the effect of forcing a higher rate of expenditure upon those who use cables by restricting the number of words and signs at their disposal and also throw upon owners of private codes great inconvenience and expense through the necessary amendment of their codes, which in many cases have been compiled at great expense and years of work.

The support of the Home Government Postal Authorities was obtained, and instead of the compulsory vocabulary, the International Conference decided to alter the rules relating to codes, and after 1st July, 1904, any combination of letters not exceeding ten in number will be passed as a code-word, provided that it is pronounceable according to the use of the language to which code-words have been limited, other combinations of letters will be counted as five letters to the word and the prohibition of letter cyphers which hitherto prevailed, is removed. (Appendix G.)

The Currency Question.

The resolution passed at the Special General Meeting of Members held on 18th February, 1903, in favour of the Straits Currency Commission extending its inquiries to Hongkong with a view to ascertaining whether reform of the Colony's currency arrangements is advisable, was communicated by H. E. Sir Henry Blake to Mr. Chamberlain, Secretary of State for the Colonies, who in reply referred to the resolutions passed at the conference between delegations from United States, China, Mexico and Great Britain regarding the monetary systems of silver-using countries and the establishment of a National Currency in the Chinese Empire, Resolution No. 2 reading as follows:—

"That a national currency for the Chinese Empire, consisting "of silver coins which shall be full legal tender through"out the Empire, is urgently desirable.

"As soon as practicable, steps should be taken for the es-"tablishment in China of a fixed relation between the "silver unit and gold."

Mr. CHAMBERLAIN considered it would be inexpedient to appoint a Commission to inquire into the Hongkong Currency arrangements as it appeared to be out of the question to entertain the idea of adopting a gold standard of currency in the Colony while China remains a silver standard country.

The Tientsin Chamber having been informed that the Chinese Government were anxious to take action with regard to its Currency invited the Shanghai and Hongkong Chambers of Commerce to join in drawing up a Memorial to the Diplomatic Body in Peking with the object of instigating sympathetic support by that Body with the aims of the Chinese Authorities. Your Committee advised that the first step towards a solution of this complicated question should be the establishment of a uniform national currency, as provided for by Article 11 of the British Commercial Treaty of Shanghai of 1902, as until reform in this direction was carried out, it would not be possible to satisfactorily deal with the question of stability of exchange in China. The Tientsin and Shanghai Chambers agreed to this course of action, as well as to the proposed absorption, instead of the closing, of the provincial Mints, and the Joint Memorial from the three bodies was despatched to each Member of the Diplomatic Body in Peking, the Doyen of whom replied that the Diplomatic Body was highly interested and greatly appreciated the efforts and zeal of the signatory Chambers of Commerce. Nothing, however, has transpired as to what efforts have since been made to further the matter with the Chinese Government, but, it is no doubt too early to expect that any material result has been attained in this direction at the time of writing. (Appendix H.)

The Crown Agents and Contracts with Private Firms.

The Ceylon Chamber having asked for the opinion of this Chamber with regard to the working of the Crown Agents System in Hongkong, the Chamber's Representative, Hon. R. Shewan, put a series of questions at a subsequent meeting of the Legislative Council, and from the answers given by the Government and the Report of the Commission appointed by H. E. the Governor in 1901 to inquire into the

working of the Public Works Department, the Committee came to the conclusion that the cost to the Colony through the employing of the Crown Agents was not incommensurate with the services rendered. The advisability of all Government supplies being purchased locally was dealt with, and the view expressed that public works of "a special nature or of urgency" might be entrusted to private firms. The Ceylon Chamber's reply contained an expression of thanks for the information sent from Hongkong. (Appendix I.)

Prohibition of Coolie Immigration at Singapore.

The Committee of the Singapore Chamber wrote in June last explaining the reasons which had prompted it to support the Government in connection with the prohibition of the immigration of coolies from Hongkong on account of the prevalence of Plague in this port and inquiring whether some means of examining Chinese passengers could not be devised of so stringent a nature as would reduce to a minimum the chances of Plague cases occurring on the voyage or on arrival at Singapore. After full consideration, a reply was sent expressing the opinion that no examination would be adequate to prevent Plague occurring on the voyage, and pointing out that the profit on the trade would not permit of any further expenses being incurred by the steamship owners here. A suggestion was made that if Chinese labour is necessary to supply the labour market of the Straits Settlements, it might be of advantage to found a segregation camp on one of the numerous adjacent islands from which the transfer of the coolies into Singapore could be regulated in accordance with the requirements of that Colony and at the expense of the employers of labour there who profit by employing Chinese coolies.

There is reason to believe that the Singapore Government recognises that the only way out of the difficulty would be the adoption of some such system, as the Chamber of Commerce there recommended the extension of the existing quarantine station and segregation camp on St. John's Island. (Appendix J.)

Explosives on Board Steamers in the Harbour.

The Government were approached with the object of restricting the disabilities under which steamers carrying small quantities of dangerous goods are under on arrival in the Harbour. The fact of the port being free emphasized the belief that at least similar regulations might be applied as are in vogue at the Treaty Ports of China, but the Government could not see its way to go as far in this direction.

Some concessions were, however, granted, the value of which depend on the promptness of the Harbour Office Officials in meeting incoming steamers, thereby preventing delay. It is hoped that before long the Government may be induced to do away with any unnecessary restrictions of this nature. (Appendix K.)

Telegram Deposit System.

At the end of August last some internal arrangements in the Joint Administration of the Eastern Extension Australasia and China Telegraph Co., and the Great Northern Telegraph Co., induced these Companies to cease the old system of demanding just sufficient cover from their regular customers to meet current indebtedness. The new regulations, published at two days' notice, demanded a deposit in the joint names of the two Companies at a special Bank, a sum of money equal to the average monthly account of each sender of telegrams, or if this were not agreed to, cash payments to be made for each separate message as sent. At the request of several Members of the Chamber, a strong protest was made against so high-handed a proceeding. A long correspondence ensued, in which it was pointed out amongst other arguments that:—

- (1.) Longer notice should have been given.
- (2.) The injustice of a person desiring to do business with only one of the two Companies being obliged to deposit his money with both jointly.
- (3.) That to make the amount deposited equal to an average month's telegram account was tantamount to making each depositor a creditor of the Companies for the greater portion of each month, which was more than the joint Administration were entitled to, and that a reduction of the deposit by one half would be a more equitable proceeding.
- (4.) That the claim by the Companies to the whole of the interest allowed by the Bank on the deposits was unjust and contrary to custom, and the argument for the retention of the interest by the Telegraph Companies as put forward by them on the ground of the credit allowed and trouble of book-keeping was considered by the Chamber to be unreasonable.

(5.) That if all senders of telegrams elected to pay cash for each telegram sent, much expense, delay and consequent annoyance to the whole Mercantile Community would result, as the handling of cash in small amounts is not a quick process, especially in this Colony.

In the end the Cable Companies agreed to refund half of the sums deposited with them and to allow the whole of the interest on the remaining portion to the depositor. A return to the old system would have been preferred, but as the Companies find themselves unable to accede to this plan, your Committee are of opinion that the system now adopted is not without its advantages. (Appendix L.)

Medical Inspection of Passengers.

In 1897 and again in 1901 the Chamber brought to the notice of Government the desirability of the appointment of the Health Officer of the Port being filled by an Official whose undivided attention would be devoted to the duties of the position, and as a result of the representations then placed before His Excellency the Governor, Sir Henry Blake made the following recommendations to the Secretary of State for the Colonies:—

- (a.) The appointment of a Second Health Officer of the Port who will be allowed no practice of any kind.
- (b.) That in view of Dr. Jordan's long service as Health Officer of the Port, His Excellency recommended that he should be allowed to retain his private practice on shore, but only on the distinct understanding that when himself engaged in private practice he will always place at the disposal of this Government another Officer as his substitute to discharge the duties of Health Officer of the Port, and who will not take private practice on board ships.
- (c.) His Excellency further recommended that, if Dr. JORDAN was not willing to accept these conditions, another Health Officer of the Port should be appointed in his place on the same terms as those offered to the Second Health Officer of the Port.

The Committee at that time expressed the opinion that the above recommendations, if carried into effect, would, they hoped, put an end to the delays in the inspection of vessels that had occurred in the past, and therefore agreed to His Excellency's suggestions.

This hope unfortunately was not fulfilled, and the Chamber found it necessary to again draw the attention of His Excellency the Officer Administering the Government to the inconvenience and loss suffered by the large shipping interests of this Colony through the new arrangement not having produced the anticipated result, as in consequence of the Health Officer of the Port and his deputy being engaged with their private practice in various parts of the City, it not infrequently happens that when their official services are required they are inaccessible. Dr. Keyt is thus often the only Officer available to attend the ships coming into the Harbour, with the result that delays are of frequent occurrence.

His Excellency has, however, not seen his way to follow the Committee's suggestion to employ a Government Official without private practice but with a qualified assistant, and the Committee regret having to record this decision as they feel their suggestion is the only remedy for the delays now experienced. (Appendix M.)

Junks flying Foreign Flags to evade Payment of "Ching-Fei" Tax levied by the Viceroy of the Two-Kwang.

Following up the representations made last year, the Committee again drew the attention of the Government to the fact that a large number of trading Junks using the Harbour as native craft after leaving the waters of the Colony hoist certain foreign flags under Consular Authority and proceed to Canton as foreign craft. Mr. James Scott, H. M.'s Consul General at Canton, referred to the matter in his Annual Report for 1902 as a state of affairs which is obviously unsatisfactory both as regards the Hongkong Government and the Imperial Maritime Customs in China. Certain suggestions were therefore made which, it is hoped, will be acted upon, so that the Harbour Master may be kept informed as to the names and registered numbers of such Junks to enable him to refuse them the right of entry and clearance in the Colony. The improper use of alien flags by Chinese Junks will then be discouraged. (Appendix N.)

Storm Warnings.

The exertions of the Committee in 1902 were rewarded by H. E. the Governor agreeing in May last to introduce the flag system of weather signals as worked at Shanghai for the information of Shipmasters, but without displacing the cone system in use. His Excellency's

opinion and that of his expert advisers was stated as being that the cone system was a better and safer system and familiar to the local junk population. It will be remembered that at the commencement of the discussion the Chamber suggested the introduction of a flag system, but His Excellency then arrived at the conclusion that an alteration in the Hongkong system of signalling storms was not desirable and that a system of flag signals to convey weather information was, for the reasons indicated by the Acting Director, not suited to local conditions. Eventually the Chamber drew an extended code of symbol signals for day, and lantern signals for night work, to meet the objections raised against flags as well as on economical grounds. Now that the Government has introduced the Shanghai flag system it is felt that at least a fair trial may be given to it and objections raised later if found necessary.

The Committee's suggestion that an additional signal station should be established at Cape Collinson and Green Island was vetoed on the ground that these places were not in direct telephonic communication with, and the signals could not be verified by, the Observatory Officials.

A concession was granted whereby all Masters of Vessels or their Agents may now obtain free special telegraphic information from the Observatory by calling at the Telegraph Company's Office in the Praya or through the telephone on calling at the Police Station at Kowloon Point, and this will doubtless prove of advantage to Masters of Vessels on the point of sailing.

The Acting Director (Mr. Figg) reported that the Observatory was well equipped with Meteorological instruments. (Appendix O.)

Reduced Cable Rates to Europe.

The hope expressed in last year's Report that the repeated representations to the Cable Companies on the subject of the excessive rates charged might not be without effect at the International Telegraph Conference in May, 1903, fortunately turned out to be correct, as from the 15th July, 1903, the rate to Europe was dropped from Francs 7 to 5.50, a reduction of over 20 per cent. The competition of the new Pacific Cable to Manila has been the direct cause of the lower rates for which the Committee have been agitating for years past. (Appendix P.)

Conveyance of Australian Mails viâ Hongkong and the Siberian Railway.

The Council of the North Australian League forwarded resolutions in favour of the quicker transit of London Mails to Australia and the desirability of inaugurating as soon as the Adelaide-Port Darwin Railway line is completed of a mail service $vi\hat{a}$ the Trans-Siberian Railway to China and thence $vi\hat{a}$ Hongkong or Canton by first steamer service to Port Darwin. (Appendix Q.)

Election of a Representative to Legislative Council.

H. E. Sir Henry Blake informed the Chamber that he had granted a year's leave of absence to the Hon. R. Shewan as from the 5th August last and therefore requested the nomination of a temporary Member of Council in his place. A special General Meeting of the Members was held on the 12th idem, at which Mr. H. E. Pollock, k.c., was elected by 63 votes to 54 for Mr. E. A. Hewett. His Excellency afterwards signified his approval of the nomination. (Appendix R.)

Imbecile Persons Introduction Ordinance 1904.

This Bill, which became law on 23rd February, 1904, was introduced in the Legislative Council last August under the name of "Imbecile Immigration Ordinance." Its conditions were so onerous that the Chamber strongly opposed each stage in Council through the Acting Representative of the Chamber, Mr. H. E. Pollock, K.C., and the Government were induced to somewhat restrict the proposed liabilities under which Owners, Charterers, Agents, Consignees and Masters of vessels were to be subjected to for landing persons in the Colony who afterwards became lunatic, etc., and a charge on the rates within six months of such landing. The period of six months was finally reduced to three months, the aggregate expense limited to \$5,000, exemption permitted if it could be proved that such person became lunatic, etc., after embarkation at the port or place from which he shipped and the right given to demand from the Authorities a certificate of refusal of permission to land.

With these concessions the Committee had to be content, but they regard with some concern the recurrent desire of the Government to saddle the shipping interests with expenses which threaten to deprive Hongkong of its advantage as a cheap transhipping port. Your Committee have had in mind throughout their deliberations on this Ordinance that the retention of freedom from direct taxation and the

repression of useless restrictions is the policy which the shipping passing through the harbour should be treated if its present volume is to be maintained or increased.

The shipping Firms and Agencies supported the action of the Committee by addressing a petition to His Excellency the Officer Administering the Government in which very strong arguments were brought forward for the withdrawal of the Bill, but unfortunately His Excellency refused to comply with the wishes of the Petitioners. (Appendix S.)

Members.

The present membership is 144, showing an increase of 8 Firms and Public Companies and 3 private individuals, who now number 117 and 27 respectively.

Messrs. Deacon & Hastings and Edwards, Piry & Co., Ld., have resigned their membership, and the Holland-China Trading Co. took over the membership of Messrs. Hotz s'Jacob & Co.

The following have been admitted to membership subject to confirmation at the Annual Meeting:—

Messes. Goddard & Douglas, Barretto & Co., Lamke & Rogge, E. C. Wilks & Co., Chun On Fire Insurance Co., Ld., Shiu On S. S. Co., Ld., Osaka Shosen Kaisha, Java-China-Japan Lijn, China & Japan Telephone & Electric Co., Ld., Deacon, Looker & Deacon, Mr. E. H. Sharp, K. C., Mr. G. C. Moxon, and Mr. A. M. Essabhoy.

The General Committee.

Since its election at the last Annual Meeting in May last, the only changes taking place have been the temporary substitution of Mr. H. E. Pollock, K.C., for Mr. R. Shewan as *ex-officio* Member in August last, and Mr. C. Michelau having left the Colony in January, 1904, Mr. A. Haupt was invited to re-join the Committee.

Reuter's Political Telegrams.

Since the last Meeting the Committee have made a contract with the Reuter's Telegram Co., Ld., for five years at a monthly subscription of \$500.

Proposed Direct Parcel Post Exchange between Hongkong and United States of America.

The Committee have pleasure in reporting that the joint representations of the Chamber, and that of Amoy, to the Hongkong Government which were strongly supported by H. E. Sir Henry Blake, and referred to in last year's Report, have had a satisfactory issue.

Parcels may now be sent direct from Hongkong by post to places in the United States, and there is little doubt that this service will rapidly prove a great convenience and incentive to trade.

Arbitrations.

During the year 8 differences between buyer and seller were referred to the Chamber by Members, and the expert survey reports made on the goods in dispute were in all cases accepted by the applicants.

As one of the objects of the Chamber is to encourage reference to arbitration in trade disputes instead of by redress in the Law Courts, the Committee consider it satisfactory to place on record the increased inclination on the part of manufacturers and merchants in Europe to require surveys to be conducted under the auspices of the Chambers of Commerce.

Finances.

The Pinnacle Rock Fund amounts with interest to \$4,256.84 and is separately invested, partly in Hongkong Hotel Co. 6 per cent. Debentures purchased on 31st December last at par, and the balance in 4½ per cent. Hongkong & Shanghai Bank Fixed Deposit. No demands have been made on the Fund during the year for discovery of rocks dangerous to navigation.

The income shows a satisfactory increase over that of the previous year, chiefly resulting through the increased membership, but on the other hand the expenditure has been greater. The surplus is \$694.27, bringing the Reserve Fund up to \$12,847.29 at the end of the year.

It will be noted that in order to obtain a larger income in future years, the Bank Deposits on general account have been withdrawn and re-invested on 31st December last in Hongkong Hotel Co., and Hongkong & Kowloon Wharf & Godown Co. 6 per cent. Debentures bearing interest at 6 per cent. and 5 per cent. per annum respectively.

accepted by the applicants. he expert survey reports made

ncentive to trade. om Hongkong by post to places le doubt that this service will

een buyer and seller were refer-

and merchants in Europe to place on record the increased er is to encourage reference to the auspices of the Chambers by redress in the Law ('ourts,

Income and Expenditure Account for the year ended 31st December, 1903.

er annum respectively.

6 per cent. Debentures bearing ongkong Hotel ('o., and Hongcount have been withdrawn and tain a larger income in future 7.29 at the end of the year.

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- 41 -

he year for discovery of rocks k Fixed Deposit. No demands r last at par, and the balance in with interest to \$4,256.84 and gkong Hotel Co. 6 per cent.

Office Rent. \$ 875.00 Secretary's Salary, 3,000.00 Clerk's Salary, 1,200.00 Servants' Wages. 382.15 Final allee, to the late J. A. GUTIERREZ'S Children, 15.00 Audit Fees. 50.00 Market Report, Cost of Publication, 85,300.00 Printing and Circulating Telegrams, 754.46 Fees to Arbitrators appointed by the Chamber, Annual Reports, 1902, Cost over Estimate, 8 221.66 Annual Report, 1903, Estimated Cost, 300.00 Books and Newspapers, 177.71 Printing, Stationery and Advertising, 533.45 Telegrams, 216.12 Postages and Petties, 244.16 Legal Expenses, Balance—Excess of Income over Expenditure—Transfeured to Reserve Fund.	521.66 - 1,171.44 91.50	By Members' Subscriptions:— 113 Firms at \$50	
\$	15,363.23	*	15,363,29

BALANCE SHEET, 31st December, 1903.

LIABILITIES.	\$	ASSETS.	
UNDRY DEBTORS	508.42 4,256.84 12,847.29	PINNACLE ROCK FUND— 7 Hongkong Hotel Co., Ld.'s 6 per cent. Debentures at par	\$ 4,256.8 12,000.0 1,019.4 198.8 137.5
*	17,612.55	\$	17,612.5

A. R. LOWE, Secretary.

We have compared the above Statement with the Books, Vouchers, and Securities, and find the same to be in accordance therewith.

J. Y. V. VERNON, Anditors.

Hongkong, 22nd January, 1904.

APPENDIX.

Sugar Convention.

Colonial Secretary's Office, Hongkong, 29th May, 1903.

SIR,—I am directed to transmit to you, for the information of the Chamber, the enclosed copy of a Circular despatch, with enclosures, which has been received from the Secretary of State for the Colonies.—I have, &c.,

R. F. JOHNSTON, for Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

Circular.

Downing Street, 7th April, 1903.

Sir,—With reference to my Circular despatch of the 21st of April, 1902, I have the honour to inform you that the Convention relative to Sugar which was signed at Brussels on the 5th of March, 1902, has been duly ratified by all the Signatory Powers not coming under Article VI, as well as by Italy; and that it will accordingly come into force on the 1st of September next; and I enclose for your further information copies of a Parliamentary Paper* containing correspondence on the subject.

2.—It will be necessary now to take such steps as may be required (if any) to give effect to the engagements entered into by His Majesty's Government on behalf of the Colonies not possessing Responsible Government, which engagements are specially referred to in paragraphs 5, 6, 9, 10 and 11 of my Circular despatch referred to above; and with regard to Article. III of the Convention, I would here repeat that in any sugar exporting Colony where there may be a higher surtax, i.e., difference between the excise and import duties, than that allowed by the Convention, it would be preferable in all cases to reduce it to within the prescribed limit, since it would probably be difficult to prove to the satisfaction of the Permanent Commission to be appointed under Article VII that under no circumstances could the higher surtax give rise to a bounty.

^{*} In Chamber of Commerce Library.

3.—The undertaking, however, not to give bounties or to have a higher surtax than that allowed by Article III does not apply, as you are no doubt aware, to Colonies which only produce sugar for their own consumption and not for exportation, but in the case of any such Colonies which may either give any form of bounty or have a higher surtax than that prescribed, it would be necessary to supply for the information of the Permanent Commission satisfactory evidence that sugar is not exported.

4.—With regard to Article VIII it may perhaps be more convenient to await the proposals of the Permanent Commission before undertaking any legislation.

5.—Lastly, in order to supply the statistical and other information required for the Permanent Commission under Article VII, I would request that three sets of all enactments relating to sugar now in force may be forwarded to this office at once, and that similar sets of any further laws on the subject may be forwarded from time to time as soon as possible after being passed.

6.—I may add, with reference to paragraph 9 of my Circular despatch of the 21st of April, 1902, that Article III would not apply to sugar used solely for feeding cattle and not intended for human consumption.—I have, &c.,

J. ('HAMBERLAIN.

The Officer Administering the Government of Hongkong.

(Table of Contents of the Parliamentary Paper referred to above.)

No.	Name.	Date.	Subject.	Page.
1	To Sir E. Monson (also to Sir C. Phipps, Sir H. Howard, Sir F. Plunkett, Sir F. Lascelles, Sir W. Barrington, Sir R. Rodd, and Sir M. Durand.)	Jan. 13, 1903	His Majesty's Government think it right to inform the parties to the Sugar Convention that they will not, under any circumstances, be bound to penalize bounty-fed sugar from the Colonies	1

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No.	Name.	Date.	Subject.	Page.
2	Sir C. Phipps	Jan. 15, 1903.	The German ratification has been lodged unconditionally. The Belgian Government suggest that at the moment of depositing ratification, His Majesty's Governmentshould address to them a declaration of their views as to non-penalization of Colonial sugar.	2
3	,, ,,	15,	Belgian Government inquire if a communication in sense of the despatch of the 13th January (No. 1) has been sent to the other Powers interested	2
4	To Sir C. Phipps	16,	Communications similar to that in despatch of the 13th Janu- ary have been sent to other Powers interested. Reasons for taking this course	2
5	Sir C. Phipps	17,	Belgian Government contemplate advising Powers not to reply to Circular communication. They will accept British ratification subject to reservation announced	2
6	To Sir C. Phipps	21,	Transmits the King's ratification, with instructions to make a declaration as to bounty-fed sugar from the Colonies	3
7	,, ,,	23,	Instructs him to postpone the deposit of the ratification until the last moment. He may communicate precise terms of the reservation to the Belgian Government	3

No.	Name.	Date.	Subject.	Page.
8	Sir Rennell Rodd	Jan. 23, 1903.	Has communicated despatch of the 13th January (No. 1) to Signor Prinetti	3
9	To Sir C. Phipps	26,	There is no objection to Belgian Government communicating text of reservation to other Powers	4
10	Sir C. Phipps	27,	Belgian Government hope that His Majesty's Government will ratify at once, since the conditions in their present form are absolutely unobject- ionable.	4
11	To Sir C. Phipps	27,	Ratification should not be deposited until the 31st January.	4
12	Sir C. Phipps	27,	French Government have ratified Convention	4
13	,, ,,	30,	The Netherlands have ratified the Convention uncondition-	
14	" " "	31,	ally. Has deposited the King's ratification.	5
15	,, ,,	31,	Transmits text of declaration made when depositing rati-	5
16	Sir W. Barrington	30,	fication	
17	Sir F. Lascelles	Feb. 3,	offer any remarks on it Reply of the German Government to the communication conveyed in the Circular of the 13th January (No. 1)	6

No.	Name.	Date.	Subject.	Page.
18	Baron Grenier	Feb. 6, 1903.	Transmits copy of proces-verbal relative to deposit of ratifications. Also copy of Austrian declaration. Spain and Sweden have not yet ratified. Will the British Government consent to ratifications being received after the 1st February?	7
19	To Baron Grenier	11,	His Majesty's Government have no objection to the acceptance at a future date of the ratifications of Spain and Sweden	11
20	Sir H. Howard	12,	Netherland Government have ratified without alluding to the contention of His Majesty's Government. The Minister for Foregn Affairs does not share the British view, but thought it better in the circumstances to avoid discussion on the subject	11

Colonial Secretary's Office, Hongkong, 29th July, 1903.

Str,—I am directed to transmit, for the information of your Chamber the enclosed copy of a telegram from the Secretary of State for the Colonies received through Penang, relating to the new regulations regarding the importation of sugar into Great Britain and Ireland.—I have, &c.,

F. H. MAY, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

Transcription of a Telegram from the Secretary of State for the Colonies, received on the 28th July, 1903.

Following Telegram received from the Secretary of State for the Colonies, begins:—

Brussels Sugar Convention. All sugar imported into United Kingdom after 1st September must have certificate of origin. This does not apply to sugar which has been used in preparation for such articles as biscuits, chocolate, jam, preserved fruit and confectionery. All sugar imported into other signatory States all require certificate of origin but H.M.'s. Government does not yet know what these States may require with regard to articles in the preparation of which sugar may be used. Make this known at once and take such action as may be necessary.—Telegram ends.

(Governor Penang.)

COLONIAL SECRETARY'S OFFICE, HONGKONG, 11th September, 1903.

S1R,—I am directed to transmit, for your information, the enclosed copy of a Despatch from the Secretary of State for the Colonies with regard to the Sugar Convention which was signed at Brussels last year and came into force on the 1st instant.—I have, &c.,

F. H. MAY, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

Downing Street, 30th July, 1903.

Sir,—With reference to my Circular despatch of the 7th of April, I have the honour to inform you that the Permanent Commission established under Article VII of the Brussels Sugar Convention met at Brussels on the 2nd of June, and after holding fifteen sittings adjourned till the 15th of October.

2.—I transmit to you herewith, for your information and guidance, the accompanying Parliamentary Paper* containing a Report of the proceedings of the Commission by the British Delegate, Sir Henry Bergne, K.C.B., K.C.M.G., and the communications received from the Belgian Government reporting the various conclusions arrived at by the Commission.

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3.—It will be observed that in the case of some countries, believed to give bounties, but with regard to whose legislation full information had not been received, it was decided, as a temporary measure, to adopt the scale of Countervailing Duties fixed for the sugars of such countries by the United States.

4.—The legislation of the British Colonies has not yet been considered by the Commission, but I would draw your special attention to the requirements which will come into force in all the contracting States with respect to Certificates of Origin, and to the obligations undertaken by His Majesty's Government on behalf of the Colonies not possessing responsible government to take such measures as may be necessary to earry out Article VIII of the Brussels Convention, to which I referred in paragraph 4 of my Circular despatch of the 7th April.

5.—It is necessary, as you will observe, that any sugar, which may reach this country or any other of the contracting States from a British Colony after the 31st of August, should be accompanied by a Certificate of Origin as prescribed in the Rules adopted by the Commission, and given in Sir Henry Bergne's Report of the 13th of July, and in Baron de Favereau's note of the 4th of July.

6.—Immediate steps should therefore be taken in all sugar exporting Colonies to comply with the above requirements, and it should be considered at the same time whether any, and if so, what legislation may be necessary to prevent bounty-fed sugar being imported into a British Colony and re-exported to a contracting State, either in the form in which it was imported, or after refining or other similar process, as the sugar of that Colony.

7.—In connection with the Rules referred to above it should be observed that His Majesty's Government construe the expression "sugar prepared" (sucres préparés) in Article 6 of the Rules as including all sugar manufactured, refined, or converted into other forms of sugar such as sugar eandy, barley sugar, &c., but not such articles as biscuits, chocolate, jam, preserved fruits, condensed milk, confectionery, &c. In the case of articles of this latter description a Certificate of the Origin of the sugar employed in their manufacture will not be required in the United Kingdom, while, as I informed you in paragraph 12 of my Circular despatch of the 21st of April, 1902, Article I of the Convention does not apply to molasses or glucose. It is not yet known what rules the other contracting States may adopt as to Certificates of Origin for articles into the composition of which sugar enters.

^{*} In Chamber of Commerce Library.

8.—I have telegraphed briefly to the above effect to all the Colonies in which it is understood that any appreciable amount of sugar is produced or refined, or through whose ports it passes in transit.

9.—In conclusion, I have to remind you of the request contained in paragraph 5 of my Circular despatch of the 7th of April, and to beg that I may be furnished by the earliest opportunity with three sets of any legislation or regulations which may be passed on this subject.—I have, &c.,

J. CHAMBERLAIN.

The Officer Administering the Government of Hongkong.

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			duty to be applied to bounty- fed sugar from countries for which Commission shall not, before the 1st September next, have fixed minimum	
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COLONIAL SECRETARY'S OFFICE, Hongkong, 19th September, 1903.

SIR,—With reference to my letter of the 11th instant, I am directed to inform you that the Government will be glad to receive any remarks or suggestions which your Chamber may desire to offer with regard to the Sugar Convention in its application to Hongkong, in order that the Government may be acquainted with the views of the Chamber before Legislative action is undertaken. I am further to enquire whether the Chamber is in a position to supply the Government with information regarding the import and export to and from this Colony of bounty-fed sugar, in which connection I am to refer you to paragraph 6 of the Secretary of State's Despatch, a copy of which has been transmitted to you.

2. I am to point out that the contracting parties to the Convention appear to be Great Britain, Belgium, Germany, France, Holland, Austria-Hungary, Sweden, Luxemburg and Italy, and that the Colonies of these Countries are similarly bound by its terms, subject to the reservation made by Great Britain in respect of her self-governing Colonies.—I have, &c.,

F. H. MAY, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

Hongkong General Chamber of Commerce, Hongkong, 7th October, 1903.

SIR,—I have the honour to acknowledge the receipt of your letters of the 11th and 19th ultimo (Nos. 7067/03 C.O.D.) forwarding a parliamentary copy of the findings of the Permanent Commission established under Article VII of the Sugar Convention of the 5th March, 1902, and conveying the request that the Government would be glad to receive any remarks or suggestions which this Chamber may desire to offer with regard to the Sugar Convention in its application to Hongkong preparatory to legislative action being introduced.

This matter has been referred to a Sub-Committee to report thereon and the Committee's findings will be notified to you at the earliest possible opportunity.—I have, &c.,

EDBERT A. HEWETT, Chairman.

Honourable F. H. MAY, C.M.G., Colonial Secretary.

COLONIAL SECRETARY'S OFFICE, Hongkong, 17th October, 1903.

SIR,—With reference to my letter No. 7067/03/C.O.D. of the 19th ultimo, I am directed to transmit for the information of the Chamber the enclosed copy of the Secretary of State's Circular Despatch of the 28th August last with enclosure.

2. The Secretary of State has been informed that the "Fiscal Authority" referred to in Regulation III of the Schedule to the first Order in Council of August 11th, which will be found among the enclosures sent herewith, is, in this Colony, the Colonial Secretary.—I have, &c.,

F. H. MAY, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

Downing Street, 28th August, 1903.

Sir,—With reference to my Circular despatch of the 30th ultimo, I have the honour to transmit to you, for your information, a copy of the Act passed in the last Session of Parliament for giving effect to the Brussels Sugar Convention.

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I also enclose two General Orders* issued by the Board of Customs with which are the Orders in Council issued under the Act of Parliament.

It will be observed that no special form of certificate is insisted upon, provided that the regulations in the schedule to the first Order in Council of the 11th of August are duly complied with.—I have &c.,

J. CHAMBERLAIN.

The Officer Administering the Government of Hongkong.

CHAPTER 21

An Act to make provision for giving effect to a Convention signed the Fifth day of March Nineteen hundred and two, in relation to Sugar.

[11th August, 1903.]

Whereas His Majesty the King and divers foreign Powers have entered into a Convention signed the Fifth day of March, Nineteen hundred and two, in relation to sugar; and it is expedient to give effect to that Convention:

And whereas provision is made under Article VII of the Convention for the establishment of a permanent commission with a permanent bureau attached to it charged with watching the execution of the provisions of the Convention (in this Act referred to as the Permanent Commission):

Be it therefore enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1.—(1) Where it is reported by the Permanent Commission that any direct or indirect bounty is granted in any foreign country on the production or export of sugars, His Majesty may, by Order in Council, make a prohibition order, that is to say, an order prohibiting sugar from that foreign country to be imported or brought into the United Kingdom, subject to any provision which may be made by Parliament in lieu of such prohibition to impose a special duty on such sugar in accordance with the Convention.

^{*} In Chamber of Commerce Library.

- (2) While a prohibition order is in force the laws relating to Customs shall apply as if the sugar in respect of which the Order is made were specified in the table of prohibitions and restrictions inwards contained in section forty-two of the Customs Consolidation Act, 1876.
- (3) His Majesty may, by Order in Council, make such regulations as appear to him necessary, in relation to any Order under this section, and may by those regulations in particular require the origin of all sugar imported or brought into the United Kingdom, whether in transit or otherwise, to be proved by such certificate or other evidence as may be provided in the Order.
- (4) An Order made under this section shall not apply to molasses nor, except as expressly mentioned in this section, to sugar in transit.
- (5) Any share of the expenses on account of the organisation and working of the Permanent Commission as determined in pursuance of the Convention, and any expenses incurred in connection with the attendance of delegates at the Commission, shall be paid out of moneys provided by Parliament.
- 2. His Majesty may, by Order in Council, declare that every sugar factory and sugar refinery and factory for the extraction of sugar from molasses in the United Kingdom shall be subject to the supervision either of the Commissioners of Customs or of the Commissioners of Inland Revenue; and those Commissioners may respectively make regulations—
 - (a) for prohibiting the carrying on of any such factory or refinery otherwise than by persons authorised, and in premises approved, by the Commissioners and, if required, entered for the purpose; and for giving officers of the Commissioners powers of entry into any part of the premises at any time; and
 - (b) for securing the payment of duty (including any charge which there is power to make under the law for the time being in force, on the delivery of goods for home consumption), and regulating the time and mode of, and the general arrangements to be made for, that payment, and for preventing any claim to drawback where duty has not been paid, and for regulating the removal of any sugar to

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or from the premises, the storage of finished sugar, and the return of sugar for the purpose of further refinement; and

- (c) for making such entries in relation to the various processes in the manufacture of sugar as may be required by the Commissioners, and for enabling the officers of the Commissioners to inspect those entries; and
- (d) for applying any provisions of the laws of Customs (including the Manufactured Tobacco Act, 1863) or of the laws of Excise; and
- (e) for attaching penalties not exceeding fifty pounds to any breach of or failure to comply with any regulation made under this section, and providing for the forfeiture of any article in respect of which any offence against the regulations is committed;

and the duties payable under the Finance Act, 1901, or any Act amending that Act, shall be taken on the delivery of any article from the factory or refinery, and shall be the same as those payable on the like articles on importation.

- 3.—(1) His Majesty may by Order in Council revoke, alter, or add to any Order in Council made under this Act.
 - (2) Nothing in this Act shall apply to glucose.
 - 4. This Act may be cited as the Sugar Convention Act, 1903.

Hongkong General Chamber of Commerce, Hongkong, 19th October, 1903.

SIR,—I have the honour to acknowledge the receipt of your letter of the 17th instant, (No. 7978/03/C.O.D.) together with enclosures, which is now receiving the attention of the Committee of the Chamber of Commerce.

In reply I beg to inform you that a Sub-Committee has been appointed to consider the question of the sugar trade of the Colony as affected by the Sugar Convention, and I hope to be able at an early date

to reply to your letter on this subject and those dated 11th and 19th ultimo (Nos. 7067/03/C.O.D. and Circular No. 7067/03/C.O.D.)—I have, &c.,

EDBERT A. HEWETT, Chairman.

Honourable F. H. MAY, C.M.G., Colonial Secretary.

Hongkong General Chamber of Commerce, Hongkong, 31st October, 1903.

SIR,—With reference to my letter of 7th instant, in which receipt was acknowledged of your various communications concerning proposed legislation under the terms of the Brussels Convention against bounty fed sugar imported into Hongkong, I have the honour to inform youthat this question has now been considered by a special Sub-Committee of the Hongkong Chamber of Commerce.

With regard to the importation of such bounty-fed sugar, I regret that it is impossible to supply any reliable figures as to the full volume of trade, but it is known that at least 100,800 tons were landed here during the year 1902 and some 8,000 tons during the present year. I would add that little if any of this sugar was consumed in the Colony, it being in transit to China.

Regarding the question of legislation, my Committee venture to point out that while at the moment there is no apparent pressing need for such a step to be taken, still with a view to future possible contingencies, certain regulations might be brought into force, and they beg therefore to make the following suggestions:—

- (a.) All cane or beet sugar, either raw or refined, destined for discharge in this Colony, to be accompanied by an official certificate stating the country of production, place of manufacture and port of shipment.
- (b.) All cane or beet sugar either raw or refined, landed in the Colony from a country not in the Convention to pay duty on the scale already fixed by the Brussels Convention.
- (c.) Duty on refined cane or beet sugar re-exported from Hongkong to be refunded on re-shipment for export from the Colony.

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- (d.) Duty on raw cane or beet sugar to be refunded on reexport from the Colony either in the form of raw or refined sugar.
- With regard to the above proposal my Committee believe that no great difficulty need be experienced in drawing up a scale shewing how much refined sugar can be produced by the various grades of raw material imported into Hongkong for manufacture locally.
- In this connection it may not be out of place to here remark that probably less than 1 per cent. of the total output of the Hongkong refineries is consumed in this Colony.
- (e.) My Committee further consider that it would be advisable in the interests of the through carrying trade of Hongkong that a system of bonded warehouses be arranged for, where under proper guarantees either raw or refined sugar can be bonded in public godowns, thus doing away with the necessity for payment of duty on sugar merely in transit through the Colony.

There is one more point which appears to call for consideration.

It is stated in the "Findings of the Permanent Commission" (Commercial No. 6, 1903, Cd. 1632 page 4) that with regard to Japan "the "surtax on the importation of sugar which benefits by the import "duties * * * * * is not high enough to render necessary the applica"tion of countervailing duties on raw sugar and on the greater portion "of refined sugar."

As is well known Japanese manufactured sugar enjoys preferential treatment in Japan as opposed to Hongkong manufactured sugar.

In the event of Japanese manufactured sugar being exported to Hongkong my Committee would suggest that duties should be levied corresponding with the excess paid by Hongkong manufactured sugars in Japan as compared with the products of Japanese refineries.

The figures referring to the exact amount of the excess duties are awaited from Japan and they will be forwarded to the Government immediately on receipt.

My Committee make this proposal as they are not able to ascertain that this point is covered by the Brussels Convention.

My Committee beg to express the hope that as the Government has done them the honour to communicate with them on the subject of the proposed legislation against bounty-fed sugar, they may also have an opportunity of expressing an opinion on the draft Ordinance should legislation be decided upon before the Bill be submitted to the Legislative Council.—I have, &c.,

A. R. LOWE, Secretary.

Honourable F. H. MAY, C.M.G., Colonial Secretary.

COLONIAL SECRETARY'S OFFICE, Hongkong, 13th November, 1903.

SIR,—Referring to my letter of the 29th July, I am directed to inform you that a Notification will appear in the forthcoming issue of the Government Gazette to the effect that the Colonial Secretary of Hongkong for the time being is the "Fiscal Authority" for the purposes of the Regulation No. III in His Majesty's Order in Council of the 11th August last made under the provisions of the Imperial Sugar Convention Act of 1903, and that all Certificates of Origin relating to Sugar exported from this Colony must be declared before him and must be in the form of which copies can be had at this Office, as soon as they are printed, which is now being done. I enclose a copy.

I am to add that under the Official Signatures Fees Ordinance, 1888 a fee of \$2, will be payable at the time of making the Declaration.—I have, &c.,

M. J. DRAYSON, for Colonial Secretary.

The Secretary, Chamber of Commerce, Hongkong.

Form of declaration by the Exportes or his Agent.

Certificate of origin for sugar manufactured in Hongkong.

I, the undersigned Fiscal Authority, do hereby certify:—

That Mr. (a.) { Partner, Secretary Director, Manager, or authorised Agent, }

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Number and Description of Packages.	Marks.	Numbers.	11 (2) (2) (1)	Description of Sugar, whether	Polari	Name of exporting vessel.
No. Description.			inewts.	BeetorCane.		
					14	

So declared under my responsibility.

(a.) Partner, Director, Manager, Secretary, or authorised Agent,	Fiscal Authority of Hongkong.
of the Firm of	
thisday of	190 .

The validity of this Certificate expires twelve months from the date of the Declaration.

This Certificate is not applicable to Sugar in transit.

- * (a.) Delete words which do not apply.
- (b.) Country of Destination.

Colonial Secretary's Office, Hongkong, 21st December, 1903.

SIR,—With reference to your letter of the 31st October, I am directed to transmit for the information of your Committee the accompanying copy of a further despatch, with enclosures, on the subject of the Sugar Convention.—I have, &c.,

A. M. THOMSON, Acting Colonial Secretary.

The Secretary, Chamber of Commerce, Hougkong.

Downing Street, 5th November, 1903.

Sir,—With reference to paragraph 7 of my Predecessor's Circular despatch of the 30th of July, I have the honour to transmit to you the accompanying prints containing the Regulations with respect to the Certificates of Origin required in the case of sugar imported into Austria-Hungary, Belgium, France and Germany, together with a copy of the form of Certificate adopted by the French Authorities for the Certificates of Origin required for sugar imported into France.

I understand that for the present none of the European Signatory States will require Consular Visas for Certificates of Origin issued by any of the British Crown Colonies referred to in the Protocol to Article XI. of the Brussels Convention.—I have, &c.,

ALFRED LYTTELTON.

The Officer Administering the Government of Hongkong.

Hongkong General Chamber of Commerce, Hongkong, 21st December, 1903.

S1R,—I have now the honour to furnish you with the figures relating to the excess duties paid by the Hongkong manufactured sugars imported into Japan as compared with the products of Japanese refineries to which reference was made in my letter to you of the 31st October last, conveying the views of the Chamber with regard to the proposal to legislate for the regulation of the sugar trade in this Colony.

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These excess duties per 100 Japanese Kin (the English equivalent being 132.5073232011 lbs. Avoir.) are as follows:—

 Yen
 0.271 on
 Sugars grading
 No.
 8 to No.
 14. Dutch Standards.

 ,,
 0.748
 do.
 15 to No.
 20 do

 ,,
 0.827
 do.
 over No.
 20 do

The taxes on sugars imported into Japan are payable by both Japanese and Foreigners alike, but the above mentioned "Import Duties" are refunded to the Japanese refineries only, thus leaving the Hongkong manufactured sugars descriminated against to the extent shewn above.—I have, &c.,

A. R. LOWE, Secretary.

Honourable A. M. Thomson, Acting Colonial Secretary.

COLONIAL SECRETARY'S OFFICE, HONGKONG, 28th December, 1903.

SIR,—I am directed to acknowledge the receipt of your letter of the 21st instant, relating to the excess duties paid by Hongkong manufactured sugars imported into Japan as compared with the products of Japanese refineries, and to state that the matter will receive attention.—I have, &c.,

A. M. THOMSON, Acting Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE, Hougkong.

COLONIAL SECRETARY'S OFFICE, HONGKONG, 8th January, 1904.

S1R,—With reference to my letter of the 21st ultimo, I am directed to forward the accompanying copy of a further despatch, with enclosures, on the subject of the Sugar Convention.—I have, &c.,

A. M. THOMSON, Acting Colonial Secretary.

The Secretary, General Chamber of Commerce, Hongkong.

Circular.

Downing Street, 17th November, 1903.

Sir,—In continuation of my Circular despatch of the 5th instant, I have the honour to transmit to you the accompanying further prints * relative to the Regulations with respect to the Certificates of Origin required in the case of sugar imported into Italy, the Netherlands and Sweden.—I have, &c.,

ALFRED LYTTELTON.

The Officer Administering the Government of Hongkong.

Colonial Secretary's Office, Hongkong, 4th February, 1904.

SIR,—With reference to previous correspondence on the subject of the Brussels Permanent Sugar Commission, I am directed to transmit, for the information of the Chamber, the enclosed copy of a Circular despatch from the Secretary of State for the Colonies, dated the 19th December, with enclosure.—I have, &c.,

A. M. THOMSON, Acting Colonial Secretary. The Secretary, Chamber of Commerce, Hongkong.

Downing Street, 19th December, 1903.

Sir,—With reference to my Predecessor's Circular despatch of the 30th July, I have the honour to transmit to you the accompanying copy of a Report by Sir Henry Bergne, K.C.B., K.C.M.G., of the proceedings of the Brussels Permanent Sugar Commission of the recent Session of the Commission in October last.—I have, &c.,

ALFRED LYTTELTON.

The Officer Administering the Government of Hongkong.

Sir H. Bergne to the Marquess of Lansdowne. (Received November, 23.)

London, November 20th, 1903.

My Lord,—I have the honour to report that the International Sugar Bounties Commission held its third session at Brussels from the 15th to the 23rd ultimo.

The first business was the announcement of the definitive adhesion to the Convention of the 5th March, 1902, of the Grand Duchy of Luxemburg and of Peru. It will be remembered that the legislation of Peru had been found at first to be inconsistent with the Convention in certain particulars. These inconsistencies have now, however, been removed, and there remained no obstacle to the adhesion of Peru. The legislation of Luxemburg is similar to that of Germany; and, in these circumstances, Luxemburg and Peru were admitted to the Union, and were consequently each represented by a Delegate at the recent session of the Commission.

The next point to engage the attention of the Commission was the question whether any means could be found to facilitate the adhesion of Russia to the Convention of the 5th March, 1902. The correspondence which had been exchanged between the Belgian and Russian Governments on this subject was laid before the Commission. It has already reached His Majesty's Government from the Belgian Minister in London.

The Russian Government had sent two Delegates to Brussels in order to furnish to the Commission further information in regard to the proposals already put forward by Russia, which consisted in a suggestion that the Penal Clause should cease to apply to Russian sugar on condition that the export to Europe should be limited to a certain extent.

The Commission, whilst recognizing that it had no mandate to entertain or accept any accession, except within the terms of the Convention of the 5th March, 1902, decided that it was extremely desirable it should be in full possession of any facts or propositions which the Russian Government might be willing to lay before it, in order that, if possible, the ground might be cleared for subsequent treatment of the question by means of diplomatic correspondence.

The Russian Delegates were therefore admitted at two sittings of the Commission, and a somewhat inconclusive exchange of views took place, in the course of which it transpired that they had no authority to make any definite fresh proposals.

Before these interviews had taken place, the various delegations had stated their respective views on the Russian proposals, to the general effect that they were favourable to any discussion which might tend to facilitate the adhesion of Russia to the Convention.

^{*} In Chamber of Commerce Library.

In accordance with my instructions I made the following declaration:-

"Après un examen attentif de la proposition Russe, le Gouvernement de la Grande-Bretagne est d'avis qu'elle est tout à fait contraire aux stipulations de la Convention de Bruxelles, qui impose aux Parties Contractantes le devoir de pénaliser tous les sucres primés.

"La Commission a reconnu l'existence d'une prime pour les sucres Russes, sans toutefois en avoir déterminé le montant exact.

"Si, donc, on allait créer une situation préférentielle d'exemption pour les sucres primés de la Russie, on ferait sans doute naître des difficultés assez sérieuses, quant au traitement des sucres des autres pays qui donnent des primes.

"Dans ces conditions, mon Gouvernement a reconnu qu'il n'est pas possible d'accepter la proposition Russe.

"Du reste, mon Gouvernement est d'avis que la Commission, qui tient son mandat de la Convention, n'a pas qualité pour proposer on accepter des modifications à cette Convention."

But I added that I should, nevertheless, listen with attention to any further explanations the Russian Delegates might wish to lay before the Commission.

The President eventually summed up as follows those points which had been discussed with the Russian Delegates, but upon which no definite conclusion could be reached:—

- "1. Fixation du prix de vente à l'intérieur.
- "2. Établissement, par la Russie, de droits compensateurs sur les sucres primés provenant des pays tiers.
- "3. Engagement à prendre par la Russie d'observer toutes les clauses de la Convention auxquelles il n'aurait pas été fait formellement exception.
 - "4. Diminution de la surtaxe actuelle.
 - "5. Limitation de l'exportation des sucres Russes."

It is upon these five points that any diplomatic correspondence which may ensue will probably turn.

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The Commission, however, again affirmed during this session that the Russian system, as it exists, does give rise to a bounty; but it was agreed for the present not to fix the exact amount thereof, on the ground that it depended on various elements liable to fluctuation, which could not be estimated as fixed quantities. The rate fixed in the United States continues, therefore, to apply.

The next point considered by the Commission was the request of the Danish Government for reconsideration of the countervailing duties fixed for Danish sugars. After some discussion it was decided that the rates previously fixed should be maintained, and that a communication should be addressed to the Danish Government, giving the reasons for this decision. The hope was at the same time expressed that the Danish Government might see fit to place themselves in a position to adhere to the Convention.

The Commission next drafted and agreed to Regulations for its procedure at subsequent sessions. These Regulations, as finally adopted, will be found amongst the documents printed for the Commission during its recent session, but are not of sufficient general interest to be here quoted at length.

It then became the duty of the Commission to once more pass in review the legislation of the Contracting States.

Germany.—No criticisms were made on the German law.

Austria and Hungary.—Attention was called by the British and other delegations to Article 5 of the Austrian Law of the 31st January, 1903, which appeared to leave the contingent system in force, although the individual allotment of it had disappeared. The Austrian and Hungarian Delegates, however, gave the most categorical assurances that the contingent system had completely disappeared both in Austria and Hungary.

The following were the declarations made by them :-

"M. le Dr. Joas, Délégué de l'Autriche, répondant aux questions posées par les honorables Délégués des Pays-Bas et de la Grande-Bretagne, rappelle que, dans la neuvième séance tenue le 18 Juin, 1903, la majorité de la Commission a émis l'avis que le system de contingent officiel consacré par la législation Autrichienne ne pouvait être considéré comme se conciliant avec les prescriptions de la Convention du 5 Mars, 1902.

"En conséquence, la Loi Autrichienne du 31 Janvier, 1903, (Bulletin des Lois' No. 27) a été abolie dans toute son étendue par l'Ordonnance Impériale publiée, et entrée en vigueur le 4 Août, 1903.

"La réglementation officielle du débit des sucres pour la consommation intérieure en Autriche n'a donc jamais été réalisée.

"En ce qui concerne le but poursuivi par le contingent d'assur à l'industrie nationale le marché de chacun des deux Etats de la Monarchie Austro-Hongroise, lesquels forment un territoire douanier et commercial commun, les deux Gouvernements viennent de se mettre d'accord pour atteindre ce but d'une autre manière que par le système du contingent. Ils se sont entendus pour proposer à la Législature d'établir, à partir du 1er Septembre, 1903, une surtaxe sur les sucres expédiés de l'un des deux pays dans l'autre.

"Vu l'unité douanière existant entre les deux pays, cette surtaxe, dont le montant a été fixé à 3 couronnes 50 heller par quintal pour les sucres raffinés et les sucres assimilables aux raffinés, et à 3 couronnes 30 heller pour les autres sucres, sera perçue par l'Etat expéditeur. Le Projet de Loi concernant ces mesures n'est pas encore soumis au Corps Législatif.

"L'honorable Délégué ajoute que ce Projet de Loi fera disparaître complètement l'Article 5 de la Loi du 31 Janvier, 1903. Dans l'intervalle, cet Article ne reçoit pas son application.

"M. le Dr. Teleszky, Délégué de la Hongrie, expose, à son tour, que son Gouvernement et le Parlement Hongrois, en se ralliant aux dispositions de la Convention relative au régime des sucres conclue à Bruxelles le 5 Mars, 1902, ont interprété les dispositions de cette Convention en ce sens qu'une utilisation quelconque de la surtaxe autorisée par la Convention serait inadmissible.

"Bien qu'il n'ait pas cru pouvoir puiser dans les débats qui eurent lieu au sein de la Commission sur la question du contingent, la conviction que les mesures projetées n'étaient pas conformes au texte ou à l'esprit de la Convention, le Gouvernement Hongrois, mû par le désir sincère de conserver à la grande œuvre internationale, achevée après tant de difficultés, son absolue intégralité, n'a pas cru devoir insister sur le bon droit que son interpétation susvisée lui donnait, et a résolu de poursuivre par d'autres moyens le but qu'il se proposait d'atteindre par le con-

tingentement et qui n'était autre, on le sait, que désir d'assurer le marché intérieur à la production sucrière nationale.

"En conséquence, le Projet de Loi sur la répartition individuelle du contingent de sucre n'a pas été revêtu de la sanction législative, et les dispositions des §§ 5 et 8 de la Loi II de l'année 1900 ayant un rapport quelconque avec le contingent, ne furent pas mises à exécution. Ces dispositions d'ailleurs, ne pourraient être exécutoires qu'après la répartition individuelle du contingent.

"En ce qui concerne le but susmentionné, poursuivi par le contingent, le Gouvernement Hongrois s'est entendu avec le Gouvernement Impérial d'Autriche pour proposer à la Législature des deux parties de la Monarchie d'établir, à partir du 1er Septembre, 1903, une surtaxe sur les sucres expédiés de l'un des deux pays dans l'autre.

"Vu l'unité douanière existant entre les deux pays, cette surtaxe, dont le montant a été fixé à 3 couronnes 50 heller pour le sucre raffiné et les sucres assimilables au raffiné, et à 3 couronnes 30 heller pour les autres sucres, sera perçue par l'Etat expéditeur. Le Projet de Loi concernant ces mesures n'a pas encore été soumis au Parlement."

France.—I inquired whether the French Delegate was in a position to lay before the Commission any "Project de Loi" devised to meet the criticisms made at the last session of the Commission in regard to the French system of refining in bond. The French Delegate replied as follows:—

"M. Delatour, Délégué de la France, déclare qu'il n'est pas en état de déposer le projet de modification au régime des raffineries. Le Gouvernement de le République estime que, par égard pour le Parlement, il ne lui est possible de saisir la Commission Permanente d'un projet qui n'a pas encore été soumis aux Chambres."

"M. Delatour exprime la convictoin que la question sera réglée avant la prochaine session de la Commission Permanente."

The Permanent Bureau has undertaken to distribute this "Projet de Loi" to the various Delegates as soon as it is laid before the French Chambers, but I venture to suggest that His Majesty's Ambassador at Paris might be instructed to endeavour to obtain copies of it as soon as they can properly be communicated to His Majesty's Government. It

would evidently be abvisable that any observations to which this "Projet de Loi" might give rise should be made to the French Government before, rather than after, the measure is passed.

At my request the French Delegate undertook to submit to the Commission at its next session a statement of the exact legislative system in the French Colonies so far as concerns sugar.

The Netherland Delegate made a similar promise in regard to the Dutch Colonies.

Netherlands,
Luxemburg,
Italy,
Peru,
Sweden,

No further observations were made on the laws of these countries.

When the Law of Belgium came on for examination, I made the following statement in connection with the surtax allowed in Belgium to sugared products:—

- "Sir Henry Bergne, Délégué de la Grande-Bretagne, dit que d'après ses instructions, il a le devoir d'appeler l'attention de la Commission sur les dispositions du Tarif de la Belgique relatives aux produits sucrés. Il présente à ce sujet les considérations suivantes:—
- "'Le droit d'accis est de 20 fr. pour les sucres. Les droits de Douane sur les conserves alimentaires renfermant plus de 50 pour cent de surere sout de 30 fr. La surtaxe, dans ce cas, est donc de 10 fr.
- "'Il y a lieu d'examiner si, d'après les termes de la Convention, les Parties Contractantes peuvent prélever sur les produits sucrés une surtaxe plus élevée que celle qui est fixée par l'Article III.
- "'Dans la quatorfième séance de la Conférence (page 184 du recueil des procès-verbaux), M. le Président a dit que "l'assimilation des produits sucrés aux sucres est limitée à la disposition de l'Article I figurant dans le même alinéa." Il a ajouté que "cetté observation serait consignée au procès-verbal comme exprimant l'opinion de la Conférence." M. le Président, au cours de la dix-septième séance (page 218), a ajouté: "La limitation de la surtaxe ne vise, en effet, que les sucres proprement dits—c'est-á-dire, les sucres comestibles, et non les sous-produits de la fabrication et du raffinage, tels que les mélasses, par exemple." Cette manière de voir a été admise par la Conférence. Ces paroles, semble-t-il, tendainent à exclure des effets de l'Article III des sous-

produits en question, mais n'avaient pas la portée d'exclure les produits sucrés comestibles qui continnent une proportion notable de sucre proprement dit. Si l'on examine l'Article I, on trouve, dans l'énumération des primes, que d'après le premier alinéa de cet Article, on ne peut accorder aux sucres ni aux produits sucrés : "(f) les avantages résultant de toute surtaxe d'un taux supérieur à celui fixé par l'Article III."

- "'Il semble donc que les Parties Contractants ne sont pas autorisées à préleve sur les produits sucrés une surtaxe plus élevée que celle qui est fixée par l'Article III.
- "'Selon l'opinion de mon Gouvernement, les Hautes Parties Contractantes se sont engagées, par la Convention, à ne pas accorder de primes ni d'avantages découlant d'une surtaxe élevée, aux sucres et aux produits sucrés.
- "'Cependant, vu que l'application de la Convention aux produits sucrés est limitée aux dispositions de l'Article I, il n'y a pas, pour les Parties Contractantes, obligation de pénaliser les produits sucrés qui pourrainet contenir du sucre primé.
- "'Sous ces conditions, mon Gouvernement m'a chargé d'exprimer l'espoir que si la Commission partage sa manière de voir sur cette question, le Gouvernement Belge voudra bien envisager les mesures qui deviendraient nécessaires.
- "'Au surplus, le Gouvernement de la Grande-Bretagne aime à reconnaître l'esprit de bonne foi dont s'est montré animé le Gouvernemet Belge en mettant à exécution la Convention, et il n'a pas manqué de prendre en considération les difficultés que devra nécessairement faire maître, au début, l'application d'un nouveau système de législation internationale.'"
 - "M. Kebers, one of the Belgian Delegates, replied as follows :-
- "M. Kebers, Délégué de la Belgique, constate que l'appréciation formulée dans la quatorzième séance par le Président de la Conférence et qu'a invoquée l'honorable Sir Henry Bergne, répondait à une observation de son Excellence M. le Ministre de la Grande-Bretagne ainsi rapportée par le proccès-verbal:—

"Son Excellence M. Phipps fait remarquer que l'Article de la Convention qui rendra obligatoire le régime d'entrepôt ne peut s'appliquer évidemment à la fabrication des confitures, des biscuits, et autres produits sucrés. Il se demande si, pour prévenir tout malentendu à cet égards, il ne conviendrait pas de commencer la phrase de l'Article I visant ces produits, par les mots: "Pour l'application de cette disposition spéciale."

"Il en résulte clairement qu'en stipulant que les produits sucrés seraient asimiliés au sucre, on n'avait en vue que l'application de la disposition faisant l'objet du premier alinéa de l'Article I.

"L'honorable Délégué en voit également la preuve dans le fait que l'Article III limite le chiffre de la surtaxe pour les sucres raffinés, et bruts, et non pour les produits sucrés. Si cet Article avait été applicable à ces derniers, il eût fallu fixer pour eux une surtaxe spéciale, attendu que la plupart des produits sucrés sont composés principalement et en proportions variables de substances autres que le sucre.

"D'autres passages des délibérations de la Conférence de Bruxelles établissent nettement que l'on n'a pas voulu appliquer aux produits sucrés d'autres dispositions de la Convention que celle de l'Article I visée plus haut.

"Le procés-verbal de la neuvième séance renferme ces lignes :-

"M. Beauduin, Délégué de la Belgique, constate que la Convention signée à Londres le 30 Août, 1888, contenait, à l'Article II, une disposition ainsi conçue:—

"" Par exception au principe mentionné au premier alinéa de cet Article, on pourra accorder le remboursement ou décharge de droits pour le sucre employé à la fabrication des chocolats et autres produits destinés à l'exportation, pourvu qu'il n'en résulte aucune prime."

"L'honorable Délégué propose de compléter le texte de l'Article I en s'inspirant de cette disposition. On pourrait, par exemple, ajouter, après le mot "sucres," ces mots, "et des produits sucrés ou autres analogues."

"Cette proposition fut agrée, bien que réalisée sous une forme différente.

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"Il a été entendu en somme qu'il suffit que les produits sucrés n'obtiennent pas de prime pour qu'il soit satisfait aux prescription de la Convention.

"Au surplus, presque tous les États Contractants ont donné à la disposition envisagée la même interprétation que la Belgique. En effet, d'après les Tarifs des Douanes de l'Allemagne, de l'Autriche, de la Hongrie, de la France, de l'Italie, de la Suède, les droits d'entrée applicables aux produits sucrés sont sensiblement supérieurs à la surtaxe autorisée par l'Article III. Et la Commission elle-même a admis le Grand-Duché de Luxembourg et le Pérou à adhérer à la Convention, sachant que dans ces pays également les droits d'entrée sur les produits sucrès dèpassent notablement les droits intèrieurs sur les sucres.

"L'honorable Dèlèguè conclut qu'en établissant le Tarif comme elle l'a fait, la Belgique ne s'est écaratée ni de la lettre ni de l'esprit de la Convention de Bruxelles."

A vote was then taken on the question "Whether the Contracting States had the right to levy on sugared products a surtax higher than that fixed by Article III of the Convention?"

The result was-

8 votes in the affirmative.

1 vote in the negative (Great Britain).

2 abstentions (France and Italy).

The further question was then raised whether contracting States were bound to penalize sugared products containing bountied sugar; and after a debate in which various views were expressed, it was decided to postpone any settlement of the question until sufficient time had elapsed to enable the Commission to perceive whether the existing Laws of the various contracting States in regard to this matter gave rise to difficulties in practice.

The Laws of Great Britain and of her Colonies next came under review.

No criticisms were made on the Law for the United Kingdom.

In regard to the British Crown Colonies, the French Delegate called attention to the fact that in certain of them, viz., in British Honduras, Ceylon, and Grenada, the surtax on sugar—viz., the customs duty in the

absence of excise duty—exceeded the figure fixed in Article III of the Convention of the 5th March, 1902. After some discussion, in the course of which I explained that, as these Colonies were practically non-exporting as to sugar, no bounty could possibly arise, it was recognized that the case of these three Colonies presented little practical importance, and that it was preferable to adjourn any decision on the principle involved until the next session of the Commission in March.

No further observations were made on the laws of the British Crown Colonies.

The Commission proceeded then to consider the laws of Canada, Australia, and the South African Customs Union.

It was decided that bounties existed in all three cases, and the rates of countervailing duty were fixed in each case as follows:—

	Rate of countervailing duty per 160 kilog. Fr.
Canada,	Raw sugar,Nil. Refined sugar,3.63
South African Customs Union,	Raw sugar, 2.05 Refined sugar, 3.89
Commonwealth of Australia,	Raw sugar,

I abstained from taking part in the discussion and from voting when these British Colonies were under discussion, confining myself to making at the outset the following declaration:—

"Sir Henry Bergne, Délégué de la Grande-Bretagne, tient à rappeler tout d'abord la déclaration que son Gouvernement a faite lors du dépôt des ratifications de Sa Majesté Britannique sur la Convention du 5 Mars, 1902, à savoir qu'en aucun cas la Grande-Bretagne ne pourrait appliquer un droit compensateur ou la prohibition aux sucres provenant des Colonies autonomes. Dans ces conditions, la délégation Britannique ne pourra prendre part à la discussion du taux du droit compensateur à fixer pour ces Colonies; mais elle n'entend évidemment pas s'opposer à ce que les autres délégations examinent la question. Si elles décident l'application d'un droit, la délégation Britannique rapportera le fait à son Gouvernement, afin que les Colonies autonomes en soient informées."

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No further observations were offered on the Laws of the British autonomous Colonies.

The result of the deliberations in regard to the Laws of non-contracting States was as follows:—

Mexico.—A question having been raised as to the necessity of applying the Penal Clause to Mexican sugar, the Permanent Bureau was charged with the duty of collecting complete information concerning the system in Mexico, in order that the Commission might be in a position to reach a decision in the matter at its next session.

United States.—A proposal was made by the Permanent Bureau to fix a rate of countervailing duty for United States' sugars. I opposed this on the ground that the United States being practically a non-exporting country for sugar, there was no present need to fix a countervailing duty. After some discussion the matter was left over for consideration at the next session of the Commission in March, 1904.

Cuba and Porto Rico.—The question of the application of the Penal Clause to sugars from Cuba and Porto Rico having been discussed, the Commission decided to suspend its decision till further information could be obtained from the Permanent Bureau. The question will therefore come up again at the session fixed for next March. It is one of considerable importance, for although no great quantity of Cuban sugar is at present used in the United Kingdom, Cuba is the chief exporting country of the world for cane sugar, and the fact that purchases from so plentiful a producer can be resorted to tends to keep down prices.

Egypt.—It being shown that no sugar bounties exist in Egypt, it was decided that no countervailing duties were required for Egyptian sugars.

Danish Antilles.—A similar decision was reached in regard to the Danish Antilles.

The next Meeting of the Commission has been fixed for the 10th March, 1904, unless it is sooner convoked on special request from any of the Contracting States.—I have, &c.,

H. G. BERGNE.

Japanese Markets and Hongkong Sugar.

Japanese Consulate, Hongkong, 16th January 1904.

SIR,—In the leading article of your to-day's issue, a mention was made about Japan markets being closed against the refined sugar of Hongkong by prohibitive tariffs, and as I consider this statement is apt to give one rather an erroneous impression of the real fact, I request you to spare your valuable space for this letter.

The import duties in Japan on sugar according to the existing tariffs which came into force on 1st January, 1899, are as follows:—

Up to No. 14 Dutch standard, 5 per cent. ad val. or 0.204, yen per picul.

From No. 15 to 20, 10 per cent. ad val. or 0.748 yen per picul.

Upward No. 20, 10 per cent. ad val. or 0.827 yen per picul.

Apart from the import duty, the consumption tax is equally payable by imported sugar as well as by home products. Thus the advantage derived by the Japanese sugar refiners under the existing tariffs is limited to the difference of 5 per cent, between the import duty on raw sugar and that on refined. Furthermore, this discrimination had originally been aimed not against the free Hongkong sugar but against the bounty-fed Continental sugar with which Japan's markets had been "dumped" for some time past.

In spite of the difference in the import duty mentioned above, during the year 1902 as much as five and a half million yens' worth of refined sugar was imported into Japan from Hongkong and other places.

I trust I have already given sufficient reasons to be able to claim that so far as sugar tariffs of Japan are concerned, they are not "prohibitive," though they are, no doubt, to some extent "preferential."—Yours, etc.,

Masanichi Noma, Consul for Japan.

To the Editor of the "Daily Press."

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Hongkong General Chamber of Commerce, Hongkong, 2nd February, 1904.

SIR,—With reference to your letter to the Editor of the "Hongkong Daily Press" dated 16th ultimo, on the subject of the treatment of Hongkong manufactured Sugar in Japan, I am instructed to draw your attention to an apparent inaccuracy in your figures relating to the Import Duties. It appears that in the Spring of last year the Import Duty on sugar entering Japan under No. 15 Dutch Standard was raised from .204 yen to .271 yen per 100 Japanese kins. Further, the kin being only equal to 1.32507 lbs. avoir, the duty works out at fractionally more per picul of 133\frac{1}{3} lbs. than the figures in your letter show.

The following figures show clearly to what extent the Hongkong Refineries are discriminated against by the Japanese Government:—

Japanese Refiners import Raw	Sugar	and pa	y	.271 duty.
Japanese Refiners refine Raw S back of				.271 ,,
Japanese Refiners pay consumption Tax on Refined Sugars,	1.60	2.20	2.80	(according to quality).
Total Tax on Japanese Refined Sugars, yen	1.60	2.20	2.80	
Hongkong Refiners im- port Refined Sugar and pay importduty,	.271	.748	.827	(according to quality).
Hongkong Refiners import Refined Sugar & pay consumption Tax,	1.60	2.20	2.80	(according to quality).
m + 1 m TT 1)	1.871	2.948	3.627	
Difference in favour of Japanese Refined Sugar,	.271	.748	.827	

This Chamber understands that as a matter of fact, very little Refined Sugar under No. 14 Ducth Standard is imported into Japan and the higher duties of yen .748 and yen .827 represent such a heavy percentage on market value that it is easy to believe they are really prohibitive. In this connection a glance at the following figures representing the value of Refined Sugars imported into Japan is instructive:—

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1897,yen	15,013,320
1898,,	21,105,595
1899,	9,156,303
1900,,	
1901,	
1902,, ,,	5,589,157

Although the "discrimination" alluded to in your letter may have been aimed chiefly against bounty-fed Continental Sugar, it obviously applies equally to Sugar from Hongkong not bounty-fed, and there is wanting any evidence of a desire on the part of Japan to treat Hongkong products as Japanese products are treated in this Colony.

Any comments with which you may favour the Chamber on this subject will be appreciated .- I have, &c ..

A. R. LOWE, Secretary.

Masanichi Noma, Esq., Consul for Japan, Hongkong.

JAPANESE CONSULATE, Hongkong, 4th February, 1904.

Sir,-I have the honour to acknowledge receipt of your letter dated 2nd instant, and in reply I have the honour to express my high appreciation for your kindness that you had drawn my attention to a certain inaccuracy in my figures relating to the import duties of sugar, which was caused by my misuse of a reference book.—I have, &c.,

> MASANICHI NOMA, Consul for Japan.

A. R. Lowe, Esq., Secretary, Hongkong General Chamber of COMMERCE.

C Licensing of Pilots.

HONGKONG GENERAL CHAMBER OF COMMERCE, Hongkong, 14th December, 1903.

SIR,—I have the honour to remind you that a long correspondence passed last year between the Government and this Chamber with reference to the suggestion put forward by my Committee for the pilots (37)

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of this port to register themselves with, and prove their qualifications before, a board having the requisite authority from the Government to

It will be remembered that stress was laid on the fact that the pilots of to-day are of inferior calibre to their predecessors, and that there was a growing tendency amongst them to disregard and wilfully ignore ordinary precautions necessary, not only for the safety of the vessels in their charge whilst under way in narrow waters, but of others either at anchor or alongside the wharves.

At the request of the Government a scheme for holding Government examinations and granting certificates, was drawn up by the Sub-Committee appointed (Messrs. E. A. HEWETT, A. HAUPT, and W. POATE) endorsed by the General Committee, and forwarded to the Government, who replied at some length to the effect that it would place the Harbour Master in an entirely false position if he had to give certificates for qualifications which such officer cannot test. The Committee, in a further report, replied that at Home and Asiatic ports this was satisfactorily managed, and that, if necessary, the Licensing Board need not be entirely composed of Government Officials but might be supplemented by outside experts.

It was also pointed out that, whilst there was a demand for pilotage in the Harbour, the Committee were against the institution of compulsory pilotage, also that the granting or refusing to grant a certificate as suggested by the Government could not be acted on by private individuals without pecuniary responsibility, to which the Government would not be liable. Much to my Committee's regret, although the chief Shipping Firms and Agencies in the port were in favour of the proposal, the Government finally notified this Chamber on the 30th of January last that His Excellency Sir Henry Blake was unable to support the scheme.

I am now instructed to bring to your notice, for the information of His Excellency the Officer Administering the Government, further facts which have come to light relating to the recent prosecution by the Harbour Master of the Java-China-Japan Line S. S. Tjipanas for negligent navigation in the Harbour on the 24th ultimo, which the Committee of this Chamber consider strengthens their contention that the pilots should be brought under the control of a properly constituted Licensing Body. It appears from the information gathered by the Chamber that this

ship arrived off Lyeemun Pass at 6 p.m. on the 26th ultimo and took on board a Chinese Pilot provided by the Company's stevedore, one of the leading firms of this class in Hongkong. It is worthy of mention that there were several sampans about, whose occupants were signalling with the ½ red ½ white pilot flag, signifying their willingness to act as pilots. On learning that the Tjipanas was from Amoy, the Pilot affirmed, although the Master strongly expressed his disbelief in the fact, that Amoy was an infected port and the ship must therefore fly the yellow flag and anchor in Chung Kwang Bay for the night. Knowing the penalties for ignoring the Quarantine Regulations, the Master decided not to run any risks. On entering the Harbour the following morning the Health Officer of the Port boarded the steamer, demanded to know why the vellow flag was flying, and on being told the reason, said the Pilot was a fool and evidently did not know his business. As the result of this incorrect information supplied by the Pilot the ship lost 12 hours before reaching her anchorage. In coming down the Southern Fairway to seek anchorage room, with the Master on the bridge and Chief Officer on forecastle deck, nothing was noticed indicating that a wreck was submerged. The two salvage junks may have had a red flag up, but in the calm prevailing this was not noticeable. Moreover, the two buoys were coloured a rusty red and were indistinguishable from the ordinary fairway buoy. It may here be remarked that the following day steps were taken to paint the wrecking buoys green, with "Wreck" in unmistakeable white letters.

Further, on account of the slack state of the tide, steamers were lying at their buoys in all directions, it was undoubtedly difficult to define the fairways or to find a suitable place to anchor. The Pilot eventually fixed on a space, but his knowledge afterwards proved to be at fault, as the steamer had eventually to move her ground to prevent fouling neighbouring vessels. On the 28th ultimo, before the Harbour Master, the Captain was fined \$50 for negligent navigation in the Harbour and ordered to make good any damage done by his vessel fouling the wreck buoys over the remains of the Pakshan. Had the buoys been properly marked the Captain and Chief Officer would undoubtedly have kept clear of the wreck and taken the ship out of the Pilot's hands in time to prevent the mishap, but the Pilot directed the ship between the buoys, thus proving by his want of local knowledge that he was incapable of acting as such and, in addition, as shewn above, he was unable to find a suitable anchorage.

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It will be apparent to His Excellency that Masters of steamers coming into this increasingly crowded Harbour must rely to a great extent on the advice of a local Pilot, otherwise they would not employ these men. It is therefore very hard on the Master not to be allowed to bring the Pilot up before the Harbour Master for punishment, or at any rate to give evidence as to the facts in the case of an accident, and it does not alter the fact that here in Hongkong, with an amount of shipping exceeded by only two ports in the world, we have uncertified Pilots placed in charge of shipping.

As has been pointed out in the past, many Commanders are obliged, on arrival at the entrance of the Harbour, to take the first man as Pilot who boards his ship, without having any means of knowing whether he is capable of handling the vessel properly or not. Certain Commanders, as the Commander of the *Tjipanas*, learn too late of the utter incompetence of the men they have employed. This is not possible at Penang or Singapore; why then at Hongkong? Hongkong has an unenviable record as the only British port either at Home or in the Colonies where unlicensed Pilots are allowed to ply for hire.

The Chamber hopes that His Excellency the Officer Administering the Government may see his way to consent to the licensing of all Pilots plying for hire within the limits of the port, and thus rid it of a danger which menaces its shipping.—I have, &c..

A. R. LOWE, Secretary. Honourable A. M. Thomson, Acting Colonial Secretary.

Colonial Secretary's Office, Hongkong, 19th December, 1903.

SIR,—I am directed to acknowledge the receipt of your letter of the 14th instant, regarding the question of the licensing of Pilots, and to inform you that the matter is receiving the attention of the Government.—I have, &c.,

A. M. THOMSON, Acting Colonial Secretary. The Secretary, Chamber of Commerce, Hongkong.

Brokerages on Stocks and Shares.

Hongkong General Chamber of Commerce, Hongkong, 21st April, 1903.

SIR,—I am directed to inform you that, at the monthly meeting of the General Committee of this Chamber, held on Wednesday last, a letter was read calling the Chamber's attention to the system followed by the Sharebrokers of this Colony of charging brokerage to both buyer and seller, urging that such system precluded the broker from acting impartially for both parties, and suggesting that the brokerage should in future be limited to the seller.

The question was thoroughly discussed and the Committee being strongly of opinion that brokerage should be borne by the seller only, unanimously passed the following resolution:—"That this Chamber deprecates the custom of stock and share-brokers taking commission from both the buyer and the seller of shares and that the Stockbrokers' Association of Hongkong be asked to arrange for brokerage to be charged to the seller only."

I am to add that the Committee expressed no desire to involve the sharebrokers in any loss on income as a result of the suggested change, which could be easily rectified by an alteration in the present scale of brokerage authorised by your Association, and they trust that your members will agree to carry into effect the above proposal.—I have, etc.,

A. R. LOWE, Secretary.

Honorary Secretary, Stockbrokers' Association of Hongkong.

STOCKBROKERS' ASSOCIATION OF HONGKONG, HONGKONG, 22nd April, 1903.

DEAR SIR,—In reply to your communication of yesterday's date, I beg to inform you that a meeting of the Standing Committee of this Association will be called at an early date to consider your proposition re brokerages.

In the meantime, to facilitate the matter, I shall feel obliged if you will favour me with any further reasons of your Chamber for desiring

this change and the advantages it considers are to be derived therefrom, in order that I may lay them before my Committee for discussion.—Yours faithfully,

E. S. JOSEPH, Acting Honorary Secretary. The Secretary, Hongkong General Chamber of Commerce.

Hongkong General Chamber of Commerce, Hongkong, 29th April, 1903.

SIR,—I am in receipt of your letter of the 22nd instant, informing this Chamber that a meeting of the Standing Committee of your Association will be called at an early date to consider the resolution on the subject of brokerage on share transactions forwarded in my communication of the 21st instant, and asking for any further reasons the Chamber may care to put forward in support of their contention.

In reply I am directed to inform you that my Committee consider that progress in this matter will be furthered if your Committee will first state the reasons for and against the proposition already before you.

—I have, etc.,

A. R. LOWE, Secretary.

Honorary Secretary, Stockbrokers' Association of Hongkong.

STOCKBROKERS' ASSOCIATION OF HONGKONG, HONGKONG, 6th May, 1903.

SIR,—Yours of the 29th April to hand. I now beg to inform you that the resolution of your Chamber on the subject of brokerage was laid before the Standing Committee, and was thoroughly discussed in all its aspects.

The result of the discussion was that the Committee were unanimous in arriving at the conclusion that the change you propose would be detrimental to all parties concerned, the argument brought forward against the proposition being that the danger of partiality, on which you base your contention, would only be accentuated by the change, inasmuch as on the lines you suggest a broker might consider his duty was due more to the party from whom he received his commission, namely, the seller, than to the party, the buyer, from whom he received no brokerage, whereas at present it is the imperative duty of a broker

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receiving his commission from both sides to see, to the best of his ability, that both buyer and seller are treated with the greatest impartiality and in accordance with the ruling rates on the market.

There are other reasons against the change, but as you requested my Committee to confine themselves to the reason given in your letter, they were not brought forward.—I am, etc.,

E. S. JOSEPH, Acting Honorary Secretary. The Secretary, Hongkong General Chamber of Commerce.

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Sir E. Satow's Interview with the Committee of the Chamber.

Hongkong General Chamber of Commerce, Hongkong, 17th July, 1903.

SIR,—I have the honour to inquire whether it will be agreeable to Your Excellency to grant an interview to the Committee of this Chamber whilst passing through this Colony on your way back to Peking.

In 1896, your predecessor, His Excellency Sir CLAUDE MACDONALD, K.C.B., in answer to a similar request, signified his readiness to receive the Committee in the Chamber Room, City Hall, and I am to suggest that in case you are willing to meet the Committee it might suit your convenience to use the same room. As the time at Your Excellency's disposal in Hongkong will necessarily be short, the Committee have arranged with the Agent of the P. & O. S. N. Co. at Singapore to wire them any particulars as to time and place of meeting which it may suit you to make.

Amongst the matters to which it is desired to draw Your Excellency's attention are the following, viz.:—

- 1. Absconding Chinese Debtors.
- 2. The removal of the barriers in Canton River.
- 3. Uniform National Coinage for China.
- 4. The prevalence of piracy in the Canton and West Rivers.

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I have sent to you under separate cover a copy of the Report of the Chamber for the year 1902 for your information in the hope that it may prove useful for reference.—I have, &c.,

EDBERT A. HEWETT, Chairman.

H. E. Sir Ernest Satow, G.C.M.G., H. B. M.'s Envoy Extraordinary and Minister Plenipotentiary in China.

Hongkong General Chamber of Commerce, Hongkong, 6th August, 1903.

Your Excellency,

Before proceeding with the subjects we wish to discuss, I must express on behalf of the Committee of the Hongkong General Chamber of Commerce our thanks to Your Excellency for so kindly consenting to meet us here to-day. We were encouraged in putting forward our request for this meeting having received such ample evidence of the interest you have taken in matters relating to the furthering of British Trade in the Far East, more particularly during the very trying months which immediately followed the taking up of your appointment as His Majesty's representative at Peking.

In this connection I trust that I may be allowed on behalf of the Committee to express the very high appreciation we feel of the manner in which Your Excellency has considered those questions which we have placed before you, and we would further venture to offer our sincere congratulations on the recognition of your valued services to our Country, which His Majesty has been pleased to confer upon Your Excellency

It is perhaps as well it should here be remarked that all those now present are British subjects. Our two German colleagues though invited to attend this meeting decided it would perhaps enable us to discuss matters more freely were aliens not present and that while we therefore regret their absence we appreciate the feeling which prompted them to waive their right as members of our Committee to be present at this meeting and thus having an opportunity of joining with us in paying their respects to Your Excellency.

I will now proceed to deal with those questions which appear to require more immediate consideration.

Obstructions in the Canton River.

As Your Excellency is, no doubt, aware this is a grievance of long standing and that for years the Hongkong Chamber of Commerce has been agitating for the removal of the barriers placed in the River twenty years ago. I would beg to remind you that the question was specially brought to Your Excellency's notice in a letter from our late Chairman, Sir T. Jackson, dated 18th April, 1902. The matter was recognised by the Special Commissioner as of sufficient importance to be included in the Commercial Treaty drawn up at Shanghai last year, and Clause V of that Treaty provides for the removal of the barriers within two years of the signing of the Treaty.

From information received we are given to understand that the removal of these barriers could be readily arranged for without cost to the Chinese Government, but that certain Officials of the I. M. Customs wish to have the work placed in the hands of that Department and further they propose a tax should be levied on foreign shipping to pay for the removal of the barriers.

We do not consider that the interpretation which the I. M. Customs thus place upon Article V of the Shanghai Treaty, is correct.

The second paragraph of Article V provides for a tax to be levied on merchandize to pay for conserving the harbour of Canton, but we do not take this to mean that the tax is to be paid for the removal of the barriers.

We would, therefore, ask Your Excellency to give this matter your consideration and should it be found impossible to induce the Viceroy at Canton to remove the barriers, we would then venture to suggest that the question be brought specially to the notice of the Wai Wu Pu to ensure a prompt carrying out of this undertaking on the part of the Chinese Government.

Within the last few days, however, the question has assumed a somewhat different aspect. We understand that the New Viceroy at Canton has now stated he is willing to enlarge the existing openings in the barriers, and while the Committee are satisfied for the moment to let the matter rest on this basis provided his promise holds good, they trust that Your Excellency will continue to urge the total removal of the barriers upon the Imperial Government,

Registration of Native-Owned Junks under Foreign Flags.

Another question which has occupied the attention of the Committee of this Chamber is the assistance granted by certain Foreign Consuls in Canton to native craft to evade the payment of Tai Pao Ching Fei levied by the Viceroy of the Two Kwang by granting them permission under Consular seal to fly their respective national flags.

The matter has been laid before His Excellency the Governor who fully sustains the objections raised by this Chamber, and His Excellency is now considering what steps can best be taken to discourage this abuse of foreign flags so far as lies in his power, and to this end we understand it is contemplated to refuse licenses to trade in the waters of the Colony to the junks in question.

It would appear that further than this the Hongkong Government cannot go.

While we much appreciate the steps taken by the Government to put a stop to the abuse complained of, we feel that even though the local Authorities may be able to accurately trace those junks which do use foreign flags while in Chinese waters, still the refusal of a Hongkong license will not, we fear, prove a sufficient deterrent.

That the number of those junks is on the increase is proved by reference to Mr. Consul General Scott's report on the Trade of Canton for 1902 in which he says there is an increasing number of junks flying the French, German and American flags.

We would suggest that as this question so directly affects the trade of this Colony and more particularly the British shipping engaged in the river traffic between Hongkong and Canton the matter be dealt with diplomatically as the use of foreign flags for such a purpose cannot be justified under Treaty, and is neither to our interests nor to that of the Chinese Government.

Piracy on the West River.

The piratical attacks on trading vessels on the West River of which complaint has in the past frequently been made, continue unabated and it is very evident that no real improvement can be looked for until the Chinese Government take far more energetic and effectual measures to put down piracy than have up to the present been attempted.

The damaging effect to foreign trade generally and particularly to that of Hongkong caused by the insecurity of life and property on this important waterway is so well understood as to need no further excuse for our again bringing the matter to Your Excellency's notice.

We would therefore now beg to suggest that the Imperial Government be urged to give this matter early attention, and that while the number of patrol launches under foreign command be increased sufficiently to ensure a proper policing of the trade route, steps also be taken to break up the piratical villages, the position of which we have reason to believe are perfectly well known to the local Chinese Authorities.

Inland Navigation Rules.

The rules for the navigation of Chinese inland waters by foreign vessels as drawn up in 1898 were in practice found to be defective in several essentials, and we therefore welcome the changes made in the Commercial Treaty of Shanghai of 1902 as set forth in Annex O of that Treaty.

While the existing rules are up to the present found to work fairly satisfactorily, we would beg to direct Your Excellency's attention to the clause which prevents vessels working under these regulations from leaving Chinese Territorial waters.

Rule 1 of September, 1898, 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 follow-"ing regulations but they must confine their trade to the inland waters, "and must not proceed to places out of Chinese territory. The express-"ion "Inland Waters" is used with similar meaning to that given for "places in the interior (nei-ti) in the 4th Article of the Chefoo Convention."

As an example, we consider that there is no valid reason why such vessels should not be allowed to run from Canton to Hongkong or other outside ports should the owners find it desirable to do so, and we would therefore venture to submit that when opportunity offers for a revision of these rules the above change should be made.

We would beg to remind Your Excellency that a precedent for this already exists in the so-called Chinkiang Regulations (Revised Regulations of Trade in the Yangtsze, dated Pekin, 1862, Art. III) by which E

sea-going vessels are permitted to proceed to Hankow on a special certificate issued on the ship's papers being deposited with the British Consul at Chinkiang, and that this rule was recently further extended so as to allow of the certificate being, if required, issued at Woosung (Shanghai).

Art, IV of Chinkiang Regulations provides for a similar system to be adopted in the case of River steamers plying exclusively in the Yangtsze.

It appears to us therefore that a like system might be adopted when required by the owners in regard to vessels trading in other parts of China, and that as far as the West River and adjacent waters are concerned these vessels might be permitted to proceed to Hongkong, the exchange of papers being effected at the British Consulate in Canton.

Abscording Chinese Debtors.

The next question to which we would beg to direct Your Excellency's attention is one of very considerable importance to those in the Colony who have business dealings with Chinese possessing places of business or property in Canton and elsewhere on the mainland beyond the jurisdiction of this Colony.

The question hinges upon the reading of Article XXIII of the Tientsin Treaty of 1858 with reference to absconding Chinese debtors. For once we regret we do not find ourselves in accord with the British Consul General, as to the reading of this article and as the matter is one of such great importance we consider it as well to lay the case before Your Excellency and ask your decision in the matter.

The facts of the case are fully stated on page 25 of the Annual Report of this Chamber for 1902, and on pages 7 to 15 of the Appendix.

Briefly the case is as follows:-

A partner in the Chinese firm of Wo Shang came from Canton and during the autumn of 1900 purchased goods to the value of upwards of \$5,000 from the Hongkong firm of Fuk Tai.

The debt was admitted but when payment was pressed the Wo Shang firm closed their place of business in Hongkong and their representative left the Colony. The case came before the Supreme Court on 3rd February, 1902. and was heard by Mr. Justice Wise, Acting Chief Justice. No appearance was made on behalf of the defendants. After proving the debt judgment was given in favour of the plaintiffs.

The plaintiffs' Solicitors then applied to H. B. M.'s Consul General at Canton asking his assistance for recovery of the amount due (some \$6,600).

In reply to this request, writing under date Canton, 7th April, 1902, the Consul General stated he was unable to take action in the matter as this was not a case of absconding, "the residence of the defendants being known at the time and a writ served upon them accordingly."

The Consul General may be correct in his reading of the Tientsin Treaty but we cannot but feel that if his decision in this matter be accepted without challenge, a most serious blow will be dealt at the security which we believe we now enjoy under Treaty against such a case of fraud on the part of dishonest Chinese traders.

In order to make our contention clear it is perhaps advisable that I should here give the Article from the Tientsin Treaty in full.

It is as follows:-

"Should natives of China who may repair to Hongkong to trade "incur debts there, the recovery of such debts must be arranged for by "the English Court of Justice on the spot; but should the Chinese "debtor abscond, and be known to have property real or personal within "the Chinese territory, it shall be the duty of the Chinese Authorities "on application by, and in concert with, the British Consul, to do their "utmost to see justice done between the parties."

We can only judge the Consul General's opinion by the statement as it appears in the letter above quoted.

We gather that the Consul General considers that if the debtor leaves the Colony before judgment is given and his address in China is known so that a writ can be served upon him he does not "abscond" within the meaning of the Treaty.

With all due deference to Mr. Scott's opinion, we cannot but feel that should a Chinaman wish to evade his lawful obligations he will not, in all probability, remain in the Colony until a judgment is obtained E

against him, but that he will retire to his native place at an earlier stage of the proceedings. Thus if Mr. Scott's reading of Article XXIII is correct it practically amounts to this that the Article in question is a dead letter.

The fact that as stated in the Consul General's letter the "address of the debtor was known and consequently it was possible to serve a writ on him" does not, in our opinion, appear to modify the reading of the Treaty, for it is distinctly stated that the Chinese Authorities on application from the British Consul shall see that justice is done if it is known that the debtor has property in Chinese territory. The knowledge on the part of the Authorities that a Chinaman has property in the Empire must, we believe, be coupled with a knowledge as to his whereabouts or at least it would appear that this was what the framers of the Treaty had in their minds at the time the Article was drawn up.

National Coinage for China.

As Your Excellency is aware considerable attention has recently been directed by the various Chambers of Commerce in the Far East to the vexed question of exchange aggravated by the many different monetary weights and values in use throughout the various parts of China.

It appears to us clear that the first step towards any fiscal reform in the Empire must be the establishment of a national coinage to be made legal tender throughout the Country.

We have recently received communications both from the Shanghai and Tientsin Chambers of Commerce asking our co-operation in urging this view upon the Diplomatic Body at Peking.

We are entirely in accord with the Northern Chambers in this matter and have intimated our willingness to join in the proposed Memorial to the representatives of the Foreign Treaty Powers in Peking suggesting that as a first step to attaining any reform the various provincial mints should be closed and a national coinage established under the direct ægis of the Imperial Government, as provided for in Article II of the British Commercial Treaty of Shanghai.

For Your Excellency's information we beg to hand you copy of the draft of the proposed Memorial as received from Shanghai addressed to the Doyen of the Diplomatic Body at Peking, and we would now ask Your Excellency to use your influence in conjunction with your colleagues in bringing about this most necessary reform in the coinage of China.

Payment of Customs Duties in Gold.

We understand that a suggestion has been put forward by the Chinese Government that all Customs duties should be paid in gold.

We are not as yet aware of the view taken of this request by the various Treaty Powers, but we would beg to submit that such a demand is altogether unreasonable.

While we admit that owing to the depreciation in silver the amount of the war indemnity to be paid by China has been largely increased, we would submit to Your Excellency that this does not in itself constitute a sufficient reason for an additional burden being placed upon foreign trade.

Without entering into the question as to the wisdom of the policy adopted by the Treaty Powers in enforcing the payment of so large a war indemnity upon China, we would beg to point out in our opinion this should not in the end result in further taxation being placed upon our commercial relations with China, and we trust that this view will receive the strong support of His Majesty's Government.

Should this valuable concession be granted without adequate quid pro quo the effect could not but be a serious set back to our trade with the Empire while it will be sacrificing one of our strongest arguments when urging fiscal reform upon China.

The Commercial Treaty of Shanghai of 1902.

The Treaty drawn up by Sir James Mackay while containing a certain amount of controversial matter, taken as a whole cannot, in our opinion, but be productive of much good, once it comes into force, to China and the Treaty Powers in the commercial relations with her.

As, however, there appears to be no immediate prospects of this desirable result being attained, we will not now unduly take up Your Excellency's time with what would be after all under the circumstance merely an academic discussion of the Treaty.

There are, however, one or two points to which we would direct Your Excellency's attention, these being questions on which we may before long have to address you.

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Article III provides that the duties and lekin combined on junks from Hongkong to the Treaty Ports in the Canton Province should not be less than the duties charged by the Imperial Maritime Customs on similar goods by steamer.

In view of the extension which we trust will shortly take place in the use of steamers for inland transit we would submit that instead of "Canton Province" the Treaty should read "The Province of the Two Kwong."

It is reasonable to suppose that before long a further number of places of call for foreign vessels will be granted in these provinces and indeed we already have Wuchow in Kwangsi opened to foreign trade.

We are constrained to believe that the term "Canton Province" (which we take as meaning Kwangtung) is a clerical error and that the two provinces were intended to be referred to.

With regard to Article V reference has already been made to the first paragraph under the heading of obstructions to navigation in the Canton River.

We would now beg to direct Your Excellency's attention to the provision for raising funds to pay for the cost of improving the harbour of Canton.

Reference to the Article in question shows that this is to be by a tax on British and Chinese goods landed and shipped at that port.

We would beg to point out that as the suggested improvements will more or less directly confer considerable benefits on others than those actually engaged in the handling of goods, the cost of the improvements should, in our opinion, have been more generally distributed, and we would suggest that in this respect it would have been more equitable had it been arranged to follow the precedent set in Annex 17 of the Peace Protocol of 1901 when arranging for funds for the Conservancy of the River Huangpu, i.e., that the Chinese Government, the riparian land owners and others interested should all bear their share of the cost of improvements.

Article VIII deals very fully with the question of internal taxation of all forms on foreign trade, while we are in accord with the general terms of this most important Article we feel that a very important change might with great advantage be made.

We refer to the question of the maintenance of *lekin* barriers on the sea coast and on the borders of the various provinces for the collection of taxes on salt and native opium.

The existence of any lekin barriers appear to us a grave menace to trade generally. Whatever the solemn undertakings of the Chinese Government may be and however sincere they may be in wishing to carry out their Treaty obligations, past experience has only impressed upon us too painfully that those undertakings are worth very little. So long as barriers exist so long will the underlings in the lekin stations attempt to extort all possible from the trade passing their doors, and we feel that no amount of vigilance on the part of the Imperial Government or Custom Officials can possibly cope with this evil. Further who shall say that a boat loaded with, for example, foreign goods amply provided with transit passes, cannot be stopped in order to enable the local officials to satisfy themselves that that particular boat is not smuggling salt or native opium. We would remind Your Excellency that a good case in point is on record when Sir CLAUDE MACDONALD paid a visit to Kwangtung. He happened to pass a barrier where it was reported to him that a boat loaded with goods under transit pass was removed from the head of the line of vessels to the tail end (meaning a delay of at least two days) because the master refused to pay a squeeze to the official in charge of the barrier.

Considering that the barriers are, under the Shanghai Treaty, only to be maintained for the taxation of salt and native opium, we believe that the best means of dealing with the question would be to entirely abolish all barriers.

The places where salt is produced, or native opium grown, are perfectly well known, and we consider that a more correct account of the revenue could be kept were these taxes levied at the place of production. Section 10 of Article VIII provides that this work be supervised by officials of the Imperial Maritime Customs, and if this is so, there should be no great difficulty in arriving at some scheme whereby each province should obtain its share of the taxes on the salt and native opium actually consumed within that province as is already done in the case of foreign opium.

Unless some such scheme is adopted we feel that endless disputes will arise and that the abolition of the barriers as suggested in the Shanghai

Treaty so far as ordinary trade is concerned, will in actual pratice afford little if any relief to the present system. We have considered it advisable to refer to this matter at some length as we feel certain that should the Shanghai Treaty come into force it will not be long before the danger which we now foreshadow will become a burning question.

Article X among other places deals with the opening of Kongmoon as a Treaty Port.

We understand there is reasonable ground for believing that Kongmoon will be so opened before very long, but in view of the vital importance of the question we consider it essential to the proper development of our trade to take this opportunity for urging most strenuously upon Your Excellency the necessity of the port being opened at the earliest possible date, and trust that you will be able to give this matter your serious consideration.

While on the subject of the opening of new ports we would beg to remind Your Excellency that the opening of Naning in Kwangsi has in the past also been considered. As it is possible for light draught steamers to reach Naning we attach great importance to the opening of this city to foreign trade the more so as the French Government propose to extend the Indo-China railway to that point and we therefore consider it advisable in the interests of this Colony that we should also have the right to carry on a direct trade with that important city.

We trust the suggestion will receive Your Excellency's favourable consideration and that you will when a fitting opportunity arises urge this upon the Chinese Government.

Proposed Increase of Taxation on Opium at Canton.

We would beg to remind Your Excellency that on 13th May of last year this Chamber addressed you with regard to an attempt made by the then Viceroy of Canton to levy an additional tax on foreign opium which while nominally a charge on the prepared drug was, in effect, one on all foreign opium imported into Kwangtung, and that as a result of the representations made on the subject by Your Excellency the attempted imposition of this tax was ultimately abandoned by the Canton Authorities.

During the last few days, however, the Provincial Authorities have again attempted to revise this illegal impost and we have consequently already addressed H.B.M.'s Chargé d'Affaires at Peking on the subject

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We would now beg to refer Your Excellency to the enclosed copy of our letter to Mr. Townley and to the proclamation issued in Canton, copy of which is also attached which will place Your Excellency in full possession of the facts of the case.

In addition to the tax above mentioned we further understand that lekin barriers are now being set up at certain points on the waterways of Kwangtung nominally for the collection of this new tax on boiled opium, the real purpose being to enforce payment on all foreign opium, raw or boiled. On receipt of fuller information on this point we propose addressing Your Excellency further on the subject.

We now ask you to be good enough to again make representations in the proper quarter and to use your influence to prevent this further attempt to illegally tax foreign opium from becoming operative.

In conclusion it only remains for me to thank Your Excellency on behalf of the Committee for the kind attention you have given to the various questions we have laid before you and for the efforts which you have at all times made to protect and foster our tradal relations with the Empire of China.

EDBERT A. HEWETT. Chairman.

To His Excellency Sir Ernest Satow, G.C.M.G., H.B.M.'s Envoy Extraordinary and Minister Plenipotentiary, Peking.

Hongkong, General Chamber of Commerce, Hongkong, 20th August, 1903.

SIR,—I am directed to hand you, for the information of His Excellency the Governor, a copy of the Address presented to H.E. Sir Ernest Satow, H.B.M.'s Minister at Peking, when the latter kindly consented to meet the Committee of this Chamber in the Chamber's Room on the 6th instant.

The following subjects are touched upon in the Address, viz.:—
Obstructions in the Canton River.
Registration of native-owned junks under Foreign Flags.
Piracy on the West River.
Inland Waters Navigation Rules.
Absconding Chinese Debtors.

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National Coinage for China.

Payment of Customs Duties in Gold.

British Commercial Treaty of Shanghai, 1902.

Proposed increase of Taxation of Foreign Opium at Canton.

His Excellency the Governor will notice that some of the matters referred to have already been the subject of correspondence between this Chamber and the Hongkong Government, and I am instructed to mention that any help His Excellency can see his way to give by seizing any opportunity which may occur of effecting a settlement of the matters in dispute on the lines laid down in the Address will be much appreciated by this Chamber.

Since Sir Ernest Satow's departure a slight modification has been made in the Joint Memorial from the Chambers of Commerce of Shanghai, Tientsin and Hongkong, and a copy as it now stands has been substituted in the enclosures above referred to.—I have, &c.,

A. R. LOWE, Secretary.

Honourable F. H. May, C.M.G., Colonial Secretary.

Colonial Secretary's Office, Hongkong, 29th August, 1903.

Str.— I am directed to acknowledge the receipt of your letter of the 20th instant, enclosing a copy of the Address presented by your Committee to His Excellency Sir Ernest Satow during his recent visit to Hongkong, and to inform you that His Excellency the Governor had already spoken to Sir Ernest Satow on many of the subjects therein mentioned, with which the Governor is in entire accord.

2. The opening of the West River has engaged His Excellency's attention ever since he entered upon the administration of this Colony, and when in Peking in 1900 His Excellency had two interviews with the Tsung-Li Yamen and with Sir Robert Hart on the subject. In both cases the proposals made by His Excellency were accepted, and His Excellency has reason to believe that no strong objection will be made to permitting to river steamers from Hongkong similar privileges to those conceded to foreign steamers from Canton. The opening of Kongmoon moreover, has always been an important point in West River negotiations.

3. His Excellency will always be glad to forward to the best of his ability the desires of the Chamber of Commerce in the interests of British Trade in China.—I have, &c.,

F. H. MAY, Colonial Secretary. The Secretary, General Chamber of Commerce, Hongkong.

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Additional Tax on Foreign Opium at Canton.

Hongkong General Chamber of Commerce, Hongkong, 30th July, 1903.

Copy of Telegram sent on the 28th July through the Hongkong & Shanghai Banking Corporation.

"Charge d'Affaires, British Legation, Peking, Hongkong Chamber "of Commerce protest strongly against proposed reintroduction in modi-"fied form of tax foreign opium in Canton, appeal to you support "protest.

HEWETT, Chairman."

Hongkong General Chamber of Commerce, Hongkong, 28th July, 1903.

SIR,—I have the honour to inform you that it has recently come to the knowledge of this Chamber that the Viceroy of the Two Kwang has decided to reimpose an additional tax on foreign opium imported into these provinces, the reason adduced being that the money is required to pay the share of the war indemnity for which he is responsible.

It is understood that H.B.M.'s Consul General at Canton has already forwarded to you full particulars including the copy of a proclamation issued with the Viceroy's authority, explaining how the tax is to be collected.

You will remember that a similar attempt to tax foreign opium was made last year by the former Viceroy, and that, after considerable correspondence had passed between H.B.M.'s Minister at Peking, the Consul General at Canton, the Hongkong Colonial Secretary and this Chamber, the Viceroy was ultimately compelled to abandon the attempt to enforce the tax.

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The present proclamation, a copy of which is attached, admits that the former tax was contrary to treaty and that the present levy of 6 candareens a tael on all foreign prepared opium in the boiling shops at Canton is in substitution of the original proposal, therefore it seems to the Committee that the form in which the new tax is to be levied is also illegal.

With regard to the general question of taxing prepared opium and levying the impost on the boiling establishments, I am to point out that this is, in the opinion of the Committee, a direct violation of treaty.

It is well known that a large amount of opium is so prepared in Canton, but it does not by any means follow that the opium is consumed on the premises or even in the city. Boiled opium from Canton is distributed in large quantities not only all over the province, but is even carried into neighbouring provinces, and the place where it is boiled cannot, therefore, be taken as "the place of consumption" as set forth in the first paragraph of clause 5 of the Additional Article to the Chefoo Convention signed in 1885.

In the second paragraph of the Article above referred to, it is distinctly laid down that foreign opium is not to be taxed at a higher rate than native opium.

This Chamber is given to understand that paragraph two of the proclamation enclosed, while not very clear, is intended to mean that the tax on native and foreign opium is to be calculated on the same basis.

This is assuming that all native opium pays full taxes, but in this connection I would beg to direct your attention to my predecessor's letter of 13th May, 1902, addressed to H. E. the British Minister at Peking, in which it was stated that it was well known that the greater part of the native drug evaded payment of duty, and up to the time of writing this Chamber has no reason for modifying its statements on the point.

The former attempt of the later Viceroy to raise special taxes on this branch of foreign trade having proved futile, the present proclamation is so worded as to give the impression that the Authorities are anxious to observe treaty obligations,

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Private information, however, leads the Committee to believe that this is not the case. The tax is called a "Fee on prepared opium" and it would appear that this is merely a name invented to hoodwink the treaty powers; on the contrary the tax is in effect a direct one on all foreign opium landed into Canton whether consumed in the *lekin* free area or in transit to the interior.

The Syndicate working under the direct protection of the highest provincial officials is, so I am informed, endeavouring through the opium guild to compel all importers of foreign opium to join in guaranteeing the amount due from the Canton Opium Farmer to the Provincial Authorities, and they are therefore to be held liable for a payment of Taels 57.60 for each chest imported into Canton.

It will be apparent from the above that the proposed new opium farm at Canton is merely another attempt on the part of the local officials to pay their dues to the Imperial Government at the expense of foreign trade, and the Committee of this Chamber trust that you will be able to see your way to represent the matter in such a manner to the Chinese Government as will induce them to send the necessary orders to the Viceroy to officially withdraw the proclamation complained of.

In this connection I am to especially direct your attention to the fact that, in the last paragraph but one of the proclamation, it is distinctly stated that the increased levy is made "in obedience to Imperial Decree." If this is correct it would appear that here again, as was the case last year, this attempted evasion of the treaties is to be traced directly to the Imperial Government at Peking.

In conclusion this Chamber trusts that you will be able to see your way to give this matter your earliest attention and I am to inform you that representations on this subject will also, if possible, be made to H.E. the British Minister while passing through this Colony, but, as the date of Sir Ernest Satow's arrival is still uncertain and the matter appears to be one of great importance and urgency, I addressed a telegram to you yesterday, courteously coded by and sent through the Hongkong & Shanghai Banking Corporation, protesting against the new tax and soliciting your good offices. A copy of this telegram is also enclosed.—I have, &c.,

E. A. HEWETT, Chairman.

W. C. Townley, Esq., H.B.M.'s Chargé d'Affaires, Peking.

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PROCLAMATION issued by
TING, Provincial Treasurer,
Wu, Provincial Judge,
Chou, Acting Salt Commissioner,
WAO, Acting Grain Taotai.

Superintendents of the Coast Defence and the Provincial Reorganization Board and Financial Board of Kwangtung.

WHEREAS WU K'UEI P'U of the Heng Chi Syndicate has undertaken the farm of the "License fee on Prepared opium" in Kuangtung, paying to the Government a yearly sum of One Million Dollars, and levying one mace and two candareens on every tael weight of foreign and native prepared opium, calculated at six tenths of the raw article, in the 2nd moon of this year regulations were drawn up, the deposit money was paid, and a petition was made to our Boards, which we submitted to the Viceroy and the Governor, who approved it. On the 29th day of the 2nd moon proclamations were issued, and on the 16th day of the 3rd moon the Syndicate reported that they had begun operations.

Now Wu K'uei P'u again petitions that as he was about to begin operations, he found that under the circumstances the levy was rather heavy, and ought to be reduced and he proposed to reduce it by one half as had at first been decided, that is to say that on every tacl of foreign and native boiled opium should be paid 6 candereens, while the native opium, being a native product, and consumed in China, should be liable to the tax whilst still raw, reckoning the proportion of boiled opium towards raw opium at such a rate as to make the opium when raw pay 6 candareens per tael.

But as the amount of the levy has been reduced, the sum paid to the Government should not remain at its original figure, and the Syndicate undertake to pay \$600,000 a year in monthly instalments, and in a year with an intercalary month the instalment would be proportionally increased, taking into the Syndicate Wu Yao Peng as general manager, who shall share in the responsibility to pay the amount guaranteed. The Syndicate requests us to grant their petition and issue a proclamation.

This Province has to raise towards paying the indemnity, and the levy on prepared opium is one of the largest sources of revenue. Last

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year, when the Kuang Hsing Syndicate farmed the levy, we were ordered to abolish it, as there was something in it which was contrary to Treaty. This farm of the Licence on Boiled opium by the Heng Chi Syndicate is a matter of a kind which we have had before in China. and concerns our internal administration. As sanction has been given (by the Higher Authorities) to the enterprise, the syndicate is at liberty to begin operations and collect the money according to the regulations. As regards the petition of the syndicate to reduce the levy by one half, and also to reduce the sum paid to Government to \$600,000, and to admit Wu Yao P'eng to join in the guarantee and become manager, as it is for the purpose of combining together in the interests of the Public Service, we, as is right, grant it. But as to the period of thirty-eight years for which the farm was originally granted to the syndicate, as the yearly sum to be paid to Government has been reduced, the syndicate is now permitted to attempt to carry out the scheme for five years only, and if successful, the levy shall be increased, and the sum to be paid to Government increased to its former figure \$1,000,000, when the syndicate may be granted the farm for thirty-eight years, and thus carry out the original agreement, and also provide for the indemnity.

Another set of Proclamation has been issued, and the syndicate has been ordered to fix the date of beginning the levy, and to pay the monthly instalments at the proper time, in order to meet the indemnity.

We have reported the whole matter to the Viceroy and Governor, and this Proclamation is issued for the information of prepared opium shops, and of all dealers in Yunnan and Ssuchuan opium. This increase in the levy is made in obedience to Imperial Decree, and must be carried into effect.

The temporary reduction is sufficient concession on the part of the Government, and every one must submit to it quietly, any resistance to the levy or evasion of it, shall be reported to the Authorities by the syndicate, and the offender's shop will be sealed up, and he will be arrested and punished without mercy.

de., de., de.

June 24th, 1903.

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Hongkong, 30th July, 1903.

SIR,—I have the honour to inform you that it has come to the knowledge of the Committee of the Hongkong Chamber of Commerce that the Viceroy of Canton proposes to levy a tax on all foreign opium imported into the Two Kwang, somewhat on the same lines of the tax proposed last year by his predecessor and which was prevented through the intervention of H. B. M.'s Minister at Peking.

The Committee of this Chamber telegraphed on the 28th instant to the British Legation at Peking protesting against the re-introduction of this tax, and I now have the pleasure to hand you a copy of this message and also a copy of my letter of the 29th instant addressed to the Chargé d'Affaires.

Knowing the keen interest you have taken in this matter in the past, and the manner in which you so ably worked to prevent the imposition of a similar tax by the late Viceroy, my Committee are anxious that their views on this question should be in your possession.—I have, &c.,

E. A. HEWETT, Chairman.

J. Scott, Esq., H. B. M.'s Consul General, Canton.

Hongkong General Chamber of Commerce, Hongkong, 30th July, 1903.

SIR,—I have the honour to inform you that it has come to the knowledge of the Committee of this Chamber that the Viceroy of Canton proposes to levy a tax on all foreign opium imported into the Two Kwang, somewhat on the lines of the tax proposed last year by his predecessor and which was prevented through the intervention of H.B.M.'s Minister at Peking.

The Committee despatched a telegram on the 28th instant to the Chargé d'Affaires at Peking protesting against the re-introduction of this tax, and, for the information of His Excellency the Governor, I am directed to hand you a copy of this message together with copies of the Chairman's letter to the Chargé d'Affaires at Peking and Mr. Consul General Scott at Canton.—I have, &c.,

A. R. LOWE, Secretary.

Honourable F. H. MAY, C.M.G., Colonial Secretary.

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H. B. M.'S CONSULATE GENERAL, Canton, July 31st, 1903.

SIR,—I have the honour to acknowledge the receipt of your despatch of the 30th instant, covering copy of your letter to H. M.'s Chargé d'Affaires in Peking protesting against the new opium tax.

I beg to thank you for so courteously communicating to me a copy of this letter, and I feel that your action and protest will greatly strengthen my hands in having the objectionable tax removed. Your views as expressed in the letter are clear and concise, and exactly to the point.— I have, &c.,

JAMES SCOTT, H.B.M.'s Consul General.

EDBERT A. HEWETT, Esq., HONGKONG CHAMBER OF COMMERCE, Hongkong.

> COLONIAL SECRETARY'S OFFICE, Hongkong. 1st August, 1903.

SIR,—I am directed to acknowledge the receipt of your letter of the 29th ultimo, relating to the alleged intention of the Viceroy of the Two Kwang to levy a tax on all foreign opium imported into the provinces under his jurisdiction.—I have, &c.,

F. H. MAY, Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

PEKING, 13th August, 1903.

SIR,—I beg to acknowledge the receipt on the 10th instant of your letter of the 28th July and its enclosures. Your telegram of July 29th was duly communicated to me by the Agent of the Hongkong and Shanghai Bank.

I have been in constant correspondence with the Chinese Government with regard to the imposition of additional taxation on foreign opium, in breach of the provisions of the Additional Article to the Chefoo Agreement, and I learn from His Majesty's Consul General at Canton that the tax to which your letter specially refers has been suspended.—I am, &c.,

WALTER TOWNLEY.

The Chairman, CHAMBER OF COMMERCE, Hongkong.

G.

Official Code Vocabulary.

CHAMBER OF COMMERCE OF THE STATE OF NEW YORK, April 10, 1903.

GENERAL CHAMBER OF COMMERCE, Hongkong, China.

Gentlemen :--

Enclosed I beg leave to hand you copy of Resolutions adopted by the Chamber of Commerce of the State of New York on the 2nd inst., on the subject of the compulsory use in cable telegraph messages of the so-called "Official Vocabulary" of cable code ciphers prepared under the direction of the International Telegraphic Bureau.

I trust that you will agree with the views expressed in these Resolutions and if so would suggest that you address a similar remonstrance to the Director of the International Telegraph Bureau, Berne, Switzerland, with the request that he present same at the Conference of International Telegraph Lines to be held in London on May 26th next.— I am, &c.,

> GUSTAV H. SCHWAB, Chairman, Committee on Foreign Commerce and the Revenue Laws.

CHAMBER OF COMMERCE OF THE STATE OF NEW YORK. REPORT OF THE COMMITTEE ON FOREIGN COMMERCE AND THE REVENUE LAWS, IN REFERENCE TO THE COMPULSORY USE OF THE OFFICIAL VOCABULARY BY THE INTERNATIONAL TELEGRAPHIC BUREAU.

To the Chamber of Commerce:

Your Committee on Foreign Commerce and the Revenue Laws beg leave to present the following preamble and resolution and to move their adoption.

Whereas, it is reported that an effort will be made at the Conference of International Telegraph Lines in London, on May 26th, 1903, to put into compulsory use in cable telegraph messages the so-called "official vocabulary" of cable code ciphers prepared under the direction of the International Telegraphic Bureau; and,

Whereas, such official vocabulary is inadequate for commercial business and not adapted to existing conditions; and,

Whereas, the enforced use of such official vocabulary and the exclusion of cable code systems now in use would entail serious expense, inconvenience and labor upon commerce therefore, be it

Resolved, that the Chamber of Commerce of the State of New York again enter its protest against the compulsory use of an official vocabulary in cable telegraphy; and be it further

Resolved, that the Committee on Foreign Commerce and the Revenue Laws be instructed to enter into communication with other commercial bodies, both in this country and in other parts of the world, for the purpose of bringing every possible influence to bear to cause a reconsideration of the proposed plan for the compulsory use of the "official vocabulary" in cable correspondence.

All of which is respectfully submitted.

GUSTAV H. SCHWAB, ISIDOR STRAUS, S. D. WEBB, GEORGE P. VIETOR, of Committee on Foreign Commerce & Revenue Laws.

New York, March 27th, 1903. Adopted by the Chamber, April 2, 1903.

> Hongkong General Chamber of Commerce, Hongkong, 14th May, 1903.

Sir,—Your letter of 7th January last, intimating that my letter to you of the 5th December, 1902, on the subject of the "Official Code Vocabulary" would receive early attention, was duly received.

I have now to confirm translation of my wire to you of the 12th instant, coded by and sent through the courtesy of the Peninsular and Oriental S. N. Co. as follows:—"Referring to letter of 5th December Hongkong Chamber of Commerce support New York Chamber of Commerce Resolutions 2nd April request you on our behalf forward protest against Official Cable Code to General Post Office London for presentation International Telegraph Conference. The next meeting is fixed for London, 26th May.—Lowe, Secretary."

I enclose copy of the resolutions of the New York Chamber referred to above, though you will doubtless have already received a copy of these from that body. As this Chamber has recently been in communication with you with the object of obtaining your support to the objections to the code, it will now be sufficient to state that my Committee has always been strongly opposed to the compulsory use of this Official Code on the grounds that great expense and inconveniences will be entailed on the mercantile community through the necessary amendment of existing codes.

The latest edition of the Official Code, although containing 1,176,100 words, is still incomplete, and they trust that your Chamber will have seen its way to sympathise with the views of my Committee by forwarding a protest through the British Postal Authorities in order that the matter may be thoroughly ventilated at the forthcoming Conference.—I am, etc.,

A. R. LOWE, Secretary.

The Secretary, LONDON CHAMBER OF COMMERCE.

Copy of a Telegram from Hongkong dated May 12th, 1903.

Referring to my letter of 5th December Hongkong Chamber of Commerce support New York Chamber of Commerce resolutions 2nd April request you on behalf of us forward protest against official cable code to General Post Office London for presentation International Telegraph Conference. The next meeting is fixed for London 26th May.—Lowe, Secretary.

Hongkong General Chamber of Commerce, Hongkong 14th May, 1903.

SIR,—I am directed to acknowledge the receipt of your letter of 10th ultimo, asking for the support of this Chamber to the resolutions passed by your Chamber on 2nd April last with regard to the compulsory use of the Official Code Vocabulary.

My Committee wired to the London Chamber of Commerce on 12th instant their support to the resolutions above mentioned for transmission to the British Postal Authorities who, I understand, are represented at the Meetings of the International Telegraph Conferences.

In order to place your Committee in touch with the views expressed from time to time by this Chamber. I must refer you to the Annual Reports already in your hands for the years 1894, 1895, 1896 and 1898, and copies of the correspondence for 1902 and 1903 now enclosed.—I am, &c.,

A. R. LOWE, Secretary.

The Secretary, Chamber of Commerce for State of New York, New York, U.S.A.

LONDON CHAMBER OF COMMERCE INCORPORATED,
BOTOLPH HOUSE, EASTCHEAP,
LONDON, E. C., 19th June, 1903.

SIR,—I have to acknowledge, with thanks, receipt of your letter of the 14th May, covering copy of resolutions passed by the New York Chamber of Commerce relative to the above matter, which, as you correctly surmise, were brought also to the notice of this and other British Chambers of Commerce. I enclose, for the information of your Chamber, a copy of the letters addressed to, and replies received from, His Majesty's Postmaster General on this matter, from which you will see that active steps were taken to oppose the proposed compulsory adoption of the new Official Vocabulary, both by resolution passed at a special meeting of this Chamber on the 20th April last, and also by forwarding from time to time protests received from various foreign Associations, whose names are specified in the correspondence sent herewith. It will also be seen that some time before the opening of the Conference in London (May 26th) the Postmaster General informed the various Chambers that he had given instructions to the British Delegates to oppose the compulsory adoption of the Vocabulary.

I trust this information will be satisfactory to you and remain, Yours faithfully,

KENRIC B. MURRAY, Secretary.

The Secretary, Hongkong General Chamber of Commerce, Hong-kong.

THE LONDON ('HAMBER OF COMMERCE (INCORPORATED).

Official Vocabulary of Code Words. Correspondence with the Right Honourable Austen Chamberlain, M.P., His Majesty's Postmaster General. April and May, 1903.

23rd April, 1903.

Official Vocabulary of Code Words.

Sir,—Referring to previous correspondence on this subject which dates back from 1895, I have now pleasure in enclosing you copy of resolution passed at a special General Meeting of members of this Chamber, held on the 20th instant.

I am gratified to observe the replies which you have been in a position to forward to the Manchester and Birmingham Chambers of Commerce on this matter.—I am, &c.,

KENRIC B. MURRAY, Secretary.

The Right Honourable Austen Chamberlain, M.P., H. M.'s Postmaster General.

That this meeting of Merchants who are largely interested in cables to various parts of the world, urgently requests the Postmaster General to decline on behalf of His Majesty's Government to accept the compulsory adoption of the proposed Official Vocabulary of Code Words. That His Majesty's Government be urged to decline to acquiesce in any other than a permissive use of the present Vocabulary, and that if its official adoption be pressed by other Governments which do not possess cables and telegraphic lines to the same extent as those in the hands of the British Government and Companies, His Majesty's Government be urged to withdraw (as far as this matter is concerned) from the International Telegraphic Union.

24th April, 1903.

Dear Sir,—I am desired by Mr. Austen Chamberlain to acknowledge the receipt of your letter of the 23rd instant on the subject of the Official Vocabulary of Code Words. The Resolution, of which you enclose a copy, was no doubt passed before the members of the London

Chamber of Commerce had seen the Postmaster General's answer to the Birmingham Chamber of Commerce, in which he stated that he had given instructions to the British Delegates at the International Telegraph Conference to oppose the compulsory adoption of the Vocabulary recently published by the International Bureau of Telegraph Administrations at Berne.—Yours faithfully,

A. R. KIDNER.

Kenric B. Murray, Esq.

London Chamber of Commerce, 11th May, 1903.

Official Vocabulary of Code Words.

Sir,—In confirmation of my recent communication with you, and of the correspondence which has passed between this Chamber and your Department since 1889 on this subject, I now enclose for your information:—

- (a.) Copy of a report of a recent meeting of the Havre Chamber of Commerce.
- (b.) A Petition from Commercial Firms, Shipowners, and Merchants of various Nationalities in Lisbon; and
- (c.) A similar Petition from Antwerp Houses.

These documents are all in favour of the Telegraphic Conference withdrawing the demand for the compulsory adoption of the new Official Vocabulary.

I thought, in view of the decision which your Department has arrived at, to oppose the compulsory adoption of the Vocabulary, this indication of similar views by other countries as well as our own, might be of use to the British representatives in dealing with this question at the official meeting.—I am, &c.,

Kenric B. Murray, Secretary. The Rt. Hon. Austen Chamberlain, M.P., H. M.'s Postmaster General.

General Post Office, London, 12th May, 1903.

Sir,—I am directed by the Postmaster General to acknowledge the receipt of your letter of the 11th instant, enclosing certain documents ~

embodying protests from Commercial bodies in Havre, Lisbon and Antwerp against the compulsory adoption of the Official Vocabulary for Code Telegrams; and I am to thank you for bringing these documents under the Postmaster General's notice.—I am, &c.,

J. C. LAMB.

The Secretary, London Chamber of Commerce.

London Chamber of Commerce, 16th May, 1903.

Sir,—Referring to my letter of 11th current, and to previous correspondence on this subject, I now have pleasure in enclosing a further letter from Germany to the same effect as the Memorials previously forwarded from Hongkong, France, Belgium, Spain and Portugal.

It has been further announced that a similar protest is being organised in Valparaiso.

You will also have received, direct, a protest from the New York Chamber of Commerce, and although, perhaps the United States of America are not telegraphically parties to the Convention, their protest must carry an equal amount of weight to those of the other largest customers of Cable Companies. Apparently the opposition of the Mercantile community is as general and widespread now as at the time this Chamber first took the matter up in 1889, when the Chambers of Commerce and Commercial Associations of the whole of Europe responded to its appeal to oppose the compulsory adoption of the Vocabulary.

From all the statements which reach me on behalf of the Postal Committee of this Chamber, which, as you are aware, has this matter in hand, my Committee is disposed to think, that the Telegraphic administrations of the various Powers would be much wiser not to attempt at any time the compulsory adoption of such a Vocabulary, but to leave it to the gradual action of the Telegraphic Code Compilers, who are yearly revising the various private codes, and whose natural tendency is to adopt the most suitable words from the vocabulary. This would therefore come into operation by the process of selection, which would be distinctly preferable to its arbitrary enforcement within any stated period.

At the present moment too, there is a very strong argument against the compulsory adoption of the new code in the extraordinary statement made by a representative of one of the Telegraph Companies, that the proposal to adopt the Vocabulary emanates from the Cable Companies themselves in order to increase their return to their Shareholders. This of course amounts to an admission that the Vocabulary is a deliberate attempt to force a higher rate of expenditure upon those who use cables by restricting the number of words and signs at their disposal. There is little doubt that, if the commercial community become generally acquainted with this fact, no stronger argument for the abolition of private ownership of cables could be advanced.

I am instructed to ask that the representatives of the British Post Office will be good enough to bring forward these, amongst other, arguments at the Conference, and I am also desired to express the hope that it may be possible for your Department to submit this letter to the Conference, and to publish it in the proceedings.—I am, &c.,

KENRIC B. MURRAY, Secretary.

The Rt. Hon. Austen Chamberlain, M.P., His Majesty's Postmaster General.

General Post Office, London, 23rd May, 1903.

Sir,—I am directed by the Postmaster General to acknowledge the receipt of your letter of the 16th instant, with its enclosures, on the subject of the compulsory adoption of the Official Vocabulary for Code Telegrams; and I am to inform you that the views of the London Chamber of Commerce will be brought before the forthcoming Telegraph Conference.—I am, &c.,

J. C. LAMB.

The Secretary, London Chamber of Commerce.

London Chamber of Commerce, 25th May, 1903.

Sir,—With furthur reference to my letter of the 11th instant, I have now pleasure in sending you Petitions from Italy and Holland.

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These Petitions include the names of some of the largest merchants in the respective Cities mentioned.

I shall be glad if you will kindly bring this to the notice of the Conference with other Petitions as indicating that other Countries than England, and merchants of other nationalities raise objections to the compulsory adoption of the Vocabulary.—I am, &c.,

KENRIC B. MURRAY, Secretary.

The Rt. Hon. Austen Chamberlain, M.P., His Majesty's Postmaster General.

The Chairman said it would have been noted that Reuter's telegram of the 18th ultimo stated that the International Conference had completely revised the rules relating to codes; also from 1st July, 1904, any combination of 5 letters would be accepted as a word; and it was satisfactory to know that the Official Vocabulary Scheme had at last been cancelled. What the new rules consisted of would be known locally in the course of a mail or two.

H

The Currency Question.

TIENTSIN GENERAL CHAMBER OF COMMERCE, TIENTSIN 25th May, 1903.

DEAR SIR,—The Committee of this Chamber is considering the drafting of a Memorial to the Diplomatic Body in Peking on the subject of the instability of exchange and its disastrous effects on the trade of the country.

The Committee have good grounds for believing that the Chinese Government is taking action, and it is of opinion that some assistance may be rendered to the Government, and greater prominence given to the imperative necessity of a remedy being found, by a joint Memorial from the Chambers of Commerce of Hongkong, Shanghai and Tientsin. The Committee of the Chamber are therefore desirous of knowing whether you have addressed, or propose to address, a Memorial to Peking on the subject, and I am instructed to say that my Committee would have great pleasure in subscribing to a Joint Memorial.

The Committee would be glad of a prompt reply as the matter is of pressing import.—I am, &c.,

A. F. ALGIE, Secretary.

The Secretary, Hongkong General Chamber of Commerce, Hong-kong.

Hongkong General Chamber of Commerce, Hongkong, 12th June, 1903.

SIR,—I am directed to acknowledge the receipt of your letter of the 25th ultimo, stating that your Committee were considering the drafting of a Memorial to the Diplomatic Body in Peking on the subject of the instability of exchange and its disastrous effects on the trade of the country and inquiring whether this Chamber had addressed, or proposed to address, a Memorial of this nature to Peking, in which case your Chamber would be inclined to subscribe to it should the Shanghai Chamber also join in the movement.

My Committee have discussed the proposition made to them by your Chamber, and they instruct me to inform you of their wish to assist the Chinese Government in any way that is possible with the object of putting an end to the instability of exchange. They consider, however, that it would be difficult for this Chamber to subscribe to a joint Memorial with the Chambers of Shanghai and Tientsin as it would probably be necessary for the Committees concerned to very fully discuss the terms of the actual Memorial.

The Committee of this Chamber are of opinion that the first step towards a solution of this complicated question is the establishment of a uniform national currency as provided for in Article 11 of the British Commercial Treaty of Shanghai of 1902, and it appears therefore that their efforts should, in the first place, be directed to attaining this end, as until reform in this direction has been carried out it will not be possible, in their opinion, to satisfactorily deal with the question of stability of exchange in China.

I am also to add that the Committee appreciate your desire for joint action in such an important matter, and regret to find themselves unable at present to deal with the matter in question in the way you suggest.

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They will however be glad if your Committee can see their way to furnish this Chamber with a draft of the proposed Memorial as soon as possible.—I have, &c.,

A. R. LOWE, Secretary.

The Secretary, CHAMBER OF COMMERCE, Tientsin.

SHANGHAI GENERAL CHAMBER OF COMMERCE, SHANGHAI, 25th July, 1903.

Dear Sir,—It has been suggested that in order to give greater prominence to the imperative necessity of a remedy being found, if possible, for the present unsatisfactory state of China's Currency, and in order to render some assistance to the Chinese Government in bringing this about, a joint Memorial from the Chambers of Commerce of Shanghai, Hongkong and Tientsin, be addressed to the Ministers in Peking, urging on the Chinese Government the desirability of making preparations for the introduction of a National Coinage.

With the object of securing your valuable co-operation I am instructed by the Committee of this Chamber to forward for your approval, the accompanying draft, and to ask for the favour of a reply at your early convenience.

In drawing up this Memorial, the Committee have thought it prudent to confine its scope to the emphasising of the need of a National Coinage, which they believe will be admitted to be a necessary preliminary step to any legislation for the ultimate establishemnt of a currency on a Gold basis.

By the avoidance of all questions of a controversial nature, and by basing their claim to have the coinage question dealt with on the provisions of the recent Treaty with Great Britain, it is hoped that the Memorial may be accepted by the other signatories.—I am, &c.,

LESLIE J. CUBITT, Secretary.

The Secretary, Hongrong General Chamber of Commerce, Hong-kong.

Hongkong General Chamber of Commerce, Hongkong, 14th July, 1903.

SIR,—I am directed to acknowledge the receipt of your letter of the 25th ultimo, drawing the attention of this Chamber to the need of reform in China's currency arrangements, and suggesting that a joint Memorial should be addressed to the Diplomatic Body at Peking by the Chambers of Commerce of Tientsin, Shanghai and Hongkong, urging the importance of this question and the desirability of immediate preparations being made by the Chinese Government for the introduction of a national coinage.

A proposal of this nature has recently been made, as you are no doubt aware, by the Tientsin Chamber, and the Committee of this Chamber intimated to that body in a letter dated 12th June last, a copy of which is enclosed, that they had every wish to co-operate in any way that is possible with the object of putting an end to the instability of exchange, and the opinion was expressed that the first step towards a solution of this complicated question would be to urge the establishment of a uniform national currency as provided for in Article 2 of the British Commercial Treaty of Shanghai of 1902. Up to the time of writing, however, my Committee have not any information as to whether the Tientsin Chamber is willing to confine the Memorial it had in view to the suggestion made by this Chamber.

My Committee have noted with pleasure that their conception of the best course to follow in dealing with this question is shared by your Chamber, and I am directed to state that this Chamber would be prepared to join with yours and that of Tientsin in signing a petition addressed to the Doyen of the Diplomatic Corps at Peking in terms of the draft submitted to you.—I am, &c..

A. R. LOWE, Secretary.

The Secretary, CHAMBER OF COMMERCE, Shanghai.

Hongkong General Chamber of Commerce, Hongkong, 30th July, 1903.

SIR,—With reference to your letter of the 23rd March last (No. 1797/03) stating that a copy of the Resolution on the Currency question, which was passed by the Members of this Chamber at a special General Meeting on the 18th February last, would be forwarded to the Secretary

of State for the Colonies, I would beg to remind you that it is now five months since the feeling of the Members of this Chamber on this important question was first communicated to you for the information of His Excellency the Governor.

Inquiries have recently been made by Members desiring to know what action (if any) the Government have decided to take in this matter, and I am therefore instructed by my Committee to inquire whether His Excellency has received an answer to his representations to the Home Authorities, and, if not, whether you can state when such answer is likely to be received.—I have, &c.,

A. R. LOWE, Secretary.

Honourable F. H. MAY, C.M.G., Colonial Secretary.

('olonial Secretary's Office, Hongkong, 31st July, 1903.

SIR,—I am directed to inform you in reply to your letter of yester-day's date that no answer has yet been received from the Secretary of State with regard to the Currency question, nor is it possible to state when such answer may be expected. His Excellency the Governor's despatch to the Secretary of State, to which an answer is now awaited, was dated April 2nd last.—I have, &c.,

F. H. MAY, Colonial Secretary.

The Secretary, GENERAL CHAMBER OF COMMERCE, Hongkong.

Chamber of Commerce, Singapore, 1st July, 1903.

SIR,—I am instructed by the Committee to send you, for the information of your Chamber, copy of the following Resolution which was passed at a meeting of Committee of the Chamber held on 29th June:—

"This Committee being satisfied that there is an abundant supply "of Coin within the Colony and the Federated Malay States for all "probable requirements, and fearing that the continued importation of "Mexican dollars will retard the Government Scheme for the establishment of a Gold Standard, as well as aggravate the difficulties of the "situation when demonetization takes place, urges the Government to "forthwith prohibit the importation of Mexican dollars."

The Resolution has been duly communicated to the Government.—Yours faithfully,

ALEX. J. GUNN, Secretary.

The Secretary, Hongkong General Chamber of Commerce, Hong-kong.

Hongkong General Chamber of Commerce, Hongkong, 19th August, 1903.

SIR,—I am directed to acknowledge the receipt of your letter of the 1st ultimo, advising this Chamber of the resolution recently forwarded to your Government on the subject of the further importation of Mexican dollars into the Straits Settlements, and to express the thanks of my Committee for your courtesy in furnishing them with this information.

In view of the great interest taken by your Committee in the Currency question generally and particularly as it affects those countries having commercial transactions with your Colony, I am instructed to forward to you, for your information only, copies of the recent correspondence relating to a joint Memorial from the Chambers of Commerce of Shanghai, Tientsin and Hongkong to be addressed to the Diplomatic Body at Peking on the subject of the institution of a uniform Coinage in China.—I am, &c.,

A. R. LOWE, Secretary. The Secretary, Chamber of Commerce, Singapore.

TIENTSIN GENERAL CHAMBER OF COMMERCE, TIENTSIN, 15th July, 1903.

SIR,—I am directed to acknowledge receipt of your letter of 12th ultimo replying to this Chamber's suggestion that a joint Memorial be presented to the Diplomatic Body in Peking on the Currency question.

Your letter has been read with interest, and my Committee instruct me to reply that they are quite in accord with your views that the establishment of a national coinage, as provided for in Article 11 of the British Commercial Treaty of 1902, should be strenuously advocated. H

In response to our suggestion the Shanghai Chamber have drafted a Memorial, of which doubtless you have received a copy. The Shanghai Committee have confined themselves to emphasising the need of a national coinage, and my Committee are quite prepared to subscribe to a joint Memorial in the terms of the one submitted to it. I have, however, been instructed to point out to Shanghai that my Committee are of opinion that for a National coinage to be effective, the provincial mints must be closed, and that Article 11 of the British Commercial Treaty only says:—

"China agrees to take the necessary steps to provide for a uniform national coinage which shall be legal tender in payment of all duties." My Committee, therefore, suggest that the clause in the Memorial referring to this Article be slightly amended.—I have, &c.,

A. F. ALGIE, Secretary.

The Secretary, Hongkong General Chamber of Commerce, Hong-kong.

SHANGHAI GENERAL CHAMBER OF COMMERCE, SHANGHAI, 6th August, 1903.

Memorial to Peking re Currency.

DEAR SIR,—I have to acknowledge your letter of 14th ultimo, from which my Committee note with pleasure that you are in agreement with them as to the manner in which this subject should be approached.

Since the receipt of your letter under reply, I have heard from the Tientsin Chamber in whose letter they state their willingness to co-operate with Hongkong and Shanghai, merely asking for a slight amendment of the third paragraph of the Memorial which has been agreed to by my Committee.

As the alteration does not involve any change of principle, I am instructed to merely call your attention to it and to forward herewith the Memorial for your signature.—Yours faithfully,

LESLIE J. CUBITT, Secretary.

The Secretary, Hongkong General Chamber of Commerce, Hong-kong.

Hongkong General Chamber of Commerce, Hongkong, 15th August, 1903.

DEAR SIR,—I have to acknowledge the receipt of your letter of the 6th instant, enclosing the Memorial to the Diplomatic Body in Peking on the subject of the Currency of China. The Tientsin Chamber have already advised my Committee of the proposed alteration to the original draft regarding the closing of the Provincial Mints to which you refer, and I enclose copy of the telegrams which passed between this Chamber and yours on the 13th instant.

The Committee of this Chamber are agreed that, in order to satisfactorily carry out the establishment of a uniform national coinage in China, the minting of the Coins must be under the control of one authority, but, as the Empire covers so great an extent and in the event of only one mint being maintained, which would in all probability be situated in or near the Northern Capital, they consider South China would be placed at a disadvantage owing to the time, trouble and cost entailed in the transference of the crude and coined precious metals. It appears to them that the present Provincial Mints, possessing as they do nearly all the necessary requirements in the shape of buildings, machinery and trained employees, might be continued (or at least some of them) with advantage if taken over by the Imperial Government and placed under one control so as to insure uniformity in the coinage. In so readily agreeing to the substitution of the word "absorption" instead of "closing" in the Memorial my Committee are pleased to find that you are apparently in agreement with them on this point.

I am directed to draw your attention to what appears to my Committee the advisability of sending a copy of the Memorial to each Member of the Diplomatic Body at Peking whenever the Doyen of that Body is addressed as in this instance. In this way the question at issue is at once brought to the direct notice of each representative of the various powers and the chance of obtaining a Minister's favourable consideration, even when the subject is one in which he or his nation is not directly interested in, is more probable. My Committee will therefore be pleased to learn that your Chamber will fall in with this suggestion on the present occasion.—I am, &c.,

A. R. LOWE, Secretary.

Leslie J. Cubitt, Esq., Secretary, General Chamber of Commerce, Shanghai, &c. H

TRANSLATION OF TELEGRAMS TRANSMITTED BY THE CHAMBERS OF COMMERCE OF HONGKONG AND SHANGHAI ON THE 13th August, 1903.

From Hongkong:-

"May we substitute "absorption" instead of "closing" in Memorial to Peking."

From Shanghai:-

"In reply to your enquiry-Yes."

Hongkong General Chamber of Commerce, Hongkong, 21st August, 1903.

SIR,—I am directed to acknowledge the receipt of your letter of the 15th ultimo, intimating that your Committee had signified their willingness to subscribe to the joint Memorial to the Diplomatic Body at Peking on the subject of a uniform National Coinage for China and drawing attention to your Committee's suggestion to the Shanghai Chamber that the clause in the draft Memorial drawn up by that Chamber referring to Article 11 of the British Commercial Treaty of Shanghai 1902 should be amended in orded to urge the importance of closing the Provincial Mints so as to render the proposed national coinage an effective one.

My Committee gave this matter their consideration and whilst admitting that the suggestion made by your Chamber would have the effect you anticipate, they believe that the absorption of the Provincial Mints by the Imperial Government would bring about the same result. The chief reason which influenced the Committee of this Chamber in arriving at this decision was that in the event of only one Mint being maintained, which would in all probability be situated in or near the Northern Capital, they consider South China would be placed at a disadvantage, owing to the time, trouble and cost entailed in the transference of the crude and coined precious metals. It appears to them that the Provincial Mints, or some of them, possessing as they do nearly all the necessary requirements in the shape of buildings, machinery and trained employees, might be continued (or at least some of them) with advantage if taken over by the Imperial Government and placed under one control so as to insure uniformity in the Coinage.

The Shanghai Chamber gave their consent to the slight alteration made necessary in the wording of the Memorial in order to express the views held by this Chamber on that particular point and the actual Memorial was returned to them duly signed on the 15th instant.

I am to express the hope that your Committee will have no difficulty in accepting the amendment as it now stands.—I am, &c.,

A. R. LOWE, Secretary.

The Secretary, CHAMBER OF COMMERCE, Tientsin.

SHANGHAI GENERAL CHAMBER OF COMMERCE, SHANGHAI, 2nd September, 1903.

DEAR SIR,—I have to thank you for your letter of 15th August returning the Gold Currency Memorial duly signed by the Chairman of your Chamber.

The Memorial has now been forwarded to the Tientsin Chamber for signature, and acting on your Committee's suggestion copies of the Memorial have been sent, at the same time, with a request to the Secretary to furnish each of the Foreign Ministers with a copy.—I am, &c.,

LESLIE J. CUBITT, Secretary.

The Secretary, Hongkong General Chamber of Commerce.

CHAMBER OF COMMERCE, SINGAPORE, 12th September, 1903.

Dear Sir,—I have to acknowledge the receipt in due course of your letter of 19th ultimo forwarding copies of recent correspondence relating to a joint Memorial from the Chambers of Commerce of Shanghai, Tientsin and Hongkong addressed to the Diplomatic Body at Peking on the subject of the institution of a uniform National Coinage in China.

2. In expressing the thanks of my Committee for the information you have thus afforded this Chamber, I am desired to add that they will be much interested to learn of any further steps that may be taken in that direction, and of the result of the representation by the United Chambers.—Yours faithfully,

ALEX. GUNN, Secretary.

A. R. Lowe, Esq. Secretary, Hongkong General Chamber of Commerce, Hongkong.

H

TIENTSIN GENERAL CHAMBER OF COMMERCE, TIENTSIN, 15th September, 1903.

SIR,—I am directed to acknowledge receipt of your letter of 21st ultimo, and now beg to inform you that the joint Memorial has been safely received from Shanghai, and, after being approved by my Committee, has been duly signed and forwarded through the proper channels to the Doyen of the Diplomatic Corps at Peking.

I am instructed to say that my Committee saw no reason to disagree with the slight alteration made by your Committee to the amendment which was suggested by this Chamber.

Copies of the Memorial have been sent to all the Ministers in Peking.—I am, &c.,

A. F. ALGIE, Secretary.

The Secretary, General Chamber of Commerce, Hongkong.

Hongkong General Chamber of Commerce, Hongkong, 29th September, 1903.

SIR,—I am in receipt of your letter of the 15th instant informing this Chamber that the joint Memorial from the Chambers of Commerce of Shanghai, Tientsin and Hongkong referring to the currency of China had been sent to the Members of the Diplomatic Body at Peking and, in order that a record may be published in the Annual Report of this Chamber, I am instructed to ask you to be good enough to furnish me with a copy (showing the signatures), together with a list of those persons to whom it was addressed.—I have, &c.,

A. R. LOWE, Secretary.

The Secretary, General Chamber of Commerce, Tientsin.

COLONIAL SECRETARY'S OFFICE, HONGKONG 29th September, 1903.

SIR,—With reference to your letter of the 30th July and my reply of the following day on the subject of the Currency question, I am directed to inform you that a despatch, of which I enclose a copy, has now been received from the Secretary of State for the Colonies. His

Excellency the Governor has directed that the correspondence be printed and laid upon the table of Legislative Council.—I have, &c.,

F. H. MAY, Colonial Secretary.

The Secretary, Chamber of Commerce, Hongkong.

Downing Street, No. 305. 22nd August, 1903.

Sir,—I have the honour to acknowledge the receipt of your despatch No. 174 of the 2nd April, with its enclosures, on the subject of the currency in Hongkong.

I regret that I have not returned an earlier reply to your despatch, which has, however, been receiving my careful attention. I transmit to you herewith a copy of resolutions agreed to at a recent conference between Delegations from the United States, China and Mexico and Representatives of this country regarding the monetary systems of silverusing countries and the establishment of a national currency in the Chinese Empire, together with a copy of a Message from the President of the United States which led up to the Conference. The Delegations are now discussing the silver question with Representatives of different Governments in Europe.

It does not appear expedient to discuss further at the present stage the possibility of establishing a gold standard in Hongkong, the difficulties of which are clearly stated in your despatch. It appears to me to be out of the question to entertain the idea of adopting a gold standard of currency for the Colony while China remains a silver standard country, and I do not, therefore, consider that it would be expedient to appoint a Commission to enquire into the subject.—I have, &c.,

J. CHAMBERLAIN.

Governor Sir Henry A. Blake, G.C.M.G.,

&c., &c., &c.

Conference between Delegations from the United States, China and Mexico, and Representatives of Great Britain.

Points regarding monetary systems for silver-using countries on which the Conference unanimously agree :—

H

- 1. That the adoption in silver-using countries of the gold standard on the basis of a silver coin of unlimited legal tender, but with a fixed gold value, would greatly promote the development of those countries and stimulate the trade between those countries and countries already possessing the gold standard, besides enlarging the investment opportunities of the world.
- 2. That a national currency for the Chinese Empire, consisting of silver coins which shall be full legal tender throughout the Empire, is urgently desirable.

As soon as practicable, steps should be taken for the establishment in China of a fixed relation between the silver unit and gold.

- 3. That approximate uniformity in the coinage ratio between gold and the silver coins of such countries as may hereafter adopt a gold standard is desirable.
- 4. That, if there are no further serious changes in the price of silver bullion, it is desirable that the coinage ratio between gold and the silver coins of those silver-using countries which may hereafter adopt a gold standard should be fixed at about 32 to 1.5.

That fluctuations in the price of silver bullion would, to some extent, be prevented by reasonable regularity in the purchase of silver required by each Government for actual coinage purposes, and that such regularity is desirable, and might be adopted, as far as possible, in each country, subject to its monetary policy and convenience.

Great Britain:

Jas. L. Mackay. Ewen Cameron. Robert Chalmers. W. Blain. George W. Johnson.

China:

HALLIDAY MACARTNEY. IVAN CHEN.

United States:
H. H. HANNA.
CHARLES A. CONANT.
JEREMIAH W. JENKS.

Mexico:
Enrique C. Creel.
Luis Camacho.
Edo. Meade.
Edward Brush.
Technical Counsellor.

London, 18 June, 1903.

Tientsin General Chamber of Commerce, Tientsin, 9th October, 1903.

SIR,—I am in receipt of your letter of 29th ultimo, and as requested therein I beg to hand you herewith a copy of the recent joint Currency Memorial, which I presume is what you desire though the wording of your letter leaves me in some doubt. I also attach, as requested, a list of the Ministers, etc., to whom copies of the Memorial were sent.—I have, &c.,

A. F. ALGIE, Secretary. The Secretary, General Chamber of Commerce, Hongkong,

TO HIS EXCELLENCY F. H. CONGER, MINISTER FOR THE UNITED STATES OF AMERICA, AND DOYEN OF THE DIPLOMATIC CORPS, PEKING.

Shanghai, 6th August, 1903.

Sir,—We, the undersigned Chambers of Commerce of Shanghai, Hongkong, and Tientsin, respectfully beg to bring to your notice the serious disabilities under which this Country labours by reason of the violent fluctuations in the gold value of silver, and the presing need thereby occasioned for the prompt introduction of remedial measures.

In approaching this subject we are fully aware of the difficulties with which it is surrounded, but while in no way seeking to minimise these difficulties we venture to think that if the Treaty Powers shew their desire to render to China their sympathetic assistance, she may be encouraged to take the initiative in endeavouring to extricate the country from the financial confusion into which it has drifted and to avert the ruin which further inaction seems to threaten.

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Under Clause II of the Treaty recently concluded with Great Britain, China agrees to take the necessary steps to provide for an uniform National Coinage, and it is in the fulfilment of this Clause of the Treaty (which to be effective must include the absorption of the Provincial Mints) that we recognise the preliminary step to the much needed reforms.

It is hardly necessary to point out how essential it is to the Powers carrying on trade with China—and no less to China herself that this question of an uniform coinage, as a preliminary step to the establishment of a currency on a Gold basis, be taken in hand at once, nor, on the other hand, to demonstrate the dangers attendant on delay. It is only too well known by Traders that the constant fluctuation of silver, converting as it may, a profitable contract into an ultimate loss, engenders a feeling of insecurity in all commercial transactions which cannot fail to hinder the expansion of trade.

Moved by these considerations and feeling confident that whatever measures may subsequently be found to be desirable or feasible, the first step is the establishment of a National Coinage, as provided for by Treaty, we respectfully beg that the Representatives of the Treaty Powers in Peking lose no opportunity of urging upon the Chinese Government the imperative necessity of taking this matter in hand without delay.—We have, &c.,

R. INGLIS, Chairman, Shanghai General Chamber of Commerce.

EDBERT A. HEWETT, Chairman, Hongkong General Chamber of Commerce.

J. M. DICKINSON, Chairman, Tientsin General Chamber of Commerce.

Names of Ministers, &c., in Peking to whom Copies of the Currency Memorial were sent.

Mons. D'ALMEIDA, Chargé d'Affaires for Portugal.

His Excellency P. Lessar, H. I. R. M.'s Envoy Extraordinary and Minister Plenipotentiary.

His Excellency Uchida Yasuya, H. I. J. M.'s Envoy Extraordinary and Minister Plenipotentiary.

- His Excellency Count G. GALLINA, H. I. I. M.'s Envoy Extraordinary and Minister Plenipotentiary.
- His Excellency Sir Ernest Satow, G.C.M.G., H. B. M.'s Envoy Extraordinary and Minister Plenipotentiary.
- His Excellency Dr. Von Schwarzenstein, H. I. G. M.'s Envoy Extraordinary and Minister Plenipotentiary.
- His Excellency G. Dubail, Envoy Extraordinary and Minister Plenipotentiary for France.
- His Excellency Baron CZIKANN DE WAHLBOR, His Impl. and Apostolic Majesty's Envoy Extraordinary and Minister Plenipotentiary.
- His Excellency M. Joostens, Envoy Extraordinary and Minister Plenipotentiary for Belgium.
- Mons. W. J. Oudendyk, Chargé d'Affaires for the Netherlands.
- His Excellency B. J. de Cologan, Envoy Extraordinary and Minister Plenipotentiary for Spain.

TIENTSIN GENERAL CHAMBER OF COMMERCE, TIENTSIN, 14th October, 1903.

SIR,—I have the honour to enclose:—

- (a.) Copy of a letter from the Senior Consul at Tientsin under date, Tientsin, 13th October.
- (b.) Copy of a letter from the Doyen of the Diplomatic Corps under date, Peking, 8th October.
- (c.) Copy of my reply to the Senior Consul at Tientsin.

The despatch of the Doyen at Peking although it adds nothing to our knowledge of what progress is contemplated by the Imperial Government is, at any rate, satisfactory as giving expression to sympathy with the views held by the Chambers.—I am, &c.,

J. M. DICKINSON, Chairman.

To the Chairman, CHAMBER OF COMMERCE, Hongkong.

H

H. B. M.'s Consulate General, Tientsin, 13th October, 1903.

Sir,—With reference to your letter of the 10th September inclosing a communication from the Chambers of Commerce of Shanghai, Hongkong and Tientsin, for transmission to the Doyen of the Diplomatic Body at Peking, which document I duly forwarded to its destination on the 11th September, I beg now to inclose a copy of the reply received yesterday from Baron Czikann, the present Doyen, to your letter. May I ask you to communicate the same to the Shanghai and Hongkong Chambers in due course.—I am, &c.,

L. C. HOPKINS, Consul General.

J. M. Dickinson, Esq, Chairman, Tientsin General Chamber of Commerce.

> Austrian-Hungarian Legation in China, Peking, 8th October, 1903.

Sir,—I have been honoured by you with a Petition of the Chambers of Commerce of Tientsin, Shanghai and Hongkong, by which these bodies have expressed their desire to see a uniform coinage adopted in China.

The Diplomatic Body is highly interested with a question of this nature and greatly appreciate the efforts and zeal of the Chambers of Commerce.

I shall feel obliged if you will communicate this reply to the Chairmen of the said three Chambers.—I have, &c.,

M. CZIKANN.

The Senior Consul, Tientsin.

Tientsin General Chamber of Commerce, Tientsin, 14th October, 1903.

Sir,—I have the honour to acknowledge receipt of your letter under yesterday's date enclosing a copy of a communication addressed to yourself as Doyen of the Consular Corps at Tientsin by Baron CZIKANN, the present Doyen of the Diplomatic Corps, and having reference to a letter under date of the 10th ultimo, addressed to that Body by the Chambers of Commerce at Hongkong, Shanghai and Tientsin.

In accordance with your wishes I will communicate this reply to the Chambers concerned.—I am, &c.,

J. M. Dickinson, Chairman.

L. C. Hopkins, Esq., H. B. M.'s Consul General and Senior Consul, Tientsin.

I

The Crown Agents and Contracts with Private Firms.

THE CEYLON CHAMBER OF COMMERCE, COLOMBO, 2nd April, 1903.

DEAR SIR,—I am directed by my Committee to solicit information from your Chamber on the above subject, which has given rise to considerable discussion amongst our Mercantile Community during the last 18 months.

The local importers maintain that Government should do their utmost to encourage local trade by placing their orders with Colombo Firms for materials required for the construction of public works, in preference to indenting for all supplies upon the Crown Agents, and it is asserted that such a policy (namely the throwing of the business open to competition) would prove more economical to Government and also that the Merchants who are themselves taxpayers have a fair claim to be allowed to tender for the supply of goods towards whose purchase they themselves contribute. There is another section consisting of local building contractors who strongly protest against the present system which obtains in regard to the construction of public buildings and other works. These are nearly all executed by the Public Works Department in co-operation with the Government Factory. It is argued that were Government to consent to place building contracts with private firms by tender, far greater expedition and economy would be secured, and local industries greatly fostered. My Committee are somewhat in sympathy with the above arguments, but are not confident that a movement assailing the "Crown Agents" system, the Public Works Department and the Government Factory would have a successful issue.

-

I am directed to enquire whether you are able to give us any information regarding the working of the "Crown Agents" system and the Public Works Department in your Colony in relation to the interests of your local Merchants and or Contractors.

Thanking you in anticipation,-I am, &c.,

FRED. W. WALDOCK, Secretary.

The Secretary, Hongkong Chamber of Commerce, Hongkong.

Hongkong General Chamber of Commerce, Hongkong, 24th July, 1903,

DEAR SIR,—I am directed to acknowledge the receipt of your letter of the 2nd April last soliciting information as to the working of the "Crown Agents" System and the Public Works Department in this Colony in relation to the interest of local Merchants and Contractors.

As local conditions vary so much in different Crown Colonies, my Committee feel they are hardly in a position to reply in detail to all the points raised in your letter under reply.

You will gather from the enclosed report, No. 13/1902 dated 29th March, 1902, of the Commission appointed by H. E. the Governor on 11th October, 1901, to inquire into the Public Works Department, that some of the matters referred to by you have been the subject of comparatively recent investigation here, and, in order that my Committee might be in a better position to consider this matter, a series of questions was drawn up and presented by the Representative of this Chamber at a recent Meeting of the Legislative Council. A copy of the latter, together with the Colonial Secretary's replies, is enclosed for your information, and needs little further explanation.

If, as would appear, it be a fact that no reputable firm would be excluded from the Crown Agents' list, the opportunity of tendering for Government supplies is readily obtainable, and my Committee do not consider that the extra cost to the Colony through employing the Crown Agents is incommensurate with the services rendered.

In this connection it must not be forgotten that the Crown Agents undertake a considerable amount of work relating to the engagement of all British employees, such as the Police, Hospital Nurses, Sanitary Officials, and other trained assistants, required to complete the staff of the various Government Departments, and for which no specific charge is made.

The question of the advisability of placing Government building contracts in the hands of private firms has also been dealt with by the Commission before referred to, and my Committee endorse the view that public works of "a special nature or of urgency" might with advantage be entrusted to private firms.

I am also to add that, should your Chamber desire a further interchange of ideas, my Committee will be pleased at any time to continue the discussion of this important question .- I am, &c.,

A. R. LOWE, Secretary.

The Secretary, CHAMBER OF COMMERCE, Colombo.

(Enclosure.)

Hongkong Legislative Council Meeting, 7th July, 1903. THE CROWN AGENTS.

Pursuant to notice, the Hon. Shewan asked the following questions :-

Will the Honourable the Colonial Secretary be good enough to give the following information respecting the working of the Crown Agents system with regard to this Colony: -

> The Colonial Secretary replied to the questions as follows :-1. (a.) The Crown Agents and their em-

- 1. (a.) What method is adopted for paying the Crown Agents!
 - ployees are paid salaries out of the contributions of all the Colonies employing their (b.) No.
- (b.) Do the Crown Agents receive a commission on orders executed in addition to regular salaries?
- (c.) Do they receive remuneration from
- 2. What is the annual sum paid by the Colony to the Crown Agents during the past three years, giving salary and commissions separately, or what annual sum has been charged to the Colony for the services 1 % Commission on stores. of the Crown Agents!

(c.) Only the regular contributions paid other Crown Colonies in addition to this ! to the fund for salaries and other expenses. 2. Statement attached.

> The statement referred to is as follows :-" payment of interest on

% ... " Subsidiary Coins. £150 per annum for transacting the general business of the Colony.

1900. Commission paid on	
stores,	£255,1.0=\$2,542.82
on loan.	. 39.18.0= 399.37
Commission paid on Subsidiary Coins, For transacting the	. 566. 8.8= 5,601.59
general business of the Colony,	150. 0.0= 1,500.11
£	1.011. 7.8=\$10.043.89
1901.	
Commission paid on stores, Commission paid on	£222.3.6=\$2,290.71
payment of interest on loan,	14.19.0= 161.71
Commission paid on Subsidiary Coins, For transacting the	$314. \ 4.1 = 3,526.14$
general business of the Colony,	
	£731. 6.7=\$7,528.42
1902.	
Commission paid on	£278.18.5=\$3,207.73
payment of interest on loan,	29.18.0 = 340.82
Commission paid on Subsidiary Coins, For transacting the	$196. \ 0.5 = 2,146.01$
general business of the Colony,	
	£654.16.10=\$7,417.33
	(Sd.) A. M. Thomson, C. T.

- 3. (a.) Are all orders for material. etc., 3. (a.) Yes. sent to Europe on behalf of the Colony, made through the Crown Agents?
- (b.) If not, what system is adopted with regard to such orders which are not executed by the Crown Agents?
- that all order on behalf of the Colony are liwith professional supervision and inspection. executed by the firm best able to carry out the work at the most reasonable price?

how are these firms selected?

refuse to place a firm on their list?

(b.) Unnecessary to answer.

4. (a.) What system is adopted to ensure 4. (a.) The competitive system coupled

(b.) If orders are put up to tender only (b.) and (c.) No definite information is for those firms on the Crown Agents' lists, available on these points, but a reference to ow are these firms selected?

(c.) Can any reputable firms on applicWorks Commission shows that in 10 years ation be placed on the Crown Agents' lists, the Crown Agents carried out 379 orders or do the Crown Agents exercise a right to [for the Public Works Department, and that these orders were placed with 101 different Firms. The field of selection is therefore very wide. No objection is raised by the

1

Agents if this Government asks that a particular order may be placed with a particular firm, and the Government has every reason to be satisfied with the quality and price of the stores supplied to it.

(d.) In the event of such a refusal, has the firm thus rejected any right of appeal and, if so, to whom?

(d.) Yes. To the Secretary of State for the Colonies. I would lay on the table Parliamentary Paper C.S.O. 75 of 1881 relative to the functions of the Crown Agents, which has already been laid on this table in 1894. I will also quote the opinion of the majority of the Public Works Commission 1902 on page VI of its Report:—

II.E. the Governor :—I don't think it is necessary.

THE CEYLON CHAMBER OF COMMERCE, COLOMBO, 8th September, 1903.

DEAR SIR,—I am directed to acknowledge receipt of your letter of 24th July and its enclosures, and to express the thanks of my Committee for the interesting information it contains, relative to the working of "Crown Agents" System and the Public Works Department in your Colony.

I am further desired to express the thanks of this Chamber to your Committee for offering to continue at any time the discussion of this subject with a view to a further interchange of ideas, which may be found of considerable assistance.—I am, &c.,

F. M. SIMPSON, Secretary.

The Secretary, Hongkong General Chamber of Commerce, Hongkong.

J

Prohibition of Coolie Immigration at Singapore.

CHAMBER OF COMMERCE, SINGAPORE, 12th June, 1903.

SIR,-I have the honour to enclose for the information of your Chamber copies of the following correspondence:-

Letter from the Colonial Secretary, dated the 11th instant.

J

Reply thereto from the Chamber of Commerce, dated 12th instant, in connection with the prohibition of immigration of coolies from Hongkong—of which you have doubtless received official notification—in consequence of the number of cases of Plague that have recently occurred on board steamers arriving here with coolies from your Port.

- 2. It will be observed that the Austrian steamer Melpomene which arrived here on the 10th instant, reported three deaths from Plague during the voyage, and that two cases of Plague were found on board upon her arrival. Further, that this is the fourth time recently that Plague has been found on vessels from Hongkong.
- 3. While my Committee feel compelled to support the Government of this Colony in any reasonable course taken to keep Singapore free from so dire a calamity as would be the introduction of Plague among our Community, still from the point of view of inter-trade with Hongkong the course is one which this Chamber undoubtedly feels to be seriously regrettable.
- 4. The object that my Committee has in directing me to communicate with you on this subject, is respectfully to enquire whether some means of an examination of Chinese passengers from Hongkong for Singapore could not be devised and put into practice of so much more stringent a nature as would be likely reduce to a minimum the chances of Plague cases occurring on the voyage or arriving here.
- 5. The last thing that Singapore would ever desire is to have quarantine or prohibition applying here to steamers arriving from Hongkong, and if any action on your side can be devised of reducing the risk of this to a minimum, it would not be less agreeable to us than we feel it would be to our neighbours and friends of Hongkong.—I have, &c.,

ALEX. J. GUNN, Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

Colonial Secretary's Office, SINGAPORE, 11th June, 1903.

Sir,—I am directed to inform you that the Port Health Officer has reported that the Austrian Steam Ship *Melpomene* which arrived yesterday from Hongkong reported three deaths from Plague during the voyage and that two cases of Plague were found on board on her arrival.

- 2. As this is the fourth time recently that Plague has been found on vessels from Hongkong, His Excellency proposes to prohibit the immigration of coolies from that port, and I am to enquire if the Chamber of Commerce have any objections to raise to this course being taken.
 - 3. The favour of an early reply is requested.—I have &c.,

A. W. O'SULLIVAN, for Colonial Secretary.

The Secretary, Chamber of Commerce, Singapore.

Chamber of Commerce, Singapore, 12th June, 1903.

Sir,—I have the honour to acknowledge the receipt of your letter of 11th instant stating that the Port Health Officer has notified that the Austrian S. S. Melpomene which arrived on 10th instant from Hongkong reported three deaths from Plague during the voyage and that two cases of Plague were found on board on her arrival, that as this is the fourth time recently that Plague has been found on vessels from Hongkong, His Excellency the Governor proposes to prohibit the immigration of coolies from that port, and enquiring if the Chamber have any objections to raise to that course being taken.

2. I am instructed to reply that the Chamber do not hesitate to support His Excellency's proposed action in this most important matter.—I have, &c.,

ALEX J. GUNN, Secretary.

The Honourable Colonial Secretary, Straits Settlements.

Hongkong General Chamber of Commerce, Hongkong, 30th July, 1903.

Sir,—I am directed to acknowledge the receipt of your letter of the 12th ultimo, stating your Chamber's reasons for supporting the recent action of the Straits Government in prohibiting the immigration of coolies from Hongkong, and enclosing the correspondence in relation thereto. J

The Committee of this Chamber have considered your inquiry as to whether some means of examination of Chinese passengers could not be devised of a more stringent nature than at present exists in order to reduce to a minimum the chances of Plague cases occurring on the voyage or on arrival at your port, and they are of opinion that no examination before leaving this port would be found adequate to prevent cases of Plague occurring on the voyage to Singapore.

I am to point out that the passage money is the only benefit derived by this Colony from this coolie traffic, and the profit on it is not large enough to allow of any further expenses being incurred by the steamship owners. Neither can the emigrating coolie afford to do anything in this direction through want of necessary capital.

My Committee feel compelled therefore to suggest that if Chinese labour is necessary in order to supply the labour market of your Colony it would doubtless be to the advantage of the Singapore community to found a segregation camp on one of the numerous adjacent islands, where the coolies could be landed free of any further cost or delay to the carrying steamer. The transfer of the coolies into Singapore could then be regulated in accordance with the requirements of your Colony and at the expense of those employers of labour who profit by their employment.

No such facilities are at the disposal of this Colony; land is scarce, and the cost of guarding, feeding and shipping the coolies to and from an island camp near here would be more than the trade is worth to the shipping owners, and my Committee could not therefore recommend the Government or the shipping interests to embark on any such undertaking.

My Committee desire me to express their appreciation of the friendly nature of your enquiry and to inform you that they will be pleased at any time to discuss this or any other matter having for its object the well-being and furtherance of the trade between the two Colonies.—I have, &c.,

A. R. LOWE, Secretary.

ALEX. GUNN, Esq., Secretary, CHAMBER OF COMMERCE, Singapore.

J

CHAMBER OF COMMERCE, SINGAPORE, 15th August, 1903.

SIR,—I have to acknowledge the receipt of your letter of 30th ultimo on the subject of coolie immigration from Hongkong to this port, and am directed to thank you for the information and suggestions you have been good enough to communicate. Your suggestions have the attention of my Committee.—Yours faithfully,

ALEX. J. GUNN, Secretary.

A. R. Lowe, Esq., Secretary, General Chamber of Commerce, Hong-kong.

K.

Explosives on Board Steamers in the Harbour.

Hongkokg General Chamber of Commerce, Hongkong, 16th September, 1903.

SIR,—I have the honour to bring to your notice for the information of His Excellency the Governor that the obligation to fly the Red Flag and to lie in the Dangerous Goods Anchorage by every steamer arriving at this Port with ammunition on board in quantities however small has recently been under consideration by the Committee of this Chamber with particular reference to the decision of the Magistrate of the Police Court in the case of the S. S. Nordkyn, whose Master was fined \$50 on the 3rd instant for failing to comply with the regulations in this respect whilst having two cases of sporting cartridges on board.

It may be known to the Government that practically every coasting steamer trading in Chinese Waters carries certain quantities of ammunition in the shape of cartridges for protection against piracy, and apparently the Masters are liable under the Ordinance for infringing the Red Flag rule.

It is suggested that the maximum quantity allowed as cargo to vessels loading and discharging without their incurring the formalities required under the existing regulations might be placed at one hundred pounds of gunpowder or fixed ammunition to a quantity not exceeding twenty thousand rounds so that the aggregate powder charges do not exceed one hundred pounds.

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Such small quantities may, in the opinion of my Committee, be handled without any serious risk either at the wharves or amongst the general Shipping in the stream, and I am instructed to inquire whether His Excellency can see his way to authorise the introduction of an amending Ordinance containing such clauses as will meet the views of the Shipping interest in this direction.—I have, &c.,

A. R. LOWE, Secretary.

Honourable F. H. MAY, C.M.G., Colonial Secretary.

Colonial Secretary's Office, Hongkong, 22nd September, 1903.

SIR,—I am directed to acknowledge the receipt of your letter of the 16th instant, regarding the conditions under which a vessel with ammunition on board may enter this harbour, and to inform you that the Government sees no sufficient reason for altering the law in the manner suggested by the Chamber.—I have, &c.,

F. H. MAY, Colonial Secretary.

THE Secretary, GENERAL CHAMBER OF COMMERCE, Hongkong.

Hongkong General Chamber of Commerce, Hongkong, 19th October, 1903.

SIR,—I have the honour to acknowledge receipt of your letter of the 22nd ultimo, in which you state that the Government sees no sufficient reason for altering the law as suggested in my letter of the 16th ultimo with regard to the conditions under which a vessel with ammunition on board may enter this harbour.

While the Committee of this Chamber regret that it is difficult to combat the decision of the Government for reasons which have not been expressed, they are loth to let the matter rest without again urging on the Government the desirability of amending the existing regulations, which they venture to submit do not conform to the modern necessities of the port with regard to the treatment of goods in small quantities; these, by the very fact of their being in small quantities, places them outside the category of "dangerous goods." In the Treaty Ports of China such quantities, viz., ammunition containing in the aggregate not more than 100 lbs. of gunpowder, or 20,000 rounds of cartridges, are

allowed to be carried by ships, as cargo, without the latter being required to conform to special regulations; and if these are sufficient in China, where of necessity the greatest care has to be taken to prevent the illegal importation of munitions of war, it seems to the Committee of the Chamber similiar conditions might reasonably be asked for in a port which prides itself, and derives its prosperity to a very great extent, by reason of its freedom from the annoyance and delays attaching to those ports where Custom Houses exist.

It appears to the Committee that it would be sufficient protection to the Colony if instead of the Red Flag rule and the obligation to lie in the "Dangerous Goods" anchorage, it was simply required that the Masters or Agents of those ships carrying small quantities of ammunition deposit with the Harbour Master a declaration in writing giving particulars of the dangerous goods carried, due notice also being furnished, if thought desirable by the Government, not only of all ammunition and explosives landed and shipped, but also of those retained on board in transit through the port.

The Committee of the Chamber are given to understand the flying of the red flag is desired by the Harbour Authorities to enable them to readily take note of all vessels in the port having explosives on board.

If this is correct we should beg to suggest that while the red flag be retained for all vessels with sufficiently large quantities of explosives on board to necessitate their being in the Dangerous Goods anchorage, another be brought into use which, while conveying the necessary information to the Harbour Authorities as to explosives on board, will not interfere with the free movements of the vessel while in the harbour.

The Committee of the Chamber desire to point out that such a change would not apparently necessitate an alteration in the existing Dangerous Goods Ordinance, but might be effected by regulations issued by the Governor in Council.

The Committee of the Chamber trust that on further consideration the Government will agree to making this concession; since as matters now stand a vessel with even only one case of safety cartridges on board must fly the red flag and must proceed to the Dangerous Goods anchorage unless permission to the contrary be received from the Harbour K

Authorities. This in most cases would mean the loss of several hours before the steamer can enter the harbour and proceed to a wharf or her moorings.—I have, &c.,

EDBERT A. HEWETT, Chairman.

Honourable F. H. MAY, C.M.G, Colonial Secretary.

Colonial Secretary's Office, Hongkong, 24th October, 1903.

SIR,—I am directed to acknowledge the receipt of your letter of the 19th instant, regarding the conditions under which a vessel carrying ammunition on board may enter this harbour, and to inform you that it has received the careful attention of the Governor. His Excellency, however, is still of opinion that no such alteration of the law as is contemplated by your Chamber is necessary. As to the argument that delay is caused by having to obtain the Harbour Master's permission to enter the harbour, the Government is informed by the Acting Harbour Master that in nine cases out of ten the Shipping agents send him a copy of the manifest of the dangerous goods on board before the arrival of the vessel in question, and upon receipt of such manifest his instructions are issued forthwith. No delay, therefore, is caused by the present regulations in this respect.

Finally, His Excellency fails to see that there is any hardship involved in the flying of the red flag.—I have, &c.,

F. H. MAY, Colonial Secretary.

The Secretary, General Chamber of Commerce, Hongkong.

Hongkong General Chamber of Commerce, Hongkong, 30th November, 1903.

SIR,—I am instructed to acknowledge the receipt of your predecessor's letter of the 24th ultimo, intimating that His Excellency Sir Henry Blake was unable to agree to make the alteration in the law contemplated in my letter of the 19th ultimo, or to appreciate the hardship involved in the flying of the red flag. Mention is also made that in nine cases out of ten the Harbour Master's permission is obtained prior to the entry of the ships into the Harbour.

It happens however that the exception is in most instances a mail steamer which it is of the utmost importance not to unnecessarily delay in the ports en route. These mail ships invariably carry their own mails and their Agents are thus unable to fill particulars of any dangerous goods which may be on board in advance of the arrival of the vessel. In order to conform with the present Harbour Regulations it is obligatory for such ship to fly the red flag and to remain in the Dangerous Goods anchorage (which is for obvious reasons situated in an out-of-way part of the Harbour) for some hours to enable the necessary permission to be obtained from the Harbour Master to move alongside the wharf or to her moorings amongst the general Shipping. Detention of this nature may not infrequently occur where the only ammunition on board is a case of sporting cartridges, which my Committee think the Government can hardly consider sufficient reason to justify delaying any vessel. His Excellency the Officer Administering the Government will, my Committee trust, readily understand that the existing regulation presses very hardly on an expensive class of ships simply because it happens to be carrying ammunition on board in small quantities which in the Treaty Ports of China are not deemed dangerous. My Committee merely ask that similar facilities in this respect may be granted here to those existing in the Chinese Treaty Ports.

The Committee of the Chamber are well aware that the alteration in the Harbour Regulations now sought is not of great importance but rather one of convenience to the Shipping interest and their object in endeavouring to obtain His Excellency's consent to their request is to secure the removal of a petty annoyance, and to have reinstated that freedom from vexatious restrictions which has tended toward the development of the Port.—I have, &c.,

A. R. LOWE, Secretary.

Honourable A. M. Thomson, Acting Colonial Secretary.

COLONIAL SECRETARY'S OFFICE, HONGKONG, 11th December, 1903.

SIR,—In reply to your letter of the 30th ultimo, I am directed to transmit for the information of your Chamber the enclosed copy of instructions which have been issued by the Acting Harbour Master for the guidance of officers in his Department in reference to vessels arriving in the harbour and carrying small quantities of dangerous goods.

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These instructions have also been issued to the Police Officers on boarding duty who in some cases board vessels before the regular Boarding Officers of the Harbour Department.

While His Excellency the Officer Administering the Government hopes that the Chamber of Commerce will be satisfied with this relaxation of the law, he has instructed me to point out that in this free port more stringency is required than at the Treaty Ports in China, which are protected by the Customs Establishments and that it is necessary to keep in the hands of the proper authorities complete control of ammunition and such like goods arriving in the Colony.—I have, &c.,

A. M. THOMSON, Acting Colonial Secretary.

The Secretary, General Chamber of Commerce, Hongkong.

(Copy.)

- 1. Should the vessel boarded have on board not more than 100 lbs. of Gunpowder, seven cases of Safety Cartridges, or 6 Acids, and the manifest be shown to the Officer boarding her, he shall exempt her from going to the Dangerous Goods Anchorage, unless special circumstances render it advisable for him to consult me before so exempting her.
- 2. Should she have a larger quantity, 15 or 20 cases, of Safety Cartridges, he may exempt her at his discretion.
- 3. In no case shall he so exempt any vessel having on board more than 6 cases of Acids, 20 cases of Safety Cartridges 100 fbs. of Gunpowder or any quantity of other Dangerous Goods.
- 4. He will inform me, at once, of each case in which he has granted such exemption.
- 5. This exemption shall not relieve the vessel of the obligation to furnish me with a copy of the Manifest immediately on arrival.
- 6. In any case of such exemption being granted, the vessel shall be exempted from flying the red flag.

Basil Taylor, Acting Harbour Master.

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Hongkong General Chamber of Commerce, Hongkong, 26th January, 1903.

Six,—I am directed to acknowledge the receipt of your letter of the 11th ultimo, enclosing copy of the new regulations issued by the Acting Harbour Master for the guidance of Officers in his Department in dealing with vessels arriving in the Harbour and carrying small quantities of dangerous goods.

- 2. In reply I am instructed to state that the Committee of this Chamber regret the Government's inability to carry out more fully their suggestion for the greater relaxation of the law in this matter so as to allow vessels to proceed direct to their berths in cases where the quantity of ammunition carried is small, and I am to point out that unless the Harbour Official boards a vessel immediately on arrival, and before anchoring, the efficiency of the new regulations will be much impaired, unless the Master of a vessel carrying dangerous goods in quantities not exceeding those laid down in regulation No. 1 is free to carry on to the ordinary anchorage without fear of a fine being imposed.
- 3. The Committee have every wish that the Government should know of all ammunition arriving in the Colony so as to control the movements of such goods, but they are unable to understand why the information collected by the Boarding Officers from the Master of a vessel waiting to be allowed to anchor should be any more accurate than that obtained in the same manner after her arrival at the ordinary merchant vessels anchorage, particularly as a permit is required to land dangerous goods even in small quantities. They therefore trust that His Excellency the Officer Administering the Government will authorise the addition to the new regulations of a clause suggested in the latter half of paragraph 2 so as to allow the vessels to proceed direct to her anchorage or wharf.—I have, &c.,

A. R. LOWE, Secretary.

Honourable A. M. Thomson, Acting Colonial Secretary.

Colonial Secretary Office, Hongkong, 13th February, 1904.

Sir,—In reply to your letter of 26th ultimo suggesting that vessels should be permitted to carry certain quantities of arms and ammunition without being compelled to fly the red flag and lie in the

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special anchorage, I am directed to point out that during the two months following December 4th last it was not found necessary to resort to the provisions of the regulations which then came into force, while there has been one case of the arrival of a steamer carrying ammunition without the knowledge of the Master. I am further to point out that the Police and the Boarding Officers can both grant exemption. For these reasons it is unlikely that such difficulties will arise in practice as the Chamber seems to anticipate, and therefore I am to inform you that the Government is unable to make any further concession at present.—I have, &c.

A. M. THOMSON, Acting Colonial Secretary.

The Secretary, CHAMBER OF COMMERCE, Hongkong.

Telegram Deposit System.

Hongkong General Chamber of Commerce, Hongkong, 28th August, 1903.

DEAR SIRS,—The attention of the Committee of this Chamber has been recently drawn by several of the leading Firms in this Colony to the terms of your Circular dated 29th ultimo, in which you intimate that the telegraph service hitherto run jointly by your respective Companies will be discontinued as from the 1st August and, in future, each Company will transact its business separately.

It is scarcely necessary to point out that this step on your part is not one which senders of telegrams, and much less this Chamber, have any right, or wish, to criticize.

The Circular, however, goes on to inform senders of telegrams that in future the present deposit system is to be terminated, and in its place conditions are substituted which may be summarized as follows:—

- 1.—A deposit is to be made with the Chartered Bank of India,
 Australia and China for the joint account of both Companies.
- 2.—The amount of the deposit is to be fixed by the Companies and to represent the average cost of one month's telegrams forwarded by both Companies' lines.

- 3.—The interest on the deposit is to be retained by the Companies.
- 4.—Monthly Accounts payable on demand and independently of the fixed deposits will be rendered by each Company.
- 5.—If the above option is not complied with, telegrams must be paid for in cash before transmission.

It is with regard to these latter conditions that I am to express the views of my Committee. In the first place, barely two days' notice is given of the change of system and of a demand for a large fixed deposit. My Committee are of opinion that, in view of the radical change which you have effected in the conduct of your business, longer notice should have been given of the proposed change.

In order to facilitate the discussion of the new conditions, I will refer to them in the order above mentioned:—

- 1.—It seems strange to my Committee that while you find yourselves unable to receive deposits sufficient to cover current business with both Companies as formerly, you are now able to receive a deposit in the joint names of the two Companies. The simplification of your accounts in these matters may be very desirable to yourselves, but from a business point of view this is universally considered subsidiary to the convenience of customers. Further it does not seem right that any person wishing to do business with one Company alone should be obliged to deposit his funds with both Companies jointly.
- 2.—In fixing the deposit at the average cost of one month's telegrams it must be apparent to you that the advantage is all on your side. The utmost surely your Companies can demand is cash on deposit of a telegram immediately before its transmission. The month's deposit you require means that for the best part of the month the sender of telegrams will have a balance to his credit in your Books. From the nature of your business it is unreasonable to ask him to give your Companies this credit, nor does it appear necessary in such cases where there is no question as to the financial standing of the firm, or individual,

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with whom you are in business relations. It would certainly make the transaction a more equitable one if the deposit now required was reduced to one half.

- 3.—That the whole of the interest, allowed by the Bank on the deposits, should be claimed by the Companies, is unjust to the depositor and contrary to custom. It has been stated by you in reply to a Member of this Chamber that the retention of this interest is a fair compensation for the credit you give and the trouble of book-keeping. In paragraph No. 2 it is shown that under this new system the credit is given by the depositor and not by you, unless indeed you delay sending out the previous month's accounts. It does not, therefore, appear reasonable to my Committee that you should demand extra payment for the trouble of entering in your own Books transactions with your creditors. They are not aware that other similar concerns demand this, or that this allowance has ever previously been claimed by your Companies. It has always been understood that the authorised tariff rates covered all expenses of the Administration and left presumably a substantial amount of profit.
- 4.—The rendering of monthly accounts calls for no special remark, as this occasions no more work on your part than formerly, if anything, trouble is saved to you as neither will you have occasion to receive amounts for cover during the month nor will your book-keepers require to keep any watch on overdrawn accounts (if any).
- 5.—It follows that a sender of telegrams not exercising the option given him of depositing his money with your Companies without even interest on the same, must pay cash each time he desires to send a telegram through your Administration. Several Members have already followed this course and the more it is followed the greater will be the expense, delay and consequent annoyance to the whole Mercantile Community as well as to yourselves, as you are well aware that the handling of cash in small amounts is not a quick process, especially in this Colony.

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In voicing the views of the Mercantile Community on this question, my Committee are not representing the facts too strongly in stating that the new conditions imposed by your Companies are strongly objected to not merely on account of their arbitrary nature, but as another instance of the discrimination between your dealings with customers at home and abroad. Credit is given at home without demur to any respectable firm and their business eagerly sought for on account of the healthy competition. In this connection, as you stated that you must act alike to all parties, it would be interesting to know what deposit has been required from the Government as security for their monthly telegram account, also what percentage of bad debts have been made in Hongkong since establishment here. The latter must be infinitesimal and is another argument against the necessity for requiring credit. Your Companies are as well placed as any Mercantile house in the Colony for gauging the stability of your customers; there is no valid reason why credit should not be given by you instead of to you; and my Committee would be the last to put any obstacles in your way in cases where it appears to you to be advisable for financial reasons to ask for cash payments.

In reply to an enquirer you have stated that there is no Government Telegraph Office in the World where telegrams can be handed in without cash payment. This fact is not denied, but the Committee do not feel called upon to defend the business methods of Government institutions. Nor can they admit the inference you wish to draw that your Administrations are on the same basis as Government Departments, in face of the fact that you are both limited liability companies formed for purpose of profit to your shareholders. One of the chief reasons why you were able to obtain certain privileges as regards landing rights was in view of the benefit which commerce would be likely to enjoy through the quick transmission of news. For no other reason would you have obtained these privileges at a nominal cost, and it was not then supposed that you would take advantage in dealing with your customers of the fact of these privileges having resulted in the formation of a monopoly.

In conclusion I am to state that this Chamber would welcome a more generous treatment of the Mercantile Community of this Colony in the certain belief that it would be to the mutual advantage of all concerned, and in regard to the question now under discussion, it will

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be glad to learn that the joint Administration is prepared to view the matter in a more liberal light.—I have, &c.,

A. R. LOWE, Secretary.

J. M. Beck, Esq., Superintendent, Eastern Extension Australasia and China Telegraph Company.

OLAF NIELSEN, Esq., Superintendent, Great Northern Telegraph Company.

THE EASTERN EXTENSION AUSTRALASIA AND CHINA TELEGRAPH COMPANY LIMITED.

THE GREAT NORTHERN, TELEGRAPH COMPANY, LIMITED.

Hongkong Station, 29th August, 1903.

DEAR SIR,—We have to acknowledge receipt of your letter of yesterday's date setting forth the views of your Committee regarding the new Telegram Deposit System; and we are instructed by the Companies' Managers at Shanghai to state in reply that your letter will be submitted to their respective Boards of Directors.—We are, &c.,

J. M. BECK,

Superintendent, Eastern Extension Telegraph. Company.

OLAF NIELSEN,

Superintendent, Great Northern Telegraph Company.

A. R. Lowe, Esq., Secretary, Hongkong General Chamber of Commerce, Hongkong.

THE EASTERN EXTENSION AUSTRALASIA AND CHINA TELEGRAPH COMPANY, LIMITED,

THE GREAT NORTHERN TELEGRAPH COMPANY, LIMITED.

Hongkong Station, 9th January, 1904.

DEAR SIR,—With reference to our letter of the 29th August, regarding the Telegram Deposit System, we are instructed by the Companies' Managers at Shanghai to state that, in reply to your letter of the 28th August, the Companies' respective Boards of Directors have wired that they have decided that the whole of the interest allowed by the bank shall be paid to the depositors.

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The Companies trust that this concession will be considered by the Chamber as satisfactorily settling the question, the more so as only a very small minority of the Companies' clients have expressed any dissatisfaction with the new system.—We are, &c.,

J. M. BECK, Superintendent, Eastern Extension Tel. Co.

OLAF NIELSEN.
Superintendent, Great Northern Telegraph Co.

A. R. Lowe, Esq., Secretary, Hongkong General Chamber of Commerce, Hongkong.

Hongkong General Chamber of Commerce, Hongkong, 20th January, 1904.

SIRS,—I am directed to acknowledge the receipt of your letter of the 9th instant, in reply to my letter of the 28th August last, on the subject of customers' deposits, and I am to inform you that the decision of your respective Board of Directors to refund the whole of the interest on the deposits to the depositors cannot be regarded by the Committee of this Chamber in the light of a concession as your letter infers, but rather as a tardy act of restitution of an imposition which should not have been made in the first instance by your Companies, and further I am to point out that the mere fact of so few of your clients having expressed any dissatisfaction with the new system does not carry much weight with my Committee as it was well known this Chamber would take the matter up, and naturally many members accordingly refrained from openly expressing their dissatisfaction.

It is a matter of regret that your Administration has ignored the main point at issue, which was the rehabilitation of the old system, and my Committee again beg you to give this matter your further consideration. Should this not be acceptable to you I am to draw your attention to paragraph 2 in my previous letter which reads as follows:—

"In fixing the deposit at the average cost of one month's telegrams "it must be apparent to you that the advantage is all on your side. The "utmost surely your Companies can demand is cash on deposit of a "telegram immediately before its transmission. The month's deposit "you require means that for the best part of the month the sender of

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"telegrams will have a balance to his credit in your books. From the "nature of your business it is unreasonable to ask him to give your "Companies this credit, nor does it appear necessary in such cases where "there is no question as to the financial standing of the firm, or individual, "with whom you are in business relations. It would certainly make "the transaction a more equitable one if the deposit now required was "reduced to one half."

The reduction of the deposits claimed by one half would, as pointed out, make the attitude of your Administration a more equitable one, and the Committee of this Chamber will be glad to learn that you can meet the Mercantile Community to this extent if your Administration is unable to meet them in the fuller sense represented above.

Several members of this Chamber having expressed surprise at the length of time found necessary to arrive at a decision in this matter, my Committee trust that the further reconsideration of their representations now desired may be communicated to them with the least possible delay.

I am to add that this correspondence will be published in due course in the monthly Minutes of the Chamber of Commerce.—I have, &c.,

A. R. LOWE, Secretary.

J. M. Beck, Esq., Superintendent, Eastern Extension Australasia and China Telegraph Company.

OLAF NIELSEN, Esq., Superintendent, Great Northern Telegraph Company.

THE EASTERN EXTENSION AUSTRALASIA AND
CHINA TELEGRAPH COY, LTD.
THE GREAT NORTHERN TELEGRAPH COY., LTD.,
HONGKONG STATION, 4th February, 1904.

SIR,—We beg to acknowledge receipt of your letter of the 20th ultimo on the subject of the Telegram Deposit Account. In reply thereto we are instructed to state that the Companies are not prepared to admit that the present system is in any respect inequitable, or that the

refund of the whole interest to the depositors does not constitute a real concession seeing that the Companies will thereby lose all interest on the amounts due to them until the monthly accounts have been settled.

The Companies regret that they are unable to meet the views of the Committee with regard to the rehabilitation of the old system as the separate working arrangements which the Companies have recently inaugurated render the said system impracticable.

In order however as much as possible to meet the wishes of your Committee the Companies are willing to reduce the amount of the deposits to one half, on the understanding that the minimum sum received on deposit shall as hitherto be fixed at \$25, and that the Companies reserve the right to render half monthly account.—We are, etc.,

OLAF NIELSEN, Superintendent, Great Northern Telegraph Company.

J. M. Beck, Superintendent, Eastern Extension Telagraph Company.

A. R. Lowe, Esq., Secretary, Hongkong General Chamber of Commerce.

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Medical Inspection of Passengers.

Hongkong General Chamber of Commerce, Hongkong, 20th January, 1904.

SIR,—I have the honour to inform you that at a recent meeting of the Committee of this Chamber the question of Medical Examination of steamers arriving in Hongkong Harbour was discussed, and it was unanimously decided to address the Government on the subject, pointing out the grave necessity which exists for a thorough reform being effected in the system at present in force.

I would beg to remind you that in 1897, and again in 1901, this Chamber brought to the notice of the Government the desirability of the appointment of Health Officer of the Port being filled by an official whose undivided attendance would be devoted to the duties of the position, and as a result of the representations then placed before His Excellency the Governor, Sir Henry Blake made the following recommendations to the Secretary of State for the Colonies:—

- (a) The appointment of a second Health Officer of the Port who will be allowed no private practice of any kind;
- (b) That in view of Dr. Jordan's long service as Health Officer of the Port, His Excellency recommended that he should be allowed to retain his private practice on shore only on the distinct understanding that when himself engaged in private practice he will always place at the disposal of this Government another Officer as his substitute to discharge the duties of Health Officer of the Port, and who will not take private practice on board ships.
- (c) His Excellency further recommended that, if Dr. Jordan was not willing to accept these conditions, another Health Officer of the Port should be appointed in his place on the same terms as those offered to the second Health Officer of the Port.

The Committee of the Chamber at that time expressed the opinion that the above recommendations, if carried into effect, would, they hoped, put an end to the delays in the inspection of vessels that had occurred in the past and therefore agreed to His Excellency's suggestions.

After giving the new system a fair trial, however, my Committee regret that it is necessary to again draw the attention of His Excellency the Officer Administering the Government to the inconvenience and loss suffered by the large Shipping interests of this Colony through the new arrangement not having produced the anticipated result.

In consequence of the Health Officer of the Port and his deputy being engaged with their private practice in various parts of the City, it not infrequently happens that when their official services are required they are inaccessible. Dr. Keyt is thus often the only Officer available to attend the ships coming into the harbour, with the result that delays are of frequent occurrence.

Further when a vessel is visited by Dr. Keyr and a suspicious case of sickness is reported on board, that Officer states that he must refer the matter to his superior, and my Committee fully understand this must be so, as, in his capacity as a subordinate, he cannot be expected to give a definite decision, not being vested with full authority, which can only be wielded by the recognised Health Officer of the Port. Considerable time is thus not infrequently lost in communicating with

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the Health Officer, and it then happens that further delays take place, in consequence of his private engagements, before that Officer is able to visit the vessel in question.

It has been brought to the notice of the Government that the work has increased of late years, and ships constantly enter the harbour simultaneously at both entrances, and I would beg to remind you that the number of ocean-going steamers alone which entered the harbour during the year 1902 amounted to over 4,000, or an average of 11 per diem, many of these being coasting vessels and other small craft which do not as a rule carry a doctor as a member of their crew.

In addition to the above there is a considerable number of sailing vessels also visiting the Port, while the number of steamers engaged in the river trade has of late years increased very greatly, there being upwards of 2,000 arrivals in 1902.

My Committee therefore consider that the constant employment of two Officers whose whole time is devoted to official inspection of vessels is an absolute necessity. The extra cost by reason of such a change would not be very great and would be fully justified by the gain to the Colony at large. The income derived from permits to work cargo on Sundays still maintains a high level of over \$44,000 per annum and would meet any extra expenditure under this heading, in addition to which the general revenue under the heads of Bills of Health and Medical Examination of coolies amounts to a further sum of about \$36,000 per annum.

My Committee would most respectfully urge upon His Excellency that in view of the very great importance of the shipping trade of the Port, which now ranks third in the British Empire, the post of Health Officer of the Port should be held by a Government Official (with a qualified Assistant) who should not be allowed any private practice, which rule prevails in all large ports, such as Bombay and Calcutta.

In conclusion I am instructed to add that the leading shipping firms are strongly of opinion that the present state of affairs is impossible, and that it is imperative an entire reform of the medical inspection of shipping should be carried out on the lines above indicated with the least possible delay. The Committee of this Chamber trust, therefore,

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that His Excellency will give a favourable consideration to their request.—I have, &c.,

A. R. LOWE, Sccretary.

Honourable A. M. Thomson, Acting Colonial Secretary.

Colonial Secretary's Office. Hongkong, 24th February, 1904.

SIR,—I am directed to acknowledge the receipt of your letter of the 20th ultimo, regarding the system in force for the medical examingation of vessels arriving at this Port, and in reply to inform you that the suggestions of the Chamber have received the careful consideration of His Excellency the Officer Administering the Government, who regrets that he cannot see his way to carry them into effect.

- 2. I am to point out that under the present arrangement there is always one medical officer available for duty afloat, while another (either the Health Officer or his assistant) is at Dr. Jordan's office to sign Bills of Health. A misunderstanding seems to exist with regard to Dr. Keyt's position. Dr. Keyt has full power to act on his own responsibility and is in no way bound to refer the final decision of a case to his senior officer. It is probable that cases may arise when it is impossible for Dr. Keyt, as it might be for any medical officer, to diagnose a case at first sight, and in such circumstances it is advisable for him, in the public interest, to call in extra assistance,
- 3. Since Dr. Keyt has become familiar with the work of the Port, no complaints have reached this Government, and His Excellency does not propose, therefore, to disturb an arrangement whereby the Government practically secures the services of three Health Officers for the Port instead of two, as provided in the Establishment of the Colony.—I have, etc.,

A. M. THOMSON, Acting Colonial Secretary. The Secretary, Chamber of Commere, Hongkong.

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Junks flying Foreign Flags.

Hongkong General Chamber of Commerce, Hongkong, 24th June, 1903.

SIR,—With reference to your letter (No. 881) of 21st April, 1902 on the subject of the protection afforded Junk Owners by their sailing under foreign flags in order to escape payment of a tax called Ching Fei, levied by the Viceroy of the Two Kwang, it was then intimated that the only power possessed by the Government to check the practice complained of was that of refusal to grant licences to Junks which claimed the protection of foreign flags. The letter in question went on to state that the correspondence on the subject was being forwarded to the Secretary of State for the Colonies for such action as the Home Government might deem desirable.

As more than a year has elapsed since this matter was brought to the notice of the Government by this Chamber, I am directed to inquire what steps, if any, the Secretary of State for the Colonies has decided to take in this matter.—I have, &c.,

A. R. LOWE, Secretary.

Honourable F. H. MAY, C.M.G., Colonial Secretary.

Colonial Secretary's Office, Hongkong, 26th June, 1903.

SIR,—In reply to your letter of the 24th instant, I am directed to inform you that as the result of correspondence with the Secretary of State for the Colonies the course which this Government has been pursuing for a considerable time past of refusing to license Junks which fly foreign flags will be continued.—I have, &c.,

F. H. MAY, Colonial Secretary.

The Secretary, General Chamber of Commerce, Hongkong.

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Storm Warnings.

Hongkong General Chamber of Commerce, Hongkong, 18th May, 1903.

SIR,—With reference to my letter of the 22nd January last and the previous correspondence on the subject of Storm Warnings, I am directed to enquire whether His Excellency the Governor has decided to accept the proposals for a better system of Storm Warnings to be instituted at the Hongkong Observatory on the lines indicated in the report submitted in my letter of the 19th January last.

I would beg to remind your that in your letter of the 27th September last you stated that His Excellency was anxious to see improvements made in the existing system of Storm Warnings, and my Committee therefore venture to hope that instructions have already been given for the carrying out of the suggested improvements by the Observatory which as a matter of fact was primarily established for the benefit and safety of shipping.

I am also to point out that this is a matter of urgency in view of the near approach of the typhoon season.—I have, &c.,

A. R. LOWE, Secretary.

Honourable F. H. MAY, C.M.G., Colonial Secretary.

Colonial Secretary's Office, Hongkong, 21st May, 1903.

SIR,—I am directed to acknowledge the receipt of your letter of the 18th instant, and to inform you that in deference to the wishes of the Chamber, His Excellency the Governor has decided to introduce the flag system as at Shanghai, for the information of shipmasters, but without displacing the cone system at present in use, which, in His Excellency's opinion as in that of his expert advisers, is a better and safer system and is familiar to the local junk population.—I have, &c.,

F. H. MAY, Colonial Secretary.

The Secretary, GENERAL CHAMBER OF COMMERCE, Hongkong.

HONGKONG GENERAL CHAMBER OF COMMERCE, Hongkong, 25th June, 1903.

SIR,—I am directed to acknowledge the receipt of your letter of 21st ultimo, intimating that His Excellency the Governor had decided to introduce at the Hongkong Observatory the flag system of weather signals for the information of shipmasters similar to that in use at Shanghai, and that the present cone system would be continued for the information of the local junk population.

The Committee of the Chamber desire me to convey their thanks to the Government for agreeing to institute this much needed reform in the system of weather signals.

In view however of the recommendation made by this Chamber in the report of the Sub-Committee appointed to examine the communications received from the shipping community on this subject that symbols were more economical and easier to work than flags, were better understood by landsmen, and the adoption of the code from the 37 special distance signals of the Commercial Code made it equally understood by the seafaring community, and that is was pointed out the signals could be increased, if found necessary, by further combinations of the three symbols employed or by similar signals displayed from the yardarm, it seems to the Committee that under the latter suggestion 117 separate signals could be made or more than that employed in the recently extended code at Shanghai, a copy of which is enclosed.

In supporting the adoption of a symbol code it may be mentioned that great weight was given to the argument brought forth in your letter of 31st July last, and also adhered to in your further letter of 10th September, 1902, that a flag system is not suited to local conditions on the ground that, in the calm weather usually preceding typhoons, such signals would often not be readily distinguishable, my Committee therefore respectfully suggest that the decision of His Excellency to adopt a flag system in preference to one of symbols may be reconsidered.

With regard to the disinclination shewn to alter the present symbol signals because of the local junk population's familiarity with them, I am to point out that this difficulty might easily be overcome by the publication and distribution amongst the junk and sampan population of a card showing only the few signals in their altered form necessary for local needs, with a note that other signals shewn are intended only 0

for sea-going craft. This would obviate the confusion in their minds which it is apparently thought might be occasioned on their being supplied with a copy of the whole code.

I am also directed to inquire whether His Excellency has favourably considered the further suggestions put forward by this Chamber for the greater efficiency of the local Observatory by the establishing of additional signal stations, direct telephonic communication between the Observatory and the Harbour Office, Hainan observations, simultaneous daily telegraphic observations from other Observatories, the supply of the latest instruments, and the publishing of any information offered by other Observatories, which were contained in the special report enclosed in my letter of 13th January last, and which suggestions my Committee trust have met with His Excellency's approval.—I have, &c.,

A. R. LOWE, Secretary.

Honourable F. H. MAY, C.M.G., COLONIAL SECRETARY.

COLONIAL SECRETARY'S OFFICE, Hongkong, 2nd July, 1903.

SIR,—I am directed to acknowledge the receipt of your letter of the 25th ultimo, regarding the introduction of the flag system of weather signals, and to inform you that before giving his final decision in the matter, His Excellency the Governor had carefully and anxiously considered the correspondence from the beginning, with every desire to meet the wishes of the Chamber of Commerce but with a full sense of his responsibility in ordering a change in a system of signalling which the officials of the local Observatory, and the Harbour Master, consider practically superior to that adopted at Sicawei. His Excellency's ultimate decision was to add the flag signals as used at Shanghai as independent signals for the ship-masters who seemed to desire them, leaving the present cone system intact.

2. His Excellency's reason for so doing was that in your letter of May 17th, 1902, you stated that your Committee were anxious for the adoption of the flag signals on the ground that Shanghai possessed a code of signals which was "admittedly the best in the Far East." In your letter of the 23rd August, 1902, you repeated that the flag code "has for a number of years been in daily use in Shanghai, where it has given the greatest satisfaction to ship-masters frequenting the port." 0

You add that "the adoption of a flag signal service, which would be principally for the use of the foreign shipping in harbour, need not necessitate the abolition of the present drum, cone and ball signals shewn by H.M.S. "Tamar" for the benefit of native shipping and craft"; and further pointed out that the code has been generally adopted by the German, Russian and Chinese Governments along the coast of China.

- 3. His Excellency feels that on consideration your Chamber will acknowledge the inconvenience of unduly multiplying systems of typhoon warnings, and therefore in deciding to meet as far as His Excellency considered justifiable the wishes of your Chamber, His Excellency considered it preferable to add a code that has been declared by them to be satisfactory and that has been generally adopted over the coast of China rather than to introduce a new system different from that hitherto adopted in any port in the Far East.
- 4. I shall address you further regarding the points raised in the last paragraph of your letter under acknowledgment.—I have, &c.,

F. H. MAY, Colonial Secretary.

The Secretary, GENERAL CHAMBER OF COMMERCE, Hongkong.

Colonial Secretary's Office, Hongkong, 23rd July, 1903.

SIR,—With reference to the concluding paragraph of my letter of the 2nd instant, I am directed to make the following observations on the suggestions referred to in the last paragraph of your letter of the 25th ultimo.

2. There does not appear to be any practical advantage to be gained by establishing additional Signal Stations at Cape Collinson and Green Island.

There is no telegraph to either of these places nor direct communication by telephone, and it is probable that a vessel which missed the signal at Blackhead's Hill would miss it at the proposed Stations owing to the time taken up in transmitting the information. Moreover, information by telephone is liable to error and the signals could not be verified from the Observatory.

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3. I am to invite the attention of the Chamber to Government Notification No. 445 of 25th October, 1890, which has never been abrogated. It contains the following under the head of Meteorological Signals:—

"Masters of vessels who regularly send their observations to the "Observatory may whenever necessary call at the Telegraph Company's "Office in Queen's Road and send telegrams to the Observatory asking "for special information without charge. Such enquiries may also be "sent from the Police Station at Kowloon Point, which is connected "with the Observatory through a telephone line." This Notification will be reprinted in a new Typhoon Signal Notice, the words underlined in red ink being omitted and the following words substituted:—"and or their Agents." This arrangement appears to be all that is necessary and involves no additional expenditure.

- 4. Observations from Hainan are supposed to be received twice daily from the Imperial Maritime Customs Authorities at Hoihow, but they rarely arrive in time to be of use. Repeated representations have been made in the matter. The fault appears to lie with the Chinese Telegraph Officials who are responsible for forwarding the messages. Fresh representations are now being made.
- 5. Observations are telegraphed twice daily from the various Stations by which the Observatory is supplied with information. The morning observations are received between 9.30 and 11.30 A.M. and the afternoon ones between 4.00 and 7.00 P.M. It is not possible to make any better arrangement.
- 6. The Observatory is well equipped and the Acting Director reports that he has never known an application for new and improved Meteorological Instruments to be refused.
- 7. With regard to the publication of information offered by other Observatories, I am to refer you to the remarks contained in paragraphs 3 and 4 of my letter of the 31st July last.—I have, &c.,

F. H. MAY, Colonial Secretary.

The Secretary, GENERAL CHAMBER OF COMMERCE, Hongkong.

P.

Reduced Telegram Rates to Europe and Australia.

THE EASTERN EXTENSION AUSTRALASIA AND CHINA TELEGRAPH COMPANY, LIMITED.

THE GREAT NORTHERN TELEGRAPH COMPANY, LIMITED.

Hongkong Station, July 7th, 1903.

DEAR SIR,—I have to inform you, for the information of your Committee, that, from the 15th instant, the rate per word charged on telegrams to Europe (except Russia and Caucasus) will be reduced from Fcs. 7.00 to Fcs. 5.50 and the currency rate, which is subject to revision, will be reduced from \$3.35 to \$2.55.—We are, &c.,

J. M. BECK, Superintendent.

The Secretary, Hongkong General Chamber of Commerce.

Q.

Conveyance of the China and Australian Mails by the Trans-Siberian Railway.

The railway communication between Russia in Europe and Dalny in the Asian-Pacific is already influencing the British Postmaster-General in London, the Right Hon. Austen Chamberlain, M.P., to favour sending the British mails to China by that route, and public despatches state that he is negotiating with the Trans-Siberian Railway authorities with regard thereto. The postal service between Europe and the Far East will, in time, be entirely monopolised by this railway, and to a great extent the passenger service also.

The British-Australian mail contracts with the P. & O. and Orient Steamship Companies for the present weekly oversea service expires in December, 1904, and the London postal authorities, in view of the overland mail service to China, and the early construction of the Central Australian Railway in completion of the Adelaide-Port Darwin transcontinental line, propose not to extend the present sea service contracts for more than three years, because a quicker means of communication between England and Australia might then be available by the land

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routes across Asia and Australia, linked by a fast steamer service between Canton or Hongkong and Port Darwin. As this change in mail routes and quick traffic will prove a welcome boon to travellers between Europe and Australia, the Council of the North Australian League (Melbourne) unanimously passed the following resolution at its meeting on the 25th day of May, 1903:—

Resolution.

Whereas, the electric cable and steam communication have brought Australia into nearer relations and greater sympathy with the interests of His Majesty's Government in London, and with other members of the Empire, than they were in the remote times prior to these facilities for intercourse, and the more improved transport is accomplished it acts in promotion of more rapid mails, and creates new resources for the direct line of connection with the countries thus joined.

And whereas, intense interest is focussed in the Trans-Siberian railway now approaching completion, as offering probabilities of increased intercourse within the Empire, and the formation of commercial connections with the Far East, in the assured certainty of the more rapid multiplication of maritime connection between the Asian terminus of the line and Port Darwin as promotive of quicker communication between Australia and Great Britain than the present sea service to the Southern ports, via Suez or the Cape.

And whereas, the Council of the North Australian League (Melbourne) affirms its belief in the practicability of the Trans-Siberian railway as another key to Australia through Port Darwin, and has observed with feelings of rapt admiration and deep thoughtfulness the published cable news in Australia of the disposition of His Majesty's Imperial Postmaster-General, the Right Hon. Austen Chamberlain, M.P., to negotiate for the despatch of British mails to China by the Trans-Siberian line, which embraces a policy affording an example and an incitement to the Australian Commonwealth Government to support, by stimulating the authorised railway connection between the South and Port Darwin to take advantage as quickly as possible of this new postal and quick traffic route between Europe and the Asian-Pacific Ocean, an object which deserves and demands prompt and careful consideration.

Resolved, that a record be placed on the Council minutes of this League expressing the Council's appreciation of the action of the Right Hon. Austen Chamberlain, M.P., Imperial Postmaster-General in Lond-

on, for having taken the first practical step to forward the present movement in Australia of preparing the way for quicker intercourse between Australia and Great Britain by the Trans-Siberian Railway, inasmuch as Mr. Chamberlain's proposal to send the British mails to China by this railway will be of the highest collective and individual advantage to all of His Majesty's possessions in the Far East and the Pacific, as tending to preserve harmony in our political and commercial relations with Russia, which in the Pacific are destined to become closer every day. And that copies of this resolution be transmitted to the Right Hon. Austen Chamberlain, M.P., the Prime Minister (Sir Edmund Barton) of the Australian Commonwealth, the Premiers of South Australia and New Zealand, the foreign Consuls in Melbourne (for transmission to their Governments), and to the press.

In name and by authority of the Council of the North Australian League (Melbourne).

G. R. M'MINN, C.E., President. J. J. RENDLE, Secretary.

Ordered to be printed and circulated by the Sectional Committee of the League charged with the publicity of affairs in connection with the construction of the Central Australian Land-grant Railway, on the Adelaide-Port Darwin Transcontinental.

G. R. M'MINN, C.E. (Chairman),
V. L. SOLOMON (S.A.) M.H.R.
(Commonwealth parliament),
DUGALD LITTLE,
J. J. RENDLE (Secretary),

Transcontinental
Railway
Sectional
Committee.

Melbourne, June, 1st 1903.

The London Engineer of May, 1902, in referring to this new route between England and Australia by the Trans-Siberian Railway, says:—

"Nearly 10,000 miles of the new route between Adelaide, Melbourne, Sydney, Brisbane, and London, is covered by railway. The recognised line opens for serious traffic at the end of 1903, and there seems no reason to doubt it will give easier, and cheaper traffic than present by the all-water route. Its existence as a competing route may be delayed for want of railway transport to the gateway, or, in other words, from the Southern Australian capitals to Port Darwin; but, nevertheless, the great Siberian Railway, which is destined to play a most prominent part

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in the immediate history of Far East and Australia, will prove such an important factor in the domestic traffic across the Australian Continent as to make it desirable, if not certain, that the completion of the line to Port Darwin should before long be undertaken."

N.B.—Since the above paragraph appeared in the Engineer, the South Australian Government has called for bids for the construction of the Central Australian section, to complete the line from sea to sea. Tenders are to be sent to the South Australian Railways Commissioner, at Adelaide, on or before May 2nd, 1904. Copies of the Land Grant Bill and all available information on the route may be obtained on application to the NORTH AUSTRALIAN LEAGUE, Melbourne.

R.

Election of Representative to Legislative Council.

GOVERNMENT HOUSE, Hongkong, 4th August, 1903.

SIR,—I have the honour to inform you that I have granted a year's leave of absence to Mr. R. Shewan, Member of the Legislative Council, with effect from the 5th instant. I have therefore to request you to be good enough to call a Meeting of the Chamber as early as convenient with a view to the nomination of a temporary Member of Council during Mr. Shewan's absence.—I have, &c.,

HENRY A. BLAKE, Governor, &c.

The CHAIRMAN, GENERAL CHAMBER OF COMMERCE, Hongkong.

Hongkong General Chamber of Commerce, Hongkong, 12th August, 1903.

SIR,—I have the honour to announce, for the information of His Excellency the Governor, that at a Special General Meeting of the Chamber, held at 3.30 p.m. to-day, Mr. H. E. POLLOCK, K.C., was elected by 63 votes to 54 for Mr. E. A. Hewett, as the Chamber's nominee for the seat at the Legislative Council rendered vacant by the absence on leave of Mr. ROBERT SHEWAN.

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 the Members present who recorded their votes.
- 3. The names of the Candidates and those of their proposers and seconders.—I have, &c.,

A. R. LOWE, Secretary.

Honourable F. H. MAY, C.M.G., Colonial Secretary.

Notice.

The Hongkong General Chamber of Commerce.

A Special General Meeting of the Members will be held on Wednesday, 12th August, 1903, at 3.30 p.m. in the Chamber Room, City Hall, to nominate a Member of the Chamber to take the place in Legislative Council of the Hon. ROBERT SHEWAN, who has been granted a year's leave of absence.

Notice in writing of the names of Candidates, and of their Proposers and Seconders, to be lodged with the Secretary at least 48 hours before the time appointed for holding the General Meeting.

By order,
A. R. Lowe, Secretary.

Hongkong, 6th August, 1903.

Names of the Candidates and of their Proposers and Seconders.

Mr. D. R. Law proposed

Mr. N. A. SIEBS seconded

Mr. H. E. POLLOCK, K.C.

Mr. J. H. Lewis proposed

Mr. E. W. MITCHELL seconded

Mr. E. A. HEWETT.

Result	of the Ballot:—	Votes
	Mr. H. E. Pollock, K.C.,	63
	Mr. E. A. HEWETT,	54

Majority for H. E. Pollock,..... 9

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List of Members present who recorded their Votes.

Members.	Representative.
Ferd. Bornemann,	H. Schumacher.
P. Brewitt,	
Wm. Danby,	
D. S. Dady Burjor,	
Fung Wa Chuen,	
A. G. Gordon.	
D. Haskell	D. Haskell.
Ho Fook,	Ho Fook.
Dr. Jordan.	Dr. Jordan.
E. Kadoorie,	E. Kadoorie.
G. P. Lammert,	G. P. Lammert.
A. R. Marty,	A. R. Marty.
J. R. Michael.,	J. R. Michael.
H. M. H. Nemazee,	H. M. H. Nemazee.
Dr. J. W. Noble,	Dr. J. W. Noble.
H. E. Pollock, K.C.,	
E. C. Ray,	E. C. Ray.
M. S. Sassoon,	M. S. Sassoon.
G. C. Moxon,	G. C. Moxon.
A. V. Apcar & Co,	
Arnhold, Karberg & Co.,	E. Goetz.
W. S. Bailey & Co.,	W. S. Bailey.
Banker & Co,	Geo. Banker.
Benjamin, Kelly & Potts,	P. C. Potts.
F. Blackhead & Co.,	K. Stockhausen.
Bradley & Co.,	A. Macgowan.
Butterfield & Swire,	
Caldbeck, Macgregor & Co.,	E. W. Mitchell.
Carlowitz & Co.,	
Cawasjee Palanjee & Co.,	S. D. Setna.
S. J. David & Co.,	O. I. Ellis.
Deacon & Hastings,	J. Hastings.
Dennys & Bowley,	F. B. L. Bowley.
Gilman & Co.,	
Grossman & Co.,	A. Finke.
Hotz s'Jacob & Co.,	
Hughes & Hough,	T. F. Hough.

J. D. Humphreys & Son,	H. Humphreys.
W. G. Humphreys & Co.,	
J. D. Hutchison & Co.,	
Jardine, Matheson & Co.,	
Jebsen & Co.,	
Johnson, Stokes & Master,	
Kruse & Co.,	
Lai Hing Hong,	- Committee of the comm
Douglas Lapraik & Co.,	
Lane, Crawford & Co.,	
Lauts, Wegener & Co.,	
P. Lemaire & Co.,	
Linstead & Davis,	
W. R. Loxley & Co.,	
Lutgens, Einstmann & Co.,	
McEwen, Frickel & Co.,	
McGregor Bros. & Gow.,	
Melchers & Co.,	
Meyer & Co.,	
Wm. Meyerink & Co.,	
Mounsey & Brutton,	
E. Pabaney & Co.,	
Punchard, Lowther & Co.,	
Rädecker & Co.,	
Reiss & Co.,	
Alex Ross & Co.,	
Rozario & Co.,	
Sander, Wieler & Co.,	
E. D. Sassoon & Co.,	
Shewan, Tomes & Co.,	C. A. Tomes.
Siemssen & Co.,	N. A. Siebs.
H. Skott & Co.,	H. Skott.
Stewart Bros.,	Hon. G. Stewart.
Tata & Co.,	K. D. Mistry.
Furner & Co.,	R. C. Wilcox.
Vernon & Smyth,	
Wendt & Co.,	W, Melchers.
Harry Wicking & Co.,	
Goddard & Douglas,	
Barretto & Co.,	

Tł	ne Agency:—
	Pacific Mail Steamship Co.,
Ba	anque de l'Indo-Chine.,G. Meyer.
Ca	anadian Pacific Railway Co., Ltd.,D. E. Brown.
Ca	anton Insurance Office, Ltd.,
Cl	hartered Bank of India Australia & China., T. P. Cochrane.
Cl	nina Export, Import & Bank Co.,J. Wahlen.
	hina Fire Insurance Co., Ltd.,G. L. Tomlin.
C	hina Merchants' Steam Navigation Co., Chan Hewan.
C	hina Sugar Refining Co., Ltd.,
Co	ompagnie des Messageries Maritimes,G. de Champeaux.
D	avid Sassoon & Co., Ltd.,E. Shellim.
D	eutsche Asiatische Bank,
D	odwell & Co., Ltd., E. S. Whealler.
E	ast Asiatic Trading Co.,G. Harling.
E	astern Extension, Australasia & China
	Telegraph Co.,J. M. Beck.
E	dwards, Piry & Co, Ltd.,F. Edwards.
G	reen Island Cement Co, Ltd.,
	uaranty Trust Co., of New York., E. F. Gros.
	amburg Amerika Linie.,Behn.
	ongkong & China Gas Co., Ltd,J. Curry.
	ongkong Fire Insurance Co., Ltd.,G. T. Veitch.
Н	ongkong & Kowloon Wharf & Godown
TT	Co., Ltd.,
Н	ongkong Land Investment & Agency Co., Ltd.,
Н	ongkong Rope Manufacturing Co., Ltd.,R. Henderson.
	ongkong & Shanghai Banking Corporation., J. R. M. Smith.
	ongkong & Whampoa Dock Co., Ltd.,W. B. Dixon.
Tr	nperial Bank of China,E. W. Rutter.
Tr	nternational Banking Corporation,
	itsui Bussan Kaisha.,J. Nahamaru.
	ational Bank of China, Ltd.,
	ippon Yusen Kaisha.,T. S. Takayanaji.
P	eninsular & Oriental S. N. Co.,E. A. Hewett.
	usso-Chinese Bank,J. W. R. Taylor.
S	hell Transport & Trading Co.,E. Goetz.

Sperry Flour Co., of San Francisco, W. S. Allen.
Standard Oil Co., of New York, W. B. Walker.
Watkins & Co., Ltd., G. A. Watkins.
Yokohama Specie Bank., T. Hodsumi.
Ewens & Harston, J. S. Harston.
Gibb, Livingston & Co., A. G. Wood.

Total,117.

Members who have not recorded their Votes.

Sir C. P. Chater, C.M.G.

Mr. C. L. Gorham.

" Ho Tung.

" H. N. Mody.

" A. H. Rennie.

" A. G. Stokes.

" E. H. Sharp, K.C.

Messrs. Ming Kee Hong.

" N. Mody & Co.

" H. Price & Co.

" Reuter, Brockelmann & Co.

" Smith, Bell & Co.

" British American Tobacco Co., Ld.

" China Commercial S. S. Co.

" China Traders' Insurance Co., Ld.

., Chun On Fire Insurance Co., Ld.

.. Hongkong Canton & Macao S. B. Co., Ld.

" Mercantile Bank of India, Ld.

" Osaka Shosen Kaisha.

" Shiu On S. S. Co., Ld.

" Tai Shing Paper Manufacturing Co., Ld.

" Union Insurance Society of Canton, Ld.

, Wilkinson, Heywood & Clark, Ld.

Total,23.

A Special General Meeting of the Hongkong General Chamber of Commerce was held yesterday afternoon in the Chamber Room, City Hall, to nominate a Member of the Chamber to take the place in the Legislative Council of the Hon. R. Shewan, who has been granted a year's leave of absence. Mr. E. A. Hewett, Chairman, presided over a large attendance.

The Secretary (Mr. A. R. Lowe) read the notice calling the meeting.

The Chairman read a letter dated 4th instant from H.E. Sir Henry Blake, Governor, intimating that the Hon. R. Shewan had been granted a year's leave of absence and asking that a meeting of the Chamber be called to nominate a Member of the Chamber to take his place on the Legislative Council.

On the motion of the Chairman, seconded by Mr. D. R. Law, Messrs. T. P. Cochrane and J. Goosmann were appointed scrutineeers.

The CHAIRMAN, having explained the conditions concerning the speaking and voting, called on the proposer of the first nomination.

Mr. D. R. Law said:—Mr. Chairman and Gentlemen,—I have much pleasure in proposing Mr. Pollock, K.C., as the Chamber's representative in the Legislative Council during Mr. Shewan's absence. I do so with every confidence, being sure that we could not make a better selection, and I trust, gentlemen, that you will share my views and give him your support. Without for a single minute desiring to detract from the undoubted suitability in many ways of Mr, Hewett, I should just like to point out briefly in what respects Mr. Pollock has, in my opinion, many advantages to recommend him to your suffrages. His long residence here, and his intimate knowledge of all public matters, combined with the fact that he has always taken a very keen interest in everything relating to the public weal, renders him peculiarly suitable for a seat in the Legislative Council. He may not be so well acquainted with commercial details as Mr. Hewett, but I venture to suggest to you that, considering Mr. Pollock's long acquaintance with business matters brought under his observation professionally, he has a sufficiently accurate general knowledge of commercial methods to make it worth our while to secure his services. And, when we come to consider his undoubted ability as a lawyer, coupled with his long service as Acting Attorney-General, none of us can help admitting that therein he possesses a distinct advantage over his opponent, an advantage which I beg you to consider whether it would not be wise to procure in our own interests as well as in those of the general community. You must remember, gentlemen, that in discussing the appointment of a representative we have to consider the functions of the Legislative Council. It exists principally, as you are all aware, for the making of laws, and who could be better able than Mr. Pollock, with his legally trained mind, to protect and fight fearlessly for the interests committed by us to his care? Gentlemen, I take it that you desire to secure the services of a representative who will voice your views in the Councils of this Colony. If this be so, I can confidently appeal to you to support Mr. Pollock. He is willing to come to you at critical times and ask your advice on all matters that relate to your interests, and urge them with all the power and ability that you so well know he possesses. Do not be carried away by the cry "Let us have a business man, a shipping man, to represent us." Let us choose the best man. Use your matured judgment in considering this important question, and support Mr. Pollock, the candidate who is most likely to serve your interests, and through his influence with the Government secure from time to time the legislation you consider desirable in the interests of the Colony. (Applause.) Gentlemen, I will not detain you longer. I leave the issue of this election confidently in your hands, resting satisfied that you will exercise that sound judgment for which the business men of Hongkong are already noted. (Applause.)

Mr. N. A. Siebs seconded.

Mr. J. H. Lewis said:—Mr. Chairman and Gentlemen,—We have listened with much interest to Mr. Law's eloquent speech in advocating the election of Mr. Pollock. I quite agree with what Mr. Law says with regard to Mr. Pollock's qualifications as a legal adviser, but I maintain that what we want as the representative in the Legislative Council of a commercial body is a commercial man (Hear, Hear and Applause), a man who is practically a merchant and who is in daily and continual touch with merchants. I think we want the very best man, but with all due deference to Mr. Pollock I do not think he will be the best man. We know what Mr. Hewett can do working for the general community. He is able, he is willing, and he takes a hearty interest in his work; and I think that if we elect him to represent the Chamber of Commerce on the Legislative Council we shall have a member fearless and able to represent us and advocate our interests. I have much

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pleasure in proposing Mr. Hewett as our representative on the Legislative Council. (Applause.)

Mr. E. W. MITCHELL said: Mr. Chairman and Gentlemen, The members of this Chamber of Commerce must congratulate themselves on having two such men as Mr. Pollock and Mr. Hewett willing to represent us on the Legislative Council. They are both able men, both energetic, and both candidates have the true interests of the Colony at heart. We are here to-day to select one of these gentlemen to represent us. I have no hesitation in saying that I shall give my vote to Mr. Hewett, because, like Mr. Lewis, I feel we ought to have a commercial man to represent a commercial body. (Hear, Hear.) That is the first consideration. Mr. Hewett is not only very well versed in the general commercial questions of the Far East, but he has also a sound and practical knowledge of municipal work. There, gentlemen, you have the two combined. To my idea that is the ideal man to be on the Legislative Council. We elected him, at the last annual meeting, on the committee of this Chamber. That committee elected him their chairman. Surely that proves that we have every confidence in Mr. Hewett. Let us extend that confidence and elect him as our representative to the Legislative Council. I beg to second Mr. Lewis's motion. (Applause.)

The Chairman next called on other members to address the meeting. As none offered to speak, he called on the candidates.

Mr. Pollock, who was received with applause, said:—Gentlemen,—About three days ago, when I was first informed that there was to be a vacancy in the Legislative Council for a representative from the Chamber of Commerce owing to the approaching departure of Mr. Shewan from this Colony, I determined to put myself forward as a candidate for the post in view of the fact that I was urged to do so by influential gentlemen representing your commercial community. If it had not been for the fact that I was urged by these gentlemen to come forward to contest the seat in the Council, I certainly should not have been bold enough on my own initiative to have done so. Well, gentlemen, as I said, I determined some three days ago, after I had heard that Mr. Shewan was about to leave the Colony, to stand for this seat, and on the very first day I was met with news of a somewhat disquieting, somewhat discouraging, character, because I was informed that for some weeks past—two or three weeks past, at all events—gentlemen had been

canvassing for Mr. Hewett, and that it was practically hopeless for me to stand for the seat at this time, because, I was told the majority of your votes had been promised to Mr. Hewett. Well, gentlemen, that did not discourage me, for when I came to review the matter I was satisfied that there were certain gentlemen amongst you who might not unnaturally have expressed themselves as unanimous to vote for Mr. Hewett under the impression that he was the only candidate likely to come forward, and I felt certain also that when you heard another candidate was coming forward you would carefully reconsider the matter, and you would, as it is your bounden duty to do, weigh as carefully the respective merits of each candidate brought before you. I felt certain that you, as gentlemen of business, would not hastily make up your minds on a matter of this importance, but that you would very anxiously go into the question of the respective capabilities of the respective candidates. Well now, gentlemen, I humbly submit to you that, having regard to the fact that your representative in the Legislative Council is required to sit there in a legislative capacity, I, as I have submitted in my manifesto, am entitled to your suffrages. I have here an "Express" which was issued to-day—I suppose it was meant to be humorous-which reads - "An ounce of practical experience is worth a ton of trained legal mind." (Laughter.) Well, gentlemen, what is the practical experience which you require from the gentleman who is to represent you in a legislative capacity upon the Council? The practical experience which you require from that gentleman is practical experience in the drafting of legislative measures. (A voice: No.) You want a representative who has knowledge of what is the intended purpose of such measures and such amendments and such alterations in the law as may be brought forward by the Government. (Hear, Hear, and Applause.) Surely, gentlemen, if Mr. Hewett, from his experience in municipal matters, may be said to possess an ounce of practical experience, I think I may fairly claim, owing to the fact that for three years I acted as Attorney-General, to have a hundredweight of such experience. (A voice: No.) Mr. Brown says No; he has been a very energetic canvasser on behalf of Mr. Hewett, gentlemen, as you are aware. (Laughter, during which Mr. Brown exclaimed: Nothing of the sort.) I congratulate him upon his activity, but I think, gentlemen, you will be able by your votes to discount that activity. (Renewed laughter.) It must be obvious to all of you that in so far as commercial experience is required Mr. Hewett is superior to myself, but surely, gentlemen, none of you will contend that in the event of any commercial matter coming up in the Council, I should not be able to obtain such particulars and instructions from your committee as would enable me to intelligently and fully discuss in the Council such commercial matters as require to be discussed. (Applause.) I should certainly, gentlemen, upon such matters consult your committee, and the committee would give me the best and fullest of their advice, and I should make use of that advice in Council to further your interests. (Applause.) On the other hand, gentlemen, what about practical legal experience? How is it possible that Mr. Hewett can be supplied with practical legal experience here? I submit, gentlemen, it is impossible that he could be supplied with such legal experience as would enable him, very often on the spur of the moment, as has been seen, to speak on certain amendments brought forward by the Government. I sat for a period of three years in the Legislative Council as you will have noticed by my manifesto, and thereby acquired an actual practical knowledge of the drafting of laws as well as of the procedure of the Legislative Council. I will not keep you longer in this extremely trying heat, but will leave this matter in your own hands, and simply ask you, without fear, favour, or affection, to give your votes to whichever of the two candidates, Mr. Hewett and myself, you think the more worthy of your suffrages. (Applause.)

Mr. Hewett said:—Gentlemen,—We all know what it is to suffer from un mauvais quart d'heure, and I must confess to my experiencing something of the kind at the present moment in finding myself for the first time in opposition to my very good friend, Mr. Pollock. In coming forward, however, and in offering myself as the representative of the Chamber of Commerce on the Legislative Council, I do so in the belief that I am qualified to act in this capacity. I would state that my commercial training commenced 26 years ago, and nearly 23 years of these have been passed in the leading business centres between here and Yokohama. I think I may claim therefore that I have a very good general knowledge of the trade of the Far East. In addition to this my ordinary business has kept me thoroughly in touch with the home trade and also with our important interests in the Straits and India. Having spent altogether some seven years in Hongkong, I have during the last two years of my residence here been enabled to pick up the threads of the various interests connected with the Colony, and I feel therefore that I am justified in offering myself as the representative of this Chamber on the Legislative Council. As Mr. Pollock has remarked, it is

extremely warm, and we do not wish to stay here a minute longer than is necessary. But I will only add that if you do me the honour of electing me I shall do all in my power to further your interests as far as our relations with the Government are concerned. (Applause.) We will now proceed with the voting.

Balloting then proceeded, and when all the cards had been handed in and the votes counted, the result was announced by the Chairman as follows:—

Mr. Pollock, 63; Mr. Hewett, 54.

The announcement was greeted with loud applause, and when this had subsided,

The CHAIRMAN said:—Gentlemen, the result of this election will be communicated to H. E. the Governor in due course. It now only remains for the meeting to pass a vote of thanks to the scrutineers. (Applause.)

Mr. Pollock:—Gentlemen, I am much obliged to those who supported me, but I consider myself particularly fortunate in having succeeded in gaining the seat in the Legislative Council in view of the fact that I was opposed to a gentleman possessing such strong qualifications as my friend, Mr. Hewett. (Applause.)

The Chairman shook hands with Mr. Pollock, whom he congratulated upon his election, and thereafter the meeting dispersed.

Colonial Secretary's Office, Hongkong, 14th August, 1903.

SIR,—I am directed to acknowledge the receipt of your letter of the 12th instant, notifying that the Chamber has nominated Mr. H.E. Pollock, K.C., for the seat on the Legislative Council temporarily vacant by the absence of the Honourable R. G. Shewan on leave.

2. I am to state that His Excellency the Governor has been pleased to signify his approval of the nomination.—I have, &c.,

F. H. MAY, Colonial Secretary. The Secretary, General Chamber of Commerce, Hongkong.

(135)

Imbecile Persons Introduction Ordinance, 1904.

Peninsular & Oriental Steam Navigation Company, Hongkong, 15th January, 1904.

SIR,—Referring to the discussions which have taken place at the Committee Meetings of the Chamber of Commerce with regard to the Bill now before the Legislative Council entitled "The Undesirable Persons Introduction Ordinance" I now beg to enclose for the information of the Committee copy of a Petition addressed to H. E. the Officer Administering the Government praying that the proposed Legislation be abandoned.

The Petition in question has been unanimously signed by the Shipping represented in the Colony.—I have, &c.,

EDBERT A. HEWETT, Superintendent.

A. R. Lowe, Esq., Secretary, Hongkong General Chamber of Commerce.

Hongkong, 30th December, 1903.

To His Excellency

F. H. MAY, C.M.G.

The Officer Administering the Government of Hongkong.

THE HUMBLE PETITION of the Undersigned representatives of the various Shipping Companies in Hongkong.

Respectfully sheweth that the proposed Bill now before the Legislative Council entitled "An Ordinance to provide for the Recovery of Charges incurred by the Colony on account of certain undesirable persons introduced into the Colony" being in our opinion calculated to inflict undue hardship on the Trade of the Colony, it is desirable in the interests of all those engaged in trade here that it be withdrawn.

In support of our petition we beg to lay before Your Excellency the following facts, which we trust will, on full consideration, convince Your Excellency that while the proposed legislation is not really necessary, it will, if brought into effect, prove a very real hardship—we may even assert an injustice—on the shipping engaged in trade with this Colony.

We glady recognise that the Government has during the discussion in Council on the proposed Bill, shown readiness to consider the objections raised by the Unofficial Members not only in modifying the original conditions of the Bill, but also in postponing a final decision in order to allow the Chamber of Commerce, through their representative, to fully state their objections to the Bill.

Your Petitioners are in complete accord with the views of the Committee of the Chamber of Commerce in opposing the proposed legislation and now, therefore, wish to support that Committee by setting forth their reasons for opposing the Bill.

In approching Your Excellency on the subject Your Petitioners will take as their text the draft of the proposed Bill with amendments as left in Committee at the last meeting of the Legislative Council held on the 23rd instant, a copy of the Bill being attached hereto.

Your Petitioners would beg to direct attention to the fact that before a lunatic, idiotic or imbecile person can be landed from a vessel the consent of a certain Government Official must be obtained.

There is noting to show that this official is obliged to give permission for the person in question to be landed, and it would appear, therefore, that should permission be withheld, the master of a vessel may be compelled to keep the person in question in custody, and in the ordinary prosecution of his voyage to convey him to another port, perhaps far distant; thus rendering himself liable not only to heavy expense but also perhaps to a claim for damages through forcibly taking a person to some port to which he does not wish to proceed.

Your Petitioners would further submit that a vessel even under the most favourable conditions is not the proper place for the confinement of a lunatic or person requiring special care and restraint, and that the master of a vessel should therefore have full right to land such a person at Hongkong at any time. The question as to the expenses incurred is a matter which could subsequently be settled between the Master and the Government.

Your Petitioners recognise that while lunatics or imbeciles are occasionally carried on board vessels as passengers under special arrangement, cases may arise where it is found necessary to land these people here. Under such conditions the master of the vessel or her owners or

agents will presumably have in the first place protected themselves against possible loss in such an eventuality; but Your Petitioners naturally view with alarm the further liability which the proposed legislation contemplates placing upon the shipping trade in cases where such an arrangement has not been made.

It is true that this liability will not fall upon the vessel if it can be proved that the person became insane after embarkation; but who is to fix the exact point or time at which a person ceases to be sane?

Some of Your Petitioners have recent knowledge of cases, which can be quoted, where passengers who were known, or suspected by their friends of being either insane or verging on such a state, have been placed on board vessels without any intimation of the fact being given to the agents or master of the vessels, and it was only after these unfortunate people had given signs of insanity that inquiry has proved that they were of unsound mind at the time of embarkation.

In these circumstances, under the proposed Bill the ship owner or master would be responsible up to the sum of \$5,000 for such a person's expenses.

It may be granted that in some cases the expenses might possibly be partially recovered, but to attempt this would involve great trouble and additional expense upon the ship, coupled with the uncertainty of ultimate success.

Your Petitioners would further beg to direct Your Excellency's attention to the fact that, if such objections may be raised when dealing with passengers of nationalities other than Chinese, these difficulties with regard to the Chinese traffic must be greatly accentuated.

It is estimated that something like two million Chinese come into the Colony every year.

It would be absolutely impossible to attempt anything like a satisfactory or reliable medical inspection of such a number of people, and yet this is the only equitable way to carry out the proposed legislation. The expense of the necessary staff would alone prove an insuperable objection, and indeed the idea of such an examination with a view to preventing the arrival in Hongkong of Chinese infected with bubonic plague was abandoned solely on that ground.

There are other, and, from a business point of view, equally cogent reasons, which could be brought forward against such a system, among which might be adduced the following:—

No medical inspection would presumably be made of the enormous number of fishing and trading junks which are daily entering the waters of this Colony, and Your Petitioners would therefore venture to submit that it would be unjust to attempt to control the Chinese traffic by foreign vessels while native craft are exempt from such supervision.

To hold a shipowner or shipmaster liable for expenses incurred through unwittingly bringing a Chinese lunatic into the Colony under the existing conditions of the passenger traffic would, Your Petitioners submit, be inflicting a great and unmerited hardship which if enforced would result in seriously crippling that branch of commerce upon which the prosperity of this Colony and every component part thereof most vitally depends.

Your Petitioners, even assuming the onus of proof that a certain imbecile or lunatic arrived in the Colony by a particular vessel would rest with the Government, regard with concern the responsibilities which may be thus unjustly forced upon vessels, in consequence of the ease which Chinese evidence can be produced and the impossibility of the shipowner or master controverting such evidence, owing to the want of any record or photograph by which to identify the passengers actually carried. To establish and maintain such a record would be a most expensive if not absolutely impracticable measure. Your Petitioners therefore respectfully urge upon Your Excellency that under the existing Merchant Shipping Act and the local Vagrant Act (No. 25 of 1897) the Government of the Colony is fully protected against the unlawful introduction into Hongkong by shipmasters of destitutes and undesirables, and submit that the present proposed legislation is not required in the interests of the taxpayers of the Colony, while if carried into effect it could not fail to seriously injure the untrammelled Chinese passenger traffic on which Hongkong so greatly depends.

Your Petitioners consider that, if it be decided that it is absolutely necessary to legislate in the proposed direction, the public interest would be sufficiently safeguarded by the institution of a fine, say of \$500, against the master or owners of a vessel importing a lunatic, idiotic or imbecile person other than of Chinese nationality into the

Colony without permission of the Government. Your Petitioners also consider that Chinese should be excluded from the scope of the Bill altogether, as it is manifestly impossible to deal with them, and they further understand that the Hongkong Government never have any difficulty in arranging with the Chinese Government to receive such persons of that nationality as it may be desirable to deport.

Your Petitioners would venture to remind Your Excellency that the care of the destitute insane is one of the duties of a Government, and would with all due respect submit that if by chance an isolated case occurs and a non-resident thus becomes a charge on the rates, on the other hand it should be borne in mind that large sums are annually spent in the Colony by visitors whose presence here so largely conduces to its prosperity.

Your Petitioners therefore trust that Your Excellency, after giving this our Petition careful consideration, will agree to withdraw the proposed Bill.

And Your Petitioners will ever pray.

Edbert A. Hewett, Superintendent,

Peninsular & Oriental Steam Navigation Co.

Jardine, Matheson & Co., General Managers,

Indo-China Steam Navigation Co., Ld.

Agents,

British India S. N. Co., Ld. Indra Line, Ld. Asiatic S. N. Co., Ld.

BUTTERFIELD & SWIRE,

Agents,

China Navigation Co., Ld. Ocean Steamship Co., Ld. China Mutual Steamship Co., Ld. Norddeutscher Lloyd—Orient Line.

GIBB. LIVINGSTON & Co.,

Agents,

Ben Line of Steamers.

Eastern & Australian S. S. Co., Ld.

SIEMSSEN & Co.

SHEWAN TOMES & Co.,

General Managers.

China & Manila S. S. Co., Ld.

General Agents,

American & Asiatic S. S. Co.,

Agents,

Shire Line.

DODWELL & Co., Ld.

E. S. WHEALLER, Chief Manager.

General Agents,

Northern Pacific S. S. Co.

Boston S. S. Co.,

Boston Towboat Co.

Mogul S. S. Co., Ld.

Barber Line Steamers.

John Warrack & Co.'s Steamers.

FOR THE CANADIAN PACIFIC RAILWAY Co.,

D. E. Brown, General Agent.

BRADLEY & Co.,

Managers,

"Shan" Steamers.

Agents,

La Cie. Français de Cabotage des Mers de Chine. Northern Steamship Co., of St. Petersburg.

Banan Steamship Co., Ld.

H. T. WILGRESS,

For the Portland & Asiatic S. S. Co.

CHINA COMMERCIAL S. S. Co.,

J. S. VAN BUREN, Superintendent

CIE. TONKINOISE,

A. MARTY,

G. DE CHAMPEAUX.

Agent,

Messageries Maritimes Co.

p.p. McGregor Bros & Gow,

E. H. HINDS,

Agents,

Glen Line.

DAVID SASSOON & Co., Ld.,

E. Shellim, Manager,

Agents,

Apcar & Co.'s Calcutta-Hongkong Line.

EAST ASIATIC TRADING Co.,

G. Harling, General Manager.

Agents,

Hanseatische Dampfer Company.

Menzell & Co.'s Steamers.

Owners of "Babelsberg" & "Elita Nossack."

For MITSUI BUSSAN KAISHA,

M. Inuzuka, Manager.

MELCHERS & Co..

Agents,

Norddeutscher Lloyd.

East-Asiatic Co., Ld.

Russian East-Asiatic Co.

Est Asiatique Français.

Russian Volunteer Fleet.

HAMBURG-AMERIKA LINIE, HONGKONG OFFICE,

K. Oldorp, Manager.

J. STUART THOMSON,

Acting Agent,

Pacific Mail S. S. Co.

Occidental & Oriental S. S. Co.

Toyo Kisen Kaisha (Oriental S. S. Co.)

SANDER, WIELER & Co.

NIPPON YUSEN KAISHA,

A. S. Mihara, Manager,

ARNHOLD, KARBERG & Co.

CARLOWITZ & Co.,

Agents.

Navigazione Generale Italiana. U. S. China & Japan Line.

JEBSEN & Co.,

Jebsen Line of Steamers.

OSAKA SHOSEN KAISHA,

Tadaichi Arima, Manager.

DE HOOFD-AGENT JAVA-CHINA-JAPAN LIJN.

R. Bisschop.

THE HONGKONG, CANTON AND MACAO STEAMBOAT Co., Ld., Tho. Arnold, Secretary.

Douglas Lapraik & Co.,

General Managers,

The Douglas Steamship Co., Ld.

AUSTRIAN LLOYD'S S. N. Co.,

SANDER, WIELER & Co., Agents.

TUNG KEE & Co.

KWONG WAN STEAMBOAT Co., Ld.

WING ON S. S. Co., Ld.

YUEN FAT HONG.

JOO TEK SENG.

Lai Hing & Co.

HUNG HING & Co.

Wo FAT SING.

CHINA MERCHANTS S. N. Co.,

WANG SHAU NAN.

for Manager.

TAI ON STEAMSHIP Co., Ld.

COLONIAL SECRETARY'S OFFICE, HONGKONG, 18th January, 1904.

SIR,—I an directed to acknowledge the receipt of the Petition addressed to His Excellency the Officer Administering the Government on the subject of the Bill now before the Legislative Council dealing with the introduction of undesirable persons into the Colony, and to state that in His Excellency's opinion no case has been shown to justify the withdrawal of such Bill.

S

There would appear to be a misapprehension on the subject of the intention of the Bill, and I am therefore to point out that before any person becomes a liability on the ship he has to fulfil both of two conditions, viz.:—(1) being imbecile at the time of landing, and (2) becoming a charge within a period of three months.

It is obvious that the risk to the ship where reasonable care has been exercised is thereby reduced to a minimum.

The petitioners state that the care of the destitute insane is one of the duties of a Government, and I am directed to admit concurrence so far as it applies to such persons as have a claim by birth or domicile in the Colony, but to repudiate such contention if it is taken to apply to any foreigner who may be knowingly landed in Hongkong in the condition indicated.

The other smaller points raised in the Petition have been carefully considered and His Excellency is convinced that no inconvenience will arise under the proposed Ordinance provided that the Shipping Firms concerned take due care that no undesirable person is deliberately or carelessly accepted as a passenger to Hongkong.—I have, &c.,

A. M. THOMSON, Acting Colonial Secretary. E. A. Hewett, Esq., P. & O. S. N. Co.

[Read a first time at a Meeting of the Legislative Council held on the 31st July, 1903].

> A BILL ENTITLED

An Ordinance to provide for the Recovery of Costs and Charges incurred by the Colony by and on behalf of imbecile persons introduced into the Colony.

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 Imbecile Short title. Immigrants Ordinance, 1903.

Interpretation.

2. In this Ordinance-

- "Immigrant" includes all passengers by any ship and also the crew of any ship and all persons on board and belonging in any capacity to any ship.
- "Ship" includes any British or Foreign Ship.

Owner, charterer. landing:

3. The owner, charterer, agent, consignee and master &c., liable in certain cases for costs of every ship which brings into the Colony any pasand charges incur- senger not domiciled in the Colony who at the time of red by Colony on account of pass his landing is either lunatic, idiotic, or imbecile, deaf, sengers becoming dumb, blind or infirm or who becomes so within a period within 6 months of of six months from the date of landing and who becomes a charge upon the public or upon any public institution shall be liable to repay to the Government of the Colony all costs and charges incurred by the Colony on behalf of such passenger.

Exceptions.

4. The provisions of this Ordinance shall not apply to shipwrecked mariners or other shipwrecked persons brought to the Colony without charge by the master of a ship other than that in which they were wrecked nor to His Majesty's Land and Sea forces.

No. 1 of 1904.

An Ordinance to provide for the Recovery of Charges incurred on account of imbecile persons introduced into the Colony.



F. H. MAY,

Officer Administering the Government.

[23rd February, 1904.]

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 Imbecile Persons Introduction Ordinance, 1903.

2. In this Ordinance -

Interpretation.

"Person" means any passenger by any vessel and also any member of the crew of any vessel and includes all other persons on board and belonging in any capacity to any vessel.

"Vessel" includes any ship or boat, or any other description of vessel used in navigation, British or Foreign.

3.—(1.) The owner, charterer, agent, consignee and Owner, charterer, master of every vessel from which is landed without tain cases for expermission from the Principal Civil Medical Officer or penses incurred by Health Officer of the Port any person not ordinarily count of persons resident in the Colony who being at the time of landing becoming a charge on the public withlunatic, idiotic or imbecile, shall become within a period in three months of of three months from the date of landing a charge upon the public or upon any public institution shall be liable to repay to the Government of the Colony any expense on account of such person by reason of his care, maintenance or repatriation unless such owner, charterer, agent, consignee or master can prove that such person became lunatic, idiotic or imbecile, after embarkation at the port or place from which he shipped. Provided that such expense shall in no case exceed the sum of five thousand dollars in the aggregate.

(2.) In every case where permission to land any per- Master to retain son from any vessel is refused every such person shall persons on hoard in certain case. be detained by the master on board such vessel and be prevented, by force if need be, from landing.

(3.) In every case in which permission to land from Certificate of refuany vessel is refused under the authority of this Ordi- to land nance, the officer refusing such permission shall give a certificate of refusal of permission to land to the master of such vessel if so required by him.

(4.) No action shall lie against the master of any ves- No action for anysel or any person whomsoever for anything done in thing done in execution of Ordinanexecution of the provisions of this Ordinance.

Exceptions.

4. The provisions of this Ordinance shall not apply to shipwrecked mariners or other shipwrecked persons brought to the Colony without charge by the master of a ship other than that in which they were wrecked nor to His Majesty's Land and Sea Forces nor to distressed British seamen.

Passed the Legislative Council of Hongkong, this 19th day of February, 1904.

R. F. Johnston, Acting Clerk of Councils.

Assented to by His Excellency the Officer Administering the Government, the 23rd day of February, 1904.

A. M. THOMSON, Acting Colonial Sceretary.

FORTNIGHTLY CURRENT QUOTATIONS FOR THE YEAR 1903.

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FORTNIGHTLY CURRENT EXCHANGE AND

QUOTATIONS.			On London Bank, 4 months' sight.	Telegraphic Transfer.	Private Credits, 4 months' sight.	Docu- mentary, 4 months' sight.
Fortnight	anding	2 2nd January,	1/7.5	1/7	1/7 7 8	1/7 9
Do.	do.	16th January,	1/7 3	1/67	$1/7\frac{5}{16}$	1/7 7 6
Do.	do.	30th January,	1/7-16	1/63	1/7 3	1/7 5
Do.	do.	13th February,	$1/7_{16}^{-1}$	1/63/4	$1/7\frac{3}{16}$	1/7 5
Do.	do.	27th February,	1,71	1/67	1/71	1/73
Do.	do.	13th March,	1/74	1/7	$1/7\frac{3}{8}$	1/7½
Do.	do.	27th March,	1/73	1/71	$1/7\frac{1}{2}$	1/7 §
Do.	do.	9th April,	1/71	$1/7\frac{1}{4}$	1/7 5	1.73
Do.	do.	24th April,	1/8	$1/7\frac{3}{4}$	1/81	1.81
Do.	do.	8th May,	$1/8^{\frac{7}{16}}$	1/8 3 6	1/8 3	$1/8\frac{1}{16}$
Do.	do.	22nd May,	1/8 8	1/83	1/83	1/87
Do.	do.	5th June,	1/8 7 5	1/815	$1/8$ $\tau_{\vec{e}}$	1/8 18
Do.	do.	19th June,	1/8,5	1/S-1/6	$1/8_{7}^{7}$	1/8 9 1 6
Do.	do.	3rd July,	1/8-5	1/8 1 6	1/8,7	1/8 9
Do.	do.	17th July,	1/87	1,88	1/9	1/91/8
Do.	do.	31st July,	1/94	1/9	1/93	$1/9\frac{1}{2}$
Do.	do.	14th August,	1/10	1/93	$1/1\dot{0}_{B}^{\perp}$	$1/10\frac{1}{4}$
Do.	do.	28th August,	1/10 5	$1/10\frac{3}{8}$	$-1/10\frac{3}{4}$	1/107
Do.	do.	11th September,	1/1011	1/1075	1/1013	1/1015
Do.	do.	25th September,	1/10 29	1/104	1/1011	1/1013
Do.	do.	9th October,	1/10 9	1/101	$1/10\frac{1}{16}$	1/1013
Do.	do.	23rd October,	1/107/8	1/10 1/6	1/11	1/11 1/8
Do.	do.	6th November	1/101	1/913	1/101/4	1/103
Do.	do.	20th November,	1/95	1/9.5	1/93	1,97
Do.	do.	4th December,	$1/9\frac{1}{16}$	1/83	1/9 3 6	1/976
Do.	do.	18th December,	1/8-3	1/81	1/815	$1/9\frac{1}{16}$

BULLION QUOTATIONS DURING THE YEAR 1903.

On France, 4 months' sight.	On Bombay, Demand.	On Calcutta, Demand.	Bar Silver,	Sycce.	Clean Mexican Dollars.	Gold Bars, 98 touch.	Gold Leaf, 100 touch.
						p. tael.	p.tael.
Fes. $2.03\frac{1}{2}$	Rs 1183	Rs 1183	10 % pm.	9½ % pm.	2 8 % pm.	\$63.50	\$65.25
Fes. 2.02	Rs 1171	Rs- 117½	103 ,,	9 .,	13 ,,	\$62,40	\$66.10
Fes. 2.00½	Rs 1163	Rs 1163	93 .,	83/8 ,,	11, ,,	\$65.25	\$67.10
Fcs. $2.02\frac{1}{2}$	Rs 1164	Rs 1161	$9\frac{1}{4}$,,	73 ,,	5 11	\$65.15	\$66.90
Fes. 2.02	Rs 1174	Rs 1171	91 ,,	8 "	1 ,,	\$64.80	\$66.70
Fes. 2.03	Rs 1181	Rs 1181	91, ,,	s "	13 ,,	\$65.50	\$66.30
Fes. 2.05	Rs 1193	Rs 1193	91, ,,	81,,	2 ,,	\$63.45	\$65.30
Fcs. 2.06	Rs- 120½	Rs 120½	91	S ₁ ,,	17/8 ,,	\$62.80	\$64.70
Fes. $2.11\frac{1}{2}$	Rs 1233	Rs 1233	97/8 ,,	9 ,,	27/8 ,,	\$61,40	\$63.30
Fes. 2.16	Rs 1261	Rs 126½	10% ,,	93 .,	33 ,,	\$60.20	\$62.10
Fcs. 2.18	Rs 127	Rs- 127	1118 ,,	$9\frac{1}{2}$,,	4 ,,	\$59.60	\$61.50
Fes. 2.14½	Rs 125½	Rs 125½	1118 ,,	$9\frac{3}{4}$,,	43/4 ,,	\$60.20	\$62.15
Fes. 2.14	Rs 125½	Rs 125½	11 .,	91,,,	43 ,,	\$60.15	\$62.25
Fes. 2.14	Rs- 125½	Rs 1251	111, ,,	$9\frac{1}{2}$,,	$5\frac{1}{8}$,,	\$61.10	\$63.00
Fes. 2.20	Rs 129	Rs 129	111/8 ,,	93 ,,	4 ,.	\$60.30	\$62.20
Fes. 2.24	Rs 1311	Rs 1314	111	934 .,	$2\frac{3}{4}$,,	\$58.90	\$60.80
Fes. 2,32	Rs 135%	Rs 1353	111 ,,	93 ,,	3½ ,,	\$50.70	\$58,60
Fes. 2.38	Rs 139½	Rs 139½	103 ,,	91/4 ,,	3½ ,,	\$55.50	\$57,20
Fes. 2.30	Rs 1393	Rs- 1393	10%,	() <u>1</u> ,.	3 ,	\$56.30	\$58.00
Fes. 2.874	Rs 1383	Rs 1384	10å .,	9 .,	$3\frac{1}{4}$,,	\$56.70	\$58.70
Fes. $2.37\frac{1}{2}$	Rs 1383	Rs 1384	11 ,,	$0\frac{1}{2}$,,	31, ,,	\$56.10	\$58.10
Fes. 2.40	Rs 141	Rs 111	115	$9\frac{3}{4}$,,	23 ,,	\$54.80	\$56.80
Fes. 2.32½	Rs- 1353	Rs 1353	11½ ,.	101 ,,	23 ,,	\$56.40	\$58.30
Fes. 2.27 1	Rs- 1323	Rs- 1323	111 ,,	95 ,,	23 .,	\$57.70	\$59,70
Fes. 2.21 }	Rs- 129	Rs- 129	111 ,.	97 ,,	43 .,	\$58.80	\$60.80
Fes 2.19	Rs 1271	Rs 1274	11½ .,	10} .,	$5\frac{1}{4}$,,	\$50.10	\$61.10

TABLE SHOWING THE HIGHEST AND LOWEST

Prices of Bar Silver in London,
Rates of Exchange in Hongkong, and Bank of England Rates
of Discount, for the years 1877 to 1902.

	BAR SILVER IN		Excha- Hong	NGE IN KONG.	BANK RATE OF DISCOUNT IN	
YEAR.	Lon	DON.	W	IRE.	Lon	DON.
	Highest	Lowest.	Highest.	Lowest.	Highest.	Lowest
1877	581	53½	$4/3\frac{1}{4}$	$3.9\frac{1}{2}$	5	2
1878	$55\frac{1}{4}$	491	3/11	3/5	6 5	2
1879	$53\frac{1}{16}$	48 7	3/11	$3/5\frac{1}{8}$	5	2
1880	527	48 $\frac{7}{8}$ 51 $\frac{5}{8}$ 50 $\frac{7}{8}$	3 9 4 5 8 3 8 8 5 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 8 5 8 5 8 5 8 8 5 8 5 8 8 5 8 5 8 8 5 8	3/7 ³ / ₄ 3/7 ⁵ / ₈ 3/6 ⁵ / ₈	3 5	2 2 2 2 2 2 2 2 2 2 2 3
1881	53	503	3/91	3/75		$2\frac{1}{2}$
1882	521	50	3/95	3 65	6	3
1883	$51\frac{1}{4}$	50 ₁₆	$3/8\frac{3}{4}$	3/7	5 5 5 5 5	$\begin{array}{c} 3 \\ 2 \\ 2 \\ 2 \\ 2 \\ 2 \\ 2 \\ 2 \\ 3 \end{array}$
1884	$51\frac{3}{8}$	491	$3/8\frac{3}{4}$	$\frac{3/6\frac{1}{4}}{3/3\frac{3}{4}}$	5	2
1885	50	467	37	$3 \ 3 \frac{3}{4}$	5	2
1886	47	42	$\frac{3}{4}\frac{4}{4}$ $\frac{3}{4}\frac{4}{4}$	$2/11\frac{1}{2}$	5	2
1887	471	$43\frac{1}{4}$	3/41	$3(0\frac{1}{2})$	5	2
1888	4419	$ \begin{array}{c c} 41\frac{5}{8} \\ 41\frac{5}{16} \end{array} $	$\frac{3/1\frac{5}{8}}{3/2\frac{7}{8}}$	$\begin{array}{c} 2/1\tilde{1}\frac{3}{8} \\ 2/11\frac{1}{2} \end{array}$	5	2
1889	44 3 8	4115	$3 2\frac{7}{8}$	$2 11\frac{1}{2}$	6	$\frac{2\frac{1}{2}}{2}$
1890	548	435	$3/10\frac{1}{4}$	3 05	6	
1891	$48\frac{3}{4}$	$43\frac{1}{2}$	3/5	$3/0\frac{5}{8}$	5	$\frac{2\frac{1}{2}}{2}$
1892	43 4	$37\frac{7}{8}$	$3/0\frac{7}{8}$	$2/8\frac{3}{8}$	$3\frac{1}{2}$	2
1893	3813	$30\frac{1}{2}$	$2 8\frac{7}{8}$	$2/2\frac{7}{8}$	$\frac{3\frac{1}{2}}{5}$	$2\frac{1}{2}$
1894	3178	27	$2/3\frac{1}{8}$	1/111/8	3	2
1895	31 5	27,3	$2/2\frac{7}{8}$	$1/11\frac{1}{4}$	2 4	2
1896	$31\frac{9}{16}$	$ \begin{array}{r} 29\frac{3}{4} \\ 23\frac{5}{8} \end{array} $	$2/2\frac{3}{4}$	$21\frac{1}{8}$		2
1897	$29\frac{13}{16}$	235	3 (0 8 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1	1/93	4	$ \begin{array}{c} 2\frac{1}{2} \\ 2 \\ 2 \\ 2 \\ 2 \\ 2 \\ 3 \\ \end{array} $
1898	283	25	1/112	1/97	4	22
1899	29	265	1/114	$1/10\frac{3}{4}$	6	3
1900	30½	27	$2/1\frac{1}{4}$	1/11/4	6	3
1901	2916	25	2/1	1 93		3
1902	26	2111	1/103	$1/6\frac{1}{2}$	4 4	
1903	$28\frac{1}{2}$	$21\frac{11}{16}$	$1/10\frac{11}{16}$	$1/6\frac{3}{4}$	4	$2\frac{7}{8}$

THE HARBOUR MASTER'S REPORT.

No. 70.

HARBOUR DEPARTMENT, HONGKONG, 18th February, 1904.

SIR,—I have the honour to forward the Annual Report for this Department for the year ending 31st December, 1903.

SHIPPING.

1. The total tonnage entering and clearing during the year 1903 amounted to 24,039,862 tons, being an increase, compared with 1902, of 2,511,082 tons, and the same number in excess of any previous year.

There were 53,991 arrivals of 12,027,092 tons, and 54,009 departures of 12,012,770 tons.

Of British Ocean-going tonnage, 3,396,314 tons entered, and 3,382,121 tons cleared.

Of British River Steamers, 2, 237,249 tons entered, and 2,234,613 tons cleared.

Of Foreign Ocean-going tonnage, 3,667,871 tons entered, and 3,665,880 tons cleared.

Of Foreign River Steamers, 217,619 tons entered, and 216,744 tons cleared.

Of Steam Launches trading to ports outside the Colony, 93,239 tons entered, and 93,239 tons cleared.

Of Junks in Foreign Trade, 1,347,001 tons entered, and 1,351,458 tons cleared.

Of Junks in Local Trade, 1,067,799 tons entered, and 1,068,715 tons cleared.

Thus-

British (Ocean-going	tonnage	repre	esented	28.20	0
,,	River	,,		-,	18.60	
Foreign	Ocean-going	· ,,		22	30.51	0:
,,	River	55		,,	1.81	0
Steam I	aunches in F	oreign T	rade	,,	0.77	0 0
Junks	- ,,	22	22	,,	11.22	0
"	" I	ocal	27	22	8.89	00
					100.00	%
22	,, 1	ocai	"	77	7 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 	

2. Seven thousand two hundred and fifteen (7,215) Steamers, 36 Sailing Vessels, 1,765 Steam Launches, and 15,803 Junks in Foreign Trade, entered during the year, giving a daily average of 68, as against 71.2 in 1902.

For European constructed vessels the daily average would be 19.9 as against 17.1 in 1902.

3. A comparison between the years 1902 and 1903 is given in the following Table; Steam Launches are not included.

Comparative	Shipping	Return for	the Years	1902 and	1903.
-------------	----------	------------	-----------	----------	-------

	1902.		1903.		Increase.		Decrease,	
	Ships.	Tonnage.	Ships.	Tounage.	Ships.	Tonnage.	Ships.	Tonnage.
British,	7,102 5,359	9,571,787 6,704.211	8,449° 6,040°	11.250,296 7,768,115		1,678,509 1,063,904		***
Junks in Foreign I	36,245	3,238,239		2,698,459		***	4,479	539,780
Total,			1	21,716,870			4,479	539,780
Junks in Local (Trade,	*0,743	* 1,819,329	58,215	2,136,514	7,472	317.185	-	
Grand Total,	99,449	21,333,566	104,470	23,853,384	9,500	3,059,598	4,479	539,780
		NET,	*****		5,021	2,519,818		

* Including 17,210 Conservancy and Dust Boats of 637.052 tons. † Including 25,582 Conservancy and Dust Boats of 932,078 tons.

4. For vessels under the British Flag, this Table shows an increase of 1,347 ships of 1,678,509 tons, an increase of 427 ships of 762,845 tons to Ocean-going, and an increase of 920 ships of 915,664 tons to River Trade.

The above increase in Ocean-going is principally due to the fact of some new lines having been established—the China Commercial Steamship Company, the British India Steamers now visiting the port, the addition of some new steamers to local firms, and lastly to an increase of Coal imported from Australia in Steamers new to the Port.

The increase in River Trade is almost wholly due to the new Steamers Kinshan and Wing Chai being in the River Trade during the greater part of 1903 and to an increased number of sailings by the Hongkong, Canton and Macao Steam Boat Company, Limited.

Under Foreign Flags, the table shows an increase of 681 ships of 1,063,904 tons of which 328 ships of 821,216 tons are Ocean-going, the

remainder 353 ships measuring 242,688 tons are River Steamers.

The increase in Ocean-going is made up principally by an increased number of Steamers calling at the Port in 1903 under the U.S. Flag and to the increased tonnage of some of the Pacific Mail Steamers, and to an increase under Chinese, Japanese and French Flags.

The increase in River Trade is made up by two French Steamers San Cheung and Kong Nam, the former being a new Steamer and the latter was transferred from the British Flag in July, 1903, also to the Chinese Steamers Chan Wai and Chan On whose running commenced in the first Quarter of 1903.

5. The actual number of ships of European construction (exclusive of River Steamers and Steam Launches) entering the Port during 1903, was 741, of which 344 were British, and 397 Foreign. These 741 ships entered 4,419 times, giving a total tonnage entered of 7,064,185 tons. Thus compared, with 1902, 23 more ships entered 372 more times, and gave a total tonnage increased by 779,927 tons.

STEAMERS.

Flag.	Ships.		No. of Times entered.		Total Tonnage.		
	1902.	1903.	1902.	1903.	1902.	1903.	
British, Austrian, Belgian, Chinese, Danish, Dutch, French, German, Italian, Japanese, Norwegian, Portuguese, Russian, Swedish, United States, No Flag,	324 20 1 17 6 8 27 123 4 56 49 3 11 4 23	331 15 14 8 11 42 126 3 69 51 1 9 4 24	1,753 50 3 135 13 23 228 939 14 409 300 46 16 15 56	1,982 42 172 27 21 262 937 12 467 318 30 19 31 61 2	$125,929 \\ 3,624 \\ 163,396 \\ 23,374 \\ 26,464 \\ 219,111 \\ 1,360,524 \\ 23,428$	$\begin{array}{c} \dots \\ 222,164 \\ 48,676 \\ 34,575 \\ 246,837 \\ 1,345,567 \\ 32,732 \\ 1,017,263 \\ 319,685 \\ 7,110 \\ 30,781 \\ 26,093 \end{array}$	
Total,	676	709	4,000	4,383		7,009,181	

SAILING VESSELS.

Flag.	Ships.		No. of Times entered.		Total Tonnage.	
	1902.	1903.	1902.	1903.	1902.	1903.
British,	26	13	28	14	45,411	27,525
German,	2	4	2	1	2,973	7,194 $2,045$
Italian,	2	1	2	1	212	120
Norwegian,	$\begin{bmatrix} 2 \\ 1 \end{bmatrix}$	$\frac{1}{1}$	$\begin{bmatrix} 2 \\ 2 \end{bmatrix}$	$\begin{bmatrix} 1 \\ 4 \end{bmatrix}$	1,418 1,338	1,498 $2,676$
Swedish, United States,	9	1 9	11	$\begin{bmatrix} 1 \\ 9 \end{bmatrix}$	17,040	1,271 $11,177$
No Flag,	•••	1	***	1	***	1,498
Total,	42	32	47	36	68,392	55,004

6. The 344 British vessels carried 2,679 British Officers and 24 Foreign Officers as follows:—

British Norweg	rian	•••	• •	• •	• •	•		•	•	•	• •	•	• •		• •		*23		۰			• •	2,078
Dutch,	511111,		•		•	• •	٠	•	•	* 1	•		• •		• •	•	• •		•		•		1
German	1	•••	• •		•		•					•	• •		• •	•	• •	•		•	*		2
United	State	• •	•		•	• •	•		•	• •	•	•		•	• •		•	•	•	*	***	•	10
CHICA	K. Z. DELECT	,		•		• •	•	• •	•	• •	•	• •	•	•		•	• •		•	• •	•		76

Thus the proportion of Foreign Officers in British ships was 0.89 % comprising four nationalities, an increase of 0.11 % with a decrease of ships.

The 397 Foreign ships carried 2,882 Officers, of whom 267 were British, borne as follows:—

In Japanese 7, Chinese	ships,				 		٠				.139
											. 97
" United States	÷ 55					• •	•				
,, French	**										14
,, Dutch				- 000	 						4
" Belgian	,,	•									77
	To	ota	ı]	Ι,			•		S		267

The proportion of British Officers in Foreign Ships was, therefore, $9.3^{\circ}/_{\circ}$ distributed among six nationalities; a decrease of $1.4^{\circ}/_{\circ}$ with an increase of ships.

Of the Crews of British Vessels—

16.6 % were British

0.5 % ,, Other Europeans.

82.9 % ,, Asiatics.

Of the Crews of Foreign Vessels—

1.2 % were British.

22.3 % ,, Other Europeans.

76.5 % ,, Asiatics.

This shows a slight increase of Asiatics in British and Foreign Vessels, with a slight falling off in the proportion of Europeans.

TRADE.

7. The returns under this heading is gathered from the Masters of Vessels, and, in some cases, from the Agents concerned, and must be looked upon as but approximate and, it may be, misleading. It is much to be regretted that Masters and Agents do not render more accurate returns.

The principal features to be remarked in the reported Trade of the Port for 1903 are:—

In Imports reported:-

Increases in	Coal	of	14.0	%.
**	Cotton	of	80.8	%.
**	Flour	of	11.6	%.
,,	Case Petroleum			
33	General	of	7.7	%.
Decreases in	Bulk Petroleum	of	25.4	%.
,,	Liquid Fuel	of	84.1	%.
**	Rice	of	27.1	%.
	Sugar	of	14.3	%.
,,			14.1	

The net increase under this head amounts to 21,847 tons.

In Exports, there is an increase reported of 24,252 ,,

In Transit Cargo , , , , 502,553 ,

8. The total reported Import Trade of the Port for 1903 amounted to 24,819 vessels of 10,959,293 tons, carying 7,392,320 tons of cargo, of which 4,517,370 tons were discharged at Hongkong. This does not

include the number, tonnage, or cargo of Junks, or Steam Launches employed in Local Trade.

Canada,	Country.	Ships.	Tons.	Cor	go.
Canada, 24 68,807 10,749 13,351 225,350 Great Britain, 166 506,686 234,419 592,898 Mauritius, 3,357 2,250 117,066 233,774 117,066 CLASS II. 484 1,344,914 625,043 935,314 Australia and New Zealand, 52 103,267 71,530 26,741 India and Straits Settlements, 250 613,212 407,716 467,954 Japan, 163 259,959 313,202 60,494 North Pacific, 5 1,994 2,260 Russia-in-Asia, 2 5,309 143 CLASS III. 921 2,019,802 1,769,088 898,889 North Borneo, 43 65,058 68,337 6,509 Coast of China, 1,651 2,194,805 287,075 905,844 Cochin-China, 195 214,297 244,255 48,870 Formosa, 112 88,230 30,034 8,825 Hainan and G		emps.	Tons	Discharged.	In Transit.
Continent of Europe, 137 254,396 143,851 225,350 Great Britain, 166 506,686 234,419 592,898 Mauritius, 3 3,357 2,250 United States of America, 154 511,668 233,774 117,066 CLASS II. 484 1,344,914 625,043 935,314 Australia and New Zealand, 52 103,267 71,530 26,741 India and Straits Settlements, 250 613,212 407,716 467,954 Japan, 449 1,036,061 974,380 343,557 Jaya and Indian Archipelago, 163 259,959 313,202 60,494 North Pacific, 5 1,994 2,260 Russia-in-Asia, 2 5,309 1,769,088 898,889 North Borneo, 43 65,058 68,337 6,509 Coast of China, 1,651 2,194,805 287,075 905,844 Cochin-China, 195 214,297 244,255					
Great Britain, 166 506,686 234,419 592,898 Mauritius, 154 511,668 233,774 117,066 CLASS II. 484 1,344,914 625,043 935,314 Australia and New Zealand, 52 103,267 71,530 26,741 India and Straits Settlements, 250 613,212 407,716 467,954 Japan, 449 1,036,061 974,380 343,557 Java and Indian Archipelago, 163 259,959 313,202 60,494 North Pacific, 5 1,994 2,260 Russia-in-Asia, 2 5,309 143 CLASS III. 921 2,019,802 1,769,088 898,889 North Borneo, 43 65,058 68,337 6,509 Coast of China, 1,651 2,194,805 287,075 905,844 Cochin-China, 195 214,297 244,255 48,870 Formosa, 112 88,230 30,034 62,899	Canada,	24	68,807		
Mauritius, 3 3,357 2,250 117,060 CLASS II. 484 1,344,914 625,043 935,314 Australia and New Zealand, 52 103,267 71,530 26,741 India and Straits Settlements, 250 613,212 407,716 467,954 Japan, 449 1,036,061 974,380 343,557 Java and Indian Archipelago, 163 259,959 313,202 60,494 North Pacific, 5 1,994 2,260 143 Russia-in-Asia, 2 5,309 143 Class III. 921 2,019,802 1,769,088 898,889 North Borneo, 43 65,058 68,337 6,509 Coast of China, 1,651 2,194,805 287,075 905,844 Cochin-China, 195 214,297 244,255 48,870 Formosa, 112 88,230 30,034 8,825 Hainan and Gulf of Tonkin, 351 253,499 237,080 62.899 Kiaochow, 1 3,883 1,000 3,600		137			
United States of America, 154 511,668 233,774 117,066 CLASS II. 484 1,344,914 625,043 935,314 Australia and New Zealand, 52 103,267 71,530 26,741 India and Straits Settlements, 250 613,212 407,716 467,954 Japan, 449 1,036,061 974,380 343,557 Java and Indian Archipelago, 163 259,959 313,202 60,494 North Pacific, 5 1,994 2,260 Russia-in-Asia, 2 5,309 143 CLASS III. 921 2,019,802 1,769,088 898,889 North Borneo, 43 65,058 68,337 6,509 Coast of China, 1,651 2,194,805 287,075 905,844 Cochin-China, 195 214,297 244,255 48,870 Formosa, 112 88,230 30,034 8825 Hainan and Gulf of Tonkin, 351 253,499 237,080 62,899 Siam, 30 7,427 2,027					592,898
CLASS II. 484 1,344,914 625,043 935,314 Australia and New Zealand, India and Straits Settlements, Japan,	Mauritius,				44.500.00
Australia and New Zealand,	United States of America,	154	511,668	233,774	117,066
India and Straits Settlements, 250 613,212 407,716 467,954 449 1,036,061 974,380 343,557 313,202 60,494 1,094 2,260 1,994 2,260 1,994 2,260 1,994 2,260 1,769,088 898,889 1,000 1,769,088 1,094 1,09	Class II.	484	1,344,914	625,043	935,314
India and Straits Settlements, Japan, 449 1,036,061 974,380 343,557 343 and Indian Archipelago, 163 259,959 313,202 60,494 2,260 North Pacific, 5 1,994 2,260 Russia-in-Asia, 2 5,309 143 CLASS III. 921 2,019,802 1,769,088 898,889 North Borneo, 43 65,058 68,337 6,509 Coast of China, 1,651 2,194,805 287,075 2905,844 Cochin-China, 195 214,297 244,255 48,870 Formosa, 112 88,230 30,034 Formosa, 112 88,230 30,034 Formosa, 319 504,707 70,832 8,825 Hainan and Gulf of Tonkin, 351 253,499 237,080 62,899 Kiaochow, 1 3,883 1,000 3,600 Weihaiwei, 4 9,465 500 200 Macao, 30 7,427 2,027 CLASS IV. 3,014 3,699,469 1,294,388 1,040,747 River Steamers, -Canton, Macao and West River, 2,832 2,454,868 296,791 CLASS V. Steam-launches trading to Ports outside the Colony, 1,765 93,239 15,288 CLASS VI. Junks in Foreign Trade, 15,803 1,347,001 516,772	Australia and New Zealand,	52	103,267		26,741
Japan, 449 1,036,061 974,380 343,557 Java and Indian Archipelago, 163 259,959 313,202 60,494 North Pacific, 5 1,994 2,260 Russia-in-Asia, 2 5,309 143 CLASS III. 921 2,019,802 1,769,088 898,889 North Borneo, 43 65,058 68,337 6,509 Coast of China, 1,651 2,194,805 287,075 905,844 Cochin-China, 195 214,297 244,255 48,870 Formosa, 112 88,230 30,034 88,230 30,034 88,230 Hainan and Gulf of Tonkin, 351 253,499 237,080 62,899 62,899 Kiaochow, 1 3,883 1,000 3,600 Weihaiwei, 4 9,465 500 200 Macao, 30 7,427 2,027 CLASS V. Steam-launches trading to Ports outside the Colony, 1,765 93,239 15,288 CLASS VI. Junks in F		250			467,954
North Pacific, 5 1,994 2,260 Russia-in-Asia, 2 5,309 143 CLASS III. 921 2,019,802 1,769,088 898,889 North Borneo, 43 65,058 68,337 6,509 Coast of China, 1,651 2,194,805 287,075 905,844 Cochin-China, 195 214,297 244,255 48,870 Formosa, 112 88,230 30,034 Philippine Islands, 319 504,707 70,832 8,825 Hainan and Gulf of Tonkin, 351 253,499 237,080 62,899 Siam, 308 358,098 353,248 4,000 Kiaochow, 1 3,883 1,000 3,600 Weihaiwei, 4 9,465 500 200 Macao, 30 7,427 2,027 CLASS IV. 3,014 3,699,469 1,294,388 1,040,747 River Steamers,—Canton, Macao 2,832 2,454,868 296,791 CLASS VI. <	Japan,	449		974,380	343,557
North Pacific, 5 1,994 2,260 Russia-in-Asia, 2 5,309 143 CLASS III. 921 2,019,802 1,769,088 898,889 North Borneo, 43 65,058 68,337 6,509 Coast of China, 1,651 2,194,805 287,075 905,844 Cochin-China, 195 214,297 244,255 48,870 Formosa, 112 88,230 30,034 8,825 Hainan and Gulf of Tonkin, 351 253,499 237,080 62,899 Siam, 308 358,098 353,248 4,000 Kiaochow, 1 3,883 1,000 3,600 Weihaiwei, 4 9,465 500 200 Macao, 30 7,427 2,027 CLASS IV. 3,014 3,699,469 1,294,388 1,040,747 River Steamers,—Canton, Macqo and West River, 2,832 2,454,868 296,791 CLASS VI. 1,765 93,239 15,288 Junks in Fo	Java and Indian Archipelago,	163			60,494
CLASS III. 921 2,019,802 1,769,088 898,889 North Borneo, 43 65,058 68,337 6,509 Coast of China, 1,651 2,194,805 287,075 905,844 Cochin-China, 195 214,297 244,255 48,870 Formosa, 112 88,230 30,034 Philippine Islands, 319 504,707 70,832 8,825 Hainan and Gulf of Tonkin, 351 253,499 237,080 62,899 Siam, 308 358,098 353,248 4,000 Kiaochow, 1 3,883 1,900 3,600 Weihaiwei, 4 9,465 500 200 Macao, 30 7,427 2,027 CLASS IV. 3,014 3,699,469 1,294,388 1,040,747 River Steamers,—Canton, Macqo 2,832 2,454,868 296,791 CLASS V. Steam-launches trading to Ports outside the Colony, 1,765 93,239 15,288 Junks in Foreign Trade, 15,803	North Pacific,			2,260	
North Borneo, 43 65,058 68,337 6,509 Coast of China, 1,651 2,194,805 287,075 905,844 Cochin-China, 195 214,297 244,255 48,870 Formosa, 112 88,230 30,034 Philippine Islands, 319 504,707 70,832 8,825 Hainan and Gulf of Tonkin, 351 253,499 237,080 62.899 Siam, 308 358,098 353,248 4,000 Kiaochow, 1 3,883 1,000 3,600 Weihaiwei, 4 9,465 500 200 Macao, 30 7,427 2,027 CLASS IV. 3,014 3,699,469 1,294,388 1,040,747 River Steamers,—Canton, Macao and West River, 2,832 2,454,868 296,791 CLASS VI. Junks in Foreign Trade, 15,803 1,347,001 516,772	Russia-in-Asia,	2	5,309	•••	143
Coast of China, 1,651 2,194,805 287,075 905,844 Cochin-China, 195 214,297 244,255 48,870 Formosa, 112 88,230 30,034 Philippine Islands, 319 504,707 70,832 8,825 Hainan and Gulf of Tonkin, 351 253,499 237,080 62,899 Siam, 308 358,098 353,248 4,000 Kiaochow, 1 3,883 1,000 3,600 Weihaiwei, 4 9,465 500 200 Macao, 3,014 3,699,469 1,294,388 1,040,747 River Steamers,—Canton, Macao and West River, 2,832 2,454,868 296,791 CLASS V. Steam-launches trading to Ports outside the Colony, 1,765 93,239 15,288 CLASS VI. Junks in Foreign Trade, 15,803 1,347,001 516,772	CLASS III.	921	2,019,802	1,769,088	898,889
Coast of China, 1,651 2,194,805 287,075 905,844 Cochin-China, 195 214,297 244,255 48,870 Formosa, 112 88,230 30,034 Philippine Islands, 319 504,707 70,832 8,825 Hainan and Gulf of Tonkin, 351 253,499 237,080 62,899 Siam, 308 358,098 353,248 4,000 Kiaochow, 1 3,883 1,000 3,600 Weihaiwei, 4 9,465 500 200 Macao, 3,014 3,699,469 1,294,388 1,040,747 River Steamers,—Canton, Macao and West River, 2,832 2,454,868 296,791 CLASS V. Steam-launches trading to Ports outside the Colony, 1,765 93,239 15,288 CLASS VI. Junks in Foreign Trade, 15,803 1,347,001 516,772	North Borneo	43	65,058	68,337	6,509
Cochin-China, 195 214,297 244,255 48,870 Formosa, 112 88,230 30,034 Philippine Islands, 319 504,707 70,832 8,825 Hainan and Gulf of Tonkin, 351 253,499 237,080 62.899 Siam, 308 358,098 353,248 4,000 Kiaochow, 1 3,883 1,000 3,600 Weihaiwei, 4 9,465 500 200 Macao, 30 7,427 2,027 CLASS IV. 3,014 3,699,469 1,294,388 1,040,747 River Steamers,—Canton, Macao and West River, 2,832 2,454,868 296,791 CLASS V. Steam-launches trading to Ports outside the Colony, 1,765 93,239 15,288 CLASS VI. Junks in Foreign Trade, 15,803 1,347,001 516,772	Coast of China,				
Formosa,	Cochin-China,				48,870
Philippine Islands, 319 504,707 70,832 8,825 Hainan and Gulf of Tonkin, 351 253,499 237,080 62.899 Siam, 308 358,098 353,248 4,000 Kiaochow, 1 3,883 1,000 3,600 Weihaiwei, 4 9,465 500 200 Macao, 3,014 3,699,469 1,294,388 1,040,747 River Steamers,—Canton, Macao and West River, 2,832 2,454,868 296,791 CLASS V. Steam-launches trading to Ports outside the Colony, 1,765 93,239 15,288 CLASS VI. Junks in Foreign Trade, 15,803 1,347,001 516,772	Formosa,	112	88,230		
Hainan and Gulf of Tonkin, Siam,	Philippine Islands,	319			8,825
Kiaochow, 1 3,883 1,000 3,600 Weihaiwei, 4 9,465 500 200 Macao, 30 7,427 2,027 CLASS IV. 3,014 3,699,469 1,294,388 1,040,747 River Steamers,—Canton, Macao and West River, 2,832 2,454,868 296,791 CLASS V. Steam-launches trading to Ports outside the Colony, 1,765 93,239 15,288 CLASS VI. Junks in Foreign Trade, 15,803 1,347,001 516,772		351			
Weihaiwei, 4 9,465 7,427 500 2,027 200 Macao, 30 7,427 2,027 CLASS IV. 3,014 3,699,469 1,294,388 1,040,747 River Steamers,—Canton, Macao and West River, 2,832 2,454,868 296,791 CLASS V. Steam-launches trading to Ports outside the Colony, 1,765 93,239 15,288 CLASS VI. Junks in Foreign Trade, 15,803 1,347,001 516,772		308		AND ADDRESS OF THE PARTY OF THE	
Macao, 30 7,427 2,027 CLASS IV. 3,014 3,699,469 1,294,388 1,040,747 River Steamers,—Canton, Macao and West River, 2,832 2,454,868 296,791 CLASS V. Steam-launches trading to Ports outside the Colony, 1,765 93,239 15,288 CLASS VI. Junks in Foreign Trade, 15,803 1,347,001 516,772	Kiaochow,			100	
CLASS IV. 3,014 3,699,469 1,294,388 1,040,747 River Steamers,—Canton, Macao and West River,					
River Steamers,—Canton, Macao and West River,	Macao,	30	1,421	2,027	•••
and West River,		3,014	3,699,469	1,294,388	1,040,747
Steam-launches trading to Ports outside the Colony,		2,832	2,454,868	296,791	
Outside the Colony, 1,765 93,239 15,288 Class VI. 15,803 1,347,001 516,772					
Junks in Foreign Trade,		1,765	93,239	15,288	***
Junks in Foreign Trade,	CLASS VI				
Total, 24,819 10,959,293 4,517,370 2,874,950		15,803	1,347,001	516,772	
	Total,	24,819	10,959,293	4,517,370	2,874,950

Similarly, the Export Trade from the Port was represented by 24,966 vessels of 10,944,055 tons, carrying 3,034,683 tons Cargo, and shipping 675,891 tons of Bunker Coal.

			Car	go.
Country.	Ships.	Tons.	Shipped.	Bunker Coal.
Class I.				
Canada,	21	60,000	19,944	
Continent of Europe,	47		14,235	3,690
Great Britain,	60		61,045	1,275
Mauritius,	4		1,650	3,500
South America,	87	290,838	177,477	1,940
United States of America,	2	3,270	2,200	
Class II.	221	630,630	276,551	10,405
Australia and New Zealand,	34	52,906	18,340	4,080
India and Straits Settlements,	338		319,415	89,387
Japan,	509		293,131	53,002
Java and Indian Archipelago,	43		9,720	10,725
North Pacific,	8	The second secon	4,402	990
Russia-in-Asia,	10	11,206	10,150	1,760
Class III.	942	2,190,625	655,158	159,944
North Borneo,	31	41.292	9,325	9,871
Coast of China,	1,916	2,728,792	531,653	235,883
Cochin China,	208	257,821	65,486	44,232
Formosa,	36	33,792	31,440	420
Philippine Islands,	310	561,179	255,084	79,291
Hainan and Gulf of Tonkin,	472	338,944	179,458	47,364
Siam,	253	289,857	40,460	35,468
Kiaochow,	6	10,350	3,400	1,465
Weihaiwei,	7	15,394	2,900	840
Macao,	10	3,325	548	90
CLASS IV.	3,249	4,226,746	1,119,754	454,924
River Stermers,-Canton, Macao			-	
and West River,	2,826	2,451,357	193,656	37,753
CLASS V.			-	
Steam-launches trading to Ports				
outside the Colony,	1,765	93,239	22,198	12,865
Class VI.	Charles Total	- And makes discover programmes		- Inches
	15,963	1,351,458	767,366	
Total,	24,966	10,944,055	3,034,683	675,891

9. During the year 1903, 14,489 vessels of European construction, of 19,018,411 tons (net Register), reported having carried 9,768,405 tons of Cargo, as follows:—

Import	Cargo),	3,985,310
Transit			
Bünker	Coal	shipped,	663,026
			0,768,405

The total number of tons carried was, therefore, 51.3° of the total net register tonnage (or 65.4° exclusive of River Steamers), and was apportioned as follows:—

Imports—	
	1,899,21,2
	2,086,098
	3,985,310
Exports-	
British ships,	1,243,987
Foreign do.,	1,001,132
	2,245,119
Transit—	
British ships,	1,551,536
	1,323,414
	2,874,950
Bunker Coal—	
British ships,	
Foreign do.,	374,733
	663,026
	Grand Total,9,768,405

Trade of the Port of Hongkong for the Year 1903.

				Tons.				Passe	Passengers.	1
	No. of Ships.	Dis- charged.	Shipped.	In Transit.	Bnuker Coal Shipped.	Total.	Registered Tonnage.	Arrived.	Departed.	grants.
British Ocean-going, Foreign Ocean-going, British River Steamers, Foreign River Steamers,	3,986 4,845 4,463 1.195	1,657.515 2,031.004 241.697 55,094	1,112.638 938.825 131.349 62,307	1,551,586	256,923 368,350 31,370 6,383	4.578,612 4.661,593 404,416 123,784	6,778,434 7,333,752 4,471,862 434,363	152,637 100,012 800,512 83,057	90,369 72,978 757,523 81,234	55,681 27,703
Total	14,489	3,985,310	2.245,119	2,874,950	663,026	9.768,405	119,018,411	1,136,227	1,002.104	83,384
Steam-launches trading to ports outside the Colony.	3,530	15,288	22,198		12,865	50,351	186,478	46,529	46,941	
Total,	18.019	4,000,598	2,267,317	2,874,950	675,891	9,818,756	19,204,889	1,182,756	1,049,045	83.384
Junks trading to ports outside the Colony,	1 31,765	516,772	767,366			1.284,138	2.698,459	49,269	50,736	:
Total Foreign Trade	49.785	4.517,370	3.034,683	2,874,950	675,891	11,102,894	21,903,348	1,232,025	1,099,781	88.384
Steam - launches plying within waters of the Colony.* Junks, Local Trade	288.072	235,180	50.456		23,936	23,936	8,488,306	4,529,975	1,530,666	1 1
Total Local Trade	346,287	235,180	50,456		23,936	309,572	10,624,820	4,609,293	4.615,607	83,384
Grand Total	396,072	4.752,550	3,085,139	2.874,950	699,827	11,412,466	32,528,168	5,841,318	5,715,588	83.384

* The figures under the heading "Steam-launches plying within the waters of the Colony" are incomplete. The "Star" Ferry Company stating that since 1901, owing to the amount of work entailed, they have had to discontinue keeping a record of the passengers carried by their launches, and also number of trips.

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Imports.

European constructed Vessels.

		1902.		1903.	In	crease.	D	ecrease.
	No.	Tounage.	No.	Tonnage.	No.	Tonnage.	No.	Tonnage.
Steamers,	4,000	6,215,866	4,383	7,009,181	383	793,315		
River Steamers,	2,192	1,871,726	2,832	2,454,868	640	583,142	***	•••
Sailing Vessels,	47	68,392	36	55,004		o.	11	13,388
Total,	6,239	8,155,984	7,251	9,519,053	1,023	1,376,457	11	13,388
				Nett,	1,012	1,363,069		•••
Imported tons,	3,9	063,463	3,	985,310				

As follows:—

Articles.	1902.	1903.	Increase.	Decrease.
Beans,	300	3,120	2,820	
Bones,	******	*****	*****	
Coal,	1,040,906	1,186,686	145,780	
Cotton Yarn and Cotton,	11,498	20,795	9,297	
Flour,	107,826	120,430	12,604	
Hemp,	22,923	24,149	1,226	*****
Kerosine (bulk),	54,461	40,607		13,854
, (case),	60,400	82,960	22,560	*****
Lead,	625	550		75
Liquid Fuel,	6,299	1,000		5,299
Opium,	4,871	4,997	126	******
Pitch,		1,900	1,900	
Rattan,	4,742	4,020	1,000	722
Rice,	819,919	597,730		222,189
Sandalwood,	5,374	4,713		661
Sulphur,		961	961	
Sugar,	268,268	229,946		38,322
Tea,	25	1,746	1,721	
Timber,	75,023	64,400	1,121	10,623
General,	1,480,003	1,594,600	114,597	
1_	1,400,000	1,004,000	114,331	•••••
Total,	3,963,463	3,985,310	313,592	291,745
Transit,	2,372,397	2,874,950	502,553	
Grand Total,	6,335,860	6,860,260	816,145	291,745
		Nett,	524,400	

Exports.

		1902.		1903.	In	icrease.	De	cerease.
	No.	Tonnage.	No.	Tonnage.	No.	Tonnage.	No.	Tonnage.
Steamers,		6,181,294	4,372	6,988,667	386	807,373		***
River Steamers, Sailing Vessels,		1,876,147 62,573	2,826	2,451,357 59,334	633	575,210	3	3,239
Total,	6,222	8,120,014	7,238	9,499,358	1,019	1,382,583	3	3,239
				Nett,	1,016	1,379,344		•••
Exported tons,	2,	220,867	2,5	245,119				
	Strs.	Bunker Coal.	Strs.	Bunker Coal.	Strs.	Bunker Coal.	Strs.	Bunker Coal.
Steamers,		613,113 28,627	4,372 2,826	625,273 37,753	386 633	12,160 9,126		***
Total,	6,179	641,740	7,198	663,026	1,019	21,286		
	-	•	Ne	tt,	1,019	21,286		***

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RIVER TRADE.

1.722.335	193,656	296,791	1903,
1,296,602	144,304	223,608	1902,
Passengers.	Exports.	Imports.	Year.

Imports,

Junks.

General,	Swine, (24,711),				3	Foreign Trade, 15,803 measuring 1,347,001 tons. Local Trade, 29,172 ,, 1,067,799 ,,
193,229	1,152 1,463			1,786 tons.	2,414,800	1,347,001 ton 1,067,799 ,,
3 3	3 3	3 3	3	tons.	3	tons.

Local Trade, 29,043 ,,

1,068,715 ..

Total......... 45,006

2,420,173 ,,

Foreign Trade, 15,963 measuring 1,351,458 tons.

Exports.

Junks.

Exported, 817,822 tons as under:—

Kerosine, (830,355 cases),	29,655	ten
Rice and Paddy,	270,589	,,
Earth and Stones,	156,011	,,
General,	361,567	22
	-	
Total,	817,822	,,

Passengers.

		1902.	1903.	Increase,	Decrease.
British vesse	els, Arrivals,	152,122	152,637	515	
Do.,	Departures,.	94,244	90,369		3,875
Do.,	Emigrants, .	42,778	55,681	12,903	
	Total,	289,144	298,687	13,418	3,875
			Nett,	9,543	*****
Foreign ves	sels, Arrivals,	'99,116	100,012	896	
Do.,	Departures,.	76,835	72,978	·	3,857
Do.,	Emigrants, .	28,933	27,703		1,230
	Total,	204,884	200,693	896	5,087
			Nett,	•••••	4,191

Passengers, -- Continued.

River steam	ners, Arrivals, .	. 668,167	883,578	215,411	*****
Do.,	Departures,.	628,435	838,757	210,322	*****
	Total,	1,296,602	1,722,335	425,733	
			Nett,	425,733	
Junks foreig	ı trade, Arrivals,	55,083	49,269		5,814
Do.,	Departures,	52,553	50,736		1,817
	Total,	107,636	100,005		7,631
			Nett,		7,631
		1902.	1903.	Increase.	Decrease.
Total Arriva	ls,	974,488	1,185,496	211,008	
Total Depart	ures,	852,067	1,052,840	200,773	
		1,826,555	2,238,336	411,781	*****
Total Emigra	ints,	71,711	83,384	11,673	•••••
	Total,	1,898,266	2,321,720	423,454	•••••
Diff. of Arri	vals and Dep.,	122,421	132,656	*****	1
Do., Emi	grants,	71,711	83,384	•••••	
Remainder +	or –	+ 50,710	+ 49,272	1	*****
		7			

Passengers,- Continued.

Junks local	rade, Arrivals,	76,840	79,318	2,478	******
Do.,	Departures,	77,137	84,941	7,804	
	Total,	153,977	164,259	10,282	
		ì	Nett,	10,282	

REVENUE.

11. The total Revenue collected by the Harbour Department during the year was \$285,288.42, being an increase of \$18,522.43 on the previous year:—

- 1. Light Dues, \$ 74,260.00
- 2. Licences and Internal Revenue, 55,475.50
- 3. Fees of Court and Office, 154,852.92

Total,......\$285,288.42

STEAM LAUNCHES.

12. On the 31st December, there were 242 Steam Launches employed in the Harbour; of these, 98 were licensed for the conveyance of passengers, 121 were privately owned, 17 were the property of the Colonial Government, and 6 belonged to the Imperial Government in charge of the Military Authorities.

Three Masters' Certificates were suspended for three months, and one Master was cautioned.

Four hundred and seventy-five (475) engagements, and Four hundred and thirty-eight (438) discharges of Masters and Engineers were made from 1st January to 31st December.

Fourteen (14) Steam Launches were permitted to carry arms, &c., for their protection against pirates; of these, thirteen were previously permitted, and one during this year.

13. Eighty-three thousand three hundred and eighty-four (83,384) Emigrants left Hongkong for various places during the year: of these, 55,681 were carried by British Ships and 27,703 by Foreign Ships; 140,551 were reported as having been brought to Hongkong from places to which they had emigrated, and of these, 107,166 were brought in British Ships and 33,385 by Foreign Ships.

Returns Nos. XVIII and XIX will give the details of this branch of the Department.

REGISTRY OF SHIPPING.

14. During the year, 8 ships were registered under the provisions of the Imperial Act, and 7 certificates were cancelled.

MARINE MAGISTRATE'S COURT.

15. Seventeen (17) cases were heard in the Marine Magistrate's Court; refusal of duty on board ship and breach of Harbour Regulations were the principal offences.

Examination of Masters, Mates and Engineers.

(Under Section 4 of Ordinance No. 36 of 1899.)

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.
Master,	21	6
First Mate,	16	3
Only Mate,Second Mate,	6	2
Total,	43	11
First Class Engineer,	24	8
Second Class Engineer,	46	12
Total,	70	20

MARINE COURTS.

(Under Section 19 of Ordinance No. 36 of 1899.)

17. No Marine Court has been held during the year.

SUNDAY CARGO-WORKING.

(Ordinance No. 6 of 1891.)

18. During the year, 336 permits were issued under the provisions of the Ordinance. Of these, 105 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 22 permits were issued, free of charge, to Mail Steamers, the privilege ceased on the 22nd July, 1903.

The revenue collected under this heading was \$34,800; this was \$9,375 less than in 1902.

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
1900,		43,550
1901,		44,800
1902,		44,175
1903,		34,800

SEAMEN.

19. Nineteen thousand eight hundred and sixty (19,860) Seamen were shipped and twenty-three thousand two hundred and sixty-five (23,265) discharged at the Mercantile Marine Office and on board ships during the year.

One hundred and fifty-eight (158) "Distressed Seamen" were received during the year. Of these, 55 were sent to the United Kingdom, 3 to Sydney, 1 to Calcutta, 2 to Singapore, 2 to Moji, 3 obtained employment on shore, 3 at Canton, 1 went as passenger to San Francisco, 1 to the United Kingdom, 2 to Singapore, 2 joined the Chinese Customs, 1 Japanese Wrestler's Company, 1 taken charge of by the German Consul, 1 departed to Canton, 1 died at the Government Civil Hospital, 1 at the Sailors' Home, 3 remained at the Government Civil Hospital, 1 at the Sailors' Home, and 74 obtained employment.

Two thousand six hundred and one dollars (\$2,601) were expended by the Harbour Master on behalf of the Board of Trade in the relief of these Distressed Seamen.

MARINE SURVEYOR'S SUB-DEPARTMENT.

20. Return No. XXIII gives a report of the work performed by this Sub-Department during the year 1903.

During the year, 190 vessels were surveyed for Passenger Certificate and Bottom Inspection, and 111 were surveyed for Emigration, an increase of 15 and 18 respectively on the previous year, which was the highest on record.

Owing to the Kowloon and Cosmopolitan Docks being blocked at different times by vessels undergoing extensive repairs, twenty-nine of the surveys for passenger certificate took place at Aberdeen Dock involving considerable loss of time and extra expense in hiring an outside launch.

The Kinshan of 2,861 gross tons, and the Ying King of 1,088 gross tons were built under inspection, the former being the largest steel and the latter the largest wooden vessel ever constructed in the Colony.

I would beg to point out that owing to the increase of the work and the greater distance apart of the building yards and slips an additional launch is urgently required.

Light-Houses.

21. The amount of Light Dues collected is follows:—

Class of Vessels.	Rate. per ton.	No. of Ships.	Tonnage.	Total Fees collected.
Ocean Vessels, Steam Launches, River Steamers, (Night boats), Launches plying exclusively to Macao and West River, by	1 ,,	4,435 249 1,707	7,012,128 9,398 1,388,738	\$ c. 70,121.28 93.98 4,629.67
night, River Steamers (Day Boats), Launches plying exclusively to		621 1,125	34,466 1,066,130	115.07
Macao and West River, by day,	Free.	895	49,375	,
Total,		9,032	9,560,235	74,960.00

Telegraphic and telephonic communication has been kept up with the Gap Rock, Cape d'Aguilar and Waglan Island during the year.

From Gap Rock Station, 892 vessels have been reported as passing, and in addition 181 messages were received and 3,769 sent, including the daily weather report for the Observatory. Owing to telegraphic communication being interrupted 20 vessels were not reported.

Forty-six hours and fifty minutes of fog were reported from Gap Rock during the year, and the fog signal gun was fired 357 times. On no occasion was the relief delayed by the rough sea.

From Cape d'Aguilar Station 1,987 vessels were reported, and in addition 1,886 messages were sent and 29 received.

From Waglan Island Station, 1,952 vessels were reported, and in addition 55 messages were sent and 69 received. Owing to the telephonic communication being interrupted, 192 vessels were not reported.

Two hundred and eighteen hours and forty-eight minutes of fog were reported from Waglan Island during the year, and the fog signal gun was fired 2,260 times. On no occasion was the relief delayed by the rough seal

GOVERNMENT GUNPOWDER DEPÔT.

22. During the year 1903 there has been stored in the Government Gunpowder Depôt, Stonecutters' Island:—

	No. of Cases.	Approximate Weight.
Gunpowder, privately owned, Do., Government owned, Cartridges, privately owned, Do., Government owned, Explosive Compounds, privately owned, Do., Government owned, Non-explosives, privately owned, Do., Government owned,	6,655 2,292 2,780 47 52 456 4	lbs. 155,915 127,346 621,925 4,700 7,103 65,122 600
Total,	12,286	982,711

During the same period there has been delivered out of the Depôt:—

	No. of Cases.	Approximate Weight.
For Sale in the Colony:—		lbs.
Gunpowder, privately owned, Cartridges, privately owned, Explosive Compounds, privately owned, Non-explosives, privately owned,	224 88 10	5,745 20,975 1,150
For Export:— Gunpowder, privately owned, Cartridges, privately owned, Explosive Compounds, privately owned, Non-explosives, privately owned,	612 1,172 	20,615 255,325
Total,	2,110	304,410

On the 31st December, 1903, there remained as follows:-

	No. of Cases.	Approximate Weight.
Gunpowder, privately owned, Do., Government owned, Cartridges, privately owned, Do., Government owned, Explosive Compounds, privately owned, Do., Government owned,	5,819 2,146 1,520 19 42 334	lbs. 129,555 108,502 345,625 1,900 5,953 49,952
Non-explosives, privately owned,	***	•••
Total,	9,880	641,487

NEW TERRITORY.

(Fifth year of British Administration.)

23. The Station at the Island of Cheung Chau was opened in September, the one at Tai O, in the Island of Lantao, in October, 1899, that at Tai Po in Mirs Bay, on board the Police Steam Launch, in January, 1900, that in Deep Bay, on board the Police Steam Launch, in November, 1901, and that at Sai Kung in April, 1902.

From 1st January to 31st December, 1903:—8,674 Licences, Clearances, Permits, &c., were issued at Cheung Chau, 3,157 at Tai O, 3,817 at Tai Po, 4,202 at Deep Bay, and 4,021 at Sai Kung.

The Revenue collected by this Department from the New Territory during 1903 was \$15,718.75.

GENERAL.

- 24. Captain Rumsey having left the Colony for good, it devolves upon me to father this Report, which deals with a period during three quarters of which he was in charge of the Harbour, I may, perhaps, be permitted to express my own personal regret at, and my sense of the loss the Colony has incurred through, his departure.
- (ii.) The building of the much-needed new Harbour Office has now been commenced, and it is to be hoped that the work will be pushed on as quickly as possible, as the work of the Department is seriously hampered by the restricted view of the Harbour from the Office. But it is searcely probable that the new Office can be opened much before another two years have passed.

- (iii.) During the year arrangements have been made to light Capshui-mun, and this light will, I trust, be established before this Report appears in print. There would seem to be little prospect, however, of immediate improvement in the lighting of the Eastern and Western approaches to the Harbour, by the shifting of Cape D'Aguilar Light to Green Island, and the Green Island Light to Cape Collinson, as approved in 1900, owing to the greater necessity for other Public Works, which are absorbing all the available funds. It is to be hoped that it will be possible to carry out these greatly needed improvements before long, Green Island light being so inefficient in its persent position, and Cape D'Aguilar light having been lying idle for over seven years now. This latter light cost the Government £2,914 about thirty years ago, and is in as good condition now as it was when it was first lit in 1874.
- (iv.) The size of vessels trading to and from the Colony continues to increase, as well as their numbers, and the problem as to where to put them is becoming very serious. The deep water area of the Harbour is small, and, owing to constant reclamations and silting up of certain parts of the Harbour, this area is continually contracting. Something will have to be done in the near future to provide accommodation for the shipping, and the question is "What"?
- (v.) It is probable that the shipping of the Port will continue to increase, both in numbers and size, so that any measures that may be decided upon will have to take the future into account, and not only the immediate future, either. Dredging is extremely slow and expensive work, and any scheme which bases its entire hopes on this alone, is, in my opinion, doomed to failure, not only on account of the slowness of the work, but because of the probable uselessness of it, for it is reasonable to believe that, as those parts of the Harbour which stand in need of dredging have been, and are still being, silted up, so they will continue to be in the future, and unless a prohibitive (as to cost) number of dredgers be employed, and be kept employed, very little, if any, impression will be made on the depth of the water. And the work will be endless, as it will have to be kept going indefinitely.
- (vi.) So far as I am aware, no other plan (than that of dredging) for providing deep water accommodation, has hitherto been suggested, except that contained in a scheme of Harbour Improvement formulated and submitted to Government by me in January, 1902, which provided, inter alia, for the deepening, by natural means, of the water West of

the Kowloon Peninsula and inside Sulphur Channel. This scheme I am not now permitted to publish. It would cost a considerable sum of money, money which, however, once spent, would be spent once and for all, and would give us many things besides an increased deep water anchorage, including the vexed question of communications, dealt with by Captain Rumsey in his report for 1901.

IMPORTS AND EXPORTS (OPIUM) OFFICE.

25. The return shows that during the year the amount of Opium reported was as follow:—

	1902. Chests.	1903. Chests.	Increase. Chests.	Decrease. Chests.
Imported,	$43,781\frac{1}{2}$	$46,034\frac{1}{2}$	2,253	****
Exported,	$\overline{43,348\frac{1}{2}}$	46,551	$3,202\frac{1}{2}$	
Through Cargo reported but not landed,	13,483	16,442	2,959	

Seventeen thousand eight hundred and seventy-nine (17,879) Permits were issued from this Office during the year, being an increase of 3,558 as compared with 1902.

A daily memo, of exports to Chinese ports was, during the year, supplied to the Commissioner of Imperial Maritime Customs, and a daily memo, of exports to Macao was supplied to the Superintendent of Raw Opium Department of Macao.

Surprise visits were paid to 108 godowns during the year.

I have, &c.,

Basil Taylor, Acting Harbour Master, Se.

The Honourable A. M. Thomson,

Acting Colonial Secretary,

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