

were principally the construction of deep water piers and ships on the Kowloon side at a cost of over £1,000,000.

Port Facilities

All buoys are owned by the Government. There are 50, divided into "A," "B," and "C" Class. The charges are \$16, \$12 and \$8 per day, respectively.

Two wharf and godown companies have berthing accommodation for 12 vessels up to 750 feet in length. Maximum depth of water alongside the wharves is 36 feet L.W.O.S.T. Berthing charge is \$60. Fresh water pipes are laid alongside and one berth is piped for oil fuel.

Three public warehouse companies have a storage capacity of 500,000 tons, of which 300,000 tons is at Kowloon Point, adjacent to wharves, and 200,000 tons on the island of Hong Kong, on the harbour front. There are numerous small native-owned warehouses in both Kowloon and Hong Kong.

The average monthly charge for general cargo storage is from 60 cents to \$1 in Kowloon and \$1.20 to \$1.60 in Hong Kong.

The wharves at Kowloon Point have rail connection with the Kowloon-Canton Railway.

Bunkering facilities are provided by private stocks of coal averaging 60,000 tons, one-third being North China coal, the remainder Japanese and Formosan.

The average stock of fuel oil for commercial bunkering is 55,000 tons. One oil company has berthing facilities for 2 vessels, and another company for 1 vessel alongside the installation, with a water depth of 28 feet and 23 feet L.W.O.S.T., respectively. Delivery can be given up to 600 tons an hour from wharf and 350 tons an hour from lighters.

There are two large dock companies with dry docks capable of taking vessels up to 750 feet. The docks have a depth on the sills up to 34 feet 6 inches H.W.O.S.T. There are

five patent slipways capable of handling ships up to 325 feet in length and 3,000 tons displacement, and several smaller yards mostly owned by Chinese, dealing with repairs to small craft and light work.

Both the Hongkong & Whampoa Dock Co., Ltd., and the Taikoo Dock & Engineering Co., Ltd., have adequate modern facilities for the construction of ships of large tonnage.

Stevedoring is in the hands of private firms, and the charges average about 15 cents per ton for general cargo. The average rate of discharge of general cargo is 90-120 tons per hour. The wharves have cranes installed capable of lifts up to 25 tons.

Messrs. Alfred Holt & Co., and the Hongkong & Kowloon Wharf and Godown Co., Ltd., have a total fleet of 14 towboats and 124 lighters. Lighter capacity ranges from 100 to 500 tons. There are a large number of native-owned towboats and lighters of smaller capacity. The average lighterage rate for general cargo is 40 cents per ton.

A waterboat company, drawing water from Government reservoirs, has a fleet of 8 vessels carrying from 230 to 270 tons each. The average charge for water is 50 cents per ton.

The harbour depth ranges from 24 to 78 feet L.W.O.S.T. The rise of tide is about 8 feet O.S.T.

A charge of \$75 to \$350 for ships of 400 to 5,000 tons and over, is made for permission to work cargo on Sundays.

A large number of motor boats, steam-launches and sampans are available for communication between ships at buoys and the shore. A ferry service is maintained between Hong Kong Island and all parts of the mainland, also a vehicular ferry from Hong Kong to Kowloon.

The Government Commercial Wireless Telegraph Station at Cape D'Agular has an average day range of 350 miles, and night range of 700 miles.

CHAPTER VII—SHIPPING

The general provisions with regard to extraterritoriality govern the relations between the law of China, and oceanic shipping. In most countries, inland navigation is reserved to natives of the country. In China, however, the inland waterways are open to foreign navigation. The Inland Steam Navigation Regulations of 1898 provided that vessels engaged in land navigation must register at treaty ports and that they must report their movements to Customs officials. No unregistered vessel may ply inland. Special regulations were issued in August, 1898, by the Shanghai Commissioner of Customs governing Yangtze navigation.

The merchant vessels of the Treaty Powers were authorized to trade at certain specified treaty ports and to land and ship goods in accordance with special regulations at certain enumerated non-treaty ports. Shipment or discharge of cargo at other points on the river was prohibited. However, it was provided that passengers and their baggage might be landed or shipped at any of the regular passenger stations—the baggage, however, upon pain of confiscation, not to contain articles subject to duty.*

A revision of the Inland Navigation Rules followed the signing of the Sino-British Treaty of 1902. By these regulations

British (and therefore other foreign) steamship owners are to have the right to lease warehouses and jetties on the banks of waterways for terms not exceeding twenty-five years, with option of renewal on terms to be mutually agreed upon. Such jetties, however, are not to be erected in such position as to obstruct the inland waterway or interfere with navigation. The sanction of the nearest Commissioner of Customs is to be obtained, which sanction is not to be arbitrarily withheld.

Foreign merchants are to pay taxes and contributions on these warehouses and jetties on the same footing as Chinese owners of similar properties.

The main object of the British Government, it is declared, in desiring to see the inland waterways of China opened to steam navigation being to afford facilities for the rapid transport of both foreign and native merchandise, they undertake to offer no impediment to the transfer to a Chinese company and the Chinese flag of any British steamer which may now or hereafter be employed on the inland waters of China, should the owner be willing to make the transfer. In the event of a Chinese company registered under Chinese law being formed to run steamers on the inland waters of China, the fact of a British subject holding shares in such company shall not entitle the steamers to fly the British flag.*

Registered steamers are forbidden to carry contraband.

In all ports, vessels are required to pay

* Quotations from Willoughby, "Foreign

various dues to the harbour master, who is under the control of the Chinese Maritime Customs. Certain dues are also levied in connection with conservancy work. A schedule of all dues is obtained from the Chinese Maritime Customs. For cargo-landing procedure at Shanghai and Hongkong see China Year Book, 1926, p. 819.

For details of harbours, rivers, pilotage, etc., see Chapter VII.

SHIPPING AND FREIGHT IN 1935†

Shipping According to the figures published by the League of Nations, the world total of mercantile tonnage under construction at the close of 1935 was 1,543,000 tons as compared with 1,252,000 tons in 1934 and 757,000 tons in the year 1933, while mercantile shipping launched totalled 1,302,000 tons as against 967,000 and 489,000 tons during 1934 and 1933 respectively. Available world tonnage for the annual period ending June, 1933, was 67,920,000 tons, of which 11,748,000 tons were laid up, leaving 56,172,000 tons of actual working shipping as compared with available tonnage of 64,886,000, of which only 5,600,000 tons was laid up, or total working tonnage for the similar period ending June, 1935, of 59,286,000 tons, an increase of shipping at present in commission of 3.1 million tons. There was a general improvement in freight rates of from 8 to over 10 per cent as the year advanced.

The total tonnage entered at the 15 leading ports of the world during 1934, the last year for which comprehensive figures are available, is given in the following table:—

Table with 2 columns: Port and tons. Ports include New York, London, Kobe, Rotterdam, Shanghai, Hongkong, Hamburg, Osaka, Philadelphia, Antwerp, Liverpool, Marseilles, San Francisco, Singapore, Los Angeles.

† Customs Trade Report.

‡ Including 2,106,943 steamer tonnage entered from inland places.

§ Including 2,428,477 steamer tonnage entered from inland places.

(936)

In regard to China shipping, reference to the shipping tables appearing with this volume will show that the total of entrances and clearances at Chinese ports amounted to 144 million tons as compared with 140.5 million tons in the preceding year. The order of importance by flags was: British shipping, 60.1 million tons; Chinese shipping, 41.9 million; Japanese shipping, 21.9 million; American shipping, 4.7 million; Norwegian shipping, 4.5 million; German shipping, 2.7 million; Netherlands shipping, 2.4 million tons. Of the total of 144 million tons of shipping entered and cleared, 48.1 million tons were entered from and cleared to foreign ports as against 44.9 million during 1934, while 95.9 million tons as compared with 95.6 million for 1934 were entered and cleared coastwise. These figures do not include the tonnage of vessels plying under Inland Waters Steam Navigation Regulations. As regards shipping with abroad, the leading ports in China were: Shanghai, with 35 per cent of the total tonnage; Canton, with 13.84 per cent; Swatow, with 8.67 per cent; Tsingtao (Kiaochow), with 7.49 per cent; Amoy, with 4.89 per cent; Tientsin, with 4.51 per cent; Kowloon, with 4.17 per cent. The following table further analyses the shipping trade, showing the percentage share of the total entrances and clearances taken by the three leading flags during the year under review:—

	Foreign trade	Domestic trade	Total trade
British .. per cent	38.54	43.36	41.75
Chinese ..	15.85	35.81	29.14
Japanese ..	19.12	13.27	15.22

Pacific trade enjoyed a comparatively better year, due to increased exports, especially of silk, seeds, and oils, to the United States of America. Trade to Europe and Mediterranean ports showed little improvement, unsettled conditions in Europe and Africa being partly responsible. Demand for space in the Pacific trade improved, and freight rates were increased by approximately 15 per cent; on the other hand, there was no demand for additional tonnage to Europe. "Conference" rates on this line being maintained at the same level as in 1934, though open rates for certain cargoes were reduced to stimulate business. The Norddeutscher Lloyd inaugurated in June a new express service between Hamburg and Kobe via Shanghai with the three liners, *Scharnhorst*, *Potsdam*, and *Gneisenau*, which maintain monthly sailings. Coastal and river shipping showed improvement during the latter months of the year. Freight rates on the coast were competitive, but with an improvement in trade on the Upper Yangtze and the formation of the Lower Yangtze Shipping Pool, river rates improved to some extent.

Freight rates by "Conference" shipping lines to Europe via Suez were maintained for certain commodities at the previous year's levels as follows (per ton): general cargo, 90s.; hides, 77s.; bristles, 132s.; raw cotton, 66s.; cotton waste, 42s.; tobacco, 66s.; cotton lace, 114s., or 2½ per cent *ad valorem*. The following rates per ton, on the other hand, were reduced during the period: fluorspar, from 42s. to 36s.; glycerine, from 135s. 6d. to 80s.; hemp, from 60s. to 55s.; groundnut oil in bulk, from 53s. 6d. to 40s.; groundnut oil in containers, 84s. to 55s.; pongee made from fine silk, 204s. to 144s.; pongee made from wild silk, 204s. to 144s.; rape seed, 48s. to 44s. 6d.; silk piece goods in cases, 228s. to 160s.; straw braid, 81s. 6d. to 72s.; and refined sulphur, 120s. to 50s. The base rate for tea was maintained at 65s. The "open" rate on groundnut kernels fluctuated throughout the year, rates quoted being as low as 17s. and as high as 40s. per ton of 20 cwt. Groundnuts in shell followed proportionately. The "open" rate on beans was from 16s. to 26s. Rates of freight on raw silk were steadily maintained, and since the stabilization of the Chinese dollar a noticeable increase in the export of this commodity has been noted in competition with silk from Japan.

Transpacific Freights

Freight rates from China to ports on the Pacific coast were revised on August 1, 1935, the new rates showing increases of approximately 15 per cent on most items as compared with the November, 1933, tariff. Important exceptions in which no increases were made were silks and various classes of silk goods and wood oil in bulk. The Canadian Pacific Steamships, Ltd., resumed membership of the Transpacific Freight Bureau after a period of more than three years of non-membership. A few of the principal items may be specified as follows, contract rates for deliveries on the coast being quoted in each case (per 40 cubic feet unless otherwise stated): general cargo, U.S.\$17 W/M; brassware, U.S.\$13; china-ware and cotton goods, U.S.\$12; cotton waste, U.S.\$4; human hair (combs, stumps, or waste), U.S.\$12; lace and linen goods, U.S.\$17; skins in bales, U.S.\$9; nutgalls in bags, U.S.\$13.50; tea, U.S.\$5; nutgalls in bulk, U.S.\$6.50 per 2,000 lb., cottonseed oil in bulk, U.S.\$6.50 per 2,000 lb., raw silk, U.S.\$2 per 100 lb., groundnut oil in bulk, U.S.\$4 per 2,000 lb., groundnuts in shell, U.S.\$5 per 2,000 lb., and groundnut kernels in bags, U.S.\$3.50 per 2,000 lb. Rates for sesamum seed are not at present shown in the tariff, but are meantime pegged at U.S.\$3.50 per 2,000 lb., available either to contract or non-contract shippers, three months'

notice to be given of any change in rates. Similarly, the rate for wood oil in bulk is not at present shown, but until further notice remains at U.S.\$6 per 2,000 lb.

HONG KONG SHIPPING AND FREIGHT IN 1935*

The general tone of the freight market in 1935 differed but slightly from that of the preceding year. Earnings during the three busy months from February to April did not compensate for owners' losses incurred from May to December, which period may be described as one of the most trying that has ever existed. Sugar, bean, coal and salt freights, which in former years provided tramp steamers with employment when there were no rice cargoes to be had, were either carried by liners or almost ceased to exist, so with the heavy volume of tonnage available and with only the rice trade left to owners, it was obvious that they were destined for a lean year. The numerous adverse factors described in our report for 1934, together with constant fluctuations in the value of the Hong Kong dollar as well as the surtaxes imposed by the Canton Government on agricultural products and coal from foreign countries, have made business exceedingly difficult.

New Survey Requirements

The new scheme of reconditioning and re-equipping "existing ships" with Hong Kong Government Passenger Licences to enable them to comply with rules drawn up at the Simla Conference for the Safety of Life at Sea, if enforced by the Hong Kong Government in July, 1936, will be a disquieting problem of expenditure to shipowners whose resources through adverse trading conditions year after year have been taxed to the extreme. Although several steamers have been reconstructed in accordance with the proposed new requirements, there are still a number carrying passengers under present licences, some owners of which are hesitating between selling their vessels and reconstructing them.

A depleted rice stock in Canton and a rise in the value of the Hong Kong dollar once more placed rice merchants in a favourable position to embark upon trip and time-chartering tonnage to load before the Chinese New Year Holidays in Saigon. Several small sized steamers controlled locally were taken up by charterers. With exchange in their favour, Chinese owners in Shanghai seriously competed with their second-hand tonnage for the Saigon/Hong Kong business, and in view of their willingness to entertain rates which no local owner would think of accepting, a fairly large number of Chinese steamers were fixed on trip and short period time-charters.

* From Hong Kong General Chamber of Commerce Report.

Meanwhile the price of bunker coal had declined to H.K. \$9.50 per ton f.o.b., t.i.b., and this materially assisted owners and time-charterers to operate their vessels.

Competition from North China

After a temporary halt in business due to the Chinese New Year Holidays in the early days of February, numerous enquiries were received from Saigon for large sized steamers with good cubic measurement for light cargoes. Local owners held out for higher rates. The Hong Kong dollar rose further in value. Charterers seized this opportunity of filling their requirements by fixing tonnage controlled in London and North China. Further enquiries were later received from Saigon for large sized steamers for March and April loading and local owners were forced to content themselves with figures in line with those accepted by owners in North China.

Rates firmed slightly in April and early May for rice trips only. Extra steamers thrown upon this market by Shanghai owners, unable to procure rice cargoes, had to be content with coal freights at \$2.30 for Hongkong/Swatow and \$2.10/\$2.60 for Hongkong/Hong Kong and Canton. Additional Chinese and British steamers of 70,000/90,000 piculs, controlled in Shanghai, were chartered for paddy from Saigon in April, at low rates which defied competition from steamers under the management of Hong Kong owners. The rice season, by the end of April, was far advanced. Purchases of paddy had been so heavy that arrivals in the middle of May from Saigon could not be accommodated in warehouses. Some 50,000 bags of Kwangtung rice which had been exported from Canton to Shanghai in the previous December were reshipped to the original loading port, and this brought about a rapid decline in the local rice market. Proposals for the cancellation of steamers fixed for end of May loading were rejected by owners. In one instance charterers chose to lay up a time-charactered steamer till the termination of her charter, paying full hire to her owners.

From the middle of May to the end of December, the freight market remained dull and inactive. Anthracite coals from Tongking, on account of import duty being increased to Gold Unit 2.89, were unable to compete successfully against Chinese coals. The coal traffic from South China to Straits Settlements slackened down. Shipments of rice from Kiangto to Hong Kong and Swatow practically ceased with the exception of small parcels to Penang and Singapore at Rs. 4 per ton. In June, several Chinese and British steamers returned to Shanghai in ballast after having waited here for weeks without employment. Sixteen steamers of all sizes, with a total deadweight of 55,100 tons, were lying in the harbour at the end of June.

Sino-French Commercial Treaty

The Sino-French Commercial Treaty came into force on August 22, when the Hong Kong dollar had already declined in value. Although the new treaty has a stimulating effect on exports from China to Tongking and Cochinchina, yet, on account of the unfavourable exchange, importation of anthracite coals to China is impracticable unless Tongking coal mine owners care to accept payments in Hong Kong dollars. The very few coal cargoes for Canton and Swatow under contract to local merchants were taken by Chinese steamers, which were in dire need of return cargoes for North China.

Barren as was the market in October, a few rice cargoes from Bangkok to India were as yet available for November loading. London owners demanded higher rates. Shippers again applied to Hong Kong for tonnage, paying £950 per month for 4,700 tonners, \$900 per month for 4,200 tonners and \$7,500 per month for 3,500 tonners, delivery at Bangkok and redelivery at Singapore or Hong Kong, on time-charter basis.

Sale of rice to Manila and Shanghai by local merchants resulted in the fixtures of several small sized steamers Hong Kong/Bangkok/Hong Kong on lump sum basis. A few coal cargoes from Tongking to North China and Japan, and parcels of salt from Hainan Island to Whampoa, assisted owners to recommission their unemployed tonnage, which, by the end of October, was reduced to a single Chinese steamer of 2,300 tons dead-weight.

Effect of Currency Decision

The market in November was in a disorganized state through the nationalization of silver by the Chinese Government. This was immediately followed by the depreciation of the Hong Kong dollar. Chartering business was completely at a standstill. The situation became more acute on account of higher prices demanded for bunker coals, and on account of the Siamese Government enforcing a law making pilotage compulsory at Bangkok.

With the value of the Hong Kong dollar equivalent to 1/34th or 47 1/2 pence cents and with the shortage of Government bank-notes in circulation in Canton, Hoihow, Pakhoi and Swatow, all of which is detrimental to the import trade, merchants at the end of 1935 were awaiting developments and showing no inclination to charter tonnage.

MARITIME LAW CODE

A Code of Maritime Law (or Law of Maritime Commerce) was promulgated on December 30, 1929, and is supposed to have been enforced from January 1, 1931.

A translation of this Code, by John Mc-

han, Attorney and Counsellor-at-Law, has been published by the China Law Journal, Shanghai. It is divided into eight chapters, dealing respectively with: General Principles: The Ship: Ownership, Priorities and Mortgages: Master and Crew: Contracts of Carriage (Goods, Passengers and Tonnage): Collisions: Salvage and Assistance: General Average: and Marine Insurance.

FOREIGN SHIPPING IN CHINA

Regular Lines, Cargo and/or Passenger American Pioneer Line Barber-Wilhelmsen Line Ben Line Blue Funnel Line British India S. N. Co. Canadian Government Merchant Marine Canadian Pacific Steamships, Ltd. China Import & Export Lumber Co. Ltd. China Mutual S. N. Co., Ltd. (Blue Funnel Line) China Navigation Co., Ltd. Dairen Kisen Kaisha Dodwell Line (James Chambers & Co.) Dollar Steamship Line East Asiatic Co. of Copenhagen Eastern and Australasian S. S. Co. Glen & Shire Lines Hamburg-America Linie Holland-Ost-Asie Linie Hongkong, Canton & Macao S. S. Co. Indo-China S. N. Co. Isthmian S. S. Lines Jardine, Matheson Java-China-Japan Line Kailan Mining Administration Loyd Triestino Macraek Line Messageries Maritimes Mitsui Bussan Kaisha Moller & Co. Nippon Yusen Kaisha Nishin Kisen Kaisha Norddeutscher Lloyd Ocean Steamship Co. Osakan and Oriental S. S. Co. Osaka Shosen Kaisha P. & O. S. N. Co. Pacific Steam Navigation Co. Rickmers Line Roosevelt S. S. Co. Shire Line Showa Shipping Co. South Manchuria Ry. Co. Soviet Mercantile Fleet Standard Oil Co. States S. S. Co. Swedish East Asiatic Co., Ltd. Tacoma Oriental S. S. Co. Wilh. Wilhelmsen (Norwegian Africa & Australia Line)

Coast and River Steamers

Below is a list of vessels engaged in the coast and river trade. Steamers under the Chinese flag appear in a subsequent list:

Table with columns: Steamer, Built, Gross Register tonnage. Lists various steamers like Ah Kwang, Aradica, Fu Kwang, etc.

CANTON NAVIGATION COMPANY, LTD.

Table with columns: Steamship, Built, Tonnage. Lists ships like Wuchow, Hsin Tseang, etc.

THE CHINA NAVIGATION COMPANY, LTD.

Table with columns: Steamer, Built, Gross Register tonnage. Lists a large number of steamers including Anhai, Anking, Anshun, etc.

DAIREN KISEN KABUSHIKI KAISHA

Table with columns: Steamer, Tonnage. Lists ships like Ansan Maru, Buyun Maru, etc.

HONGKONG, CANTON & MACAO STEAMBOAT Co., LTD. (British)

Table with columns: Steamer, Built, Tonnage. Lists ships like Kinshan, Lungshan, Su An, etc.

* Reconstructed 1917 after fire. †

By Ports: Foreign and Domestic—(Continued)

Port	Foreign Trade		Domestic Trade		Flag
	Entered	Cleared	Entered	Cleared	
	No.	Tons	No.	Tons	
Yochow	1	5,908	3,914	830,514	American
Hankow	152	426,706	178	3,301,545	British
Kiukiang	4	16,345	2,620	4,945	Chinese
Wuhu	7	157,903	3,398	4,433,464	Danish
Nanking	42	130,479	3,165	4,700,124	Finnish
Shanghai	20	57,404	3,318	3,832,446	French
Szechow	1,911	8,531,892	1,767	8,304,945	German
Yanchow	—	—	1,551	66,360	Greek
Vingpo	62	95,738	184	36,166	Italian
Wenchow	12	2,444	200	1,510,946	Japanese
Santow	160	201,497	248	42,314	Norwegian
Foochow	433	1,137,983	760	744,517	Panamanian
Amoy	1,433	2,059,495	1,418	1,340,428	Portuguese
Swatow	8,106	3,184,293	8,334	3,474,216	Swedish
Canton	10,663	1,088,969	10,339	9,964,557	U.S.S.R. (Russian)
Kowloon	4,823	688,059	1,874	495,884	Others
Lappa	1,268	456,228	1,262	453,690	Total
Samsul	1,268	456,228	1,262	453,690	
Wachow	1,268	456,228	1,262	453,690	
Nanning	442	493,660	410	453,450	
Kiungchow	162	173,563	158	168,004	
Pakhol	314	922	299	368	
Lungchow	—	—	—	—	
Total	36,675	24,043,026	36,436	24,061,645	

By Ports: Total Entrances and Clearances with Percentages

Port	Foreign Trade		Domestic Trade		Flag
	Entered and Cleared	%	Entered and Cleared	%	
Chinwangtao	182,846	1.84	1,803,195	1.88	American
Tientsin	2,169,026	4.51	3,628,274	3.79	British
Lunghow	293,139	0.61	592,232	0.62	Chinese
Chefoo	1,020,334	2.12	3,405,013	3.55	Danish
Weihsaiwei	517,304	1.08	2,429,486	2.53	Finnish
Tsingtao (Kiaochow)	3,601,419	7.49	3,620,117	3.78	French
Chungking	—	—	414,416	0.54	German
Wanshsien	—	—	995,512	1.04	Greek
Ichang	—	—	1,294,665	1.35	Italian
Shasi	—	—	1,125,430	1.17	Japanese
Changsha	10,416	0.02	435,357	0.45	Norwegian
Yochow	890,520	1.85	1,661,028	1.73	Panamanian
Hankow	19,819	0.04	6,581,811	6.87	Portuguese
Kiukiang	449,418	0.93	9,005,706	9.39	Swedish
Wuhu	198,403	0.41	9,466,163	9.87	U.S.S.R. (Russian)
Nanking	1,984,033	4.17	7,746,495	8.08	Others
Shanghai	81,002	0.17	17,190,016	17.93	Total
Soochow	16,836,487	35.00	123,315	0.13	
Yanchow	—	—	69,452	0.07	
Hanchow	122,474	0.26	3,034,050	3.17	
Ningpo	3,671	0.01	195,177	0.20	
Wenchow	11,609	0.02	1,542,957	1.61	
Santow	347,052	0.72	2,586,021	2.70	
Foochow	2,354,139	4.89	2,609,536	2.72	
Amoy	4,170,585	8.67	2,677,618	2.79	
Swatow	6,658,920	13.84	620,317	0.65	
Canton	2,007,592	4.17	1,018,255	1.06	
Kowloon	984,853	2.05	1,524,322	1.58	
Lappa	1,373,559	2.86	89,618	0.09	
Kongmoon	891,337	1.85	409,695	0.43	
Samsul	919,380	1.91	327,529	0.34	
Wachow	—	—	16,064	0.02	
Nanning	947,110	1.97	—	—	
Kiungchow	341,567	0.71	—	—	
Pakhol	1,790	0.00	—	—	
Lungchow	—	—	—	—	
Total	48,105,571	100.00	95,873,266	100.00	

By Flags: Foreign and Domestic: Entrances and Clearances

Flag	Foreign Trade		Domestic Trade		Flag
	Entered	Cleared	Entered	Cleared	
	No.	Tons	No.	Tons	
American	788	1,855,563	789	1,856,031	American
British	6,649	9,224,676	6,692	9,317,128	British
Chinese	23,685	3,779,607	32,438	8,842,823	Chinese
Danish	176	454,964	171	443,571	Danish
Finnish	2	4,805	1	3,542	Finnish
French	195	634,475	184	618,309	French
German	229	940,867	228	930,399	German
Greek	16	45,793	15	42,888	Greek
Italian	43	236,340	35	209,129	Italian
Japanese	2,551	4,613,764	2,554	4,583,612	Japanese
Norwegian	192	684,866	201	674,481	Norwegian
Panamanian	454	948,718	435	890,508	Panamanian
Portuguese	9	32,746	8	29,087	Portuguese
Swedish	1,633	416,398	1,622	413,210	Swedish
U.S.S.R. (Russian)	34	31,218	44	164,814	U.S.S.R. (Russian)
Others	16	31,218	16	31,218	Others
Total	36,675	24,043,026	36,436	24,061,645	Total

By Flags: Totals of Entrances and Clearances with Percentages

Flag	Foreign Trade		Domestic Trade		Flag
	Entered and Cleared	%	Entered and Cleared	%	
American	3,711,594	7.72	1,074,884	1.12	American
British	18,541,801	38.54	41,570,837	43.36	British
Chinese	7,622,430	15.85	34,332,855	35.81	Chinese
Danish	898,535	1.87	521,448	0.54	Danish
Finnish	8,347	0.02	1,263	0.01	Finnish
French	1,252,784	2.60	313,003	0.33	French
German	1,871,266	3.89	858,395	0.90	German
Greek	435,469	0.93	363,283	0.38	Greek
Italian	9,197,376	19.12	12,721,724	13.27	Italian
Japanese	1,358,867	2.82	1,082,571	1.13	Japanese
Norwegian	1,839,226	3.82	2,725,110	2.84	Norwegian
Panamanian	61,833	0.13	3,659	0.01	Panamanian
Portuguese	829,608	1.72	137,122	0.14	Portuguese
Swedish	283,525	0.61	144,513	0.15	Swedish
U.S.S.R. (Russian)	62,436	0.13	7,854	0.01	U.S.S.R. (Russian)
Others	21,790	0.05	7,854	0.01	Others
Total	48,105,571	100.00	95,873,266	100.00	Total

CHAPTER XV—SHIPPING

The general provisions with regard to extraterritoriality govern the relations between the law of China and oceanic shipping. In most countries, inland navigation is reserved to natives of the country. In China, however, the inland waterways are open to foreign navigation. The Inland Steam Navigation Regulations of 1898 provided that vessels engaged in land navigation must register at treaty ports and that they must report their movements to Customs officials. No un-registered vessel may ply inland. Special regulations were issued in August, 1898, by the Shanghai Commissioner of Customs governing Yangtze navigation.

The merchant vessels of the Treaty Powers were authorized to trade at certain specified treaty ports and to land and ship goods in accordance with special regulations at certain enumerated non-treaty ports. Shipment or discharge of cargo at other points on the river was prohibited. However, it was provided that passengers and their baggage might be landed or shipped at any of the regular passenger stations—the baggage, however, upon pain of confiscation, not to contain articles subject to duty.

A revision of the Inland Navigation Rules followed the signing of the Sino-British Treaty of 1902. By these regulations

British (and therefore other foreign) steamship owners are to have the right to lease warehouses and jetties on the banks of waterways for terms not exceeding twenty-five years, with option of renewal on terms to be mutually agreed upon. Such jetties, however, are not to be erected in such position as to obstruct the inland waterway or interfere with navigation. The sanction of the nearest Commissioner of Customs is to be obtained, which sanction is not to be arbitrarily withheld. Foreign merchants are to pay taxes and contributions on these warehouses and jetties on the same footing as Chinese owners of similar properties.

The main object of the British Government, it is declared, in desiring to see the inland waterways of China opened to steam navigation being to afford facilities for the rapid transport of both foreign and native merchandise, they undertake to offer no impediment to the transfer to a Chinese company and the Chinese flag of any British steamer which may now or hereafter be employed on the inland waters of China, should the owner be willing to make the transfer. In the event of a Chinese company registered under Chinese law being formed to run steamers on the inland waters of China, the fact of a British subject holding shares in such company shall not entitle the steamers to fly the British flag.* Registered steamers are forbidden to carry contraband.

In all ports, vessels are required to pay various dues to the harbour master, who is under the control of the Chinese Maritime Customs. Certain dues are also levied in connection with conservancy work. A schedule of all dues is obtained from the Chinese Maritime Customs.

* Willoughby, "Foreign Rights and Interests

For cargo-landing procedure at Shanghai and Hongkong see *China Year Book*, 1926, p. 819.

For details of harbours, rivers, pilotage, etc., see Chapter VII.

SHIPPING AND FREIGHT IN 1936†

Shipping

According to figures published by the League of Nations, the world total of mercantile tonnage under construction at the close of 1936 was appreciably higher at 2,251,200 tons as compared with 1,543,200 at the end of 1935, 1,251,700 in 1934, and 757,300 in 1933. The figures for 1936 are still short of the tonnage under construction in 1929, when the figure was 3,110,900 tons. Mercantile shipping launched during 1936 totalled 2,118,000 tons, as against 1,302,100 during 1935, 967,400 during 1934, and 489,000 during 1933. Average shipping launched for the period 1926-29 was 2,363,000 tons, so that, even taking into account the considerable pre-occupation with naval work, the figures for mercantile launching are getting back to pre-depression levels. Available world tonnage, making allowances for tonnage laid up, was, for the annual period ending June, 1933, 56,172,000 tons, and, for the period ending June, 1935, 59,286,000. Recently the volume of idle tonnage has been reduced to almost negligible quantities, with actual total tonnage for the period ending June, 1936, standing at 65,063,600. According to the *Economist* index of freight rates based on 1913=100, the average level of freight rates improved from 80.8 in January, 1936, to 110.2 for December, 1936.

The total tonnage entered at the 15 leading ports of the world during 1935, the last year for which comprehensive figures are available, is given in the following table:—

Port	Tonnage (tons)
New York	34,986,220
London	29,673,932
Kobe	28,334,334
Rotterdam	20,933,244
Osaka	20,169,164
Shanghai (1935)	19,846,014
Shanghai (1936)	18,826,778
Hongkong	19,614,888
Hamburg	18,244,977
Antwerp	18,068,910
Philadelphia	17,841,304
San Francisco	17,415,334
Liverpool	16,636,626
Marseilles	16,611,897
Singapore	15,139,535
Los Angeles	14,380,275

† Customs Trade Report.

‡ Including 2,428,477 steamer tonnage entered from inland places.

§ Including 2,761,259 steamer tonnage entered from inland places.

With regard to shipping in China, the total of entrances and clearances at Chinese ports amounted to 145 million tons as compared with 144 million in the preceding year.

The order of importance by flags was: British shipping, 57.3 million tons; Chinese (excluding junks), 39.3 million; Japanese, 24.9 million; Norwegian, 4.5 million; American, 3.7 million; German, 2.6 million; and Netherlands, 2.5 million. Of the total of 145 million tons of shipping entered and cleared, 45.2 million tons were entered from and cleared to foreign ports as against 48.1 million during 1935, while 99.8 million as compared with 95.9 million for 1935 were entered and cleared coastwise. These figures do not include the tonnage of vessels plying under Inland Waters Steam Navigation Regulations. As regards shipping with abroad, the leading ports in China were: Shanghai, with 35.83 per cent of the total tonnage; Canton, with 12.28 per cent; Swatow, with 8.83; Tsingtao (Kiaochow), with 7.39; Amoy, with 4.97; Tientsin, with 4.54; and Kowloon, with 3.89. The following table further analyses the shipping trade, showing the percentage share of the total entrances and clearances taken by the three leading flags during the year under review:—

Flag	Foreign trade, Per cent	Domestic Total trade, Per cent
British	35.72	41.28
Chinese	8.75	35.47
Japanese	20.82	15.53

Transpacific Freights

Freight rates from China to ports on the Pacific coast were revised as from April 16, 1936, and again as from September 1, 1936, while a new scale of rates will become effective as from May 1, 1937. During the early months of 1936, in consonance with what was happening in the case of other world trade routes, a well-defined change from the state of affairs prevailing in the transpacific freight situation since 1929, when the American trade boom came sharply to an end, began to manifest itself. Sudden heavy demand for freight space for the cargoes of Pacific frontier products to European countries, especially Canadian lumber to Great Britain, caused a heavy diminution in the volume of tramp tonnage available. This combined with an active demand for vessels in many parts of the world at last enabled shipowners to raise transpacific rates both west-bound and east-bound to a level which would provide a reasonable margin of profit. Accordingly, it was decided, at the outset of 1936, by the Transpacific Freight Bureau at Hongkong and Shanghai to make a moderate increase

* Excluding junks.

in the majority of transpacific east-bound rates, to become effective in April, 1936.

As the improved world situation appeared to warrant a further increase, fresh rates, providing for a higher scale in many cases, were enforced in September, and these rates would in all probability have been adhered to for a considerable time had it not been for the incidence of the longshoremen's and maritime strike declared at the end of October, 1936, all along the Pacific coast of the United States and at all ports on the Atlantic and Gulf seaboard. The strike quickly resulted in paralysing all American shipping and, to a lesser degree, vessels sailing under non-American flags. Tremendous financial losses were sustained by American shipping interests, and it quickly became apparent that, even when a settlement was reached, it would be necessary to make provision towards covering the increased operating expenses which would unfailingly have to be met when shipping services were resumed. Accordingly, the Bureaux at Hongkong and Shanghai decided that it was essential to make a fresh increase in rates, and a revised scale will become operative from Hongkong, Shanghai, and North China ports as from May 1, 1937. The membership of the Transpacific Freight Bureau of North China was slightly changed during 1936 by the addition of the Yamashita Kisen Kaisha and the withdrawal of the Tacoma Oriental Steamship Company, caused through the latter having decided to suspend for an indefinite period their participation in the transpacific trade. A comparative table giving a few of the principal items follows, contract rates for deliveries on the coast being quoted in each case per 40 cubic feet unless otherwise stated:—

Commodity	1936 April Sept. May	1937 U.S.\$ U.S.\$ U.S.\$	
General cargo (per 2,000 lb. or 40 cubic feet)	17.00	19.00	22.00
Antimony, crude or regulus (per 2,000 lb.)	8.00	10.00	12.00
Bristles	20.00	18.00	21.00
Carpets and rugs	14.00	16.00	18.00
China-ware	12.00	14.00	16.00
Cotton waste	4.00	5.00	6.00
Eggs or egg products	11.50	11.50	13.50
Ice-cream, in shell (per 2,000 lb.)	27.00	27.00	31.00
Groundnuts, shelled (per 2,000 lb.)	5.00	5.00	7.00
Hair, human (per 2,000 lb.)	3.50	3.50	5.00
Intestines and casings	17.00	18.00	20.00
Lace and linen goods	16.00	18.00	21.00
Oil, wood, in bulk (per 2,000 lb.)	17.00	20.00	21.00
Ores, except antimony (per 2,000 lb.)	6.00	6.00	8.00
Seed, sesame (per 2,000 lb.)	7.00	8.50	13.00
Seeds, except sesame seed (per 2,000 lb.)	3.50	4.00	5.00
Silk, waste	4.50	6.50	7.00
Tea	17.00	17.00	17.00
Wool (per 2,000 lb. or 40 cubic feet)	5.00	6.00	6.00
	9.00	10.00	12.00

Freights via Suez

Conference rates of freight per ton to Europe by the Suez route were maintained as follows: general cargo, 90s.; hides, 77s.; raw cotton, 66s.; cotton waste, 42s.; tobacco, 66s.; and cotton lace, 114s., or 2½ per cent *ad valorem*. The following rates per ton were increased during the period under review: albumen, from 90s. to 100s.; antimony regulus, 42s.; antimony oxide, 60s. to 66s.; antimony, crude, 42s. to 46s.; beans, 31s. to 36s.; bristles, 132s. to 145s.; cotton seed-cake, 37s. 6d. to 42s.; egg yolk, liquid, 65s. to 72s.; egg yolk, powder, 90s. to 100s.; feathers, 77s. to 81s.; nutgalls, 90s. to 100s.; lard, 45s. to 62s. 6d.; wood oil in bulk, 80s. to 96s.; rhubarb, 90s. to 110s.; and sesamum seed, 44s. 6d. to 48s. The base rate was maintained on tea at 65s. The "open" rate on groundnut kernels fluctuated throughout the year, rates quoted being as low as 25s. and as high as 45s. per ton of 20 cwt. Groundnuts in shell followed proportionately. Rates of freight on raw silk were maintained, but the export of this commodity declined in quantity as compared with 1935.

HONG KONG SHIPPING AND FREIGHT IN 1936*

The year 1936 began with little promise of recovery from the gloom which has spread over the freight market since May, 1935. There were numerous steamers lying idle in Hong Kong harbour. The freight market was bare of enquiries for tonnage with the exception of those from Saigon to India, paddy at 11s. to 10s. 6d. per ton, which were ill-suited for small sized steamers. All steamers with Hong Kong Government licences would have to be reconditioned to comply with the Simla Convention for Safety of Life at Sea after June 30. The Hongkong coal mine was to be temporarily closed down for the annual overhaul of their plant and there were hardly sufficient cargoes on the berth for Hong Kong to meet the requirements of regular liners as well as time and/or trip-chartered steamers. Such was the general condition of the freight market in the months of January and February. It was an unhappy situation for owners. Neither the small demand for tonnage to carry fruits and vegetables from Swatow and Hong Kong to Singapore nor for medium sized steamers Saigon/Hong Kong at 18 cents per picul, neither paddy from Saigon to India nor small coal cargoes from Hongkong to Hong Kong at \$2 per ton materially helped to relieve the difficult situation in any way. Owners had been in the hope of seeing an improvement in the market during the rice season when the

*From Messrs. George Grimble & Co.'s report.

Kong or part-cargoes of dry sugar from Hong Kong to Canton as a temporary measure to keep their vessels employed. Owners of larger vessels had to turn to other markets for business, and succeeded in placing the str. *Kaituma* for 2,800 tons of coal from Port Courbet to Japan at yen 4.30 per ton, the str. *Cape St. Francis* and *Apoey* for short period time-charters to Japan at yen 2.25 and 2.50 per ton d/w, respectively. Occasional enquiries from Saigon to Manila resulted in the fixtures of steamers in suitable position at 15/16 piastre cents per picul for July and August loadings. In August the berth rate from Bangkok to Singapore receded to 25 cents Straits currency per picul. The administration of Kwangtung province passed into the hands of the Central Government in Nanking, which reimposed the tax of Gold Unit 1.65 per quintal on foreign rice imported into Canton and Swatow. As a result of this, merchants started fixing Chinese tonnage for Wuhu/Swatow and Canton for early September loading at 25 cents, Chinese national currency, per picul.

A Turn for the Better
Events in September took a course in owners' favour. After the long stagnant spell in the freight market, almost all cargo carriers under the control of local owners were either fixed to Japan charters or to lumber merchants for consecutive trips from the Philippines or Samarinda (Dutch East Borneo) to North China. Steamers unemployed in the early days of July in Hong Kong were now widely scattered. The only steamers that remained unfixed were those with Hong Kong Government passenger licences. Owners, on account of the heavy outlays in maintaining Hong Kong passenger licences for their existing steamers, could not afford to accept rates offered for non-tween-decks freighters.

Meanwhile China's financial position seemed to have been stabilized and the Chinese national paper currency appreciated in value. Beans, rice and general cargo in North China were freely offering. Liners as well as Chinese steamers owned in North China were scarcely numerous enough to meet shippers' requirements. Norwegian and British freighters, after having performed their coal trips Hongkong/Shanghai, succeeded in picking up return cargoes Shanghai/Amoy/Swatow/Canton on lump-sum basis.

Demand for Coal
Strained relations between the *de facto* Government in Kwangsi and the Central Government in Nanking resulted in the latter requisitioning the Canton/Hankow Railway trucks for mobilization purposes in September. There was a shortage of wagons for the

transportation of North River coals to Canton, followed likewise by a shortage of coal for industries in Canton. Tonnage for Hongkong/Canton and Swatow was therefore in good demand leading to the fixture of small steamers in the anthracite coal trade at enhanced rates.

End of Year Situation

The devaluation of the franc in October brought no relief to Saigon merchants whatever. Liners in the Saigon/Hong Kong run still failed to secure cargoes on the berth up to the end of December. The only enquiry placed in this market was for a small sized steamer Saigon/Daou at \$4 per ton.

Owing (1) to the Straits Government having adopted effective steps to stop the stream of Chinese emigrants from China, (2) the price of bunker coal in December having advanced from \$13.50 to \$15.50 per ton f.o.b., (3) in spite of repeated applications, the Nanking Government still having refused to reduce the import duty on foreign rice to South China, and (4) an entire absence of rice cargoes on the Saigon and Bangkok berths for Hong Kong, partly on account of the poor rice crop in Siam and partly on account of the disparity between rice prices there and in China, it is not unexpected that charterers still show little inclination to commit themselves on long term time-charter rates which might eventually prove expensive. On the other hand, guided by the healthy tone of the Home market, owners appear now to be in a more independent position, and, unless they can obtain much better time-charter rates, they will probably rather avail themselves of the opportunity of fixing their tonnage Homewards.

MARITIME LAW CODE

A Code of Maritime Law (or Law of Maritime Commerce) was promulgated on December 30, 1929, and is supposed to have been enforced from January 1, 1931.

A translation of this Code, by John McNeill, Barrister-at-Law, and Dr. Wei Wen-huan, Attorney and Counsellor-at-Law, has been published by the *China Law Journal*, Shanghai. It is divided into eight chapters, dealing respectively with: General Principles; The Ship; Ownership, Priorities and Mortgages; Master and Crew; Contracts of Carriage (Goods, Passengers and Tonnage); Collisions; Salvage and Assistance; General Average; and Marine Insurance.

FOREIGN SHIPPING IN CHINA

Regular Lines, Cargo and or Passenger

American Pioneer Line
Barber-Willhelmsen Line
"Ben" Line
Blue Funnel Line

(Continued) THE CHINA NAVIGATION COMPANY, LTD.

Table listing shipping companies and vessels under 'THE CHINA NAVIGATION COMPANY, LTD.' with columns for Steamship, Tonnage, and Built.

Coast and River Steamers

Below is a list of vessels engaged in the coast and river trade. Steamers under the Chinese flag appear in a subsequent list.

ASIATIC PETROLEUM CO. (NORTH-CHINA) LTD. (British)

Table listing vessels for ASIATIC PETROLEUM CO. (NORTH-CHINA) LTD. with columns for Steamship, Gross Register tonnage, and Built.

CANTON NAVIGATION COMPANY, LTD. (British)

Table listing vessels for CANTON NAVIGATION COMPANY, LTD. with columns for Steamship, Tonnage, and Built.

DAIREN KISEN KABUSHIKI KAISHA (Japanese)

Table listing vessels for DAIREN KISEN KABUSHIKI KAISHA with columns for Steamship, Tonnage, and Built.

(Continued)

Table listing shipping companies and vessels with columns for Steamship, Tonnage, and Built.

HONGKONG, CANTON & MACAO STEAMBOAT CO., LTD. (British)

Table listing vessels for HONGKONG, CANTON & MACAO STEAMBOAT CO., LTD. with columns for Steamship, Tonnage, and Built.

INDO-CHINA STEAM NAVIGATION CO., LTD. (British)

Table listing vessels for INDO-CHINA STEAM NAVIGATION CO., LTD. with columns for Steamship, Tonnage, and Built.

STANDARD VACUUM OIL CO. (American)

Table listing vessels for STANDARD VACUUM OIL CO. with columns for Steamship, Tonnage, and Built.

JAVA-CHINA-JAPAN LINE (Netherlands)

Table listing vessels for JAVA-CHINA-JAPAN LINE with columns for Steamship, Tonnage, and Built.

KAILAN MINING ADMINISTRATION (Sino-British)

Table listing vessels for KAILAN MINING ADMINISTRATION with columns for Steamship, Tonnage, and Built.

MOLLER & CO. (British)

Table listing vessels for MOLLER & CO. with columns for Steamship, Tonnage, and Built.

TAIKOO CHINESE NAVIGATION CO., LTD.

Table with columns: Built, Steamship, Tonnage. Lists vessels like Kangting, Suakhan, Wanchien, Wantung, Wanhu.

CHINESE SHIPPING COMPANIES

The largest Chinese shipping company is the China Merchants' Steam Navigation Co., founded in 1874 and now a State enterprise.

Its fleet in July, 1937, consisted of the following vessels:—

Table with columns: Steamer, Gross tonnage. Lists companies like China Merchants' S.S. Co., Kiang Kiang, Hsin Kiang, etc.

Other Chinese shipping companies are listed below:—

Table with columns: Steamer, Gross tonnage. Lists companies like Shan Peh S.N. Co., Hing Fu, Hing On, etc.

ENTRANCES AND CLEARANCES, 1936

By Ports: Foreign and Domestic

Large table with multiple columns: Port, Entered (No., Tons), Cleared (No., Tons), Domestic Trade (Entered, Cleared), Grand Total (Entered, Cleared). Lists ports like Chinwangtao, Tientsin, Lungkow, etc.

By Ports: Total Entrances and Clearances with Percentages

Table with columns: Port, Entered and Cleared (Tons, %), Domestic Trade (Entered, Cleared), Grand Total (Entered, Cleared). Lists ports like Chinwangtao, Tientsin, Lungkow, etc.