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REPORT
FROM THE SELECT COMMITTEE ON
THE CIVIL LIST

TOGETHER WITH THE
PROCEEDINGS OF THE COMMITTEE
AND AN APPENDIX

*Ordered by The House of Commons to be Printed
7th April 1936*

LONDON

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Thursday, 12th March, 1936.

Ordered, That a Select Committee be appointed to consider His Majesty's Most Gracious Message of the 11th March relating to the Civil List and other matters connected therewith.

Ordered, That the Paper presented this day relating to the Civil List be referred to the Committee.

Ordered, That the Committee do consist of Twenty-one Members.

Committee accordingly *nominated* of,—the Prime Minister, Mr. Attlee, Sir Ernest Bennett, Mr. Benson, Sir George Bowyer, Sir Henry Cautley, Lord Hugh Cecil, Sir Austen Chamberlain, Mr. Chancellor of the Exchequer, Mr. Churchill, Sir George Courthope, Mr. Lloyd George, Sir John Gilmour, Mr. Greenwood, Sir Robert Horne, Mr. Lambert, Sir Hugh O'Neill, Mr. Pethick-Lawrence, Mr. Simpson, Sir Archibald Sinclair, and Earl Winterton.—(*Mr. Chancellor of the Exchequer.*)

Motion made, and Question proposed, "That the Committee have power to send for persons, papers, and records :"—(*Mr. Herbert Morrison* :)—Motion, by leave, *withdrawn*.

Ordered, That Five be the quorum.—(*Mr. Chancellor of the Exchequer.*)

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REPORT

The Select Committee appointed to consider His Majesty's Most Gracious Message of the 11th March relating to the Civil List and other matters connected therewith, have considered the matters to them referred and have agreed to the following Report:—

1. The Civil List of His late Majesty as fixed by the Civil List Act, 1910, was as follows—

	£
Class I. Their Majesties' Privy Purse ...	110,000
Class II. Salaries of His Majesty's Household and Retired allowances	125,800
Class III. Expenses of His Majesty's House- hold	193,000
Class IV. Works	20,000
Class V. Royal Bounty, Alms and Special Services	13,200
Class VI. Unappropriated	8,000
	£470,000

By Section 2 of the Act above cited the provision for the Civil List continues in force for six months after the demise of the Crown: but it has been usual to make the Civil List of a new Reign date back to the commencement of the Reign.

2. The provision under the Act of 1910 and earlier Acts for other Members of the Royal Family was at the death of His late Majesty as follows:—

Her Royal Highness Princess Louise Duchess of Argyll	6,000
His Royal Highness the Duke of Connaught ...	25,000
Her Royal Highness Princess Beatrice	6,000
The Trustees for the Daughters of His late Majesty King Edward VII	6,000
The Trustees for His Majesty's younger children	81,000
	£124,000

The provision of £70,000 made for Her Majesty Queen Mary in 1910 to take effect on the death of His Majesty King George has now become operative.

All the above payments are separately charged on the Consolidated Fund and do not form part of the Civil List.

3. In performing the duty entrusted to them Your Committee have had before them the Paper laid before the House of Commons by His Majesty's Command and referred to them by the House. This Paper, printed as an Appendix to this Report, contains full information on the actual expenditure from the Civil List during the late reign of the same kind as was given on previous occasions. In addition Your Committee have been afforded every facility for the acquisition of such information as they desired on any subject relevant to the matters under their consideration.

4. Before making any recommendations in regard to the details of the Civil List, Your Committee must refer to two special circumstances which they have had to consider, namely, that His Majesty is at present unmarried and that the revenues of the Duchy of Cornwall are, therefore, for the time being vested in Himself.

5. In His gracious Message His Majesty desired that the contingency of His marriage should be taken into account so that in that event there should be provision for Her Majesty the Queen and members of His Majesty's family corresponding to the provision which the House of Commons have been willing to make in like circumstances in the past.

Provision for the Queen of the reigning Monarch is ordinarily included in the Civil List, but not as a separate item. During the last two reigns a sum of £33,000 has in practice been earmarked for the Queen out of the sum of £110,000 provided under Class I of the Civil List for Their Majesties' Privy Purse, and in addition a sum of £7,000 has been earmarked out of Class II for the Queen's personal staff. Your Committee propose that these sums, which together amount to £40,000, should continue to be provided in the new Civil List, but that they should not be drawn so long as His Majesty remains unmarried.

6. Under Section 5 of the Civil List Act, 1901, and Section 3 of the Civil List Act, 1910, provision was made for an annuity of £70,000 to be paid to the Consort of the then reigning Sovereign, should either Queen survive her husband. It is proposed that a similar provision should be made on the present occasion.

7. Section 4 of the Civil List Act, 1910, enacted that, in the event of the marriage of His Royal Highness the Prince of Wales, there should be paid to Her Royal Highness the Princess of Wales, during the continuance of her marriage, an annuity of £10,000 and, in the event of her surviving her husband, an annuity of £30,000. Your Committee do not recommend that similar provision be made for His Majesty's eldest son on this occasion,

and they have set out in paragraph 11 below an alternative proposal for providing for a future Princess of Wales.

8. Under Section 5 of the Civil List Act, 1910, provision was made for the payment of annuities to Trustees for the benefit of His Majesty's younger children, namely an annuity of £10,000 in respect of each son (other than the Duke of Cornwall for the time being) who reached the age of 21 years, to be increased to £25,000 on his marriage, and an annuity of £6,000 in respect of each daughter who attained the age of 21 years or married. Your Committee recommend that these provisions be repeated, the principle that the provision for the grandchildren of the reigning Sovereign should be made out of grants adequate for that purpose which had been assigned to their parents being now well established.

9. Your Committee now turn to the second of the two considerations mentioned in paragraph 4 of this Report, namely that the Revenues of the Duchy of Cornwall are vested for the time being in the King. In His Gracious Message His Majesty expressed a desire that suitable provision should be made for His Royal Highness the Duke of York, as the Heir Presumptive, and, in certain events, for his family. His Majesty stated, however, that it was His intention, so long as the Duchy revenues are vested in Himself, to make that provision for His Royal Highness, and, in so far as the revenues are sufficient, to provide for His Majesty's own Privy Purse. The effect of the intention thus graciously signified would be to reduce substantially the charge of the Consolidated Fund for the Civil List.

10. In view of the heavier duties which His Royal Highness the Duke of York will be called upon to perform as Heir Presumptive, Your Committee agree that suitable provision should be made for this purpose, and recommend that an annuity of £25,000 per annum should be payable out of the Consolidated Fund to His Royal Highness during his life in addition to the annuity which is payable to him under Section 5 of the Civil List Act, 1910, as one of His late Majesty's younger children; but that this additional annuity should not be drawn so long as the net revenues of the Duchy of Cornwall which are vested in His Majesty do not in any year fall short of £25,000. Your Committee further recommend that, in the event of the death of His Royal Highness while he is still Heir Presumptive to the Throne, the annuity should be continued in trust for Her Royal Highness the Duchess of York and the surviving children of Their Royal Highnesses, so long as there is no Heir Apparent. Your Committee recommend that the conditions of this trust should be similar to those laid down in Section 5 of the Civil List Act, 1910, which established a trust for His late Majesty's younger children.

The revenues of the Duchy of Cornwall amount at the present time to approximately £104,000, so that, after deduction of a sum equal to the proposed additional annuity for His Royal Highness the Duke of York, a balance of £79,000 remains available to provide, in accordance with His Majesty's intention expressed in His Gracious Message, for the requirements of His Majesty's own Privy Purse.

11. Your Committee understand that His Majesty desires that, in the event of the marriage of His Majesty and the birth of a Duke of Cornwall, His Majesty (in whom, as guardian of the infant Duke, the control and management of the revenues of the Duchy is vested during the Duke's minority) should be empowered by Act of Parliament to assent to arrangements on the following lines during the minority of the Duke of Cornwall, to be in all respects as valid and effectual as if the Duke were of full age and had made the arrangements himself :—

That from the net revenue of the Duchy (at present £104,000) there should be deducted in the first place the annuity of £25,000 to be paid to the Duke of York.

That from the residue (at present £79,000) a voluntary contribution to the Exchequer should be paid equal to the amounts of Income Tax and Sur-Tax chargeable for the time being upon an income of the same size in private hands. (Your Committee are advised that the appropriate amount of tax at current rates is £45,000, leaving a surplus of £34,000.)

That out of the balance of the revenues of the Duchy, after the above payments have been made, the sum of £25,000 should be set aside for the maintenance and education of the infant Duke, and for the payment of an annual sum to trustees to be accumulated for the purpose of making provision for his future wife approximately equivalent to the provision which in the past Parliament has been willing to make for the wife of the Heir Apparent. Your Committee are of opinion that the annual sum to be accumulated in the hands of trustees for the above purpose should not be less than £10,000.

On the present figures the above arrangements would leave a surplus of about £9,000 a year, the accumulations of which would be at the disposal of the Duke of Cornwall when he attains his majority.

The scheme would remain appropriate even if the revenues of the Duchy suffered substantial fluctuation: for example, a decrease of £20,000 per annum in the revenues of the Duchy would still leave a surplus income of about £1,500; while an increase of as much as £20,000 per annum in those revenues would only raise the surplus income from £9,000 to approximately £15,500.

Your Committee were informed that His Majesty, in proposing the above arrangements, had two considerations in mind: that the accumulation of the total revenues of the Duchy during the minority of the Duke would provide at his majority a capital sum in excess of his reasonable requirements, and that, in the circumstances of the case, these accumulations would have been made in part at the expense of the Exchequer. Your Committee desire respectfully to record their appreciation of His Majesty's sentiments in this matter, and they recommend that Parliament should make provision on the lines proposed.

Your Committee are, however, of the opinion that, to meet the contingency of an abnormal drop in the revenues of the Duchy or an abnormal rise in the rates of taxation, it should be provided that the voluntary contribution to the Exchequer should, if necessary, with the approval of the Treasury, be so adjusted as always to make available the sum of £25,000 for the maintenance and education of the Duke of Cornwall and for the annuity to be accumulated for his future wife.

12. Having dealt with the special circumstances connected with the Duchy of Cornwall, Your Committee now turn to the consideration of the details of the Civil List.

13. With regard to Class I which provides for the Privy Purse, Your Committee do not propose any alteration in the sum of £110,000, of which £33,000 will be regarded as allocated to the Privy Purse of the Queen and will remain undrawn so long as His Majesty is unmarried, and £77,000 will be allocated to His Majesty's Privy Purse. But so long as the revenues of the Duchy of Cornwall remain at their present figure, the surplus, after charging the annuity of £25,000 referred to in paragraph 10 of this Report, will more than suffice to cover the £77,000, and, as Your Committee have already pointed out, His Majesty has signified His intention, so long as this is the case, Himself to provide His own Privy Purse. Unless, therefore, the revenues of the Duchy fall below £102,000, no charge for His Majesty's Privy Purse will fall upon the Civil List, and the whole £110,000 will remain undrawn.

14. Moreover, Your Committee are informed that it is His Majesty's wish that the fact that the revenues of the Duchy of Cornwall are for the time being vested in Himself shall not operate to increase the amount of His own Privy Purse, and that in so far as the revenues of the Duchy exceed £102,000 He proposes to apply the excess to meeting expenses of the Royal Household chargeable to Class II of the Civil List, thus enabling the grant from the Exchequer to that Class to be reduced by a corresponding amount. Your Committee recommend that effect should be given by Parliament to His Majesty's gracious wish.

15. Under Class II of the Civil List provision is made for the payment of salaries of £700 to each of the following officers :—

The Treasurer of the Household.

The Comptroller of the Household.

The Vice-Chamberlain of the Household.

These offices are political appointments and their occupants perform duties analogous to those performed by the Junior Lords of the Treasury. Your Committee consider it desirable that the present occasion should be taken of removing these charges from the Civil List, and that the salaries of these officers should be borne in future on Parliamentary Votes.

16. Your Committee have also certain changes to propose in respect of Household pensions. The present practice is as follows :— Of each pension which is granted by the reigning Sovereign according to an approved scale, that portion which is appropriate to service under previous reigns is at once taken over by the Consolidated Fund, leaving the Civil List to bear only the portion appropriate to the current reign. On a demise of the Crown, however, that portion too is taken over by the Consolidated Fund. Thus each Sovereign on His accession starts with no charge on His Civil List for pensions on the approved scale, but with a contingent liability for an unknown amount dependent upon the number of pensions granted during His reign. In some cases the Sovereign prefers to grant some additional pension for specially meritorious service, but this extra-scale charge falls upon the Privy Purse, including the portion attributable to service in previous reigns. Except for rare cases of premature dismissals at the Sovereign's pleasure, the pensions liability of the Civil List is entirely beyond His control and depends upon the ages of His staff and the length of His reign. The deficits on the Civil List towards the end of Queen Victoria's reign were almost entirely caused by the pensions charge accumulated over that long period. If, on the other hand, Parliament were to make provision in the Civil List in advance for these contingent liabilities, it is obvious that, during the early years of the reign the whole of this provision would not be required and the balance would be accumulating as savings. It may be observed that the pension charge during the reign of His late Majesty amounted on the average to between £6,000 and £7,000 a year, but had reached £16,000 a year at the end of the twenty-five years' reign.

In these circumstances it appears to Your Committee that it would be more appropriate for the Consolidated Fund to take over the whole of any Household pensions granted on the approved

scale, the Privy Purse continuing to take full responsibility for any extra-scale awards and for any award made on retirement before the age of 60 on grounds other than ill-health.

Under the existing system the charge for pensions normally awarded is divided into three parts :—

- (a) the pensions granted by previous Sovereigns ;
- (b) so much of the pensions granted by the reigning Sovereign as is attributable to service under previous reigns ; and
- (c) so much of the pensions granted by the reigning Sovereign as is attributable to service in His own reign.

If the previous practice were to be followed, the Consolidated Fund would take over the existing charge under (a) which is approximately £16,000; and would also bear the charge under (b) as it arises. The change proposed by Your Committee is that the Consolidated Fund should also bear the charge under (c) as it arises, instead of waiting to assume that charge until the next demise of the Crown. On the other hand, it will not be necessary to provide in the Civil List for a pension liability commencing at nothing and rising to a figure, which cannot be estimated in advance.

17. The effect of the recommendation made in paragraph 15 of this Report would be to relieve the Civil List of an expenditure of £2,100 per annum, while that under the last preceding paragraph would further reduce the charge by £7,000 if comparison be made with the average pension charge in the last reign, and would prevent the growth of any heavy new charge under this head in the future. The existing Civil List fixed the charge for Class II at £125,800, but for the last 10 years the expenditure has never fallen below £143,000 and has risen to £147,000, the excess being due to the increase in the scale of remuneration of the lower paid classes of Household servants. Your Committee recommend that in the new Civil List Class II shall be fixed at £134,000, of which £7,000 will remain undrawn so long as the King remains unmarried, and the remainder will be subject to further abatement if the revenues of the Duchy of Cornwall amount to more than £102,000 a year.

18. Your Committee propose that two further changes be made in existing practice which they consider desirable on grounds of practical convenience, and which will result in an additional charge of about £6,000 per annum to Class III of the Civil List.

For a great many years it has been the practice to charge to Civil Votes (at present the charge is to Class I, Vote 22, Miscellaneous Expenses, Subhead G) the cost of certain King's Plates to be run for in Ireland, involving an annual expenditure of £1,563. Your Committee consider that it would more appropriately mark

His Majesty's personal concern with these awards if the charge were now transferred to the Civil List, and they accordingly recommend that this be done.

The second change affects the accounting arrangements for post office services. Under existing practice the cost of telephones in the Royal Palaces is divided, 75 per cent. being provided on the Post Office Vote and 25 per cent. being debited to the Civil List. This arrangement has caused considerable inconvenience and Your Committee recommend that the full cost of telephones as well as the cost of inland telegrams at present supplied free should in future be charged to the Civil List, in accordance with the analogous practice obtaining in Government Departments, under which each Department is required to bear its own charges of this character.

19. The increased scales of remuneration referred to in paragraph 17 of this Report as the cause of considerable excess expenditure on Class II of the existing Civil List could not have been granted but for the substantial economies effected by His late Majesty in the expenses of His Household. These economies reduced the expenditure under Class III, which had been fixed at £193,000, to approximately £155,000 per annum for the years 1922-1930, and after 1931 further reduced it to about £134,000 in a normal year. Your Committee were informed that it was His Majesty's express wish that the Exchequer should participate in the economies made in the late reign by a suitable reduction in the Civil List. In giving effect to His Majesty's wishes Your Committee have borne in mind that a part of these economies must be attributed to the adjustments of expenditure rendered necessary by His late Majesty's voluntary abatement of His Civil List grants during the financial difficulties of recent years. In their recommendation therefore they have not allowed in full for the economies effected since 1931. Nevertheless they have found it possible by reason of the economy and careful administration exercised during the last reign to allow for a reduction in Class III of £46,200 a year.

20. Allowing, therefore, for the additional charge upon Class III proposed in paragraph 18 of this Report, Your Committee recommend that the expenditure for Class III be fixed at £152,800 per annum, a net reduction of £40,200 a year on the sum fixed in the existing Civil List.

21. Class IV of the Civil List which provides £20,000 for works was created on the recommendation of the Select Committee on the Civil List in 1901, and similar provision was made during the last reign. The result is that while the cost of exterior works is provided from the Vote for Royal Palaces (Civil Estimates Class VII, Vote 9), this provision of £20,000 is made on the Civil List for internal works. The First Commissioner of Works pointed out to Your Committee that all the work is in fact carried out under the supervision of his officers, and that the division of cost between

the Civil List and Votes merely complicates the keeping of accounts. Your Committee accordingly recommend that the present Class IV of the Civil List should be abolished and that the necessary expenditure should be met out of a fixed grant-in-aid of £20,000 from Civil Votes.

22. Your Committee were also informed that it has been the rule in the past that the savings effected in any year on Class IV should be held in a fund to meet excesses over the Estimate in later years, and a sum of approximately £15,000 is now held under this arrangement. In view of the expenditure which is necessarily involved on the accession of a new Sovereign, Your Committee are of opinion that this balance of £15,000 should be expended on any interior works which have been hitherto dealt with under Class IV.

23. Your Committee also propose that the present Class VI should be abolished. Until 1922 the whole of the sum allocated to this Class was transferred to other classes, but from 1922 onwards a sum of about £2,500 per annum has been expended on subscriptions to Charities in excess of payments made from other classes. In making this recommendation Your Committee would point out that the abolition of this Class imposes an additional expenditure of about £2,500 per annum on the remaining classes of the Civil List.

24. On the basis of the foregoing recommendations the comparison between the charge for the Civil List for the late and the present reign will stand as follows:—

	<i>In 1910.</i>	<i>In 1936.</i>
	£	£
<i>First Class.</i>		
His Majesty's Privy Purse ...	110,000	110,000
<i>Second Class.</i>		
Salaries of His Majesty's Household and retired Allowances.	125,800	134,000
<i>Third Class.</i>		
Expenses of His Majesty's Household.	193,000	152,800
<i>Fourth Class.</i>		
Works	20,000	abolished.
<i>Fifth Class.</i>		
Royal Bounty, Alms and special services.	13,200	13,200
<i>Sixth Class.</i>		
Unappropriated	8,000	abolished,
	£470,000	£410,000

25. Your Committee proceed to summarise the financial effects of their recommendations :—

1. <i>Civil List.</i>		£
The amount of the Civil List under the Act of 1910 was		470,000
The amount of the Civil List proposed in this Report (paragraph 24) is	... ..	410,000
For purpose of comparison there should be added the cost of payments transferred from the Civil List to Votes of Parliament, viz. :—		
For Internal Works and Repairs (para. 21)	... ..	20,000
Salaries of Government Whips (para. 15)		2,100
		<u>22,100</u>
Less cost of payments transferred from Votes of Parliament to the Civil List (para. 18)	... ..	6,000
		<u>16,100</u>
		426,100
Also an additional charge for Pensions previously paid by the Civil List and proposed to be paid by the Consolidated Fund—the corresponding average charge in the late reign being estimated at (para. 16)		
		7,000
		<u>433,100</u>

The minimum saving to be effected on the Civil List is the difference between the last mentioned sum and £470,000, viz. £36,900 per annum.

But of the proposed Civil List there will remain undrawn—

	£
1. While His Majesty is unmarried (para. 5)	40,000
2. While the revenues of the Duchy of Cornwall which are vested in His Majesty remain at the present level of £104,000	
From Class I (Para. 13)	77,000
From Class II (Para. 14)	2,000
	<u>£119,000</u>

Thus for the time being the annual saving effected on the Civil List is £155,900

2. Provision for other Members of the Royal Family.

	£
The charge on the Consolidated Fund existing at the date of the Civil List Act of 1910 was	146,000
This has since been reduced by deaths by ...	103,000
and the charge therefore now amounts to ...	43,000
New Annuities have matured under the Act of 1910 amounting to	151,000
leaving the present charge under former Civil List Acts (see para. 2)	194,000

No additional charge on the Consolidated Fund will arise from Your Committee's recommendations except that Your Committee have proposed certain contingent charges which will be found in paragraphs 6, 8 and 10 of this Report.

APPENDIX.

ACCOUNT I.

Sums appropriated to each Class by the Civil List Act, 1910 :—

	£
Class I—Their Majesties' Privy Purse	110,000
„ II—Salaries of His Majesty's Household and Retired Allowances	125,800
„ III—Expenses of His Majesty's Household	193,000
„ IV—Works	20,000
„ V—Royal Bounty, Alms and Special Service	13,200
„ VI—Unappropriated	8,000
	£470,000

By Command of His Majesty, the Civil List was reduced by £50,000 a year as from 1st October, 1931, and the sums appropriated to each Class for the years 1931, 1932 and 1933 were as follows :—

	1931	1932 and 1933
	£	£
Class I—Their Majesties' Privy Purse	106,950	97,800
„ II—Salaries of His Majesty's Household and Retired Allowances	122,300	111,800
„ III—Expenses of His Majesty's Household	187,650	171,600
„ IV—Works	20,000	20,000
„ V—Royal Bounty, Alms and Special Service	12,825	11,700
„ VI—Unappropriated	7,775	7,100
	457,500	420,000

As from 1st July, 1934, on the restoration of half the economy "cuts" made in 1931, the reduction of £50,000 was decreased by £25,000, and the sums appropriated to each Class for 1934 were as follows :—

	£
Class I—Their Majesties' Privy Purse	100,850
„ II—Salaries of His Majesty's Household and Retired Allowances...	115,300
„ III—Expenses of His Majesty's Household	176,950
„ IV—Works	20,000
„ V—Royal Bounty, Alms and Special Service	12,100
„ VI—Unappropriated	7,300
	£432,500

As from 1st July, 1935, the Civil List was restored to the statutory figure of £470,000.

ACCOUNT I—continued.

EXPENDITURE from the CIVIL LIST in each of the years 1910 to 1934.

Year.	Actual Payments.*							Savings paid to His Majesty's Privy Purse.	Class IV (a) Saving accumulated or (b) excess met from accumulation.	
	1st Class.	2nd Class.	3rd Class.	4th Class.	5th Class.	6th Class.	Totals.		£	£
1910	110,000	121,324	175,597	10,640	13,200	—	430,761	†33,111	(a)	6,128
1911	110,000	115,643	171,770	20,373	13,200	—	430,966	39,387	(b)	373
1912	110,000	115,827	178,302	20,333	13,200	—	437,662	32,671	(b)	333
1913	110,000	115,969	185,164	20,373	13,200	—	444,706	25,667	(b)	373
1914	110,000	117,163	176,990	20,392	13,200	—	437,745	32,647	(b)	392
1915	110,000	116,581	143,850	16,656	13,200	—	400,287	66,369	(a)	3,344
1916	110,000	114,720	140,873	11,173	13,200	—	389,966	§71,207	(a)	8,827
1917	110,000	115,077	145,666	16,039	13,200	—	399,982	66,057	(a)	3,961
1918	110,000	118,812	164,279	9,913	13,200	—	416,204	43,709	(a)	10,087
1919	110,000	132,986	218,303	26,444	13,200	—	500,933	†24,489	(b)	6,444
1920	110,000	164,794	207,851	39,094	13,200	—	534,939	†45,845	(b)	19,094
1921	110,000	157,851	170,613	16,754	13,200	—	468,418	†1,664	(a)	3,246
1922	110,000	146,000	142,546	15,577	13,200	||2,223	429,546	36,031	(a)	4,423
1923	110,000	138,215	154,306	19,791	13,200	2,249	437,761	32,030	(a)	209
1924	110,000	139,421	170,814	27,614	13,200	2,302	463,351	14,263	(b) ¶	7,614
1925	110,000	139,194	146,989	27,401	13,200	2,276	439,060	38,341	(b) ¶	7,401
1926	110,000	143,683	153,227	18,920	13,200	2,343	441,373	27,547	(a)	1,080
1927	110,000	144,585	161,275	19,801	13,200	2,451	451,312	18,489	(a)	199
1928	110,000	145,214	151,526	22,287	13,200	2,557	444,784	27,503	(b) ¶	2,287
1929	110,000	145,480	155,121	16,442	13,200	2,542	442,785	23,657	(a)	3,558
1930	110,000	146,160	159,628	16,078	13,200	2,557	447,623	18,455	(a)	3,922
1931	106,950	144,828	157,633	14,936	12,825	2,558	439,730	12,706	(a)	5,064
1932	97,800	147,061	120,584	20,270	11,700	2,542	399,957	20,313	(b)	270
1933	97,800	145,717	122,130	16,669	11,700	2,712	396,728	19,941	(a)	3,331
1934	100,850	147,144	134,680	16,566	12,100	2,696	414,036	15,030	(a)	3,434

* Except the 1st Class, in which case the figures represent the amounts issued to the Keeper of the Privy Purse.

† Excess expenditure on Classes 2 and 3 met from His Majesty's Privy Purse.

‡ Part of this was paid to the Representatives of the late King Edward VII.

§ In the year 1916 His Majesty made a voluntary contribution to the Exchequer of £100,000 (see Finance Accounts for 1916-17, page 30).

|| Payments from Class VI represent subscriptions to Charities in excess of payments made from other Classes.

¶ During the years 1925, 1926 and 1929 a total amount of £9,000 was advanced from His Majesty's Privy Purse to meet excess expenditure on Class IV. Repayment of this advance was made as follows:—

In 1926, £210; in 1927, £1,181; in 1930, £514, and the balance of £7,095 in 1931.

ACCOUNT

DETAILED ACCOUNTS OF CIVIL LIST EXPENDITURE,
AN ACCOUNT showing the payments which have been made in respect of the

	1910.	1911.	1912.	1913.
FIRST CLASS.				
His Majesty's Privy Purse	£ 110,000	£ 110,000	£ 110,000	£ 110,000
SECOND CLASS.				
Salaries of His Majesty's Household and Retired Allowances :—				
Their Majesties' Personal Staff	17,500	17,500	17,500	17,500
For the Department of the Master of the Household.	24,414	22,676	22,714	23,159
For the Department of the Lord Chamberlain.	49,543	49,094	49,075	49,086
For the Department of the Royal Mews ...	29,867	26,373	26,538	26,224
	121,324	115,643	115,827	115,969
THIRD CLASS.				
Expenses of His Majesty's Household :—				
For the Department of the Master of the Household.	95,110	93,260	96,027	103,060
For the Department of the Lord Chamberlain.	36,472	43,532	42,487	42,679
For the Department of the Royal Mews	44,015	34,978	39,788	39,425
	175,597	171,770	178,302	185,164
FOURTH CLASS.				
Works	10,640	20,373	20,333	20,373
FIFTH CLASS.				
Royal Bounty, Alms and Special Service ...	13,200	13,200	13,200	13,200
SIXTH CLASS.				
Unappropriated	—	—	—	—
GRAND TOTAL	430,761	430,986	437,662	444,706

II.

1st January, 1910 to 31st December, 1934.

charge on the CIVIL LIST, between 1st January, 1910, and 31st December, 1934.

1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.	1922.
£	£	£	£	£	£	£	£	£
110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500
23,279	22,733	22,428	21,892	21,267	22,575	39,399	44,558	42,400
49,208	49,178	48,238	46,663	47,823	51,392	68,945	62,965	58,577
27,176	27,170	26,554	29,022	32,222	41,519	38,950	32,828	27,523
117,163	116,591	114,720	115,077	118,812	132,986	164,794	157,851	146,000
97,809	79,049	82,068	79,202	91,190	120,909	135,283	123,098	100,283
39,296	33,052	30,365	33,020	36,975	50,315	24,613	13,821	14,429
39,885	31,749	28,440	33,444	36,114	47,079	47,955	33,694	27,834
176,990	143,850	140,873	145,666	164,279	218,303	207,851	170,613	142,546
20,392	16,656	11,173	16,039	9,913	26,444	39,094	16,754	15,577
13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200
—	—	—	—	—	—	—	—	2,223
137,745	400,287	389,966	399,982	416,204	500,933	534,939	468,418	429,546

ACCOUNT

DETAILED ACCOUNTS OF CIVIL LIST EXPENDITURE,

AN ACCOUNT showing the payments which have been made in respect of the charge

	1923.	1924.	1925.	1926.
	£	£	£	£
FIRST CLASS.				
His Majesty's Privy Purse	110,000	110,000	110,000	110,000
SECOND CLASS.				
Salaries of His Majesty's Household and Retired Allowances :—				
Their Majesties' Personal Staff	17,500	17,500	17,500	17,500
For the Department of the Master of the Household.	41,534	42,091	42,186	45,139
For the Department of the Lord Chamberlain.	55,086	54,305	54,787	55,761
For the Department of the Royal Mews.	24,095	25,525	24,721	25,283
	138,215	139,421	139,194	143,683
THIRD CLASS.				
Expenses of His Majesty's Household :—				
For the Department of the Master of the Household.	108,320	120,215	106,395	115,000
For the Department of the Lord Chamberlain.	16,200	20,448	14,233	15,383
For the Department of the Royal Mews.	29,786	30,151	26,361	22,844
	154,306	170,814	146,989	153,227
FOURTH CLASS.				
Works	19,791	27,614	27,401	18,920
FIFTH CLASS.				
Royal Bounty, Alms and Special Service ...	13,200	13,200	13,200	13,200
SIXTH CLASS.				
Unappropriated	2,249	2,302	2,276	2,343
GRAND TOTAL	437,761	463,351	439,060	441,373

* As from 1st October, 1931, the allowance for the salaries of His

II—*continued.*

1st January, 1910, to 31st December, 1934.—*continued.*

on the CIVIL LIST, between 1st January, 1910, and 31st December, 1934.—*continued.*

1927.	1928.	1929.	1930.	1931.	1932.	1933.	1934.
£	£	£	£	£	£	£	£
110,000	110,000	110,000	110,000	106,950	97,800	97,800	100,850
17,500	17,500	17,500	17,500	*18,875	23,000	23,000	23,000
45,680	46,015	46,327	47,028	46,913	47,271	46,671	47,611
55,950	55,378	54,719	54,559	53,085	51,538	51,032	51,798
25,455	26,321	26,934	27,073	25,955	25,252	25,014	24,735
144,585	145,214	145,480	146,160	144,828	147,061	145,717	147,144
118,355	113,504	105,248	118,398	116,519	88,807	89,153	98,396
15,591	13,375	24,695	15,939	16,690	13,284	14,441	16,122
27,329	24,647	25,178	25,291	24,424	18,493	18,536	20,162
161,275	151,526	155,121	159,628	157,633	120,584	122,130	134,680
19,801	22,287	16,442	16,078	14,936	20,270	16,669	16,566
13,200	13,200	13,200	13,200	12,825	11,700	11,700	12,100
2,451	2,557	2,542	2,557	2,558	2,542	2,712	2,696
451,312	444,784	442,785	447,623	439,730	399,957	396,728	414,036

Majesty's Personal Staff was increased from £10,500 to £16,000 a year.

APPENDIX TO THE REPORT FROM THE
SELECT COMMITTEE ON THE CIVIL LIST

ACCOUNT II—*continued.*

ANNEX A.

DETAILS of the CHARGE ON CLASS II of the CIVIL LIST as it stood on 1st January, 1935.

	£	£	£
THEIR MAJESTIES' PERSONAL STAFF			23,000*
DEPARTMENT OF THE MASTER OF THE HOUSEHOLD—			
Household Salaries and Allowances		38,990	
Non-effective Charge		8,982	
TOTAL, MASTER OF THE HOUSEHOLD			47,972
LORD CHAMBERLAIN'S DEPARTMENT—			
Political Officers—			
Lord Chamberlain	2,000		
Lord Steward	1,000		
Master of the Horse	1,000		
Vice Chamberlain	700		
Treasurer of the Household	700		
Comptroller of the Household	700		
Six Lords in Waiting	3,600		
Captain of the Yeoman of the Guard	700		
Captain of the Gentleman at Arms	700		
		11,100	
Household Salaries and Allowances		29,338	
Heralds, etc.		235	
Medical Staff		4,322	
Literature and Art		3,702	
Ecclesiastical Salaries and Allowances		3,591	
Non-effective Charge		2,704	
TOTAL, LORD CHAMBERLAIN'S DEPARTMENT			54,992
DEPARTMENT OF THE ROYAL MEWS—			
Salaries and Allowances		21,360	
Non-effective Charge		4,000	
TOTAL, DEPARTMENT OF THE ROYAL MEWS			25,360
GRAND TOTAL, CHARGE ON CLASS II			£151,324

* In November, 1935, on the reorganisation of the Privy Purse Office, the amount allocated for the Personal Staff of His Majesty was increased to £19,000, making a total of £26,000.

ACCOUNT II

ANNEX

1.—DETAILS OF THE EXPENDITURE CHARGED

A RETURN OF EXPENSES incurred in the MASTER OF THE HOUSEHOLD'S DEPARTMENT
in each year under various headings from

	1910.	1911.	1912.	1913.
	£	£	£	£
Buckingham Palace	21,211	20,734	21,364	21,284
Windsor Castle	4,923	7,979	4,297	9,218
Balmoral	3,254	1,323	4,351	5,548
Sandringham	6,267	3,580	5,230	4,295
Holyrood	114	1,969	—	—
Aldershot	441	343	499	530
H.M. Yachts	—	—	—	—
Other Residences	—	—	—	—
Board Wages	7,536	9,311	9,514	9,122
Travelling	400	1,047	909	688
Royal Gardens	11,542	13,061	14,179	15,479
Royal Laundry	1,464	1,340	1,451	1,298
Light, Fuel, etc.	6,285	7,558	8,508	8,899
Royal Cellars	8,311	8,852	11,952	7,484
Game Expenses	Paid by Privy Purse			5,294
Telephones	767	546	415	2,203
Hired Persons	544	4,011	2,994	3,657
Sundry Allowances	—	1,210	1,204	1,412
War Bonus	—	—	—	—
Sundries	23,585	10,396	9,160	6,649
Royal Mausoleum	—	—	—	—
Liveries	—	—	—	—
Carriage	—	—	—	—
Engineering Services	—	—	—	—
Newspapers	—	—	—	—
TOTAL	95,110	93,260	96,027	103,060

* From 1920 War Bonus was mostly paid from Class II.

† Part of the increase is due to allowances given in lieu of drink and part to the transfer in 1920 of charges previously falling to the Lord Chamberlain's Department.

—continued.

B.

TO CLASS III OF THE CIVIL LIST.

(formerly Department of the Lord Steward) showing the Net Amount Expended 1st January, 1910, to 31st December, 1934.

1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.‡	1922.
£	£	£	£	£	£	£	£	£
27,114	18,627	21,323	15,997	21,090	31,105	24,706	28,874	16,126
7,840	7,675	8,922	9,024	9,071	7,595	9,911	7,626	5,264
156	549	—	—	—	5,464	6,474	1,409	2,765
3,084	2,108	1,683	3,074	2,265	4,255	6,844	11,333	3,538
1,031	—	—	—	—	—	1,718	14	25
801	1,417	—	564	822	—	712	53	429
—	—	—	—	—	—	—	2,406	651
—	—	—	—	—	—	—	127	199
7,445	6,919	7,012	7,397	6,983	7,814	7,840	7,019	7,555
594	319	221	285	276	575	1,725	687	1,267
15,515	15,250	15,406	13,408	15,419	18,595	18,471	14,380	13,416
1,444	1,545	1,741	1,857	1,986	1,412	4,132	4,388	3,342
9,685	9,184	8,530	10,424	9,883	11,451	15,436	14,320	14,493
5,608	1,716	1,192	1,067	1,343	4,492	5,661	1,105	2,692
6,137	1,239	1,775	1,300	1,300	1,540	2,690	1,630	1,624
1,895	2,427	2,206	2,569	3,470	3,163	3,164	1,710	418
3,411	2,533	2,099	1,845	2,252	3,040	19,892	9,234	9,493
1,266	2,573	3,316	3,566	2,839	2,192	75,164	2,960	4,274
—	—	—	1,083	4,705	10,999	*4,665	7,560	5,759
4,783	4,968	6,642	5,742	7,486	7,217	6,078	1,877	2,201
—	—	—	—	—	—	—	326	262
—	—	—	—	—	—	—	3,747	4,168
—	—	—	—	—	—	—	313	322
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
97,809	79,049	82,068	79,202	91,190	120,909	135,283	123,098	100,283

‡ The increase in 1920 is mainly due to the transfer of charges previously falling to the Lord Chamberlain's Department.

§ As from 1921, the analysis of expenditure was altered and various headings were added or substituted for those formerly in use.

ACCOUNT II

ANNEX B.

I.—DETAILS OF THE EXPENDITURE CHARGED

A RETURN OF EXPENSES incurred in the MASTER OF THE HOUSEHOLD'S DEPARTMENT in each year under various headings from

	1923.	1924.	1925.	1926.
	£	£	£	£
Buckingham Palace	15,535	20,414	16,212	17,579
Windsor Castle	3,870	5,372	4,337	5,154
Balmoral	2,969	3,272	3,399	3,242
Sandringham	4,027	3,453	4,435	5,767
Holyrood	1,364	1	1	—
Aldershot	431	447	—	—
H.M. Yachts	959	879	2,086	828
Other Residences	66	51	71	*1,811
Board Wages	8,099	7,566	7,896	7,936
Travelling	1,577	1,165	1,044	1,121
Royal Gardens	12,850	13,395	13,298	11,625
Royal Laundry	2,347	2,504	3,268	3,941
Light, Fuel, etc.	13,660	14,286	13,517	14,256
Royal Cellars	4,915	4,733	2,204	2,445
Game Expenses	720	2,295	2,217	2,731
Telephones	1,028	628	744	1,097
Hired Persons	9,709	10,477	10,034	17,044
Sundry Allowances	6,160	5,769	5,478	6,273
War Bonus	4,629	4,886	4,914	3,134
Sundries	10,683	15,720	7,939	5,870
Royal Mausoleum	216	263	241	251
Liveries	2,340	2,009	2,701	2,812
Carriage	166	115	109	83
Engineering Services	—	515	250	—
Newspapers	—	—	—	—
TOTAL	108,320	120,215	106,395	115,000

* The increased expenditure in 1926 under this heading was due to the payment of expenses at Sandringham House and Marlborough House subsequent to the death of Queen Alexandra.

† The increase under this heading in 1929 was due to the payment of expenses at Craigweil House during His Majesty's convalescence.

—continued.

—continued.

NO CLASS I. OF THE CIVIL LIST—continued.

(formerly Department of the Lord Steward) showing the Net Amount Expended
1st January, 1910, to 31st December, 1934.

192	1928.	1929.	1930.	1931.	1932.	1933.	1934.
	£	£	£	£	£	£	£
104	21,904	15,764	19,483	16,630	9,898	8,391	9,389
80	8,271	6,915	10,726	7,284	3,923	3,487	4,432
71	4,247	—	2,785	2,539	1,541	1,458	1,690
05	4,525	7,141	7,389	5,678	3,318	3,464	3,534
34	—	—	—	1,741	—	—	513
	526	—	—	—	—	—	—
82	936	—	1,103	1,222	1,084	874	966
32	155	†3,895	6	4	13	—	—
63	1,630	8,599	8,470	8,274	8,278	8,227	8,179
54	1,072	744	1,232	1,612	1,061	908	1,285
160	8,386	8,223	8,564	8,593	8,086	8,712	8,929
65	3,895	3,460	3,844	3,651	3,486	3,480	3,604
1128	3,177	12,861	12,386	12,936	12,411	11,902	11,732
137	2,890	3,211	3,838	4,869	2,738	2,406	3,448
570	3,241	2,925	2,920	2,920	1,049	420	420
324	965	1,095	1,213	1,239	1,119	1,231	1,227
1623	17,533	16,719	18,110	18,455	19,409	20,035	20,707
844	5,929	5,436	5,853	5,860	5,871	3,680	3,886
—‡	—	—	—	—	—	—	—
066	5,356	4,933	6,738	7,177	3,802	7,046	9,246
314	391	227	158	137	149	138	246
322	2,403	2,262	2,149	4,534	3,294	3,186	4,829
84	85	63	82	90	87	92	116
—	—	758	1,331	1,058	173	—	—
1	17	17	18	16	17	16	18
116,9	113,504	105,248	118,398	116,519	88,807	89,153	98,396

‡ B was finally merged in wages during 1926, making an increase of expenditure under heading of Hired Persons.

§ C allowances were transferred from Class III to Class II during 1932.

ACCOUNT II

ANNEX B

2.—DEPARTMENT OF

A RETURN OF EXPENSES incurred in the Department of the LORD CHAMBERLAIN each year under various heads from

	1910.	1911.	1912.	13.
	£	£	£	
Buckingham Palace	11,177	13,546	14,078	100
Windsor Castle	8,186	8,666	9,267	108
St. James's Palace	421	584	1,080	14
Holyrood	987	4,089	1,461	15
Laundry	1,481	1,341	1,452	19
Fuel, Electricity and Gas	2,444	2,221	1,851	22
Allowances	2,914	3,555	3,164	35
Sundry Disbursements and Expenses	8,862	9,530	10,134	126
War Bonus†	—	—	—	—
Liveries	—	—	—	—
Travelling Expenses	—	—	—	—
Repairs, Household Goods, etc.	—	—	—	—
Silversmiths	—	—	—	—
Rents and Rates	—	—	—	—
Medicines, etc.	—	—	—	—
Engineering Services	—	—	—	—
Newspapers	—	—	—	—
Royal Victorian Order	—	—	—	—
TOTAL	36,472	43,532	487	4279

* Now paid from Class II.

† War Bonus.—Further Amounts of War Bonus are included to Class II, and also under other heads of Class III (e.g., Royal Gardens, Royal Laundry, etc.). The total paid for War Bonus in 1920 (excluding any payments from Class I) was approximately £50,500, viz. :—

Lord Steward's (now Master of the Household's) Department...	£ 600
Lord Chamberlain's Department	900
Master of the Horse's Department (now Department of the Royal Mews)	000
	500

—continued.

—continued.

THE LORD CHAMBERLAIN.

(formerly CEREMONIAL DEPARTMENT), showing the Net Amount Expended in 1st January, 1910, to 31st December, 1934.

1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.‡	1922.
£	£	£	£	£	£	£	£	£
10,453	10,706	8,493	8,267	8,582	10,509	7,064	—	—
8,838	7,410	6,417	6,360	5,522	5,248	2,912	—	—
1,353	778	1,088	1,088	590	834	766	—	—
3,018	1,425	1,512	692	596	807	887	—	—
1,443	1,545	1,741	1,849	1,998	2,336	1,391	—	—
1,972	1,933	653	1,582	1,323	1,793	1,080	303	253
2,868	2,368	2,495	2,503	1,269	1,656	2,268	2,681	2,102
9,351	6,887	7,966	8,828	8,701	9,610	8,245	3,646	4,698
—	—	—	1,851	8,394	17,522	—*	—	—
—	—	—	—	—	—	—	315	405
—	—	—	—	—	—	—	596	607
—	—	—	—	—	—	—	1,301	822
—	—	—	—	—	—	—	44	62
—	—	—	—	—	—	—	1,139	1,113
—	—	—	—	—	—	—	829	760
—	—	—	—	—	—	—	1,746	1,601
—	—	—	—	—	—	—	261	302
—	—	—	—	—	—	—	960	1,704
39,296	33,052	30,365	33,020	36,975	50,315	24,613‡	13,821	14,429

‡ Under a scheme of re-organisation introduced in 1920, certain charges which had formerly fallen to the Lord Chamberlain's Department were transferred to the other two Departments.

§ As from 1921 the analysis of expenditure was altered and various headings were added or substituted for those formerly in use.

ACCOUNT II

ANNEX B

2.—DEPARTMENT OF

A RETURN OF EXPENSES incurred in the Department of the LORD CHAMBERLAIN each year under various headings from

	1923.	1924.	1925.	1926.
	£	£	£	£
Buckingham Palace	—	—	—	—
Windsor Castle	—	—	—	—
St. James's Palace	—	—	—	—
Holyrood	—	—	—	—
Laundry	—	—	—	—
Fuel, Electricity and Gas	298	348	168	89
Allowances	2,270	2,133	3,476	3,160
Sundry Disbursements and Expenses	6,954	8,989	4,183	4,130
War Bonus*	—	—	—	—
Liveries	480	482	291	524
Travelling Expenses	677	667	570	602
Repairs, Household Goods, etc.	1,172	3,752	2,074	2,033
Silversmiths	143	23	193	226
Rents and Rates	1,049	888	829	1,035
Medicines, etc.	961	669	808	860
Engineering Services	1,028	1,073	1,052	1,528
Newspapers	308	300	285	300
Royal Victorian Order	860	1,124	304	896
TOTAL	16,200	20,448	14,233	15,383

* Now paid from Class II.

—continued.

—continued.

THE LORD CHAMBERLAIN.

(formerly CEREMONIAL DEPARTMENT), showing the Net Amount Expended in 1st January, 1910, to 31st December, 1934.

1927.	1928.	1929.	1930.	1931.	1932.	1933.	1934.
£	£	£	£	£	£	£	£
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
105	235	77	89	93	106	119	118
3,069	3,147	3,142	3,124	3,092	2,967	2,929	2,873
5,383	4,222	15,327†	4,601	5,460	4,255	5,380	6,913
—	—	—	—	—	—	—	—
340	413	389	294	789	442	595	400
544	474	369	450	562	308	170	132
1,983	1,665	1,450	3,026	2,736	1,159	666	1,605
82	63	29	33	44	15	22	8
823	515	563	1,008	390	612	617	591
633	590	582	611	629	641	661	632
1,284	1,353	1,798	1,997	2,072	2,160	2,144	1,844
298	310	326	330	325	321	324	366
1,047	368	643	376	498	298	814	640
15,591	13,375	24,695	15,939	16,690	13,284	14,441	16,122

† The increased expenditure in 1929 was entirely due to the illness of H.M. The King.

ACCOUNT II

ANNEX B

3.—DEPARTMENT OF

A RETURN OF EXPENSES incurred in the DEPARTMENT OF THE ROYAL MWS (formerly
Expended in each year under various headings

	1910.	1911.	1912.	1913.
	£	£	£	£
Liveries	6,429	7,139	6,486	5,489
Forage	6,599	7,453	8,674	7,039
Farrery	1,151	885	1,256	1,420
Horses	5,207	1,013	2,360	4,119
Carriages and	4,606	4,016	4,692	4,694
Motor Cars				
Harness and Saddlery	1,153	2,531	1,263	1,884
Sundry Expenses	8,465	4,838	5,736	4,743
Travelling Expenses	8,219	5,179	7,788	7,728
Stud and Park Expenses	1,209	770	871	1,405
Upholstery	977	1,154	662	904
Charing Expenses	—	—	—	—
Thoroughbred A/c.	—	—	—	—
Fuel, Electricity and Gas	—	—	—	—
Sundry Allowances	—	—	—	—
Training Establishment	—	—	—	—
Engineering Services	—	—	—	—
TOTAL	44,015	34,978	39,788	39,425

* As from 1921, the analysis of expenditure was altered and various

—continued.

—continued.

THE ROYAL Mews.

DEPARTMENT of the MASTER OF THE HORSES), showing the Net Amount from 1st January, 1910, to 31st December, 1934.

1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.*	1922.
£	£	£	£	£	£	£	£	£
5,676	4,102	3,597	3,084	4,450	6,873	6,034	3,300	3,592
6,840	7,774	8,757	10,450	11,033	12,485	13,513	7,502	4,901
1,891	1,319	1,139	1,214	1,194	1,345	1,365	1,250	877
4,675	556	1,431	990	699	2,276	1,309	1,213	1,019
5,156	3,556	2,769	3,270	3,656	4,725	4,358	1,369	1,092
							2,203	2,871
1,651	2,441	1,279	1,696	1,176	1,153	1,306	1,124	580
5,550	5,505	5,048	6,200	6,638	8,827	9,044	1,755	1,817
6,146	3,471	2,023	2,900	4,484	5,769	7,210	6,362	5,933
1,310	2,359	1,656	3,276	1,622	2,607	3,020	1,959	1,270
990	666	741	364	1,162	1,019	796	383	458
—	—	—	—	—	—	—	857	736
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	3,141	2,962
—	—	—	—	—	—	—	1,276	1,764
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
39,885	31,749	28,440	33,444	36,114	47,079	47,955	33,694	27,834

readings were added or substituted for those formerly in use.

ACCOUNT II

ANNEX B

3.—DEPARTMENT OF

A RETURN OF EXPENSES incurred in the DEPARTMENT OF THE ROYAL MEWS (formerly
Expended in each year under various headings

	1923.	1924.	1925.	1926.
	£	£	£	£
Liveries	2,995	3,369	2,738	2,890
Forage	4,173	3,749	3,450	3,329
Faيريery	853	837	702	543
Horses	1,461	1,602	1,268	681
Carriages and Motor Cars	908	1,165	1,431	757
Harness and Saddlery	2,178	4,973	1,156	2,441
...	493	1,190	781	236
Sundry Expenses	4,598	1,552	2,253	1,769
Travelling Expenses	6,017	5,676	6,661	4,741
Stud and Park Expenses	1,064	894	1,271	853
Upholstery	233	301	242	193
Charing Expenses	686	729	694	738
Thoroughbred A/c.	—	—	—	29
Fuel, Electricity and Gas	2,154	2,335	2,260	2,232
Sundry Allowances	1,544	1,393	1,238	1,367
Training Establishment	429	386	216	103
Engineering Services	—	—	—	—
TOTAL	29,786	30,151	26,361	22,844

—continued.

—continued.

THE ROYAL Mews—continued.

DEPARTMENT of the MASTER OF THE HORSE), showing the Net Amount from 1st January, 1910, to 31st December, 1934.

1927.	1928.	1929.	1930.	1931.	1932.	1933.	1934.
£	£	£	£	£	£	£	£
2,772	2,799	2,816	2,916	2,668	2,530	2,322	2,662
3,575	4,071	3,706	3,336	2,859	2,683	2,321	2,599
534	627	495	483	505	391	480	400
1,778	2,305	226	1,312	386	382	821	977
977	1,117	1,729	1,143	661	943	858	834
3,004	1,642	4,573	1,539	3,279	2,024	1,607	1,328
703	811	877	1,095	725	733	910	535
1,625	1,624	2,612	1,619	1,468	1,094	1,066	1,180
5,619	4,034	1,597	3,636	4,385	2,915	3,268	4,234
1,378	1,180	889	1,769	1,282	399	257	478
321	212	214	388	131	269	191	316
793	770	778	767	783	857	819	904
6	358	74	68	76	93	341	477
2,506	2,094	2,666	2,639	2,671	2,523	2,406	2,525
1,610	1,551	1,515	1,473	1,555	1,519	1,551	1,667
140	168	314	141	108	6	—	—
—	—	245	1,103	882	116	—	—
27,329	24,647	25,178	25,291	24,424	18,493	18,536	20,162

ACCOUNT III.

CIVIL LIST PENSIONS.

STATEMENT OF AMOUNTS ISSUED FROM THE EXCHEQUER IN EACH YEAR OF
HIS MAJESTY'S REIGN.

						£	s.	d.
Amounts issued from the Exchequer in the year ending 31st March, 1911						24,963	5	0
"	"	"	"	"	"	1912	25,190	6 8
"	"	"	"	"	"	1913	25,911	14 9
"	"	"	"	"	"	1914	26,001	5 5
"	"	"	"	"	"	1915	25,332	10 2
"	"	"	"	"	"	1916	25,572	8 0
"	"	"	"	"	"	1917	24,937	1 9
"	"	"	"	"	"	1918	23,769	4 11
"	"	"	"	"	"	1919	24,524	0 0
"	"	"	"	"	"	1920	24,828	14 0
"	"	"	"	"	"	1921	24,206	4 2
"	"	"	"	"	"	1922	23,460	5 0
"	"	"	"	"	"	1923	24,379	3 5
"	"	"	"	"	"	1924	22,910	7 6
"	"	"	"	"	"	1925	22,238	3 0
"	"	"	"	"	"	1926	22,385	18 7
"	"	"	"	"	"	1927	22,686	6 1
"	"	"	"	"	"	1928	22,754	17 8
"	"	"	"	"	"	1929	23,083	1 7
"	"	"	"	"	"	1930	22,810	17 11
"	"	"	"	"	"	1931	22,318	14 8
"	"	"	"	"	"	1932	22,375	1 5
"	"	"	"	"	"	1933	22,365	3 7
"	"	"	"	"	"	1934	22,539	6 8

ACCOUNT IV.

WOODS, FORESTS AND LAND REVENUES
(now Crown Lands).STATEMENT in continuation of ACCOUNT IV appended to REPORT OF
COMMITTEE ON CIVIL LIST of 1910.

Year ended 31st March	Gross Income.			Gross Expenditure excluding Expenses of Head Office Voted.			Payments into Exchequer out of Net Income.			Vote for Office Expenses (actual expenditure).			Net Contributions to Revenue subject to reduction by the Amounts stated in Note*.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
10	644,704	9	0	156,234	13	3	480,000	0	0	20,748	12	2	459,251	7	10
11	678,014	16	8	159,880	16	7	500,000	0	0	21,677	6	2	478,322	13	10
12	703,290	13	9	173,778	7	10	530,000	0	0	21,331	2	1	508,668	17	11
13	705,205	2	0	182,416	16	9	530,000	0	0	20,511	9	1	509,488	10	11
14	730,319	0	7	186,660	3	9	530,000	0	0	21,756	17	7	508,243	2	5
15	727,350	1	10	192,157	16	5	545,000	0	0	21,490	10	5	523,509	9	7
16	782,543	12	11	207,544	12	4	550,000	0	0	21,406	19	7	528,593	0	5
17	982,836	18	6	329,366	3	7	650,000	0	0	21,674	18	11	628,325	1	1
18	1,057,190	4	6	364,430	2	2	690,000	0	0	20,828	1	6	669,171	18	6
19	1,115,185	10	10	367,561	18	4	760,000	0	0	24,564	1	9	735,435	18	3
20	1,156,790	7	8	477,859	12	2	680,000	0	0	29,957	0	6	650,042	19	6
21	1,234,654	10	7	549,313	16	2	660,000	0	0	41,241	7	10	618,758	12	2
22	1,295,612	14	11	524,118	16	9	820,000	0	0	39,593	7	5	780,406	12	7
23	1,441,816	7	2	527,477	3	3	900,000	0	0	32,040	14	2	867,959	5	10
24	1,426,179	12	7	506,686	16	6	920,000	0	0	28,317	12	5	891,682	7	7
25	1,398,137	14	0	438,986	11	10	960,000	0	0	25,102	2	0	934,897	18	0
26	1,391,340	3	2	439,111	8	11	950,000	0	0	26,751	2	4	923,248	17	8
27	1,500,438	8	9	483,655	10	9	1,010,000	0	0	26,978	15	10	983,021	4	2
28	1,595,843	3	11	546,970	7	6	1,070,000	0	0	27,539	8	10	1,042,460	11	2
29	1,678,341	13	8	464,759	3	6	1,210,000	0	0	28,044	1	10	1,181,955	18	2
30	1,735,863	19	3	433,253	7	7	1,290,000	0	0	30,164	3	1	1,259,835	16	11
31	1,764,238	17	9	479,040	16	7	1,280,000	0	0	33,327	9	2	1,246,672	10	10
32	1,777,156	11	11	534,050	8	0	1,250,000	0	0	31,750	1	8	1,218,249	18	4
33	1,791,753	17	5	580,488	19	10	1,220,000	0	0	32,272	14	9	1,187,727	5	3
34	1,841,321	2	5	606,976	4	5	1,230,000	0	0	31,854	9	6	1,198,145	10	6
35	1,924,406	1	5	594,478	16	2	1,320,000	0	0	32,573	18	5	1,287,426	1	7

* In addition to the sums stated in Column 4, being the Expenditure from the Vote for the use of Commissioners of Crown Lands, other expenses amounting to about £13,400 a year upon Votes of Parliament in connection with that Department, viz., for pensions, stationery, printing, office accommodation and legal expenses.

ACCOUNT V.

SMALL BRANCHES OF HEREDITARY REVENUE.

1910-11 to 1934-35 inclusive.

	Exchequer Receipts.			Less Salary, etc., of Receiver of Hereditary Revenue paid from Votes.			Net Receipts.		
	£	s.	d.	£	s.	d.	£	s.	d.
Financial year ending 31st March, 1911	28,930	13	0	445	0	0	28,485	13	0
" " " 1912	17,984	19	7	445	0	0	17,539	19	7
" " " 1913	33,893	17	6	445	0	0	33,448	17	6
" " " 1914	19,628	0	3	445	0	0	19,183	0	3
" " " 1915	123,512	14	5	445	0	0	123,067	14	5
" " " 1916	24,355	12	0	445	0	0	23,910	12	0
" " " 1917	39,158	3	0	445	0	0	38,713	3	0
" " " 1918	30,444	1	6	266	0	8	30,178	0	10
" " " 1919	68,389	11	10	—	—	—	68,389	11	10
" " " 1920	51,483	15	1	—	—	—	51,483	15	1
" " " 1921	*55,290	13	8	—	—	—	*55,290	13	8
" " " 1922	59,272	6	10	—	—	—	59,272	6	10
" " " 1923	29,762	18	2	—	—	—	29,762	18	2
" " " 1924	50,539	4	1	—	—	—	50,539	4	1
" " " 1925	106,601	12	2	—	—	—	106,601	12	2
" " " 1926	79,057	2	2	—	—	—	79,057	2	2
" " " 1927	69,789	9	9	—	—	—	69,789	9	9
" " " 1928	86,032	5	11	—	—	—	86,032	5	11
" " " 1929	130,798	1	3	—	—	—	130,798	1	3
" " " 1930	150,944	1	6	—	—	—	150,944	1	6
" " " 1931	82,797	3	0	—	—	—	82,797	3	0
" " " 1932	97,353	4	8	—	—	—	97,353	4	8
" " " 1933	67,195	8	2	—	—	—	67,195	8	2
" " " 1934	104,276	16	5	—	—	—	104,276	16	5
" " " 1935	108,145	11	6	—	—	—	108,145	11	6

* In 1921 there was, in addition, a Special Receipt of £2,527,780 16s. 7d. by the Supreme Court of Judicature in respect of Droits of Admiralty—Naval Prize Account.

Note.—A sum of about £4,500 per annum, derived from fines and forfeitures received in the Justiciary and Sheriff's Court in Scotland, parts of the Hereditary Revenue, has been appropriated in aid of the Vote for Law Charges in Scotland. This falls to be added to the above figures.

ACCOUNT VI.

PAYMENTS made to HIS MAJESTY out of the REVENUES of the DUCHY OF LANCASTER.

DUCHY OF LANCASTER.

AMOUNTS paid over to HIS MAJESTY'S PRIVY PURSE from the year 1910 to the year 1934 (inclusive).

	£	s.	d.
1910	64,000	0	0*
1911	65,101	18	1
1912	64,000	0	0
1913	61,000	0	0
1914	61,000	0	0
1915	63,000	0	0
1916	60,000	0	0
1917	58,000	0	0
1918	56,000	0	0
1919	45,000	0	0
1920	43,000	0	0
1921	44,000	0	0
1922	49,000	0	0
1932	60,000	0	0
1924	70,000	0	0
1925	70,000	0	0
1926	70,000	0	0
1927	68,000	0	0
1928	68,000	0	0
1929	62,000	0	0
1930	62,000	0	0
1931	62,000	0	0
1932	63,000	0	0
1933	82,000	0	0
1934	85,000	0	0

In addition to the above sums £100,000 was transferred to His Majesty's Privy Purse in the year 1921 from Capital Account, under the Duchy of Lancaster (Application of Capital Moneys) Act, 1921.

* This sum was allocated thus:—£43,000 to the Executors of H.M. King Edward VII, and £21,000 to H.M. King George V.

ACCOUNT VII.

PENSIONS TO MEMBERS OF THE HOUSEHOLDS OF PREVIOUS SOVEREIGNS.

AMOUNT of the charge on the CONSOLIDATED FUND on 1st January, from 1911 to 1936
in respect of Pensions of Household Servants of previous reigns.

	Under Civil List Act, 1901.	Under Civil List Act, 1910.
	£	£
1st January, 1911	13,951	16,735
" 1912	13,310	16,316
" 1913	12,570	17,367
" 1914	11,597	17,818
" 1915	10,817	16,669
" 1916	10,353	14,854
" 1917	9,593	15,110
" 1918	8,984	14,515
" 1919	8,664	14,422
" 1920	7,950	14,487
" 1921	7,712	15,493
" 1922	7,371	15,531
" 1923	6,167	15,423
" 1924	4,625	14,096
" 1925	4,280	12,066
" 1926	3,898	11,563
" 1927	3,559	13,202*
" 1928	3,081	13,036
" 1929	2,887	12,504
" 1930	2,701	11,248
" 1931	2,591	10,679
" 1932	1,803	10,453
" 1933	1,580	10,678
" 1934	1,496	10,612
" 1935	1,390	10,451
" 1936	1,308	9,438

* Increase at 1st January, 1927, due to the death of Queen Alexandra, when the servants who had remained with her were finally pensioned.

ACCOUNT VIII.

DUCHY OF CORNWALL.

PAYMENTS made on ACCOUNT of HIS ROYAL HIGHNESS THE PRINCE OF WALES
from 1910 to 1934 inclusive.

			£	s.	d.
Year to 31st December, 1910	...	...	25,000	0	0
"	"	1911	84,500	0	0
"	"	1912	81,350	0	0
"	"	1913	85,719	2	6
"	"	1914	42,106	12	9
"	"	1915	82,547	10	8
"	"	1916	80,500	0	0
"	"	1917	50,000	0	0
"	"	1918	50,000	0	0
"	"	1919	42,000	0	0
"	"	1920	10,000	0	0
"	"	1921	33,736	9	7
"	"	1922	45,395	9	6
"	"	1923	44,434	9	8
"	"	1924	47,556	3	3
"	"	1925	58,112	13	6
"	"	1926	66,713	5	6
"	"	1927	72,917	10	6
"	"	1928	70,619	17	7
"	"	1929	78,381	17	11
"	"	1930	78,747	17	3
"	"	1931	69,454	7	2
"	"	1932	70,014	7	10
"	"	1933	78,307	8	7
"	"	1934	83,028	1	10

1863
1901
1909
1910

60,000
52,000 (74,000?)
87,000
94,000

 PROCEEDINGS OF THE COMMITTEE

 THURSDAY, 19th MARCH, 1936.

Members Present:

The Prime Minister.	Sir George Courthope.
Mr. Attlee.	Mr. Lloyd George.
Sir Ernest Bennett.	Sir John Gilmour.
Mr. Benson.	Mr. Greenwood.
Sir George Bowyer.	Sir Robert Horne.
Sir Henry Cautley.	Mr. Lambert.
Lord Hugh Cecil.	Sir Hugh O'Neill.
Sir Austen Chamberlain.	Mr. Pethick-Lawrence.
Mr. Chancellor of the	Mr. Simpson.
Exchequer.	Sir Archibald Sinclair.
Mr. Churchill.	Earl Winterton.

Mr. Chancellor of the Exchequer was called to the Chair.

The Clerk laid before the Committee the Paper relating to the Civil List referred to them by the Order of the House of the 12th day of this instant March.

The Committee deliberated.

Resolved, That the Committee do meet upon Monday next at half-past Four of the Clock, upon Tuesday next at 11 of the Clock, and upon Wednesday next at half-past Four of the Clock.

Adjourned till Monday next at half-past Four of the Clock.

 MONDAY, 23rd MARCH, 1936.

Members Present:

Mr. CHANCELLOR OF THE EXCHEQUER in the Chair.

The Prime Minister.	Sir George Courthope.
Mr. Attlee.	Sir John Gilmour.
Sir Ernest Bennett.	Mr. Greenwood.
Mr. Benson.	Mr. Lambert.
Sir George Bowyer.	Sir Hugh O'Neill.
Sir Henry Cautley.	Mr. Pethick-Lawrence.
Lord Hugh Cecil.	Mr. Simpson.
Sir Austen Chamberlain.	Sir Archibald Sinclair.
Mr. Churchill.	Earl Winterton.

Colonel The Lord Wigram, Keeper of the Privy Purse and Sir Ralph Harwood, Financial Secretary to the King, attending by request of the Committee, were examined.

The Committee deliberated.

Adjourned till to-morrow at Eleven of the Clock.

TUESDAY, 24th MARCH, 1936.

Members Present:

Mr. CHANCELLOR OF THE EXCHEQUER in the Chair.

Sir Ernest Bennett.
Mr. Benson.
Sir George Bowyer.
Lord Hugh Cecil.
Sir Austen Chamberlain.
Sir John Gilmour.
Mr. Greenwood.

Mr. Lambert.
Sir Hugh O'Neill.
Mr. Pethick-Lawrence.
Mr. Simpson.
Sir Archibald Sinclair.
Earl Winterton.

Sir Edward Peacock, Receiver General, Duchy of Cornwall, attending at the request of the Committee, was examined.

The Committee deliberated.

Resolved, That in addition to the meetings already arranged, the Committee do meet on Friday next at Eleven of the Clock.

Adjourned till To-morrow at Four of the Clock.

WEDNESDAY, 25th MARCH, 1936.

Members Present:

Mr. CHANCELLOR OF THE EXCHEQUER in the Chair.

The Prime Minister.
Mr. Attlee.
Sir Ernest Bennett.
Mr. Benson.
Sir George Bowyer.
Sir Henry Cautley.
Lord Hugh Cecil.
Sir Austen Chamberlain.
Mr. Churchill.

Sir George Courthope.
Mr. Lloyd George.
Sir John Gilmour.
Mr. Greenwood.
Mr. Lambert.
Sir Hugh O'Neill.
Mr. Pethick-Lawrence.
Mr. Simpson.
Earl Winterton.

Sir John Davidson, Chancellor of the Duchy of Lancaster, a Member of the House and Mr. Ormsby-Gore, First Commissioner of Works, a Member of the House, attending by request of the Committee, were examined.

Adjourned till Friday at Eleven of the Clock.

FRIDAY, 27th MARCH, 1936.

Members Present:

Mr. CHANCELLOR OF THE EXCHEQUER in the Chair.

The Prime Minister.	Sir John Gilmour.
Mr. Attlee.	Mr. Lambert.
Mr. Benson.	Mr. Pethick-Lawrence.
Lord Hugh Cecil.	Mr. Simpson.
Sir Austen Chamberlain.	Sir Archibald Sinclair.
Mr. Churchill.	

Sir Frederick Phillips, an Under-Secretary to the Treasury, attending by request of the Committee, was examined.

The Committee deliberated.

Adjourned till a day to be fixed by the Chairman.

The Chairman subsequently directed the Members to be summoned to meet again on Tuesday, 7th April, at Five of the Clock.

TUESDAY, 7th APRIL, 1936.

Members Present:

Mr. CHANCELLOR OF THE EXCHEQUER in the Chair.

The Prime Minister.	Sir John Gilmour.
Mr. Attlee.	Mr. Greenwood.
Mr. Benson.	Sir Robert Horne.
Sir George Bowyer.	Mr. Lambert.
Sir Henry Cautley.	Sir Hugh O'Neill.
Lord Hugh Cecil.	Mr. Pethick-Lawrence.
Sir Austen Chamberlain.	Mr. Simpson.
Mr. Churchill.	Sir Archibald Sinclair.
Sir George Courthope.	Earl Winterton.

Draft Report, proposed by the Chairman, brought up and read the first time.

Ordered, That the Draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 4 read and agreed to.

Paragraph 5 read, amended and agreed to.

Paragraph 6 read and agreed to.

A paragraph brought up and read the first time as follows:—

“Your Committee have considered the position resulting from the fact that the Sovereign as Duke of Lancaster has received a large and increasing annual payment from the revenues of that duchy. Your Committee are of the opinion that it is desirable that the principle already applied to the bulk of the Crown Lands should now be extended to the Duchy of Lancaster, and that while it may be desirable to maintain the separate administration which has been in existence so long, the revenues of the Duchy should in future be surrendered to the Exchequer. In return for the surrender Your Committee recommend that £80,000

should be added to the amount payable annually to the Privy Purse. Your Committee make this recommendation on the grounds that the Sovereign experienced the disadvantages of a fluctuating revenue in the course of the last reign, and that it would be to the monarch's advantage to be possessed of an entirely fixed income. They are moreover of the opinion that it is undesirable that there should be a risk of the Sovereign, as a large owner of certain kinds of private property, becoming involved in controversial political issues."—[*Major Attlee.*]

Motion made, and Question put, "That the paragraph be read a second time".

The Committee divided: Ayes, 5; Noes, 13.

Ayes.	Noes.
Mr. Attlee.	The Prime Minister.
Mr. Benson.	Sir George Bowyer.
Mr. Greenwood.	Sir Henry Cautley.
Mr. Pethick-Lawrence.	Lord Hugh Cecil.
Mr. Simpson.	Sir Austen Chamberlain.
	Mr. Churchill.
	Sir George Courthope.
	Sir John Gilmour.
	Sir Robert Horne.
	Mr. Lambert.
	Sir Hugh O'Neill.
	Sir Archibald Sinclair.
	Earl Winterton.

Another paragraph brought up and read the first time as follows:—

"(1.) For the same reasons Your Committee are of the opinion that similar principles should be applied to the Duchy of Cornwall. They recommend that in return for such a surrender the guardians of the Prince of Wales when a minor should receive an annuity chargeable on the Consolidated Fund of £10,000 per annum to be increased to £50,000 on the Prince's coming of age.

(2.) Under section 4 of the Civil List Act 1910, provision was made that, in the event of the marriage of His Royal Highness the Prince of Wales, there should be paid to Her Royal Highness the Princess of Wales, during the continuance of her marriage, an annuity of £10,000 and an annuity of £30,000 in the event of her surviving her husband. Your Committee recommend that similar provision be repeated for a future Princess of Wales."—[*Major Attlee.*]

Motion made and Question, "That the paragraph be read a second time"—put, and negatived.

Paragraph 7 read, amended and agreed to.

Paragraphs 8 to 15 read and agreed to.

Paragraphs 16 to 19 read, amended and agreed to.

Paragraph 20 read and agreed to.

Paragraph 21 read, amended and agreed to.

Paragraph 22 read and agreed to.

Paragraph 23 read, amended and agreed to.

Paragraph 24 read and agreed to.

Paragraph 25 read, amended and agreed to.

Appendix read and agreed to.

Resolved, That the Draft Report, as amended, be the Report of the Committee to the House.



BOARD OF TRADE

Survey of Industrial Development, 1933

Particulars of factories opened,
extended and closed in 1933
with some figures for 1932

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INDUSTRIAL DEVELOPMENT IN 1933.

REGIONAL DIVISIONS.

<i>Region.</i>	<i>Area.</i>	<i>Page.</i>
I. South and South West ...	1. Hants, Dorset, Wilts, Somerset, Devon and Cornwall (South Western Area)	22
	2. Bucks, Berks, and Oxon	22
	3. Kent* and Sussex	22
II. Greater London (comprising the Counties of London, Middlesex and Surrey; Maldon, Chelmsford, Ongar, Epping and other parts of South Essex; Gravesend, Sevenoaks and other parts of West Kent; and Barnet and other parts of South Hertfordshire).	1. West	23
	2. South West (including Surrey)	24
	3. North West	24
	4. North	25
	5. Central	25
	6. East	26
	7. North East	26
	8. South East	27
III. Wales (including Monmouthshire).	... ..	27
IV. The Midlands	1. Gloucester, Worcester, Salop, Hereford	28
	2. Wolverhampton District	28
	3. Walsall District	28
	4. Birmingham District	28
	5. Coventry District	29
	6. Northampton District	29
	7. Nottingham, Derby and the Potteries	29
	8. Leicester District	29
V. Eastern Counties... ..	1. Beds and Herts*	30
	2. Norfolk, Suffolk, Cambridge, Hunts, parts of Lincoln and Essex*	30
VI. North West	1. Liverpool and West Cheshire	31
	2. Stockport District	31
	2. Warrington and St. Helens Districts.	31
	4. Salford... ..	32
	5. Manchester	32
	6. Ashton-under-Lyne District	32
	7. Wigan District	33
	8. Bolton and Bury Districts	33
	9. Oldham and Rochdale Districts	33
	10. Blackburn and Burnley Districts	33
	11. North Lancs, Westmoreland and Cumberland	33
VII. North East	1. Sheffield and Rotherham Districts.	34
	2. Huddersfield and Halifax Districts	34
	3. Wakefield District	34
	4. Bradford and Keighley Districts	35
	5. Leeds and York Districts	35
	6. Hull and Grimsby Districts	35
	7. Northumberland, Durham and part of North Riding of Yorkshire (North East Coast)	35
VIII. Scotland ... ..	... ..	36

* Excepting the parts included in Greater London.

SURVEY OF INDUSTRIAL DEVELOPMENT FOR 1933

Particulars of factories opened,
extended and closed in 1933

with some figures for 1932

1. Introductory.—The purpose of this Survey is to show the extent to which industrial development in the form of new factories and factory extensions took place in Great Britain during the year 1933, together with the areas in which it took place, and the nature of the trades contributing to such development. In order to balance the results shown by the Survey, an attempt has also been made to give comparable particulars of factories closed down during the year. The Survey has been made by the Board of Trade on the basis of reports received from H.M. Inspectors of Factories and information collected by the Ministry of Labour through their local officers.

Paragraphs 3 to 15 contain a general examination of the more noteworthy information revealed by the Survey. Paragraph 16 and tables 1, 2 and 3 annexed to it show, for purposes of comparison, the position at the end of December, 1933, of factories opened, extended and closed in 1932 and in 1933, grouped by regions, by areas and by industries respectively. The Appendix contains a detailed list, arranged by areas, of factories opened, extended and closed during 1933.

2. Scope of the Survey.—This Survey gives particulars of the establishment of new factories, of extensions to existing factories and of factories closed down, during the year 1933 in cases where 25 or more people are, or have been, employed. Establishments (such as laundries and dry cleaning works) not engaged in manufacture or in the processing of new goods have not been included.

3. Arrangement of and general position disclosed by the Survey.—For the purpose of the Survey Great Britain has been divided into 41 areas, which in turn have been grouped into 8 regions. For each of the areas particulars have been given of the products of the new factories and the towns in which the factories are situated. The Survey discloses that 463 new factories employing 29,500 people were established in 1933, that there were 95 factory extensions, and that 409 factories were closed down.

The regional distribution of these factories is as follows :—

<i>Regions.</i>	<i>New factories.</i>	<i>Employment afforded by new factories.</i>	<i>Factory extensions.</i>	<i>Factories closed down.</i>
I. S. & S.W. England ...	20	1,150	4	10
II. Greater London ...	220	13,450	25	107
III. Wales and Monmouthshire.	2	450	—	2
IV. The Midlands ...	63	3,450	27	94
V. The Eastern Counties...	17	1,850	8	12
VI. N.W. England ...	94	6,200	17	109
VII. N.E. England ...	33	1,750	10	46
VIII. Scotland ...	14	1,200	4	29
Total ...	463	29,500	95	409

The employment afforded by factory extensions and the numbers employed in factories closed down cannot be stated (*see* paras. 10 and 11).

Details of the distribution by areas will be found in Table 2 (page 18).

4. Employment in new factories.—The figures given under the heading of employment show the approximate numbers actually employed at the end of December, 1933, except in a few special cases of seasonal trades (e.g., the canning industry) where the employment at that date afforded no real indication of the size of the new undertaking, and figures related to a date when employment was more representative have therefore been used. The majority of the new undertakings employ between 25 and 100 workers and the average over the whole field is 64. Eighty-nine of the new factories employ over 100 people as follows :—

<i>Employment range.</i>	<i>No. of factories.</i>
100-200 ...	62
200-300 ...	19
300-400 ...	6
Over 400 ...	2

5. Transfers.—Sixty-five of the new factories represent transfers from other areas and this fact has been shown in the Survey where it has emerged. Transfers of factories within the same area have been ignored, as amounting to no more than a local change of address. The present regional distribution of the 65 factories is as follows :—

Greater London ...	55
North West ...	5
Other regions ...	5
	—
	65
	—

The large proportion in Greater London may be due partly to the fact that the areas into which the Greater London Region has been divided for the purpose of the Survey are smaller than the areas in the other Regions. As transfers inside areas have been ignored, the effect of the division into larger areas in the Regions other than London has been to make the number of transfers appear less in those Regions.

Only six of these transfers are inter-regional, the remainder being transfers from one area to another in the same Region. Of the six inter-regional transfers three are to Greater London from the N.W., N.E., and S. and S.W. Regions, two are transfers from Greater London to the Eastern Counties and the sixth from the N.E. Region to the S. and S.W. Region. Only three of these factories therefore can be said to have moved from the North to the South of England and in two of the three cases the factories were engaged in the production of aircraft and the transfer was dictated by technical reasons. This is the only evidence that has been discovered of "the drift of industry to the South" in the sense that new factories in the South are the results of transfers from the North.

6. Reasons for location of the new factories.—An attempt has been made to obtain some information as to the motives which influence industrialists in the choice of sites for their factories. This information was obtained verbally and is in many respects vague and incomplete, as there was little opportunity for the careful and exhaustive questions necessary to secure reliable statistics. Despite, however, the incomplete and somewhat unreliable nature of the reports it has been felt, in view of the interest shown in the movement of industries and of the inadequate information available generally on the subject, that it would be desirable to include in the Survey a classification of the reports which were obtained in 332 cases. This classification will be found in the following table. Where, as in some cases, more than one reason has been given, the classification has been based on what appears to be the main reason:—

	<i>Cases.</i>
(a) Accessibility of raw materials	35
(b) Proximity to markets	35
(c) Suitability of labour	23
(d) Cheap land, low rent or low rates	14
(e) Proximity to other factories in the same industry	65
(f) Convenience of premises	90
(g) Branch factories	47
(h) Proximity to employer's residence	17
(i) Transfer as part of process of rationalisation ...	6
	<hr/> 332 <hr/>

(a) *Accessibility of raw materials.*—The leading cases are steel in the North East (5), textiles in the North West (6), timber (4), fruit, vegetables and fish for canning (5) mostly in the South and East of England.

(b) *Proximity to markets.*—Fifteen of the 35 cases are in the London region, where the proximity of the largest and wealthiest consuming market in the country constitutes a powerful attraction. The remainder are distributed over the country.

(c) *Suitability of labour.*—Of the 23 cases seven are in Lancashire and five in the Midlands; the industries are varied, including slippers, gloves, carpets, food products, mica, wire springs and stationery.

(d) *Cheap land, low rent or low rates.*—Of these 14 cases eight are in the outer London areas and probably represent the attraction of those areas as against the inner London districts where land is dearer and rents are higher.

(e) *Proximity to other factories in the same industry.*—Of these 65 cases nine are in the hosiery trade in Leicester, 18 in the textile industries in Lancashire, and 13 in the textile industries in Yorkshire. These cases represent the natural development of localised industries.

(f) *Convenience of premises.*—This classification contains the largest number and constitutes 27 per cent. of the total. Of these 90 cases, no less than 63 are in the Greater London Region, and it would appear that in Greater London special considerations of an industrial or labour kind do not loom so large as in the areas of localised industries and that general considerations of suitability are of greater importance.

(g) *Branch factories.*—47 of the new factories are branch factories and are distributed over the country in the following manner :—

N.W. England	15
The Midlands	12
Greater London	8
S. & S.W. England	6
N.E. England	4
Scotland	2
Total	47

(h) *Proximity to employer's residence.*—In these cases the explanation of the choice of site lies in the fact that the employer wishes the factory to be convenient of access from his residence.

7. Export Connections of the new factories.—Information has also been obtained which shows that 123 of the factories established in 1933 have connections with the export trade.

Table of geographical distribution of new factories with export connections:—

South and South West of England	9
Greater London	43
The Midlands	20
The Eastern Counties	9
North West England	21
North East England	19
Scotland	2
Total	123

The 43 factories in the London Region are engaged in the following industries:—

- 16 Clothing, largely dresses and gowns.
- 7 Metal and engineering products such as bearings, motor cars and parts.
- 3 Toilet and chemical preparations.
- 3 Toys.
- 2 Food products.

The remainder produce such miscellaneous commodities as calculating machines, erinoid buttons, tinsel, fireworks, stationery, etc.

8. Power used in the new factories.—In over 90 per cent. of the new factories electricity is the sole form of power adopted.

9. " Foreign " factories.—The number of factories established by, or with the assistance of, foreign concerns included in the total of 463 was 37 as against 122 out of 636 in 1932. The following table shows the nationality of the foreign concerns involved:—

German	10
American	8
Belgian	4
Dutch	4
Italian	3
French	2
Swiss	2
Other	4

Of the 37 factories, 22 are in the Greater London area, 5 in the Midlands, 4 in South and South-West England, 3 in the Eastern

Counties, 2 in the North-Western Region and 1 in the North-Eastern Region. The 37 firms provided employment for 3,465 workpeople and their industrial classification is as follows:—

Clothing	9
Iron and Steel :	
(a) Primary and secondary processes	5
(b) Engineering	3
Textiles	4
Paper, Printing and Stationery	3
Food, Drink and Tobacco	3
Miscellaneous	10

10. **Factory extensions.**—In view of the difficulty in many cases of separating the employment originally provided by a factory from the additional employment provided by an extension to that factory, it is not possible to give exact figures of the employment afforded by extensions. Having regard to the condition for the inclusion of an extension in the Survey, namely, that additional employment for at least 25 people must be involved, and to the fact that some of the extensions are considerable, in one case involving more than 1,000 workers, it is clear that the employment provided by these extensions exceeds 3,000.

11. **Factories closed down.**—Employment figures for factories closed down which are comparable with the employment figures of the new factories are not available. In many cases the closing down of the factory is the final stage of a process extending over several years and any employment figure relating to the period immediately before the closing would be misleading. Where it has been possible to secure information, an attempt has been made to distinguish closures due to the transfer of the work to some new factory in another area, or to an existing factory in the same ownership. The Survey shows 70 cases of the former kind and 62 cases of the latter kind distributed as follows:—

<i>Region.</i>	(a)	(b)
	<i>Factories closed down on transfer to another area.</i>	<i>Factories closed down on transfer of work to another factory in the same ownership.</i>
I. S. & S.W. England ...	1	1
II. Greater London ...	52	7
III. Wales and Monmouthshire.	—	—
IV. The Midlands	3	15
V. The Eastern Counties...	1	1
VI. N.W. England	10	22
VII. N.E. England	3	10
VIII. Scotland	—	5
Total	70	62

The large number in Greater London under (a) is related to the large number of new factories established in that Region by transfer which are referred to in paragraph 5 above. The concentration of the factories under (b) in the N.W., N.E. and Midlands Regions may be connected with the processes of re-organisation which are proceeding in some of the old-established industries in those Regions.

12. **Trade Classification of factories.**—A general trade classification of the new factories is set out in the following statement. A certain of the trade groups mentioned below concern a number of industries some of which are expanding more rapidly than others and some contracting, the more important of the trade groups are analysed in subsequent paragraphs.

<i>Trade Group.</i>	<i>New Factories.</i>	<i>Factory extensions.</i>	<i>Factories closed down.</i>
1. Non-metalliferous mining products.	12	1	—
2. Bricks, pottery, glass, etc.	12	—	3
3. Chemicals	14	3	13
4. Iron and steel, primary and secondary processes.	31	11	37
5. Engineering	46	14	58
6. Vehicles	15	9	14
7. Non-ferrous metals	8	3	13
8. Textiles	62	13	113
9. Leather	11	1	3
10. Clothing	114	18	79
11. Food, drink and tobacco ...	38	9	14
12. Timber	34	4	22
13. Paper, printing and stationery.	31	4	18
14. Miscellaneous	35	5	22
Totals	463	95	409

It will be observed that in groups numbered 1, 2, 6, 9, 10, 11, 12, 13 and 14, the number of factories opened and extended was greater than the number of factories closed down. In the groups numbered 3, 4, 5, and 7 the number of new factories and extensions roughly balance the number closed down. The Textile group alone (No. 8) shows definite contraction, having 113 factories closed as against 62 opened and 13 extended.

The following notes are intended to show the industries which have been mainly responsible for the new undertakings in these various trade groups and the areas which have most benefited from the expansion. In some cases figures, giving corresponding particulars for the year 1932, have been added: in computing these figures the corrections described in paragraph 16 below have been made.

13. **Trades showing an increase in the number of factories.**—(a) *Non-Metalliferous Mining and Quarrying Products.*—Of the 12 new factories in this group of industries, 8 are engaged in the production of building materials, and 4 of these are concerned with producing materials of various kinds made from concrete. Four of the 12 factories are in London, the remainder being widely scattered over the country.

(b) *Bricks, Pottery and Glass.*—Most of the 12 new factories are engaged in the production of bricks and tiles, and are scattered over the country. Two are making glass products, milk bottles at Rotherham and pressed glass ware at Manchester.

(c) *Vehicle trades.*—The following table shows the industrial movement in these trades in 1933, the figures in brackets relating to 1932 :—

			<i>Factories opened.</i>	<i>Factories extended.</i>	<i>Factories closed.</i>
Motorcars, etc.	...	...	10	7	9
Aircraft	...	...	4	1	3
Miscellaneous	...	...	1	1	2
			—	—	—
Total	...	...	15 (17)	9 (8)	14 (29)
			—	—	—

Of the 10 factories engaged in the production of motor-cars, etc., 2 produce motor bodies, 2 gears and gear cases and the remainder accessories, side-cars, etc. They are mostly in the Birmingham Area and the North-Western Area of Greater London.

(d) *Leather.*—Four of the new factories and one extension are at Northampton, one being a tannery for shark skins and another a factory for dressing reptile skins. Three new factories produce fancy leather goods—1 in London and 2 at Walsall.

(e) *Clothing trades.*—This important group can be sub-divided as follows, the figures in brackets relating to 1932 :—

<i>Industry.</i>		<i>New Factories.</i>	<i>Factories extended.</i>	<i>Factories closed down.</i>
Clothing	...	85 (105)	15 (8)	55 (33)
Hats and caps	...	4 (7)	1 (—)	2 (8)
Gloves	...	3 (7)	— (2)	— (—)
Boots and shoes	...	16 (15)	2 (3)	21 (12)
Furs	...	6 (2)	— (1)	1 (1)
		—	—	—
Total	...	114 (138)	18 (14)	79 (56)
		—	—	—

The most important section is clearly Clothing which covers a wide range of articles including gowns, dresses and coats, waterproofs, leather coats, pyjamas, underwear, shirts, handkerchiefs, corsets and children's clothing. In the branch of the industry concerned with the production of gowns and dresses (the "making-up" trades) 44 factories were opened and 23 were closed.

Of the 85 new factories in the clothing trade, 58 are in London, 18 in the North West and 6 in the North East Regions. Of the 55 closed factories, 27 are in Greater London, 12 in the North West, and 7 in the North East Regions.

The distribution of this trade by locality is, to some extent, specialised. Leeds is largely the centre of the wholesale bespoke clothing industry; Manchester and Salford have a very large proportion of the raincoat and waterproof industry. The "making-up" trade is largely divided between London (especially the Central districts) and Manchester.

Of the 16 new factories in the boot and shoe industry, 7 are in London, 3 (slippers and sandals) in Lancashire, 3 in Northampton and 3 in the Eastern Counties. Of the 21 factories closed down, 10 are in Leicester, 5 in London and 4 in Northampton.

(f) *Food, Drink and Tobacco*.—The main divisions among the 38 new factories in this group are the following:—

Cattle, dog and poultry foods	3
Bread and biscuits	4
Cocoa, sugar and confectionery	5
Bacon curing and sausages	3
Preserved meat, fish, fruit and vegetables	13
Butter, cheese and margarine	4

Three of the 4 factories engaged in the production of bread and biscuits and 3 of the 13 in the preserved meat, fish, etc., group, employ over 100 workers.

Of the 5 firms engaged in the cocoa, sugar and confectionery trades, 4 are engaged in the production of confectionery and 1 of chocolate. In the preserved meat, fish, etc., group, 6 firms are engaged in canning and 3 are engaged in the production of cooked meats.

(g) *Timber Group*.—This is divided into two sections, (1) the timber trades, where 13 factories were opened, 2 extended and 4 closed and (2) the furniture trades, where 21 factories were opened, 2 extended and 18 closed.

Of the 13 new factories in the timber trades 8 are in London and 4 in the North West; they are engaged in the production of miscellaneous articles such as wooden boxes, portable buildings, cork products, wooden handles and joinery products.

Of the 21 new factories in the furniture group, 12 are in London and 7 in the North West. Five of the 18 closed down were in London and 3 in the Midlands. The majority of the firms both in the new and closed down factories were engaged in cabinet making, the remainder manufacturing upholstery and soft furnishings.

(h) *Paper, Printing and Stationery*.—The statistics for this group of trades are as follows, the figures in brackets relating to 1932 :—

<i>Industry.</i>	<i>New Factories.</i>	<i>Factory extensions.</i>	<i>Factories closed down.</i>
Paper trade	7	2	1
Stationery trades	3	1	2
Printing, bookbinding, etc.	12	1	10
Cardboard boxes	9	—	5
Total	31 (27)	4 (9)	18 (14)

Of the 7 new factories of the Paper trade, 3 are in London, 2 in Kent and 2 in the North West.

The main sections in the Printing and Book-binding trade are letterpress printing, lithographic printing, book-binding, posters, etc. The largest section is letterpress printing, in which 6 new factories were opened in London and 4 closed in the same Region.

Six of the 9 new factories producing cardboard boxes, and 3 of the 5 factories closed down were in London.

(i) *Miscellaneous Group of Trades*.—The industries contained in this miscellaneous group are as follows :—

<i>Industry.</i>	<i>Factories opened.</i>	<i>Factory extensions.</i>	<i>Factories closed down.</i>
Buttons, etc.	6	1	1
Brushes	4	—	—
Scientific instruments	6	1	5
Building and contracting	1	—	3
Sports requisites, games, toys, etc.	8	1	3
Rubber trade	3	1	2
Musical instruments	2	—	6
Miscellaneous	5	1	2
Total	35	5	22

Of the 6 new factories in the button, etc., group, 2 factories are making buttons and 3 are engaged in bakelite moulding. In the brush section, three of the new factories are engaged in making shaving brushes and the other one in making tooth brushes. In the scientific instruments group, among the commodities produced are camera bellows, films and spectacle frames. Six new toy factories are in the London Region.

In the musical instruments group, 5 of the 6 factories closed down were making gramophones or accessories, 4 of them being in the London Region.

14. **Trade Groups showing no appreciable increase in the number of factories.**—(a) *Chemicals*.—The 14 new factories are widely scattered and include the production of such commodities as solid carbon dioxide (drikold) at Billingham in the North East, chemical sundries in London, yellow phosphorus at Warrington and pharmaceutical preparations in London and Manchester.

(b) *Iron and Steel (Primary and secondary processes).*—The industries included in this group are shown in the following table, the figures in brackets relating to 1932 :—

<i>Industry.</i>	<i>New Factories.</i>	<i>Factories extended.</i>	<i>Factories closed down.</i>
Smelting and rolling trade ...	7 (3)	1 (2)	8 (12)
Foundries	3 (2)	2 (2)	5 (5)
Chains, nails, screws, etc. ...	4 (6)	1 (1)	2 (4)
Wire	3 (3)	— (1)	3 (3)
Cutlery and tool making ...	2 (14)	3 (9)	7 (4)
Metal smallwares	2 (3)	— (—)	— (—)
Hardware, hollow-ware, metal furniture, etc.	14 (18)	4 (4)	13 (9)
Total	35 (49)	11 (19)	38 (37)

In the smelting and rolling section both the new factories and those closed down are scattered. Two of the 3 new foundries are in London, and all the 5 closed down in the Midlands. In the cutlery group 4 of the factories closed were making tools, 3 of them being in the Birmingham area. In the hardware etc. section, three of the new factories and 6 of those closed down were engaged in making metal furniture; 5 of the new factories are in London and 3 in the Birmingham area, where 9 closed down.

(c) *General Engineering.*—Seventeen new factories were opened for the production of such commodities as gas fittings and meters, petrol pumps, scales, catering trade apparatus, air compressors for paint spraying and dairy apparatus. There were 6 extensions; and 39 factories closed down.

Of the 17 new factories in general engineering no less than 13 were in the London region. Of the 39 closed down 7 were in London, 9 in the Midlands, 9 in the North West, 5 in the South East and 5 in Scotland.

(d) *Electrical engineering.*—Twenty-nine new factories were opened; the following are the most important divisions :—

Wireless parts, batteries, bulbs, etc.	11
Meters and transformers	4
Neon tubes for lighting, advertising, etc.	3
Domestic appliances	2
General electrical engineering	2

There were 8 extensions; and 16 factories closed down. Of the latter 6 were concerned with wireless and 3 with general electrical engineering.

Of the 29 new factories, 22 are in London and 4 in Lancashire and of the 16 closed down, 11 were in London and 2 in the Midlands.

(e) *Non-ferrous metals.*—Of the 8 new factories, 3 are producing clocks and parts, one imitation jewellery and one silverware. Six brass making factories closed down and one opened.

Four of the new factories are in Birmingham and 3 in London while 8 of those closed down were in Birmingham.

15. **Trade Group showing contraction in the number of factories.**—The relative changes in the textile group of industries in the year 1933 can be judged by the following table, the figures in brackets relating to 1932:—

<i>Industry.</i>	<i>New Factories.</i>	<i>Factory extensions.</i>	<i>Factories closed down.</i>
Cotton spinning	6 (4)	1 (3)	19 (39)
Cotton weaving	19 (29)	— (2)	26 (38)
Woollen and worsted	16 (15)	1 (10)	17 (18)
Hosiery	14 (32)	6 (11)	22 (19)
Textile finishing	— (3)	1 (1)	19 (11)
Silk and artificial silk	3 (14)	2 (1)	1 (2)
Jute, hemp and linen... ..	3 (—)	2 (1)	2 (7)
Miscellaneous	1 (9)	— (1)	7 (3)
Total	62 (106)	13 (30)	113 (137)

Cotton Spinning.—15 of the 19 cases of closing down are stated to be due to the trade depression.

Cotton Weaving.—Of the 19 new factories 7 are described as “self-help” factories where the capital for restarting is largely subscribed by unemployed weavers in order to obtain employment. 15 of the 26 cases of closing down are described as due to trade depression.

Woollen and Worsted.—In 6 of the 17 cases of closing down the reason given is the trade depression.

Hosiery.—Seven of the factories opened and 14 of the factories closed were in the Leicester district.

Textile Finishing.—10 of the 19 cases of closing down are attributed to rationalisation.

16. **Comparison between 1932 and 1933.**—A similar Survey for the year 1932 was published as a Supplement to the Board of Trade Journal of the 29th June, 1933.

It has been ascertained that 27 of the factories opened in 1932 were closed in 1933. Six of these were closed on transfer; and of the remaining 21, 11 were connected with different branches of the clothing industry. Fourteen of these 26 factories were in Greater London and 6 in Lancashire.

Apart from these changes, enquiries made in connection with the present Survey have brought to light additional information, particularly as to factories closed during 1932, which was not previously available and was not included in the 1932 Survey.

It has, accordingly, been thought advisable to give, for purposes of comparison, particulars of industrial development in 1932 as ascertained at the end of December, 1933, side by side with similar particulars of development in 1933. These particulars, grouped by regions, by areas and by industries, are given in the three tables which follow. In computing the figures for 1932 in these tables the additional information mentioned above has been taken into account.

TABLE 1.

Factories opened, extended and closed in 1932 and in 1933, grouped by Regions.

1. Regions.	2. Factories opened.		3. Factories extended.		4. Factories closed.		5. Employment provided in December, 1933, by factories opened.		6. Total of Cols. 5 and 6.
	1932.	1933.	1932.	1933.	1932.	1933.	1932.	1933.	
	I. South and South West England ...	62	20	19	4	27	10	4,400		1,150	5,550
II. Greater London	261	220	44	25	94	107	21,500	13,450	34,950
III. Wales	10	2	8	—	5	2	850	450	1,300
IV. The Midlands	94	63	32	27	73	94	8,250	3,450	11,700
V. The Eastern Counties	31	17	10	8	13	12	2,450	1,850	4,300
VI. North West England... ..	112	94	20	17	121	109	10,700	6,200	16,900
VII. North East England	46	33	31	10	48	46	3,150	1,750	4,900
VIII. Scotland	20	14	10	4	37	29	2,450	1,200	3,650
Total for all Regions	636	463	174	95	418	409	53,750	29,500	83,250

TABLE 2.

Factories opened, extended and closed in 1932 and in 1933, grouped by Areas.

1.	2. Factories opened.		3. Factories extended.		4. Factories closed.		5. Employment provided in December, 1933, by factories opened.		6. Total of Cols. 8 and 9.	
	1932.	1933.	1932.	1933.	1932.	1933.	1932.	1933.		
I.—South and South West Region.										
<i>Area.</i>										
1. Hants, Dorset, Wilts, Somerset, Devon and Cornwall (S. Western Area) (a).	26	6	13	—	13	5	2,000	500	2,500	
2. Bucks, Berks, and Oxon.	26	11	—	2	7	5	1,400	500	1,900	
3. Kent and Sussex (b)	10	3	6	2	7	—	1,000	150	1,150	
Total for Region I	62	20	19	4	27	10	4,400	1,150	5,550	
II.—Greater London Region.										
<i>Area.</i>										
1. West	62	46	4	5	17	11	4,450	3,200	7,650	
2. South West, including Surrey	23	24	6	7	10	6	2,150	1,300	3,450	
3. North West	30	27	3	1	19	25	3,000	1,200	4,200	
4. North	35	36	5	2	10	12	3,050	2,150	5,200	
5. Central	47	42	—	2	19	21	2,750	1,900	4,650	
6. East (c)	} 52 {	15	} 24 {	6	} 11 {	7	} 3,050 {	1,250	} 5,800 {	
7. North East (c)		19		1		18		1,500		
8. South East		12		11		2		1		8	7	3,050	950	4,000
Total for Region II	261	220	44	25	94	107	21,500	13,450	34,950	

III.—Wales and Monmouthshire Region (a)...	10	2	8	—	5	2	850	450	1,300
IV.—The Midlands Region.									
<i>Area.</i>									
1. Gloucester, Worcester, Salop and Hereford (a).	—	3	—	2	—	—	—	100	100
2. Wolverhampton District...	16	1	6	7	7	5	2,450	50	2,500
3. Walsall District	6	7	—	—	3	1	550	450	1,000
4. Birmingham District	23	23	6	7	17	39	1,500	1,400	2,900
5. Coventry District	2	2	2	5	10	1	250	100	350
6. Northampton District	11	9	4	2	7	3	950	400	1,350
7. Nottingham, Derby and the Potteries ...	19	7	6	1	4	12	1,650	450	2,100
8. Leicester	17	11	8	3	25	33	900	500	1,400
Total for Region IV	94	63	32	27	73	94	8,250	3,450	11,700
V.—Eastern Counties Region.									
<i>Area.</i>									
1. Bedfordshire and Hertfordshire...	18	6	5	6	10	4	1,250	450	1,700
2. Norfolk, Suffolk, Cambridge, Hunts, parts of Lincoln and Essex (c).	13	11	5	2	3	8	1,200	1,400	2,600
Total for Region V	31	17	10	8	13	12	2,450	1,850	4,300

(a) In 1933 Gloucester was transferred from Area 1 of Region I and the Severn Valley from Region III to form Area 1 of Region IV.

(b) In 1933, Gravesend, Sevenoaks and other parts of N.W. Kent were transferred from Area 3 of Region I to Area 8 of Region II.

(c) Areas 6 and 7 in Region II in 1933 have been formed by re-dividing the areas called "East and N. East London" and "South Essex" in 1932.

1.	2.		3.		4.		5.		6.		7.		8.		9.	10.
	Factories opened.		Factories extended.		Factories closed.		Employment provided in December, 1933, by factories opened.		Total of Cols. 8 and 9.							
	1932.	1933.	1932.	1933.	1932.	1933.	1932.	1933.	1932.	1933.						
VI.—North West Region.																
<i>Area.</i>																
1. Liverpool and W. Cheshire	5	4	2	3	3	4	200	200	400							
2. Stockport District	6	4	1	—	4	3	400	200	600							
3. Warrington and St. Helen's Districts ...	9	6	1	—	5	6	950	450	1,400							
4. Salford	12	18	1	—	16	16	1,200	950	2,150							
5. Manchester	15	17	5	4	8	16	1,000	800	1,800							
6. Ashton-under-Lyne District	12	7	3	—	13	7	1,350	200	1,550							
7. Wigan District	7	2	—	2	8	—	950	50	1,000							
8. Bolton and Bury Districts	8	4	5	3	19	14	1,100	450	1,550							
9. Oldham and Rochdale Districts	12	5	1	1	24	16	1,300	200	1,500							
10. Blackburn and Burnley Districts	17	20	1	1	14	20	1,500	2,000	3,500							
11. N. Lancs., Westmorland and Cumberland.	9	7	—	3	7	7	750	700	1,450							
Total for Region VI	112	94	20	17	121	109	10,700	6,200	16,900							
VII.—North East Region.																
<i>Area.</i>																
1. Sheffield and Rotherham Districts ...	7	4	9	2	10	3	700	400	1,100							
2. Huddersfield and Halifax Districts ...	4	4	4	1	5	9	200	150	350							
3. Wakefield District	4	1	2	—	5	5	100	50	150							
4. Bradford and Keighley Districts ...	7	8	3	2	12	10	650	250	900							
5. Leeds and York Districts	10	6	7	3	11	16	800	350	1,150							
6. Hull and Grimsby Districts	4	3	2	1	—	1	200	150	350							
7. Northumberland, Durham and part of North Riding of Yorkshire (N.E. Coast).	10	7	4	1	5	2	500	400	900							
Total for Region VII	46	33	31	10	48	46	3,150	1,750	4,900							
VIII.—Scotland Region																
	20	14	10	4	37	29	2,450	1,200	3,650							

TABLE 3.

Factories opened, extended and closed in 1932 and in 1933, grouped by industries.

Trade Group.	New Factories.		Factories Extended.		Factories Closed down	
	1932.	1933.	1932.	1933.	1932.	1933.
1. Non-metalliferous mining products ...	12	12	3	1	5	—
2. Bricks, pottery, glass, etc.	15	12	—	—	6	3
3. Chemicals	28	14	5	3	13	13
4. Iron and steel, primary and secondary processes.	49	31	19	11	37	37
5. Engineering	64	46	35	14	50	58
6. Vehicles	17	15	8	9	29	14
7. Non-ferrous metals	13	8	2	3	10	13
8. Textiles	106	62	30	13	138	113
9. Leather	19	11	1	1	9	3
10. Clothing	138	114	14	18	56	79
11. Food, drink and tobacco	39	38	26	9	20	14
12. Timber	54	34	9	4	21	22
13. Paper, printing and stationery	27	31	9	4	14	18
14. Miscellaneous	55	35	13	5	10	22
Totals	636	463	174	95	418	409

APPENDIX

Detailed list of factories opened, extended and closed in 1933 arranged by areas.

Region I. S. and S.W. England.	New Factories.	Employment.	Number of new undertakings employing over				New Branch Factories.	New Factories transferred from other areas.	Factory Extensions.	Factories closed.	Factories closed on account of—	
			100	200	300	400					Transfer of factory to some other area.	Transfer of work to another factory in the same ownership.
<i>Areas.</i>												
1. Hants., Dorset, Wilts., Somerset, Devon and Cornwall. (South Western Area).	6	500	1	1	—	—	4	1	—	5	—	1
2. Bucks., Berks. and Oxon.	11	500	—	1	—	—	2	—	2	5	1	—
3. Kent and Sussex ...	3	150	—	—	—	—	—	—	2	—	—	—
Total	20	1,150	1	2	—	—	6	1	4	10	1	1

HAMPSHIRE, DORSET, WILTS, SOMERSET,
DEVON AND CORNWALL (S. WESTERN
AREA).

Six new factories, employing over 500 people, in the following lines of manufacture:—

- Cardboard boxes ...Bradford-on-Avon.
(a)
FirelightersExmouth.
Leather gloves ...Midsomer Norton.
(a)
†(2)Aeroplanes ...Portsmouth. (b) from
York.
Leather glovesSouthampton. (a)
†CorsetsSwindon. (a)

Five factories closed down:—

- Cabinets (wood).
Engineering.
Flax deseeding and scutching.
Shirts and collars.
Shirts and collars. (c) to Taunton.

BUCKS, BERKS AND OXON.

Eleven new factories, employing about 500 people, and two factory extensions, in the following lines of manufacture:—

- Felt hatsAylesbury.
Concrete blocksAscot. (a)
Fruit and vegetable canning...Didcot.
TransformersLangley.

BUCKS, BERKS AND OXON—cont.

†(2)Posters, labels, packets, etc.

- Reading.
Gramophone recordsSlough.
Models (for display of gowns, etc.)
Slough.
*Razor bladesSlough.
Rubber goodsSlough.
Tooth brushesSlough.
*Wireless receiving setsSlough.
BlanketsWitney. (a)
ScrewsWooburn Green.

Five factories closed down:—

- Cabinets.
Chairs.
Chair parts.
Motor bodies. (b) to Park Royal.
Wireless receiving sets.

KENT AND SUSSEX.

Three new factories, employing over 150 people, and two factory extensions, in the following lines of manufacture:—

- *PaperAylesford.
Limestone burningBeddingham.
Electrical fittingsHastings.
Fruit baskets and wooden trays.
Maidstone.
*Fruit canningMaidstone.

* Extension of premises.
† Employing over 100 workers.
†(2)Employing over 200 workers.

(a) New branch factory.
(b) Transfer of factory.

Region II. Greater London.	New Factories.	Employment.	Number of new undertakings employing over				New Branch Factories.	New Factories transferred from other areas.	Factory Extensions.	Factories closed.	Factories closed on account of—	
			100	200	300	400					Transfer of factory to some other area.	Transfer of work to another factory in the same ownership.
<i>Areas.</i>												
1. West	46	3,200	5	2	—	1 ¹	1	23	5	11	7	2
2. South West, including Surrey.	24	1,300	3	—	—	—	3	4	7	6	2	—
3. North West	27	1,200	1	—	—	—	1	5	1	25	12	1
4. North	36	2,150	7	—	—	—	—	11	2	12	4	1
5. Central	42	1,900	6	—	—	—	1	2	2	21	10	2
6. East	15	1,250	2	1	1	—	1	4	6	7	2	—
7. North East	19	1,500	3	2	—	—	1	5	1	18	11	—
8. South East	11	950	3	1	—	—	—	1	1	7	4	1
	220	13,450	30	6	1	1	8	55	25	107	52	7

¹ Employing over 600 workers.

LONDON—WEST.

Forty-six new factories, employing over 3,200 people, and five factory extensions, in the following lines of manufacture:—

**Artificial silk knitted underwear.

Acton.
Bearings...Acton. (b) from Willesden.
ConfectioneryActon. (b) from Euston.
†(2)Motor coach bodiesActon. (a)
Welding ...Acton. (b) from Finchley.
Down quiltsBedfont. (b)
Un glazed sand and cement tiles.
Bedfont.
*Type composition and stereos.
Covent Garden.
Soft toysEaling Green.
AircraftFeltham.
*Motor bodiesFulham.
*Oil blendingFulham.
Electrical apparatus...Hammersmith.
(b) from Paddington.
Letterpress printing.
Hammersmith. (b)
Aircraft ...Heston. (b) from Hooton Park, Cheshire.
†Cinematograph filmsLittleton Park.
Art. silk fabrics, knitting, dyeing and finishingPark Royal. (b) from Willesden.
Art. silk weaving and seaming underwear ...Park Royal. (b) from City.
ButtonsPark Royal.

LONDON WEST—cont.

Clocks and toysPark Royal.
Compressed cork ...Park Royal. (b) from City.
Electric meters and transformers.
Park Royal.
†Fur dyeingPark Royal.
Gas fittings, small precision parts.
Park Royal.
Gas meter accessories ...Park Royal.
†(2)Loud speakersPark Royal. (b) from Kilburn.
Metal cabinets for libraries ...Park Royal.
†Motor bodies ...Park Royal. (b) from High Wycombe.
Paint spraying machines, air compressors ...Park Royal. (b) from Paddington.
Paper coating and tintingPark Royal. (b)
Paper patternsPark Royal.
ScalesPark Royal.
Steel rods ...Park Royal. (b) from Dalston.
Sugar confectionery ...Park Royal.
†WoodworkPark Royal. (b)
Buttons and bucklesPerivale.
Clock partsPerivale.
Pharmaceutical products ...Perivale. (b) from St. Pancras.
RefrigeratorsPerivale. (b) from Holborn.
†Wireless receiving setsPerivale. (b) from Hendon.

* Extension of premises.

** Extension of premises following removal within area.

† Employing over 100 workers.

†(2)Employing over 200 workers.

(a) New branch factory.

(b) Transfer of factory.

LONDON, WEST—*cont.*

- *Cinematograph filmsShepherd's Bush.
 †(6)Cooked meatsSouthall. (b) from Newcastle and Holloway.
 Photo printing for picture post-cardsTwickenham.
 DressesWest End.
 LingerieWest End. (b)
 MillineryWest End. (b)
 Neon tubesWest End.
 PhotographsWest End.
 SkirtsWest End. (b)
 TailoringWest End.
 Beauty preparations: lotions, Westminister.
 Eleven factories closed down:—
 Army clothing. (b) to Didcot.
 Bakelite mouldings. (b) to Cricklewood.
 Blouses. (b).
 Electric signs. (b) to Barnsbury.
 Gowns.
 Gramophone records. (b) to Tonbridge.
 Letterpress printing.
 Margarine. (c) to Port Sunlight.
 Oil filters. (b) to South Lambeth.
 Pharmaceutical products. (b).
 Soap. (c) to Silvertown.

LONDON: SOUTH-WEST, INCLUDING SURREY.

Twenty-four new factories, employing over 1,300 people and seven factory extensions, in the following lines of manufacture:—

- Cattle, poultry, dog and game foodsBattersea. (a)
 Cabinets...Brixton. (b) from Borough.
 Re-assembling aeroplanes ...Byfleet.
 *Wireless and motor accessories. Croydon.
 FoundryEarlsfield.
 ChairsGuildford
 *Motor vehiclesGuildford.
 EngineeringHackbridge.
 Van repairingKennington.
 Ham boning, cooking and canning sausagesLambeth.
 TilesMerstham.
 *Model aeroplanes, etc.Merton
 *Aluminium and copper goods. Merton Abbey.
 MargarineMitcham.
 †Sheet metal; wirework...Mitcham. (b) from Peckham.
 MargarineMitcham Common.
 TilesReigate Heath.
 FurnitureRichmond.
 Letterpress printingSalfords.

LONDON: SOUTH-WEST, INCLUDING SURREY—*cont.*

- *Motors; invalid chairs; air purifiersShalford.
 Oil filtersSouth Lambeth. (b) from Westminster.
 †Portable buildingsThornton Heath. (a)
 Porcelain enamel; enamelling castingsTooting.
 **Knitted goodsUpper Tooting.
 Wood screwsWaddon.
 *Light metal work.....Walton-on-Thames.
 †Assembling petrol pumps. Wandsworth.
 Mineral watersWandsworth. (a)
 Prams and toy cycles...Wandsworth. (b) from Deptford.
 Lamp bulbs and fittingsWest Norwood.
 Tennis racketsWest Norwood.
 Six factories closed down:—
 Chemists' sundries.....(b) to Bethnal Green.
 Constructional engineering.
 Knitted goods.....(b) to Tooting.
 Motor parts; table washing machines(I)
 Sorting silver paper(I)
 Switch gear.

LONDON—NORTH WEST.

Twenty-seven new factories, employing over 1,200 people, and one factory extension, in the following lines of manufacture:—

- Clock casesHolborn. (b) from Bethnal Green.
 †Bakelite mouldingsCricklewood. (b) from Westminster.
 FurnitureCricklewood. (b) from Shoreditch.
 Motor services depot ...Cricklewood.
 Catering trade machinery...Hendon.
 Electric motors (small) ...Hendon.
 **Motor repairsHendon.
 Book bindingHolborn.
 Paper postersHolborn. (a)
 Pianos and gramophones ...Holborn. (b) from Hoxton.
 Motor repairsMaida Hill.
 Ice creamPaddington.
 Plaster statuettesSt. Pancras.
 Concrete slabsWembley.
 Dairy engineeringWembley.
 Dresses (five cases)West End.
 Dresses ...West End. (b) from City.
 Dresses (sportswear)West End.
 Gowns (four cases)West End.
 Gowns and blousesWest End.
 LingerieWest End.

* Extension of premises.

** Extension of premises following removal within area.

† Employing over 100 workers.

†(6) Employing over 600 workers.

(a) New branch factory.

(b) Transfer of factory.

(I) Factory opened in 1932 and closed in 1933.

LONDON, NORTH-WEST—cont.

- Twenty-five factories closed down:—
 Artificial silk knitting ... (b) to Park Royal. (I)
 Bearings (b) to Acton.
 Blouses.
 Book binding. (b)
 Cabinets.
 Crepe paper.
 Dresses (two cases).
 Electrical engineering (b) to Hammersmith.
 Packing cases.
 Gowns (two cases).
 Letterpress printing... (b) to Brixton.
 Loud speakers ... (b) to Park Royal. (I)
 Motor bodies.
 Motor car parts and repair work. (b) to Acton.
 Optical goods ... (b) to Camden Town.
 Photographic plates, etc. (c)
 Pianos and gramophone cabinets.
 Refrigerators (b) to Perivale.
 Sports goods. (b)
 Underwear (two cases).
 Wireless receiving sets ... (b) to City. (I)
 Wireless receiving and television sets (b) to Perivale.

LONDON—NORTH.

Thirty-six new factories, employing over 2,150 people, and two factory extensions, in the following lines of manufacture:—

- Neon signs Barnsbury. (b) from West End.
 Bakelite mouldings ... Camden Town.
 Wireless accessories ... Camden Town. (b) from City.
 †Shirts Canonbury. (b)
 †Boots and shoes Edmonton. (b)
 †Cabinets Edmonton.
 Furniture Edmonton. (b) from City.
 †Gowns Edmonton.
 †Mineral water Edmonton.
 Shoes... Edmonton. (b) from Hackney.
 Quilts Edmonton.
 Boots and shoes Finsbury Park. (b) from Bethnal Green.
 Shop fittings Finsbury Park.
 †Biscuits Holloway.
 †Cardboard boxes Holloway. (b) from City.
 Coil winding and electrical transformers Holloway.
 Cork mats Holloway.
 Coats and costumes Islington.
 Gears Islington.
 Sanitary towels and pads... Islington.

LONDON, NORTH—cont.

- *Trousers Islington.
 Plaster figures Kentish Town.
 Hair restorer Muswell Hill.
 Gowns (two cases) St. Pancras.
 Underwear St. Pancras.
 Electrical engineering.
 S. Tottenham. (b) from Dalston.
 Slippers S. Tottenham.
 Battery cans Tottenham.
 Fur dressing Tottenham.
 Fur dyeing Tottenham.
 Furniture Tottenham. (b) from Clapton.
 **Stationery Tottenham.
 Cellulose products... Waltham Abbey. (b) from West Bromwich.
 Electric clocks West End.
 Electric switches West End.
 Shaving and paint brushes ... Wood Green.
 Side cars Wood Green.
 Twelve factories closed down:—
 Chocolate.
 Cigarettes.
 Confectionery (b) to Acton.
 Dairy machinery. (c) (I)
 Dresses. (I)
 Fur dyeing and dressing.
 Gowns.
 Mantles.
 Petrol pumps ... (b) to Wandsworth.
 Pharmaceutical products (b) to Acton.
 Preserved foods (b) to Southall.
 Wireless accessories.

LONDON—CENTRAL.

Forty-two new factories, employing over 1,900 people, and two factory extensions, in the following lines of manufacture:—

- *Cabinets.
 †Cabinets.
 Cardboard boxes ... (b) from Hackney.
 Furniture.
 Handbags.
 Letterpress printing.
 †Letterpress printing and book-binding.
 Photographs.
 Shaving brushes.
 Spectacle frames.
 Toys.
 Wireless apparatus.
 Wireless apparatus (b) from Cricklewood.
 Blouses.
 †Clothing.
 Clothing.
 Costumes.
 Dressing gowns (two cases).
 Furs (two cases).

Extension of premises.
 Extension of premises following removal within area.
 Employing over 100 workers

(b) Transfer of factory.

(c) Transfer of work on re-organisation.

(I) Factory opened in 1932 and closed in 1933.

LONDON, CENTRAL—*cont.*

- Gowns (five cases).
 *Gowns.
 Hats (two cases).
 Mantles (two cases).
 Mantles and costumes.
 Millinery.
 Overalls.
 Shirts (two cases).
 †Shoes.
 †Skirts.
 Tailoring (four cases).
 Tailoring. (a)
 †Underclothing.
- Twenty-one factories closed down:—
 Blouses. (I)
 Blouses, gowns, and underwear.
 (b) to West End.
 Children's clothing... (b) to Lewisham.
 Coats. (I)
 Gowns. (I)
 Ladies' boots and shoes.
 Overalls, aprons, etc. ... (b) to Stoke
 Newington.
- Pyjamas. (I).
 Robes.
 Vests.
 Bookbinding (b) to Biggleswade.
 Drugs. (c)
 Drugs. (c)
 Electric combs.
 Electric wire covering (b) to
 Leyton.
 Fancy boxes (b) to Holloway.
 Mercury switches.
 Numbering machines (b) to
 Dalston.
 Paper cones (b) to Stoke
 Newington.
 Pianos and gramophones (b) to
 Holborn.
 Wireless accessories ... (b) to Camden
 Town.

LONDON—EAST.

- Fifteen new factories, employing about 1,250 people, and six factory extensions, in the following lines of manufacture.
- Dresses Aldgate.
 Gowns Aldgate.
 *Accumulators Barking.
 *Overalls Barking.
 Fabric gloves Dagenham. (a)
 Telephone cables Dagenham.
- †(3) Shoes East Tilbury.
 Domestic tinware Forest Gate.
 *Telephone apparatus, metal stampings Ilford.
 Cabinets Limehouse. (b)
 Cardboard boxes Limehouse. (b)
 from Hackney.
 Knitted goods Poplar.
 Portable buildings Rainham. (b)
 from Hendon.
 Dipped rubber goods Southend-on-Sea.

* Extension of premises.

** Extension of premises following removal within area.

† Employing over 100 workers.

†(2) Employing over 200 workers.

LONDON, EAST—*cont.*

- *Dresses Stepney.
 †Dresses Stepney.
 †Games Stepney. (b) from
 Finsbury.
 *Gowns Stepney.
 Knitted goods Stepney.
 †(2) Gowns Whitechapel.
 **Machine tools Whitechapel.
- Seven factories closed down:—
 Asbestos. (b) to Stockwell.
 Caps.
 Cardboard boxes. (b) to Clapton.
 Cereals, pharmaceutical products. (I)
 Confectionery.
 Ship building.
 Shirts. (I)

LONDON—NORTH EAST.

- Nineteen new factories, employing over 1,500 people, and one factory extension, in the following lines of manufacture:—
 Cabinets Bethnal Green.
 Chemists' sundries Bethnal Green.
 (b) from Twickenham.
 Cardboard boxes Clapton. (b)
 from Mile End.
 Motor horns and tea trays ... Dalston.
 Numbering machines Dalston. (b)
 from Hoxton.
- †Cabinets Hackney.
 Cardboard boxes Hackney.
 Children's clothing Hackney.
 Dresses Hackney.
 Boots Homerton.
 Cabinets Homerton.
 †Clothing Homerton.
 Mica Leyton.
 Paper and colour coatings ... Leyton.
 †Waterproofs Leyton.
 †(2) Wire covering Leyton. (b) from
 City.
- *Overalls Stoke Newington.
 Paper cones Stoke Newington. (b)
 from Finsbury.
 Radiogramophones Stoke
 Newington. (a)
 †(2) Dry batteries Walthamstow.
- Eighteen factories closed down:—
 Boots (two cases). (b) to Edmonton.
 Cabinets. (b) to Tottenham.
 Cardboard boxes. (b) to Hoxton.
 Cardboard boxes. (b) to Limehouse.
 Chairs.
 Clock cases. (b) to Holborn.
 Cutlery.
 Mantles.
 Mantles and gowns. (b)
 Plate polishing.
 Shoes. (b)
 Slippers.
 Spoon and fork plating and polishing.
 Steel rods. (b) to Park Royal.
 Tool making. (b) to Ilford.
 Upholstery.
 Waterproof garments. (b) to Slough.

†(3) Employing over 300 workers.

(a) New branch factory.

(b) Transfer of factory.

(c) Transfer of work on re-organisation.

(I) Factory opened in 1932 and closed in 1933.

LONDON—SOUTH EAST.

Eleven new factories, employing over 950 people, and one factory extension in the following lines of manufacture:—
Grease guns, etc.Beckenham.
Ebonite and other products of waste rubberBelvedere.
Enamelled copper wireCharlton.
†(2)PaperDartford
TimberDeptford.
*Iron foundryElmers End.
†TilesErith.
†Wireless valvesFoots Cray
Children's frocksLewisham. (b) from City.

LONDON, SOUTH-EAST—cont.

DressmakingPeckham.
Wooden boxesRotherhithe.
†Paper (machine made) ...St. Mary Cray.

Seven factories closed down:—

Furniture. (b) to Brixton.
Gramophones and records.
Gramophone records.
Letterpress printing. (b) to Andover.
Metal frames for perambulators. (b) to Wandsworth.
Wirework. (b) to Mitcham.
Wireless cabinets. (c) to Highbury.

Region III.	New Factories.	Employment.	Number of new undertakings employing over				New Branch Factories.	New Factories transferred from other areas.	Factory Extensions.	Factories closed.	Factories closed on account of—	
			100	200	300	400					Transfer of factory to some other area.	Transfer of work to another factory in the same ownership.
Wales	2	450	1	—	1	—	—	—	2	—	—	

WALES.

Two new factories, employing over 450 people, in the following lines of manufacture:—
†(3)Steel for manufacture of tinplates. Cwmbwrla.

WALES—cont.

†Coke and by-productsPort Talbot.
Two factories closed down:—
Blackplates. (I)
Paper. (I)

Region IV. The Midlands.	New Factories.	Employment.	Number of new undertakings employing over				New Branch Factories.	New Factories transferred from other areas.	Factory Extensions.	Factories closed.	Factories closed on account of—	
			100	200	300	400					Transfer of factory to some other area.	Transfer of work to another factory in the same ownership.
<i>Areas.</i>												
1. Gloucester, Worcester, Salop and Hereford.	3	100	—	—	—	—	1	—	2	—	—	
2. Wolverhampton District	1	50	—	—	—	—	1	—	7	5	—	
3. Walsall District ...	7	450	—	1	—	—	2	1	—	1	—	
4. Birmingham District ...	23	1,400	4	1	—	—	—	—	7	39	9	
5. Coventry District ...	2	100	—	—	—	—	—	5	1	—	—	
6. Northampton District...	9	400	1	—	—	—	4	—	2	3	—	
7. Nottingham, Derby and the Potteries.	7	450	3	—	—	—	2	—	1	12	3	
8. Leicester District ...	11	500	1	—	—	—	2	—	3	33	3	
	63	3,450	9	2	—	—	12	1	27	94	15	

* Extension of premises.

† Employing over 100 workers.

†(2)Employing over 200 workers.

†(3)Employing over 300 workers.

(b) Transfer of factory.

(c) Transfer of work on re-organisation.

(I) Factory opened in 1932 and closed in 1933.

GLoucester, WORCESTER, SALOP, AND
HEREFORD.

Three *new factories*, employing over 100 people, and two *factory extensions*, in the following lines of manufacture:—

Provender	Avonmouth.
*Machine tools	Blackpole.
Sanitary pipes	Ironbridge.
*Cider	Ryelands.
Shirts	Stroud. (a)

WOLVERHAMPTON DISTRICT.

One *new factory*, employing about 50 people, and seven *factory extensions*, in the following lines of manufacture:—

Rolling iron and steel billets.	Brierley Hill. (a)
*Assembling and enamelling castings.	Coseley.
*Motor accessories	Dudley.
*Electrical engineering	Old Hill.
*Metal goods	Willenhall.
*Die casting	Wolverhampton.
*Rubber heels	Wolverhampton.
*Tubes	Wolverhampton.

Five *factories closed down*:—

Clothing.
Hardware.
Ironfoundry.
Lifts.
Tubes.

WALSALL DISTRICT.

Seven *new factories*, employing about 450 people, in the following lines of manufacture:—

Coal distillation	Cannock
†(2)Rolling strip	Oldbury. (b) from Bordesley Green.
Glacé cherries	Smethwick.
Ironfoundry	Smethwick. (a)
Fancy leather goods (two cases).	Walsall.
Leather	Walsall. (a)

One *factory closed down*:—
Ironfoundry. (I)

BIRMINGHAM DISTRICT.

Twenty-three *new factories*, employing nearly 1,400 people, and seven *factory extensions*, in the following lines of manufacture:—

†Art needlework.
Bakelite moulding.
**Brass parts.
*Cable braiding.
Camera bellows.
Cardboard boxes.

BIRMINGHAM DISTRICT—*cont.*

Cushions.
Cycle accessories.
**Electrical accessories.
*Electro-plating.
Engineering; sheet metal.
Floor, boot and metal polishes.
Gear cases (motor).
†(2)Health foods, biscuits and breakfast foods.
Imitation jewellery.
Machinists.
†Milk sterilisation.
*Milling cutters.
**Oil lamps.
Photo. lithographers.
Platinum plating.
*Screws, etc.
Shaft bearings.
Silverware.
Stamped brassfoundry.
Stamping and piercing (two cases).
†Steel toys.
Surgical boots.
†Tyre valves.

Thirty-nine *factories closed down*:—

Art metal work. (I)
Art metal work.
Bedsteads (two cases).
Brass casting (two cases).
Brass finishing.
Brass founding.
Brass and sheet metal. (c)
Candles. (c)
Cushions.
Cycle chains. (c)
Cycle hubs.
Dresses.
Edge tools (two cases).
Engineering (two cases).
Electrical apparatus.
Flint glass. (c)
General engineering.
Hearth furniture. (c)
Iron foundry.
Iron tubes.
Lawn mowers.
Metal rolling. (c)
Motor vehicles. (c)
Office equipment.
Repetition work; brass finishing.
Sash lines and file cutting.
Scales.
Screws.
Silverware.
Spoons, forks, etc.
Stamping and piercing.
Toy cycles.
Upholstery. (b)
Varnish. (c)
Weighing machines. (c).

* Extension of premises.
** Extension of premises following removal within area.
† Employing over 100 workers.
†(2)Employing over 200 workers.

(a) New branch factory.
(b) Trauster of factory.
(c) Transfer of work on re-organisation.
(I) Factory opened in 1932 and closed in 1933.

COVENTRY DISTRICT.

Two new factories, employing about 100 people, and five factory extensions, in the following lines of manufacture:—

- *Gas metersCoventry.
- *Motor panelsCoventry.
- *Machine toolsCoventry.
- **Wheel cases, etc.Coventry.
- HosieryNuneaton.
- *Electrical domestic appliances.

Rugby.
Axminster carpetsWarwick.

One factory closed down:—

Hosiery.

NORTHAMPTON DISTRICT.

Nine new factories, employing about 400 people, and two factory extensions, in the following lines of manufacture:—

Cardboard boxesDesborough. (a)
BootsKettering. (a)
Leather dressing (two cases).

Kettering. (a)

BootsNorthampton.

†BootsNorthampton.

*LeatherNorthampton.

Reptile skin dressing ...Northampton.

Tanning of shark, etc., skins.

Northampton.

Leather sandals (assembling and finishing)Peterborough.

**Boots and shoesWellingborough.

Three factories closed down:—

Boots (three cases).

NOTTINGHAM, DERBY AND THE POTTERIES.

Seven new factories, employing about 450 people, and one factory extension, in the following lines of manufacture:—

†Earthenware (jet and rockingham and general)Burslem. (a)
Candied peel and fruitCalver.

†General earthenware ...Cobridge. (a)

Electrical goods (coil winding and engineering)Derby.

*Blouses, etc.Nottingham.

Knitted corsetsNottingham.

Yarn winding and balling (wool).

Nottingham.

†Glass milk bottlesWorksop.

Twelve factories closed down:—

Dyeing of hosiery.

NOTTINGHAM, DERBY AND THE POTTERIES—cont.

Electrical engineering. (b) to Chester.

Engineering and woodworking machines.

Hosiery finishing. (c) to Heanor.

Ironfoundry.

Lace.

Letterpress printing.

Making up of dresses.

Piano actions. (c)

Sanitary pipes.

Signals.

Warp-knitting. (c)

LEICESTER DISTRICT.

Eleven new factories, employing about 500 people, and three factory extensions, in the following lines of manufacture:—

*HosieryHinckley.

HosieryLeicester. (a)

Hosiery (three cases)Leicester.

†HosieryLeicester.

*HosieryLeicester.

Hosiery making up (two cases).

Leicester.

Hosiery making upLeicester. (a)

*Wool and sewing cotton winding and finishingLeicester.

Hand made self lighting cigarettes.

Shepshed.

Bricks, common clay ...Thurmaston.

Knitwear (pullovers, etc.) ...Loughborough.

Thirty-three factories closed down:—

Advertising, addressograph, printing, etc.

Bricks.

Blouses and hosiery making-up.

Boots (seven cases).

Boots. (c)

Cardboard boxes. (b) to Frog Island.

Heels.

Hosiery (ten cases).

Hosiery (outerwear). (c) (I)

Hosiery, dyeing and finishing.

Hosiery making up (two cases).

Hosiery-Tex.

Hosiery, hosiery trimming; letterpress printing.

Ironfoundry. (c)

Letterpress printing.

Shoes.

Underwear.

- * Extension of premises.
- ** Extension of premises following removal within area.
- † Employing over 100 workers.

- (a) New branch factory.
- (b) Transfer of factory.
- (c) Transfer of work on re-organisation.
- (I) Factory opened in 1932 and closed in 1933.

Region V. The Eastern Counties.	New Factories.	Employment.	Number of new undertakings employing over				New Branch Factories.	New Factories transferred from other areas.	Factory Extensions.	Factories closed.	Factories closed on account of—	
			100	200	300	400					Transfer of factory to some other area.	Transfer of work to another factory in the same ownership.
<i>Areas.</i>												
1. Beds and Herts ...	6	450	1	1	—	—	—	2	6	4	1	—
2. Norfolk and Suffolk, Cambridge, Hants, parts of Lincoln and Essex.	11	1,400	1	1	—	1 ¹	—	—	2	8	—	1
	17	1,850	2	2	—	1	—	2	8	12	1	1

¹ Employing over 700 workers.

BEDFORDSHIRE AND HERTFORDSHIRE.

Six *new factories*, employing over 450 people, and six *factory extensions*, in the following lines of manufacture:—

- †(2) Iron tube fittings Bedford.
 Bookbinding ... Biggleswade. (b) from London, Central.
 † Fireworks ... Hemel Hempstead. (b)
 * Concrete roof tiles Leighton Buzzard.
 Forgings Letchworth.
 Hats Luton.
 * Hat hoods Luton.
 * Motor vehicles Luton.
 Celluloid films (photographic) Rickmansworth.
 * Hosiery St. Albans.
 * Erinoid buttons Watford.
 * Wafer biscuits Watford.

Four *factories closed down*:—

- General engineering. (b) to Salford.
 Hats (two cases).
 Speedometers and magnetos.

NORFOLK AND SUFFOLK, CAMBRIDGE, HUNTINGDONSHIRE, PARTS OF LINCOLN AND ESSEX.

Eleven *new factories*, employing over 1,400 people, and two *factory extensions*, in the following lines of manufacture:—

- Fish canning Colchester.
 Silk spinning Colchester.
 * Sugar Fletton.
 * Doors and window-frames ... Ipswich.
 Yeast Ipswich.
 Fruit and vegetable canning. King's Lynn.
 †(2) Cheese, sausages, pies, dried soups, potato crisps Lowestoft.
 Shoes Norwich.
 † Crepe viscose yarns ... Oulton Broad.
 †(7) Boots and shoes Norwich.
 Flaked wheat South Creake.
 Cattle foods Swaffham.
 Fruit canning West Lynn.

Eight *factories closed down*:—

- Boots and shoes.
 Engines (gas and oil). (c)
 Fish curing.
 Horsehair.
 Hosiery and textile weavers.
 Motor coach bodies.
 Pumps and engineering.
 Pumps and engines (steam).

* Extension of premises.
 † Employing over 100 workers.
 †(2) Employing over 200 workers.

†(7) Employing over 700 workers.
 (b) Transfer of factory.
 (c) Transfer of work on re-organisation.

Region VI. N.W. England.	New Factories.	Employment.	Number of new undertakings employing over				New Branch Factories.	New Factories transferred from other areas.	Factory Extensions.	Factories closed.	Factories closed on account of—	
			100	200	300	400					Transfer of factory to some other area.	Transfer of work to another factory in the same or mainly.
<i>Areas.</i>												
1. Liverpool and West Cheshire.	4	200	—	—	—	—	1	—	3	4	2	—
2. Stockport District ...	4	200	1	—	—	—	2	—	—	3	—	—
3. Warrington and St. Helens Districts.	6	450	3	—	—	—	3	—	—	6	—	3
4. Salford ...	18	950	3	1	—	—	2	1	—	16	2	1
5. Manchester ...	17	800	2	—	—	—	3	3	4	16	5	3
6. Ashton - under - Lyne District.	7	200	—	—	—	—	1	1	—	7	—	2
7. Wigan District ...	2	50	—	—	—	—	1	—	2	—	—	—
8. Bolton and Bury Districts.	4	450	—	—	1	—	—	—	3	14	—	8
9. Oldham and Rochdale Districts.	5	200	1	—	—	—	1	—	1	16	—	1
10. Blackburn and Burnley Districts.	20	2,000	3	3	1	—	—	—	1	20	1	2
11. North Lanes, Westmorland and Cumberland Districts.	7	700	2	—	1	—	1	—	3	7	—	2
	94	6,200	15	4	3	—	15	5	17	109	10	22

LIVERPOOL AND WEST CHESHIRE.

Four new factories, employing about 200 people, and three factory extensions, in the following lines of manufacture:—
 Leather tanning Bootle.
 *Newsprint Ellesmere Port.
 Methylated spirit and alcohol distilling Garston.
 Electrical conduit fittings ... Great Crosby. (a)

**Cooked meats Liverpool.
 Pea canning Liverpool.
 *Sausages Litherland.

Four factories closed down:—
 Aircraft. (b) to Heston (Middlesex).
 Copper sheet rolling.
 Ladies' costumes.
 Oxygen. (b)

STOCKPORT DISTRICT.

Four new factories, employing about 200 people in the following lines of manufacture:—

Artificial silk, cotton, etc., machine knitting and making up. Stockport.

STOCKPORT DISTRICT cont.

†Cotton spinning and weaving. Stockport.
 Shaving brushes Stockport. (a)
 Silica stone bricks ... Stockport. (a)
 Three factories closed down:—
 Cotton doubling.
 Reflected street signs.
 Towels.

WARRINGTON AND ST. HELENS DISTRICTS.

Six new factories, employing over 450 people, in the following lines of manufacture:—

†Steel work and machinery ... Bold.
 †Wire springs, spring mattresses, etc. Crewe. (a)
 †Wire rod Irlam.
 Soundproof material from peat. Radway Green.
 Wire weaving Warrington. (a)
 Yellow phosphorus Widnes. (a)

Six factories closed down:—
 Light railway locomotives, tracks, points, crossings, etc.

* Extension of premises.
 ** Extension of premises following removal within area.

† Employing over 100 workers.
 (a) New branch factory.
 (b) Transfer of factory.

WARRINGTON AND ST. HELENS DISTRICTS
—cont.

Soap and perfumery. (c)
Tanning.
Underclothing. (c) to Middlewich.
Velvet cutting.
Wire nails. (c)

SALFORD.

Eighteen *new factories*, employing over 950 people, in the following lines of manufacture:—

† Quilt stencilling and machine embroidered goods Eccles.
Roller blinds Eccles.
† Surgical plasters Eccles.
Wadding substitute Pendlebury.
Greenhouses, motor garages, garden seats, etc. (all metal) Salford.
Iron-founding Salford.
Letterpress printing Salford.
Mantles and costumes ... Salford. (a)
Neon signs Salford. (b) from Manchester.
†(2) Pharmaceutical preparations. Salford.
Waterproof garments (two cases). Salford.
Air compressors and apparatus. Trafford Park.
Egg preserving Trafford Park.
Gut and sausage casings ... Trafford Park.
Packing cases Trafford Park. (a)
Reinforced concrete floor blocks. Trafford Park.
† Soap; candles Trafford Park.
Sixteen factories *closed down*:—
Cabinet making and french polishing.
Confectionery.
Cotton bleaching and dyeing.
Engineers stocks and dies.
Leather bags.
Letterpress printing.
Mantles (two cases). (b) to Manchester.
Mantles and costumes. (I)
Office and school furniture.
Printing.
Refrigerators.
Surgical plasters. (c) to Eccles.
Waterproof garments. (two cases)
Waterproofs and leather coats. (I)

MANCHESTER.

Seventeen *new factories*, employing over 800 people, and four factory *extensions*, in the following lines of manufacture:—

† Pressed glassware.
Quilts.
Soft furnishings.
Smallware.

MANCHESTER—cont.

Children's wear. (b) from Macclesfield.
** Gowns.
Ladies' blouses and men's shirts (cotton and artificial silk) and ladies' frocks (woollen materials).
Ladies' dresses and costumes.
Ladies' overalls (two cases). (a)
* Ladies' frocks and overalls.
Ladies' overalls (cotton and artificial silk).
Leather coats, waterproofs.
Mantles. (b) from Salford.
† Mantles and costumes. (b) from Salford.
Mantles and furs.
Overalls.
** Overalls.
Raincoats, etc.
* Shirts.
Waterproofs. (a)
Sixteen factories *closed down*:—
Curled hair and dyeing. (b)
Dyeing and finishing.
Embroidery. (b) to Eccles.
Knitted clothing. (b) (I)
Leather coats.
Machine tools.
Mantles and costumes.
Nuts and bolts. (c)
Raincoats. (b) to Edmonton (London).
Raincoats and gowns.
Stationary engines.
Surgical plasters. (c) to Eccles.
Upholstery. (I)
Waterproof cloth. (I)
Window blinds and furniture. (b) to Eccles.
Wire weaving. (c) to Warrington.

ASHTON-UNDER-LYNE DISTRICT.

Seven *new factories*, employing over 200 people, in the following lines of manufacture:—

Electric cables (small) Ashton-under-Lyne. (a)
Wooden textile rollers Ashton-under-Lyne.
Chocolates Droylsden.
Horsehair opening; fibre teasing ... Droylsden. (b) from Manchester.
Rubber proofing of cloth Hyde.
Artificial silk waste and cotton spinning and weaving ... Mossley.
Cotton spinning Mossley.
Seven factories *closed down*:—
Cotton cloth weaving.
Cotton spinning (two cases).
Cotton spinning. (c)
Electrical engineering (transformers; water heaters). (c) to Hollinwood.
Fabric stencil printing.
Hank dyeing.

* Extension of premises.
** Extension of premises following removal within area.
† Employing over 100 workers.
†(2) Employing over 200 workers.

(a) New branch factory.
(b) Transfer of factory.
(c) Transfer of work on re-organisation.
(I) Factory opened in 1932 and closed in 1933.

WIGAN DISTRICT.

Two new factories, employing over 50 people, and two factory extensions, in the following lines of manufacture:—

- *Felt base floor coveringAppley Bridge.
- Wooden handles for tools, etc.; bentwood for motor coaches, etc.Burscough Junction.
- BricksUpholland. (a)
- *Spinning and weaving of a new textile fabricWigan.

BOLTON AND BURY DISTRICTS.

Four new factories, employing about 450 people, and three factory extensions, in the following lines of manufacture:—

- *Wireless apparatusBolton.
- *SandalsBury.
- †(3)Woolen manufactures and feltsBury.
- Cotton winding and reeling ...Farnworth.
- *JoineryFarnworth.
- SlippersRamsbottom.
- *Pharmaceutical productsWesthoughton.

Fourteen factories closed down:—

- Bleaching. (c)
- Bleaching. (c) to Haslingden.
- Cotton spinning.
- Cotton spinning. (c) to Farnworth.
- Cotton weaving (two cases).
- Flour.
- Leather tanning, etc.
- Raincoat and waterproof machining.
- Textile bleaching and finishing. (c) to Bury.
- Textile bleaching and finishing. (c) to Hollingworth.
- Textile bleaching and finishing. (c) to Bolton.
- Textile machinery. (c)
- Textile printing. (c) to Rawtenstall.

OLDHAM AND ROCHDALE DISTRICTS.

Five new factories employing over 200 people, and one factory extension, in the following lines of manufacture:—

- Carpet weaving (worsted) ...Bacup.
- Ladies' underwear (hosiery interlocked fabric)Bacup.
- Finishing and winding art. silk yarn and art. silk crepe ...Hollingwood.
- †Cotton spinningOldham. (a)
- *Calico printingRawtenstall.
- Waxed containers and trays.Rawtenstall.

Sixteen factories closed down:—

- Bleaching. (c) to Radcliffe.
- Cotton reeling, winding and doubling.
- Cotton spinning (eleven cases).
- Cotton weaving. (Two cases.)
- Reeds and healds. (1)

BLACKBURN AND BURNLEY DISTRICTS.

Twenty new factories, employing over 2,000 people, and one factory extension, in the following lines of manufacture:—

- †(2)Cotton clothAccrington.
- Cotton goods—velours ...Accrington.
- Bed ticksBarnoldswick.
- †Cotton spinningBlackburn.
- †Cotton fabrics and sheetings.Blackburn.
- Domestic electrical heaters, cookers, etc.Blackburn.
- Electric baling presses and heavy looms (for paper makers' felts).Blackburn.
- *Healds and reedsBlackburn.
- Papermakers' feltsBlackburn.
- Padding feltsBlackburn.
- Cotton cloth weavingBrierfield.
- †(2)Cotton cloth weavingBurnley.
- Cotton cloth weaving (three cases).Burnley.
- Coloured cotton goodsColne.
- Cotton cloth weavingColne.
- †(3) Cotton goodsGt. Harwood.
- †(2)Cotton goodsGt. Harwood.
- †Cotton weavingGt. Harwood.
- Slippers and sandals (finishing).Oswaldtwistle.

Twenty factories closed down:—

- Chemicals.
- Coloured cotton cloth. (Four cases.)
- Cotton goods. (b) to Padibam.
- Cotton goods. (Four cases.)
- Cotton spinning. (Two cases.)
- Cotton cloth weaving. (Five cases.)
- Healds and reeds. (c).
- Slippers. (c)
- Textile bleaching and dyeing.

NORTH LANCS., WESTMORLAND AND CUMBERLAND.

Seven new factories, employing over 700 people, and three factory extensions, in the following lines of manufacture:—

- †(3)BiscuitsBlackpool.
- Cotton weavingChorley.
- *Flax and fibre (preparing and refining)Chorley.
- Leathering covering of metal buttons.Fleetwood. (a)
- *Artificial silk spinningLancaster.
- Glazed wrapping paper ..Milnthorpe.
- †Cotton weaving (voiles)Preston.
- Poultry dressingPreston.
- *Artificial fertilisersSilloth.
- †Transparent wrapping paper, viscoseWigton.

Seven factories closed down:—

- Cotton spinning and weaving.
- Cotton weaving.
- Engineering.
- Handles. (c)
- Salt. (c)
- Steel work (engineering and constructional).
- Wool spinning and weaving.

* Extension of premises.
 † Employing over 100 workers.
 †(2) Employing over 200 workers.
 †(3) Employing over 300 workers.

(a) New branch factory.
 (b) Transfer of factory.
 (c) Transfer of work on re-organisation.
 (1) Factory opened in 1932 and closed in 1933.

Region VII. N.E. England.	New Factories.	Employment.	Number of new undertakings employing over				New Branch Factories.	New Factories transferred from other areas.	Factory Extensions.	Factories closed.	Factories closed on account of—	
			100	200	300	400					Transfer of factory to some other area.	Transfer of work to another factory in the same ownership.
<i>Areas.</i>												
1. Sheffield and Rotherham Districts.	4	400	—	1	—	—	1	—	2	3	—	1
2. Huddersfield and Halifax Districts.	4	150	—	—	—	—	—	1	1	9	—	1
3. Wakefield District ...	1	50	—	—	—	—	—	—	—	5	1	1
4. Bradford and Keighley Districts.	8	250	—	—	—	—	—	—	2	10	—	4
5. Leeds and York Districts	6	350	1	—	—	—	3	—	3	16	1	3
6. Hull and Grimsby Districts.	3	150	1	—	—	—	—	—	1	1	—	—
7. Northumberland, Durham and part of North Riding of Yorkshire (North East Coast).	7	400	—	1	—	—	—	—	1	2	1	—
	33	1,750	2	2	—	—	4	1	10	46	3	10

SHEFFIELD AND ROTHERHAM DISTRICTS.

Four *new factories*, employing over 400 people, and two *factory extensions*, engaged in the following lines of manufacture:—

JoineryRotherham.
CutlerySheffield.
**CutlerySheffield.
*Manicure filesSheffield.
Sugar confectionerySheffield. (a)
†(2)Wire drawing and wire netting.
Sheffield.

Three *factories closed down*:—

Candied peel and glacé cherries.
Cutlery.
Silversmiths. (c)

HUDDERSFIELD AND HALIFAX DISTRICTS.

Four *new factories*, employing over 150 people, and one *factory extension*, engaged in the following lines of manufacture:—

*Worsted spinning, dyeing, etc.
Halifax.
GearsHuddersfield. (b) from
Keighley.
Leather beltingLiversedge.
Cotton piece goodsTodmorden.

HUDDERSFIELD AND HALIFAX DISTRICTS
cont.

Printing by stencil and embroidering of cotton bedspreads ...Todmorden.

Nine *factories closed down*:—

Brass casting and finishing.
Cotton spinning.
Cotton weaving and doubling. (c) to
Castleton, Rochdale.
Motor bodies.
Piece printing and dyeworks.
Shirts and underclothing.
Textile machinery.
Twills, velveteens and cords.
Woollen spinning and weaving.

WAKEFIELD DISTRICT.

One *new factory*, employing about 50 people, engaged in the following line of manufacture:—

Rugs and carpetsDewsbury.

Five *factories closed down*:—

Cloth finishing.
Shirts and overalls. (c).
Tailoring. (b) to Leeds.
Woollen weaving.
Woollen spinning, weaving and finishing.

* Extension of premises.
** Extension of premises following removal within area.
†(2)Employing over 200 workers.

(a) New branch factory.
(b) Transfer of factory.
(c) Transfer of work on re-organisation.

BRADFORD AND KEIGHLEY DISTRICTS.

Eight *new factories*, employing about 250 people, and two *extensions*, engaged in the following lines of manufacture:—

Worsted yarn	Baildon.
Worsted spinning and weaving.	Bingley.
*Art. silk sizing, winding and warping	Bradford.
Hair spinning	Bradford.
Worsted weaving (two cases).	Bradford.
Hair cloth weaving	Cleckheaton.
Cotton weaving	Earby.
*Hosiery	Keighley.
Cotton and jute weaving (on shuttleless looms)	Shipley.

Ten factories closed down:—

Artificial silk weaving.
Cotton weaving. (c)
Gear cutting. (c) to Huddersfield.
Hair spinning.
Mine winding machinery.
Saw mill and sports goods.
Woolcombing. (c)
Worsted spinning, weaving and woolcombing. (c)
Worsted weaving. (Two cases.)

LEEDS AND YORK DISTRICTS.

Six *new factories*, employing about 350 people, and three *factory extensions*, in the following lines of manufacture:—

*Wholesale clothing	Leeds.
**Wholesale clothing	Leeds.
Wholesale clothing	Leeds. (a)
†Wholesale clothing	Leeds. (a)
**Gowns, blouses and underwear.	Leeds.
Clothing	Leeds. (a)
Overalls and women's light clothing.	Leeds.
Metal sections for shop fronts.	Leeds.
Flour milling	Selby.

Sixteen factories closed down:—

Aeroplanes. (b) to Portsmouth.
Aeroplanes. (c) to Brough.
Cabinet making (furniture). (c) to York.

LEEDS AND YORK DISTRICTS—cont.

Cardboard boxes.
Cloth finishing.
Printing machinery. (Two cases.)
Scientific instruments. (c)
Wool spinning and weaving. (Two cases.)
Worsted weaving. (Two cases.)
Clothing.
Raincoats.
Tailoring.
Wholesale robe manufacturing.

HULL AND GRIMSBY DISTRICTS.

Three *new factories*, employing over 150 people, and one *factory extension*, engaged in the following lines of manufacture:—

*Aeroplanes	Brough.
Joinery	Doncaster.
Soap	Hull.
†Oil refining	South Killingholme.

One factory closed down:—
Ship repairs.

NORTHUMBERLAND, DURHAM AND PART OF NORTH RIDING OF YORKSHIRE (NORTH EAST COAST).

Seven *new factories*, employing over 400 people, and one *factory extension*, engaged in the following lines of manufacture:—

Drikold—solid CO ₂	Billingham-on-Tees.
Cardboard boxes	Gateshead.
Joinery	Gateshead.
Slag crushing and tarmacadam.	Jarrow.
Bacon curing	Newcastle-on-Tyne.
†(2) Biscuits	South Shields.
*Cabinets (wood)	Sunderland.
Matches	West Hartlepool.

Two factories closed down:—

Cabinets. (I)
Fish and minced meat products. (b) to Southall (Mdx.).

* Extension of premises.

** Extension of premises following removal within area.

† Employing over 100 workers.

†(2) Employing over 200 workers.

(a) New branch factory.

(b) Transfer of factory.

(c) Transfer of work on re-organisation.

(I) Factory opened in 1932 and closed in 1933.

Region VIII.	New Factories.	Employment.	Number of new undertakings employing over				New Branch Factories.	New Factories transferred from other areas.	Factory Extensions.	Factories closed.	Factories closed on account of—	
			100	200	300	400					Transfer of factory to some other area.	Transfer of work to another factory in the same ownership.
Scotland	14	1,200	2	1	1	—	2	—	4	29	—	6

SCOTLAND.

Fourteen *new factories*, employing over 1,200 people, and four *factory extensions*, in the following lines of manufacture:—

Concrete blocks	Barrhead.
*Fruit canning	Blairgowrie.
†Fish canning	Dundee.
*Fruit canning	Dundee.
†(2)Jute spinning and weaving...	Dundee.
†(3)Jute yarns	Dundee.
Bricks	Edinburgh.
Buttons	Glasgow.
Carpets, rugs and runners	Glasgow. (a)
**Chocolates	Glasgow.
Confectionery	Glasgow.
**Clothing (men's and boys')...	Glasgow.
†Printers and lithographers...	Glasgow.
	(c)
Wireless dry batteries	Glasgow.
Smokeless fuel	Glenboig.
Wire nails	Maxwellheugh. (a)
Butter making	Riccarton.
Cement	Rothesay Dock.

SCOTLAND—cont.

Twenty-nine *factories closed down*:—

Bakery engineers, (c) to Glasgow.
Boch bearings for motors.
Boiler tubes, (c)
Bread, etc. (c) to Glasgow.
Builders (two cases).
Engineering (four cases).
Fishing net.
Handkerchiefs.
Iron and steel.
Joinery (two cases).
Ladies' knitted suits and cardigans.
Linen weaving.
Linoleum, (c) to Kirkcaldy.
Pig iron, (c).
Plumbers.
Preserved provisions; salt-fish curing.
Printers.
Rubber goods.
Sheet metal work.
Ship repairs, (c) to Liverpool.
Tweed manufacture (two cases).
Uniform clothing.
Wool weaving.

- Extension of premises.
- ** Extension of premises following removal within area.
- † Employing over 100 workers.

- †(2)Employing over 200 workers.
- †(3)Employing over 300 workers.
- (a) New branch factory.
- (c) Transfer of work on re-organisation.



France No. 1 (1934)

AGREEMENT

between His Majesty's Government in the United Kingdom
and the Government of the French Republic
relating to

TRADE AND COMMERCE

WITH PROTOCOLS

London, June 27, 1934

[The Agreement has not been ratified by His Majesty's Government in
the United Kingdom]

*Presented by the Secretary of State for Foreign Affairs
to Parliament by Command of His Majesty*

LONDON

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Gokhale Institute of Politics
and Economics, Puna 4:

AGREEMENT BETWEEN HIS MAJESTY'S GOVERNMENT IN
THE UNITED KINGDOM AND THE GOVERNMENT OF THE
FRENCH REPUBLIC RELATING TO TRADE AND COMMERCE,
WITH PROTOCOLS.

London, June 27, 1934.

THE Government of the United Kingdom of Great Britain and Northern Ireland, and the Government of the French Republic,
Desiring to facilitate and extend trade and commerce between the United Kingdom of Great Britain and Northern Ireland and the customs territory of France,

Have agreed as follows:—

ARTICLE 1.

1. The Customs tariffs applicable, upon importation into the United Kingdom, to goods, the produce or manufacture of the Customs territory of France, and upon importation into the Customs territory of France, to goods, the produce or manufacture of the United Kingdom, shall continue to be regulated by the internal legislation of the country of importation.

2. Nevertheless, so long as the present Agreement remains in force—

- (a) the minimum tariff shall be applied, upon importation into the Customs territory of France, to all goods (with the exception of the articles enumerated in Schedule A annexed to this Agreement) which are the produce or manufacture of the United Kingdom and are also consigned therefrom; and
- (b) goods, which are the produce or manufacture of the Customs territory of France and are also consigned therefrom (with the exception of the articles enumerated in Schedule B annexed to this Agreement), shall be subject, upon importation into the United Kingdom, to the lowest duties to which like goods, being the produce or manufacture of any other country and consigned therefrom, are subject.

ARTICLE 2.

The treatment of the most favoured nation in Customs matters, as stipulated in paragraph 2 of Article 1 of the present Agreement, shall not be invoked in relation to—

- (a) any treatment, preference or privilege, which may at any time be in force exclusively between territories under the sovereignty of His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India, or under His Majesty's suzerainty, protection or mandate; nor to any treatment, preference or privilege which may at any time be in force exclusively

X: 54.3453

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Le Gouvernement du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord et le Gouvernement de la République française,

Désireux de faciliter et d'accroître les échanges et le commerce entre le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord et le territoire douanier français,

Ont convenu des dispositions ci-après :

ARTICLE 1^{er}.

1. Les tarifs des douanes applicables aux produits naturels ou fabriqués originaires du territoire douanier français à leur importation dans le Royaume-Uni, et aux produits naturels ou fabriqués originaires du Royaume-Uni à leur importation sur le territoire douanier français demeurent régis par la Législation intérieure des deux pays.

2. Pendant la durée du présent accord,

- (a) le tarif minimum sera appliqué, lors de leur importation sur le territoire douanier français, aux produits naturels ou fabriqués, qui sont à la fois originaires et en provenance du Royaume-Uni, à l'exception de ceux énumérés à la Liste A ci-annexée;
- (b) les produits naturels ou fabriqués qui sont à la fois originaires et en provenance du territoire douanier français, à l'exception de ceux énumérés à la Liste B ci-annexée, bénéficieront lors de leur importation dans le Royaume-Uni, des droits les plus réduits, qui sont ou seront appliqués aux produits similaires, originaires et en provenance d'un pays étranger quelconque.

ARTICLE 2.

Le traitement de la nation la plus favorisée, tel qu'il est prévu en matière tarifaire à l'article 1^{er}, ne s'étend pas :

- (a) aux traitement, préférence ou privilèges qui pourraient, en quelque circonstance que ce soit, s'appliquer exclusivement entre des territoires placés sous la souveraineté de Sa Majesté le Roi de Grande-Bretagne, d'Irlande et des Territoires britanniques au delà des Mers, Empereur des Indes, ou sous la suzeraineté, protection ou mandat de Sa Majesté; ni aux traitement, préférence ou privilèges

between the Customs territory of France, as a unit, and her colonies or territories under her protectorate or mandate;

- (b) favours which are granted, or may be granted, in either of the two countries to facilitate frontier traffic with an adjoining country;
- (c) treatment resulting from any special arrangements, which have been, or may be, concluded with a third State or States by one contracting Government in conformity with the recommendations of the International Conference of Stresa, provided that the other Contracting Government, having received a notification thereof from the League of Nations, shall not within one month from the date of the receipt of such notification have made any reservation in regard thereto; or
- (d) measures taken by one contracting Government with a view to counteracting governmental measures taken by the other and intended to stimulate exports, whether directly or indirectly, by abnormal and artificial means.

ARTICLE 3.

1. In connexion with quantitative restrictions on imports into France, the French Government guarantee that there shall be granted to the United Kingdom, as from the date of the entry into force of this agreement, the full share of all quotas in regard to any class of goods, whether existing or to be established hereafter, which is mathematically attributable to the United Kingdom in accordance with the proportion of the total foreign importations into France of the goods in question in the basic period which was represented by United Kingdom goods. The said proportionate share granted to the United Kingdom shall not be reduced, whether the global quota be increased or reduced. The foregoing undertaking shall not be deemed to prevent the abolition of existing quotas.

2. The French Government reserve the right to negotiate, either with the United Kingdom or with other countries, with regard to the allocation of the balance of the global quota remaining after the share thereof which is guaranteed to the United Kingdom has been allotted to her.

3. In regard to the administration of the quotas, the United Kingdom shall, if in any case a request to this effect is made by the Government of the United Kingdom, be granted, under the same conditions and reservations, the most favourable treatment accorded to any other country in respect of like products.

4. United Kingdom industrial products, the importation of which into France was subjected to quota before the 1st January, 1934, and which formed in 1931 less than 10 per cent. of the total imports

- qui pourraient, en quelque circonstance que ce soit, s'appliquer exclusivement entre la France dans l'intégralité de son territoire douanier, ses colonies, les territoires placés sous son protectorat ou soumis à son mandat;
- (b) aux avantages qui ont été, ou seraient accordés par l'un ou l'autre des deux pays à des pays limitrophes en vue de faciliter le trafic frontalier;
- (c) aux arrangements particuliers, conclus ou à conclure par l'un ou l'autre des Gouvernements contractants, conformément aux recommandations de la Conférence Internationale de Stresa, lorsque ces arrangements n'auront pas, dans le délai d'un mois à compter de leur notification par la Société des Nations aux Gouvernements intéressés, fait l'objet de réserves de la part de l'une des deux Gouvernements;
- (d) aux dispositions prises par l'un ou l'autre des deux Gouvernements contractants en vue de faire échec aux mesures gouvernementales tendant à favoriser directement ou indirectement les exportations par des moyens anormaux ou artificiels.

ARTICLE 3.

1. Le Gouvernement français garantit au Royaume-Uni immédiatement l'attribution intégrale de la part qui lui revient mathématiquement dans les contingents actuellement existants ou qui seront créés ultérieurement, d'après la proportion des importations de produits britanniques par rapport au total des importations de produits de même espèce pendant la période de base. Cette proportion ne sera pas réduite, que le contingent global soit augmenté ou diminué. Cet engagement ne fait pas obstacle à la suppression de contingents existants.

2. Le Gouvernement français se réserve le droit de négocier, soit avec le Royaume-Uni, soit avec d'autres pays, le solde du contingent global, une fois attribuée au Royaume-Uni la part qui lui est garantie.

3. En matière de gestion des contingents, le Royaume-Uni est assuré de bénéficier, sur la demande qui en serait faite par son Gouvernement, dans les mêmes conditions et sous les mêmes réserves, pour un même produit, du traitement le plus favorable accordé à un pays tiers.

4. Les produits industriels britanniques dont l'importation en France a été contingentée avant le 1^{er} janvier 1934, et représentait, en 1931, moins de 10 pour cent de l'importation française de l'espèce,

of the products in question into France in that year, shall be permitted to be imported into France in a quantity not less than the actual imports of such products from the United Kingdom in 1931.

5. In the case of any class of goods, the imports of which from the United Kingdom are included in quotas allotted to "other countries," the French Government agree, on a request to this effect being made by the Government of the United Kingdom, to take out the United Kingdom from this heading and to fix separately the appropriate quotas to be allotted to the United Kingdom. When the separate quota thus fixed relates to a class of goods subject to quota before the 1st January, 1934, the administration of the United Kingdom share of the quota shall be undertaken in the United Kingdom.

6. Whenever French customs statistics show that a quota allocated to the United Kingdom is exhausted, the French authorities will notify His Majesty's Embassy at Paris, before suspending the importation of the goods in question. The notice informing importers of the exhaustion of the quota shall not be published until after the expiration of ten days from the date of the above-mentioned notification, in order to enable the Government of the United Kingdom to put forward, if need be, any statistical information which might justify a modification of the decision to suspend further importations. Should it be recognised that the quota has in fact been exhausted, all excess imports which may be shown to have taken place shall be reckoned against the quota for the following period.

7. The French Government will grant, whenever possible, requests made to them for the carrying-over to the current quarter of any portions of quotas for industrial products remaining unutilised in the previous quarter. In making the periodical allocation of quotas, the French Government will take account, on request made to them, of the seasonal variation of imports of certain classes of goods.

8. In the event of new quotas being introduced for industrial products of special interest to the United Kingdom, temporary quotas ("contingents interlocutoires") will be fixed for the United Kingdom corresponding to imports in the previous year, so as to permit of discussions between the industries concerned with a view to reaching agreement on the definitive bases of calculation of the quotas in question. If such agreement is not reached, or is not approved by the French Government, the French Government reserve the right themselves to determine the conditions governing the new quotas.

ARTICLE 4.

1. As regards the import into France of coal falling under the "normal" quota, the French Government agree to guarantee the existing percentage, as at present operative, for imports of United Kingdom coal. This "normal" quota does not include bunker coal, metallurgical coal, or the supplementary allocations

seront admis sans réduction dans la limite des importations britanniques effectuées en 1931.

5. Le Gouvernement français accepte, dans le cas où la demande lui en serait faite par le Gouvernement britannique, de ne plus comprendre le Royaume-Uni dans la rubrique "autres pays" et de déterminer les contingents particuliers qui seront alloués au Royaume-Uni. Lorsque les contingents particuliers ainsi créés s'appliqueront à une catégorie de produits industriels soumis au contingentement avant le 1^{er} janvier 1934, la gestion de la fraction du contingent attribuée au Royaume-Uni devra être assurée par ce pays.

6. Dans le cas où les statistiques douanières françaises indiqueraient qu'un contingent intéressant le Royaume-Uni est épuisé, les autorités françaises, avant de suspendre les importations de l'espèce, avertiront l'Ambassade du Royaume-Uni à Paris. L'avis notifiant aux importateurs l'épuisement du contingent ne pourra être publié que dix jours au moins après cet avis, ce délai devant permettre aux Autorités britanniques de présenter, le cas échéant, tout renseignement statistique susceptible de modifier la décision. Dans le cas où il serait reconnu que le contingent a été effectivement épuisé, tous les dépassements constatés seront imputés sur le contingent de la période suivante.

7. Le Gouvernement français accueillera, toutes les fois qu'il sera possible, les demandes qui lui seraient présentées en vue du report sur le trimestre en cours de la portion non utilisée des contingents industriels du trimestre précédent. Il tiendra compte, pour la répartition périodique des contingents, du caractère saisonnier de certaines importations.

8. En cas de création de nouveaux contingents industriels intéressant spécialement le Royaume-Uni, il sera établi des contingents interlocutoires correspondant aux importations de l'année précédente afin de permettre des conversations entre les industries intéressées, ayant pour objet une entente sur les bases définitives de calcul desdits contingents. Si cette entente n'est pas réalisée, ou ne recueille pas l'approbation du Gouvernement français, celui-ci se réserve le droit de fixer les modalités des nouveaux contingents.

ARTICLE 4.

1. Le Gouvernement français accepte de garantir, comme il joue actuellement, le pourcentage des importations de charbon britannique faites au compte du contingent "normal." Le contingent "normal" ne comprend pas les charbons de soute, métallurgiques et les allocations supplémentaires.

(that is to say, the port quotas administered by the Chambers of Commerce, and the allocations in respect of the ports of Normandy and Brittany and in respect of the coasting trade of Brittany).

2. With regard to the supplementary allocations the French Government undertake that during the continuance in force of the present agreement,

(1) in the event of the global quota being reduced, these supplementary allocations shall not be reduced in a greater proportion; and

(2) these supplementary allocations shall continue in the same way as at present, to remain open to free competition.

In respect of metallurgical coal, the French Government undertake to maintain, for so long as the present agreement remains in force, the same freedom of purchase as at present.

ARTICLE 5.

The Government of the United Kingdom will as from the date of entry into force of this agreement remove the discriminatory surtax of 20 per cent. imposed upon certain goods imported from France by the Order of the 9th February, 1934.

ARTICLE 6.

If, while this Agreement remains in force, the United Kingdom import duties on silk, artificial silk and manufactures thereof are altered, the altered duties on silk, artificial silk and manufactures thereof, produced or manufactured in and consigned from France, shall be those set out in Schedule C to this Agreement.

ARTICLE 7.

The two Governments take note of the agreement relating to the exchange of coal and pit-props reached on the 15th June, 1934, between the mine owners of the United Kingdom and the representatives of the Syndicate of French coal importers.

The guarantees in respect of coal set forth in Article 4 shall be maintained in force only so long as the agreement referred to in the preceding paragraph shall operate to the satisfaction of the French Government.

ARTICLE 8.

The Government of the United Kingdom agree so long as this Agreement remains in force not to increase the duties on French brandy imported into the United Kingdom, or the aggregate duties (basic duty and surcharge) applicable in the United Kingdom to French sparkling wines.

2. En ce qui concerne les allocations supplémentaires, à savoir les contingents des ports gérés par les Chambres de Commerce et les allocations des ports Normands et Bretons ainsi que celles des Caboteurs bretons, le Gouvernement français accepte de donner les garanties ci-après pendant la durée de l'accord :

(1) en cas de réduction du contingent global, ces allocations supplémentaires ne pourront pas être réduites dans une proportion plus forte ;

(2) le régime de la libre concurrence continuera à leur être appliqué de la même façon qu'actuellement.

Pour les charbons métallurgiques, le Gouvernement français s'engage à maintenir pour la durée de l'accord le régime actuel de la liberté d'achat.

ARTICLE 5.

Le Gouvernement britannique abolira immédiatement la taxe discriminatoire de 20 pour cent établie par l'arrêté du 9 février 1934 sur divers articles de l'importation française.

ARTICLE 6.

Si, pendant la durée du présent accord, les droits d'importation britanniques sur la soie, la soie artificielle et les articles manufacturés de l'espèce sont modifiés, les nouveaux droits qui seront applicables à la soie, à la soie artificielle et aux articles manufacturés de l'espèce, produits ou manufacturés en France et qui en proviennent, seront ceux qui figurent à la liste C annexée au présent accord.

ARTICLE 7.

Les Hautes Parties Contractantes prennent acte de l'accord relatif à l'échange charbon et bois de mines intervenu le 15 juin 1934 entre les Mines anglaises et les représentants du Syndicat des Importateurs français de charbon.

Les garanties sur les charbons stipulées à l'article 4 ne pourront être maintenues qu'autant que jouera à la satisfaction du Gouvernement français l'accord visé au paragraphe ci-dessus.

ARTICLE 8.

Le Gouvernement Britannique accepte de ne pas relever pendant la durée du présent accord les droits qui frappent les eaux-de-vie françaises à leur importation en Grande-Bretagne, ainsi que l'ensemble des droits (droit de base et droit additionnel) applicables aux importations de vins mousseux français.

ARTICLE 9.

The articles enumerated in Schedule D to this Agreement, produced or manufactured in France and consigned therefrom, shall not, on importation into the United Kingdom, be subjected to higher duties than those specified in that Schedule.

Woven fabrics, not made up, of a uniform width exceeding one foot, and composed solely of warp and weft running continuously throughout the fabric, shall not, when produced or manufactured in France and consigned therefrom, be regarded on importation into the United Kingdom as manufactures or goods which have been subjected to a process producing an effect similar to a process of embroidery by hand or machine needlework.

ARTICLE 10.

In the event of any large variation in the rate of exchange between the currencies of the two countries, if the Government whose interests have been prejudiced thereby should deem it necessary to take steps with a view to correcting the disequilibrium so caused it may, at any time, terminate the present Agreement on giving one month's notice.

If, at any time after the present Agreement comes into force, either contracting Government should take any measure liable to upset the equilibrium resulting from this Agreement and its accompanying instruments, then the other Government shall be entitled to demand the immediate opening of negotiations with a view to re-establishing the equilibrium. Should agreement not be reached within one month, the contracting Government whose interests have been prejudiced shall be entitled to take corresponding counter-measures.

ARTICLE 11.

The present Agreement shall terminate at midnight on the 31st March-1st April, 1935. If, however, it has not, two months before that date, been denounced by either of the two Governments, it shall continue in force subject to the right of either Government to give notice of termination at any time, such notice taking effect on the expiry of the next quarter of the year following the quarter in which the notice is given.

Should the Agreement be terminated on the 1st April, 1935, the seasonal reductions of duty accorded in respect of certain horticultural produce shall nevertheless be maintained till the dates set out in Schedule D to this Agreement.

ARTICLE 9.

Les articles énumérés dans la liste D annexée au présent accord, qui sont produits ou manufacturés en France, et qui en proviennent, ne seront pas, à leur importation dans le Royaume-Uni, soumis à des droits de douane plus élevés que ceux indiqués dans cette annexe.

Les étoffes tissées, non confectionnées, d'une largeur uniforme dépassant un pied et composées seulement de fils de chaîne et de trame constituant l'étoffe sans interruption ne seront pas, lorsqu'elles seront produites ou manufacturées en France, et qu'elles en proviendront, considérées, lors de leur importation dans le Royaume-Uni, comme des produits fabriqués ou des marchandises soumis à un procédé produisant un effet semblable à un procédé de broderie à la main ou à la machine.

ARTICLE 10.

En cas de modification grave d'équilibre entre la valeur relative des monnaies des deux pays, si le Gouvernement lésé estime nécessaire de corriger les effets de ce déséquilibre, il pourra à tout moment, par dérogation à l'article ci-après, mettre fin au présent accord avec un préavis d'un mois.

Si, à un moment quelconque après la mise en vigueur du présent accord, l'un des Gouvernements Contractants prenait une mesure de nature à rompre l'équilibre résultant de l'accord et des actes qui l'accompagnent, l'autre Gouvernement aurait le droit de demander l'ouverture immédiate de négociations en vue de rétablir cet équilibre. A défaut d'entente dans un délai d'un mois, le Gouvernement qui s'estimerait lésé aurait le droit de prendre à son tour des mesures compensatrices correspondantes.

ARTICLE 11.

Le présent accord prendra fin à minuit le 31 mars-1^{er} avril 1935. S'il n'a pas été dénoncé par l'un des Gouvernements, deux mois avant l'arrivée à expiration, il sera prorogé par voie de tacite reconduction, chaque Gouvernement se réservant le droit de le dénoncer à tout moment pour lui faire prendre fin à l'expiration de la période trimestrielle qui suit la date de la dénonciation.

Si l'accord prenait fin le 1^{er} avril 1935, les réductions tarifaires saisonnières sur certains produits horticoles seraient néanmoins maintenues jusqu'aux dates indiquées dans l'annexe D de l'accord.

In witness whereof the undersigned, being duly authorised to that effect, have signed this Agreement and have affixed thereto their seals.

Done in duplicate at London, this 27th day of June, nineteen hundred and thirty-four, in French and English, both texts being equally authentic.

(L.S.) JOHN SIMON.

(L.S.) WALTER RUNCIMAN.

(L.S.) C. CORBIN.

En foi de quoi les soussignés, dûment autorisés à cet effet, ont signé le présent arrangement et y ont apposé leurs sceaux.

Fait en double exemplaire à Londres, le 27 juin dix-neuf cent trente-quatre, en français et en anglais, les deux textes faisant également foi.

(L.S.) JOHN SIMON.

(L.S.) WALTER RUNCIMAN.

(L.S.) C. CORBIN.

SCHEDULE A (Article 1 (2) (a)).

List of Goods not Entitled to the Minimum Tariff upon Importation into France.

Nos. of the French Tariff.	
Ex 27	Silk in cocoons; floss silk in the mass.
Ex 47	Preserved sardines.
Ex 84 A	Lemons.
	Almonds.
	Dates.
	Figs.
Ex 88	Soya beans.
Ex 134	Cork, rough, scraped, or in slabs.
Ex 174	Brandy.
Ex 189	Sulphur, unrefined.

SCHEDULE B (Article 1 (2) (b)).

List of French Goods not Entitled to Most-Favoured-Nation Treatment upon Importation into the United Kingdom.

Soya cake.	Shale oil.
Coconuts.	Raw coconut fibre.
Haddock, smoked or salted.	Ozokerit.
Caviare.	Soya oil.
Ginger.	Ice.
Beer.	Coal tar.
Cocoa-butter.	Safety matches.

SCHEDULE C (Article 6).

SILK AND ARTIFICIAL SILK DUTIES.

Proposed Customs Duties.

1. SILK and artificial silk, and articles made wholly or partly thereof, to be subject to the rates of customs duty specified in this Schedule, the duties specified in the third column of Parts I and II being charged in addition to those specified in the second column of those Parts.

PART I.

Silk—	The lb.	Per cent. of the full
	s. d.	value of the article.
Cocoons and waste of all kinds—		
Undischarged	6	...
Wholly or in part discharged other than		
noils	1 6	...
Noils	6	...
Raw—		
Undischarged	1 6	...
Wholly or in part discharged	2 2	...
Yarn—		
Undischarged	2 2	25
Wholly or in part discharged—		
Not being noil yarn	2 9	25
Noil yarn	9	25

LISTE A (Article 1 (2) (a)).

Liste des Produits ne bénéficiant pas du Tarif minimum à l'Importation en France.

Numéros du Tarif français.		
Ex 27		Soie en cocons. Bourre de soie en masse.
Ex 47		Sardines conservées.
Ex 84 A	}	Citrons.
		Amandes.
		Dattes.
		Figues.
Ex 88		Graines de soya.
134		Liège brut, râpé ou en planches.
Ex 174		Eaux de vie de vin.
Ex 189		Soufre non épuré.

LISTE B (Article 1 (2) (b)).

Liste des Produits pour lesquels la France ne bénéficiera pas de la Clause de la Nation la plus favorisée à l'Importation en Grande-Bretagne.

Tourteaux de soya.	Huiles de schiste.
Noix de coco.	Fibres de coco brutes.
Haddock fumé ou salé.	Ozokérite.
Caviar.	Huile de soya.
Gingembre.	Glace.
Bière.	Goudron de houille.
Beurre de cacao.	Allumettes de sûreté.

LISTE C (Article 6).

DROITS SUR LES SOIES ET SOIERIES: SOIE NATURELLE ET SOIE ARTIFICIELLE.

Droits de Douane éventuels.

1° La soie naturelle et la soie artificielle et les articles fabriqués en tout ou en partie avec de la soie naturelle ou de la soie artificielle seront soumis aux droits de cette liste, les droits spécifiés dans la troisième colonne des parties I et II venant s'ajouter à ceux mentionnés dans la seconde colonne desdites parties.

PREMIÈRE PARTIE.

Soie naturelle—	Droits par lb. s. d.	Pourcentage de la Valeur totale de l'Article.
Cocons et déchets de toute nature:		
non décreusés... ..	6	...
entièrement ou partiellement décreusés autres que bourrettes	1 6	...
bourrettes	6	...
Soie grège:		
non décreusés... ..	1 6	...
entièrement ou partiellement décreusés	2 2	...
Fileés:		
non décreusés... ..	2 2	25
entièrement ou partiellement décreusés autres que filés de bourrette	2 9	25
filés de bourrette	9	25

Tissues (see Note A)—	The lb. s. d.	Per cent. of the full value of the article.
Bolting cloth, not treated or operated upon, containing no other fibre than silk	2 3	...
Noil tissue	10	25
Other tissues (except Eastern tissues of the varieties known as Shantung, Ninghai, Nanshan, Honan, Antung and Habutai)—		
Undischarged	2 3	25
Wholly or in part discharged...	3 6	25

(Tissue of which the warp or weft consists of yarn wholly or partly discharged and the weft or warp of undischarged yarn to pay 2s. 3d. the lb. in respect of the undischarged yarn, and 3s. 6d. the lb. in respect of the wholly or partly discharged yarn.)

Artificial silk—

Waste	9	...
Yarn	1 3	25
Tissues (see Note A)	1 5	25

Note A—

- (a) In the case of tissue consisting partly of silk or artificial silk, if the weight of the silk or of the artificial silk, or of both together, as the case may be, is less than 10 per cent. of the weight of the tissue, there shall be charged, instead of duty at the rate of 25 per cent., duty at the rate of 20 per cent.
- (b) In the case of tissue exceeding 12 inches in width and consisting wholly or partly of silk (being silk wholly or in part discharged other than noil) or of artificial silk, if the weight of the silk or of the artificial silk, or of both together, as the case may be, is more than 75 per cent. of the weight of the tissue, there shall be charged, instead of duty at the rate of 25 per cent., either—
- (i) where the tissue contains silk, a duty of 7½d. per square yard on the area of the tissue, or a duty of 25 per cent. *ad valorem*, whichever is the greater; or
 - (ii) where the tissue contains artificial silk, but no silk, a duty of 5d. per square yard on the area of the tissue, or a duty of 25 per cent. *ad valorem*, whichever is the greater.

PART II.

Eastern tissues of the varieties known as Shantung, Ninghai, Nanshan, Honan, Antung and Habutai—	The lb. s. d.	
(a) where the tissue is dyed or printed...	3 6	25 per cent. of the full value of the tissue, or 7½d. per square yard on the area of the tissue, whichever is the greater.
(b) where the tissue is not dyed or printed	2 9	25 per cent. of the full value of the tissue.

Tissus (voir note A)—	Droits par lb. s. d.	Pourcentage de la Valeur totale de l'Article.
Gaze à bluter non traitée ni travaillée et ne contenant pas d'autre fibre que de la soie	2 3	...
Tissus de bourrette	10	25
Autres tissus (sauf les tissus orientaux connus sous le nom de shantung, ninghai, nanchang, honan, hantung et habutai):		
non décreusés	2 3	25
entièrement ou partiellement décreusés	3 6	25
Les tissus dont la chaîne ou la trame consiste en fils entièrement ou partiellement décreusés, et la trame ou la chaîne en fil, non décreusés seront soumis au droit de 2s. 3d. par lb. pour les fils non décreusés et de 3s. 6d. par lb. pour les fils entièrement ou partiellement décreusés.		
Soie artificielle—		
Déchets	9	...
Filés	1 3	25
Tissus (voir note A)	1 5	25

Note A—

- (a) Pour les tissus composés en partie de soie naturelle et de soie artificielle, si le poids de la soie ou de la soie artificielle ou des deux à la fois, suivant le cas, ne représente pas 10% du poids du tissu, le droit sera perçu au taux de 20% au lieu de 25%.
- (b) Pour les tissus de plus de 12 inches de large entièrement ou partiellement en soie naturelle (entièrement ou partiellement décreusée autre que bourrette), ou de soie artificielle, si le poids de la soie naturelle ou artificielle ou des deux à la fois, suivant le cas, représente plus de 75% du poids du tissu, il sera perçu, au lieu du droit de 25%, soit:
- (1) Si le tissu contient de la soie naturelle, le plus élevé des deux droits suivants: 7½ pence par yard carré sur la superficie du tissu, ou 25% *ad valorem*;
 - (2) Si le tissu contient de la soie artificielle, mais non de la soie naturelle, le plus élevé des deux droits suivants: 5 pence par yard carré sur la superficie du tissu ou 25% *ad valorem*.

DEUXIÈME PARTIE.

Tissus orientaux connus sous le nom de: shantung, ninghai, nanchang, honan, hantung et habutai:	Droits par lb. s. d.	Pourcentage de la Valeur totale de l'Article.
(a) si les tissus sont teints ou imprimés...	3 6	Le plus élevé des deux droits suivants: 25% de la valeur totale du tissu ou 7½ pence par yard carré.
(b) si les tissus ne sont ni teints ni imprimés	2 9	25% de la valeur totale du tissu.

PART III.

Other Articles, with the exception of Books in which the only Silk or Artificial Silk Component is in the Headband or in an attached Book-mark.

Description of articles.	Rate chargeable where the article is made wholly of silk or artificial silk, or where the value of the silk or artificial silk component or the aggregate of the values of all such components, as the case may be, exceeds 20 per cent. of the aggregate of the values of all the components of the article.	Rate chargeable where the value of the silk or artificial silk component or the aggregate of the values of all such components, as the case may be, exceeds 5 per cent., but does not exceed 20 per cent., of the aggregate of the values of all the components of the article.	Rate chargeable where the value of the silk or artificial silk component or the aggregate of the values of all such components, as the case may be, does not exceed 5 per cent. of the aggregate of the values of all the components of the article.
<p>Articles of apparel; textile bed furnishings (viz., bedspreads, quilts, canopies, valances, sheets, pillow-cases, bolster-cases, mattress-cases, night-dress-cases, and similar articles); household curtains of all kinds, cushion covers, chair-backs, tablecloths, table mats, table-centres, table runners, doyleys, duchesse sets, serviettes, and similar articles of furnishing drapery— Where any component is silk</p>	<p>An amount equal to 43¹/₃rd per cent. of the value of the article or an amount calculated at the rate of 12s. the pound on the weight of the article, whichever is the greater.</p>	<p>An amount equal to 25 per cent. of the value of the article or an amount calculated at the rate of 4s. the pound on the weight of the article, whichever is the greater.</p>	<p>An amount equal to 12 per cent. of the value of the article or an amount calculated at the rate of 9d. the pound on the weight of the article, whichever is the greater.</p>
<p>Where no component is silk</p>	<p>An amount equal to 43¹/₃rd per cent. of the value of the article or an amount calculated at the rate of 5s. the pound on the weight of the article, whichever is the greater.</p>	<p>An amount equal to 25 per cent. of the value of the article, whichever is the greater.</p>	<p>An amount equal to 12 per cent. of the value of the article, whichever is the greater.</p>
<p>Articles other than articles previously mentioned in this column of this part of this Schedule</p>	<p>An amount equal to 43¹/₃rd per cent. of the value of the article.</p>	<p>An amount equal to 25 per cent. of the value of the article.</p>	<p>An amount equal to 12 per cent. of the value of the article.</p>

TROISIÈME PARTIE.

autres Articles (à l'exception des livres dans lesquels la soie, ou la soie artificielle n'entre que dans la coiffe, ou le signet qui y est attaché.)

Droits Applicables.

Énumération des articles :	lorsque l'article est entièrement en soie ou soie artificielle, ou lorsque la valeur de la soie ou de la soie artificielle qui y entre, ou, s'il y a lieu, la valeur totale de ces composants dépasse 20% de la valeur totale de tous les composants dudit article :	lorsque la valeur de la soie ou de la soie artificielle qui y entre, ou s'il y a lieu, la valeur totale de ces composants, dépasse 5%, mais ne dépasse pas 20% de la valeur totale de tous les composants dudit article :	lorsque la valeur de la soie ou de la soie artificielle qui y entre, ou s'il y a lieu, la valeur totale de ces composants, ne dépasse pas 5% de la valeur totale de tous les composants dudit article :
articles d'habillement; articles de literie (couvre-lits, édredons, ciels de lit, tentures, draps, taies d'oreiller, couvre-traversins, couvre-matelas, sacs pour vêtements de nuit et autres analogues); rideaux d'appartement de toute espèce, taies de coussins, dos de chaise, nappes, chemins, centres et dessus de table, fonds d'assiettes, garnitures de chaise et articles analogues d'ameublement. lorsqu'il y entre de la soie naturelle	le plus élevé des 2 droits suivants—un montant égal à 43½ % de la valeur de l'article, ou—un montant calculé au taux de 12 shillings par lb. du poids de l'article	le plus élevé des 2 droits suivants: —un montant égal à 25% de la valeur de l'article, ou—un montant calculé au taux de 4 shillings par lb. du poids de l'article	le plus élevé des 2 droits suivants: —un montant égal à 12% ad valorem de la valeur de l'article, ou—un montant calculé au taux de 9 pence par lb. du poids de l'article.
lorsqu'il n'y entre pas de soie naturelle	le plus élevé des 2 droits suivants—un montant égal à 43½ % de la valeur de l'article, ou—un montant calculé au taux de 5 shillings par lb. du poids de l'article.	le plus élevé des 2 droits suivants: —un montant égal à 25% de la valeur de l'article ou—un montant calculé au taux de 1 shilling 8 pence par lb. du poids de l'article	le plus élevé des 2 droits suivants: —un montant égal à 12% de la valeur de l'article ou—un montant calculé au taux de 4 pence par lb. du poids de l'article.
tous autres articles que ceux énumérés	43½ % de la valeur de l'article	25% de la valeur de l'article	12% de la valeur de l'article.

SCHEDULE D (Article 9)

Cut flowers in the following varieties—					
Snowdrop	...	...	...	...	2 <i>d.</i> a lb. during the 1st December to the 31st January.
Freesia	...	...	...	...	2 <i>d.</i> a lb.
Ranunculus	...	...	...	...	2 <i>d.</i> a lb.
Roman Hyacinth	...	...	...	...	2 <i>d.</i> a lb. from the 1st January to the 15th March.
Ixia	...	...	...	...	2 <i>d.</i> a lb. from the 1st February to the 30th April.
Lettuce, endive, chicory (salad)	...	...	...	...	5/- a cwt. from the 1st January to the 29th February.
Asparagus...	...	...	...	...	1½ <i>d.</i> a lb. from the 1st March to the 15th April.
Cherries, drained or glacé and crystallised or metz	...	...	...	...	25 per cent. <i>ad valorem</i> in addition to the sugar duty.
Cherries, preserved by chemicals or artificial heat (other than cherries preserved in sugar)	...	...	...	...	25% <i>ad valorem</i> .
Glacé kid, being chrome tanned goat-skin of a smooth, polished finish	...	...	...	...	10% <i>ad valorem</i> .
Imitation jewellery, whether or not mounted or set, not containing any platinum or any gold other than rolled gold or gilt metal	...	...	...	...	25% <i>ad valorem</i> .
Powder bowls or boxes and powder puffs	...	...	...	...	25% <i>ad valorem</i> .
Cigarette paper in bobbins or reels...	...	...	...	...	16½% <i>ad valorem</i> .
Booklets of cigarette papers	...	...	...	...	16½% <i>ad valorem</i>
Printed publications, whether illustrated or not, the primary purpose of which is to advertise travel or exhibitions outside the United Kingdom	...	...	...	...	Free List.

LISTA D (Article 9).

Perce-neige	2d. par lb. du 1 ^r décembre au 31 janvier.
Frezia	2d. par lb. à toute époque de l'année.
Renoncule... ..	2d. par lb. à toute époque de l'année.
Jacinthe romaine	2d. par lb. du 1 ^r janvier au 15 mars.
Ixia	2d. par lb. du 1 ^r février au 30 avril.
Laitue, endive, chicorée (salade) ...	5s. par cwt. pendant les mois de janvier et de février.
Asperges	1½d. par lb. du 1 ^r mars au 15 avril.
Cerises, égouttées ou glacées, et cristallisées ou metz... ..	25% <i>ad valorem</i> en plus du droit sur le sucre qui y est contenu.
Cerises, conservées au moyen de produits chimiques ou par la chaleur artificielle (autres que les cerises conservées au sucre)... ..	25% <i>ad valorem</i> .
Chevreau glacé, c'est-à-dire peau de chèvre tannée au chrome présentant une surface brillante et unie	10% <i>ad valorem</i> .
Bijouterie imitation, montée ou non, sertie ou non, ne contenant ni platine, ni or autre que du plaqué or ou du métal doré... ..	25% <i>ad valorem</i> .
Bols et boîtes à poudre, houppes à poudre	25% <i>ad valorem</i> .
Papier à cigarettes en bobines ou en rouleaux	16½% <i>ad valorem</i> .
Papier à cigarettes en cahiers ...	16½% <i>ad valorem</i> .
Publications imprimées, illustrées ou non, ayant pour objet principal la publicité pour les voyages ou des expositions dans des pays étrangers en dehors du Royaume-Uni ...	Libre.

Protocol of Signature.

At the moment of signing the Trade Agreement of this day's date, the undersigned plenipotentiaries, being duly authorised to that effect, have agreed as follows:—

The said Agreement shall, pending the exchange of ratifications, enter into force provisionally, and subject to the provisions as to denunciation contained in the Agreement, from the 1st day of July, 1934.

Done in duplicate at London, this 27th day of June, nineteen hundred and thirty-four, in French and English, both texts being equally authentic.

JOHN SIMON.

WALTER RUNCIMAN.

C. CORBIN.

Protocole de Signature.

Au moment de procéder à la signature de l'accord commercial en date de ce jour, les plénipotentiaires soussignés, dûment autorisés à cet effet, ont convenu ce qui suit :

En attendant l'échange des ratifications, et sous réserve des dispositions qui y sont contenues relativement à sa dénonciation, ledit accord entrera en vigueur provisoire, à dater du 1^{er} juillet 1984.

Fait en double exemplaire à Londres, le 27 juin dix-neuf cent trente-quatre, en français et en anglais, les deux textes faisant également foi.

JOHN SIMON.

WALTER RUNCIMAN.

C. CORBIN.

PROTOCOL.

WITH reference to Article 7 of the Trade Agreement signed this day, the Agreement relating to the exchange of coal and pit-props of which mention is therein made, is that annexed to the present protocol.

Done at London, the 27th day of June, 1934.

(L.S.) JOHN SIMON.

(L.S.) WALTER RUNCIMAN.

(L.S.) C. CORBIN.

ANNEX.

Between Mr. Evan Williams, representing the British colliery owners, of the one part, and M. Alexandre Charvet, representing the French coal importers, of the other part, the following is agreed concerning the exchange of a tonnage of coal against a tonnage of pitwood :

1. The monthly tonnage of coal which is to form the subject of this exchange shall be 40,000 tons, this quantity being comprised in the British imports such as they result from the régime to which the Commercial Agreement to be concluded between the French and British Governments relates.

2. This tonnage shall form the subject of special licences delivered by the French Government to a distributing body established by the Joint Committee for which provision is made hereinafter.

3. The exchange of coal against pitwood shall be effected in the following proportions :

2 tons of pitwood against 3 tons of coal.

By derogation from the conditions stipulated above it is, however, agreed that, by reason of commitments already entered into for supplying the British collieries, the purchases of pitwood may be reduced to 20,000 tons per month during the period ending the 31st December, 1934. The proportion of the exchange will thus be provisionally 1 ton of pitwood against 2 tons of coal.

PROTCOLE.

L'ACCORD relatif à l'échange charbon-poteaux de mines, dont il est fait mention à l'article 7 de l'accord commercial signé en date de ce jour, figure en annexe au présent protocole.

Fait à Londres le 27 juin, 1934.

(L.S.) JOHN SIMON.

(L.S.) WALTER RUNCIMAN.

(L.S.) C. CORBIN.

ANNEXE.

Entre Mr. Evan Williams, représentant les Houillères britanniques, d'une part, et M. Alexandre Charvet, représentant les importateurs français de charbon, d'autre part, il est convenu ce qui suit, relativement à l'échange d'un tonnage de charbon contre un tonnage de bois de mine :

1° Le tonnage mensuel de charbon qui fera l'objet de cet échange sera de 40,000 tonnes; cette quantité est comprise dans les importations britanniques telles qu'elles résulteront du régime visé par l'accord commercial à intervenir entre les Gouvernements français et britannique.

2° Ce tonnage fera l'objet de licences spéciales délivrées par le Gouvernement français à un organisme de répartition constitué par la Commission mixte prévue ci-après.

3° L'échange charbon-bois de mine se fera dans les proportions suivantes :

2 tonnes de bois de mine contre 3 tonnes de charbon.

Par dérogation aux conditions ci-dessus stipulées, il est toutefois convenu qu'en raison des engagements déjà contractés pour l'approvisionnement des Houillères britanniques, les achats de bois de mine pourront être réduits à 20,000 tonnes mensuellement pendant la période s'étendant jusqu'au 31 décembre 1934. La proportion de l'échange serait ainsi provisoirement de 1 tonne de bois de mine contre 2 tonnes de charbon.

4. *Sale Price of Pit-props.*

The price of the pit-props shall be fixed before the beginning of each quarter by the Joint Committee for which provision is made hereinafter.

5. *The Joint Committee.*

The licences corresponding to the quantity of coal earmarked for pitwood will be handed over to a Committee of four members representing: the British coal-producers, the French coal importers, the French pit-prop exporters and the British pit-prop importers.

The licences shall be administered by the Committee in such a way as to secure to the British coal producers who buy pitwood the benefit of the corresponding coal licence.

This Committee shall also fix every quarter the price to be paid for the pitwood to the French pit-prop exporters for the ensuing period of three months.

6. *Duration of the Agreement.*

The present Agreement is made subject to the Commercial Agreement to be concluded between the French and British Governments. Nevertheless it is agreed that it may be revised on the 31st December, 1934; in this case the revision would take effect three months afterwards.

(Signed) EVAN WILLIAMS.
A. CHARVET.

London, June 15, 1934.

4° Prix de vente des poteaux.

Le prix des poteaux sera fixé avant le commencement de chaque trimestre par la Commission mixte prévue ci-après.

5° Commission mixte.

Les licences correspondant à la quantité de charbon grevée de bois de mine seront remises à un comité de quatre membres représentant : les producteurs britanniques de charbon, les importateurs français de charbon, les exportateurs français de poteaux, les importateurs britanniques de poteaux.

Les licences seront administrées par le Comité de manière à permettre aux producteurs de charbon britannique, acheteurs de bois de mine, de s'assurer le bénéfice de la licence de charbon correspondante.

Ce comité devra également fixer trimestriellement le prix auquel les bois de mine devront être payés aux exportateurs français de poteaux de mine pour la période des 3 mois suivants.

6° Durée de l'accord.

Le présent accord est subordonné à l'accord commercial à intervenir entre les Gouvernements français et britannique, toutefois il est convenu qu'il pourra être révisé au 31 décembre 1934; dans ce cas, la révision prendrait effet dans un délai de trois mois.

(Signé) EVAN WILLIAMS.
A. CHARVET.

Londres, le 15 juin 1934.

SWEDEN



Treaty Series No. 32 (1933)

AGREEMENT
BETWEEN THE GOVERNMENT OF THE
UNITED KINGDOM AND
THE GOVERNMENT OF SWEDEN
RELATING TO
TRADE AND COMMERCE
WITH PROTOCOL AND EXCHANGES OF NOTES

London, May 15, 1933

[Ratifications exchanged at Stockholm, July 4, 1933]

*Presented by the Secretary of State for Foreign Affairs
to Parliament by Command of His Majesty*

LONDON

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1933

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Gokhale Institute of Politics
and Economics, Poona 4.

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED
KINGDOM AND THE GOVERNMENT OF SWEDEN RELATING
TO TRADE AND COMMERCE, WITH PROTOCOL AND
EXCHANGES OF NOTES.

London, May 15, 1933.

[Ratifications exchanged at Stockholm, July 4, 1933.]

THE Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Sweden desiring to facilitate and extend still further trade and commerce between the United Kingdom of Great Britain and Northern Ireland on the one hand and the Kingdom of Sweden on the other, have agreed to the following effect:—

ARTICLE 1.

The articles enumerated in the First Schedule to this Agreement, produced or manufactured in the United Kingdom, from whatever place arriving, shall not, on importation into Sweden, be subjected to duties or charges other or higher than those specified in the Schedule.

ARTICLE 2.

The articles enumerated in the Second Schedule to this Agreement, produced or manufactured in Sweden, from whatever place arriving, shall not, on importation into the United Kingdom, be subjected to duties or charges other or higher than those specified in the Schedule.

ARTICLE 3.

1. In addition to the obligations relating to import duties and charges which they assume under Article 2 of this Agreement, the Government of the United Kingdom undertake not to regulate the quantity of the imports into the United Kingdom of bacon and hams, butter or eggs, the produce of Sweden, except in so far as such regulation may be necessary to secure the effective operation of a scheme or schemes for the regulation of the marketing of domestic supplies of these or related products. In the event of such regulation of imports being introduced in the case of all or any of these products, the following provisions shall have effect in so far as they may be applicable.

2. The Government of the United Kingdom will, in any such event, allot to Sweden an equitable share of permitted foreign imports having regard to the proportion of total foreign imports of those products which has been supplied by Sweden in recent years. Allocation to Sweden will be made on the same basis as, and on conditions not less favourable than, allocations to other foreign countries.

KONUNGARIKET Sveriges regering samt det Förenade Konungariket Storbritanniens och Norra Irlands regering hava, i önskan att underlätta och än ytterligare utveckla handeln mellan Konungariket Sverige, å ena sidan, samt det Förenade Konungariket Storbritannien och Norra Irland, å andra sidan, enats om följande :

ARTIKEL 1.

I bilaga I till denna överenskommelse upptagna varor, frambringade eller tillverkade i det Förenade Konungariket, skola vid införsel till Sverige, från vilken ort de än må inkomma, icke vara underkastade andra eller högre tullar eller avgifter än de, vilka angivits i bilagan.

ARTIKEL 2.

I bilaga II till denna överenskommelse upptagna varor, frambringade eller tillverkade i Sverige, skola vid införsel till det Förenade Konungariket, från vilken ort de än må inkomma, icke vara underkastade andra eller högre tullar eller avgifter än de, vilka angivits i bilagan.

ARTIKEL 3.

1. Utöver de åtaganden i avseende å importtullar och avgifter, som gjorts jämlikt artikel 2 i denna överenskommelse, förpliktar sig det Förenade Konungarikets regering att icke företaga någon reglering i fråga om kvantiteten av importen till det Förenade Konungariket av fläsk (bacon och hams), smör eller ägg frambringade i Sverige, utom för så vitt sådan reglering må påkallas för att säkerställa ett effektivt genomförande av en planmässig reglering i fråga om avsättningen av den inhemska produktionen av dessa eller närbesläktade varor. Därest dylik importreglering genomföres med avseende å samtliga eller någon av dessa varor, skola följande bestämmelser gälla i tillämpliga delar.

2. Det Förenade Konungarikets regering kommer i varje sådant fall att tillerkänna Sverige en skälig andel i den medgivna införseln från främmande länder, under hänsynstagande till den del av den totala införseln från främmande länder av dessa produkter, som levererats av Sverige under senare år. Fastställandet av Sveriges andel i importen kommer att ske på samma grundval som och på icke mindre gynnsamma villkor än fastställandet av andra främmande länders andelar.

3. The Government of the United Kingdom declare that they will not regulate compulsorily the quantity of imports into the United Kingdom of bacon and hams, or of eggs, the produce of Sweden, without first giving the Swedish Government an opportunity of discussing the allocation to Sweden with a view to securing that it is made in accordance with the above assurance.

4. In regard to butter, the allocation to Sweden shall not be less than 185,000 cwts. in any year. If the total imports of butter into the United Kingdom are allowed to exceed 8,100,000 cwts. in any year, Sweden will be allotted a share of the imports in excess of 8,100,000 cwts., determined in accordance with the principles set out in paragraph 2 of this Article.

5. In the event of the total quantity of any of the aforesaid products permitted to be imported into the United Kingdom from foreign countries being increased during any period of regulation additional allocations shall be made to Sweden, but any temporary inability on the part of Sweden to supply the whole or a part of any such additional allocation shall not prejudice as regards any subsequent period the undertakings given above.

6. In the event of any other foreign supplying country renouncing or forfeiting, in whole or in part, its allocation of any of the aforesaid products, the allocation to Sweden shall be increased in not less ratio than the allocation of any other foreign country.

ARTICLE 4.

Should the Government of the United Kingdom at any time regulate the quantity of fish permitted to be imported into the United Kingdom, the total quantity of fish of all kinds permitted to be imported from Sweden, including fish landed in the United Kingdom direct from sea by Swedish vessels shall not be less than 43,000 cwts. in any year, exclusive of eels and fresh water fish it being understood that the quantity of the imports of these kinds of fish from Sweden shall not be subjected to any restriction.

ARTICLE 5.

The tax levied on British subjects visiting Sweden in the capacity of commercial travellers, representing one or more companies or firms registered in or having their principal place of business in the United Kingdom, shall not exceed—

	Kr.
For a period of 15 days	35
For a period of 30 days	70
For a period of 45 days	100

3. Det Förenade Konungarikets regering förklarar, att regeringen icke kommer att tvångsvis företaga någon reglering i fråga om kvantiteten av importen till det Förenade Konungariket av fläsk (bacon och hams), eller av ägg, frambringade i Sverige, utan att först giva svenska regeringen tillfälle att upptaga överläggningar rörande fastställandet av Sveriges andel i importen i syfte att säkerställa, att detta sker i överensstämmelse med ovan avgivna utfästelse.

4. I fråga om smör skall den andel i importen, som skall tillkomma Sverige, icke under något år understiga 185.000 cwts. Därest den totala importen av smör till det Förenade Konungariket under något år skulle medgivas överstiga 8.100.000 cwts., skall Sverige tilldelas en andel i införseln utöver 8.100.000 cwts., vilken andel skall bestämmas i överensstämmelse med de principer, som angivits i mom. 2 av denna artikel.

5. Därest den totala kvantitet utav någon av ovannämnda varor, som är medgiven till införsel till det Förenade Konungariket från främmande länder, för någon regleringsperiod skulle ökas, skola motsvarande tilläggsandelar tilldelas Sverige; skulle det för Sveriges del temporärt vara omöjligt att helt eller delvis utnyttja en dylik tilläggsandel, skall detta dock icke för någon följande period utöva någon prejudicerande inverkan i fråga om ovan givna utfästelser.

6. Därest något annat främmande land, från vilket tillförsel äger rum, helt eller delvis skulle avstå från eller förverka sin andel i totalimporten utav någon av ovannämnda produkter, skall Sveriges andel ökas i icke mindre proportion än något annat främmande lands andel.

ARTIKEL 4.

Därest det Förenade Konungarikets regering skulle komma att företaga någon reglering i fråga om kvantiteten utav importen av fisk till det Förenade Konungariket, skall den totala kvantitet utav fisk av alla slag, som medgives till införsel från Sverige, däri inbegripet fisk, som direkt från sjön med svenska fartyg ilandföres till det Förenade Konungariket, icke under något år understiga 43.000 cwts., därvid dock icke skall inberäknas ål och sötvattensfisk, i fråga om vilka slag av fisk importen från Sverige icke skall bli underkastad någon inskränkning.

ARTIKEL 5.

Bevillningsavgift för brittiska undersåtar, vilka besöka Sverige i egenskap av handelsresande för ett eller flera bolag eller firmor, som äro registrerade eller hava sin huvudsakliga verksamhet i det Förenade Konungariket, skola icke överstiga :

	Kronor
För en tid av 15 dagar	35
För en tid av 30 dagar	70
För en tid av 45 dagar	100,

British subjects who are directors or principal officers of any such company or firm shall be entitled to exemption from the tax if the company or firm carries on its business in Sweden through an agent or agents resident in Sweden.

ARTICLE 6.

Nothing in this Agreement shall be deemed to affect the rights and obligations arising out of any Treaty or Agreement at present in force between the United Kingdom and Sweden and in particular the Treaty of Peace and Commerce of the 11th April, 1654, the Treaty of Commerce of the 17th July, 1656, the Treaty of Peace and Commerce of the 21st October, 1661, the Treaty of Commerce and Alliance of the 5th February, 1766, the Treaty of Peace, Union and Friendship of the 18th July, 1812, the Convention of Commerce and Navigation of the 18th March, 1826, the Notes of the 31st March and the 4th September, 1854, regarding Coasting Trade and the Declaration relating to the amendment of the Treaties of Commerce of the 27th November, 1911.

In any event, the Contracting Governments agree that, while the present Agreement remains in force, goods the produce or manufacture of the United Kingdom shall enjoy in Sweden, and goods the produce or manufacture of Sweden shall enjoy in the United Kingdom, treatment in all respects not less favourable than that enjoyed by goods produced or manufactured in any other foreign country.

ARTICLE 7.

The Contracting Governments agree that any dispute that may arise between them as to the proper interpretation or application of any of the provisions of the present Agreement or of any of the Treaties or Agreements specifically mentioned in Article 6 shall, at the request of either of them, be referred to the Permanent Court of International Justice, unless in any particular case the Contracting Governments agree to submit the dispute to some other tribunal or to dispose of it by some other form of procedure.

In case any dispute shall fall to be submitted to the Permanent Court of International Justice the Court shall, unless the Contracting Governments otherwise agree, be requested to give its decision in accordance with the summary procedure provided for in Article 29 of the Statute of the Court.

ARTICLE 8.

The present Agreement shall be ratified and the ratifications shall be exchanged at Stockholm as soon as possible. Ratification on behalf of Sweden shall be subject to the approval of the Riksdag.

The Agreement shall come into force three days after the exchange of ratifications and shall, subject to the provisions of paragraph 1

Brittiska undersåtar, som äro chefer för eller eljest intaga ledande ställning inom sådana bolag eller firmor, skola vara berättigade till frihet från bevillningsavgift, därest vederbörande bolag eller firma bedriver sin affärsverksamhet i Sverige genom en eller flera i Sverige bosatta agenter.

ARTIKEL 6.

Intet i denna överenskommelse skall inverka på de rättigheter och förpliktelser, vilka härröra från något avtal eller någon överenskommelse, som för närvarande är i kraft mellan Sverige och det Förenade Konungariket, däribland särskilt Freds- och handelsfördraget den 11 april 1654, Handelsfördraget den 17 juli 1656, Freds- och handelsfördraget den 21 oktober 1661, Vänskapsfördraget den 5 februari 1766, Fredsfördraget den 18 juli 1812, Handels- och Sjöfartstraktaten den 18 mars 1826, Noterna den 31 mars och den 4 september 1854 angående kustfart samt Deklarationen den 27 november 1911 med vissa tillägg till handelsfördragen.

De fördragsslutande regeringarna äro överens därom, att under alla förhållanden, så länge denna överenskommelse förblir gällande, varor, frambringade eller tillverkade i Sverige, skola i det Förenade Konungariket, och varor, frambringade eller tillverkade i det Förenade Konungariket, skola i Sverige, i alla avseenden, åtnjuta en icke mindre gynnsam behandling än den, som tillkommer varor, frambringade eller tillverkade i något annat främmande land.

ARTIKEL 7.

De fördragsslutande regeringarna äro överens därom, att varje tvist, som må uppkomma mellan dem angående den rätta tolkningen eller tillämpningen utav någon av bestämmelserna i denna överenskommelse eller i något av de i art. 6 särskilt angivna avtal, skall, på framställning av endera parten, hänskjutas till den Fasta Mellanfolkliga Domstolen, för så vitt icke de fördragsslutande regeringarna i särskilt fall överenskomma om tvistens hänskjutande till annan domstol eller om dess behandling i annan ordning.

Därest tvist skulle komma att underställas den Fasta Mellanfolkliga Domstolen, skall domstolen, för så vitt icke de fördragsslutande regeringarna annorlunda överenskomma, anmodas träffa sitt avgörande i överensstämmelse med det summariska förfarande, som avses i art. 29 uti domstolens stadga.

ARTIKEL 8.

Denna överenskommelse skall ratificeras, och ratifikationerna skola utväxlas i Stockholm snarast möjligt. För Sveriges del förutsätter ratificering godkännande av riksdagen.

Överenskommelsen skall träda i kraft tre dagar efter ratifikationsutväxlingen och skall, med reservation för bestämmelserna

of Part I of the Protocol to this Agreement, remain in force during a period of three years from the date of its coming into force.

In case neither of the Contracting Governments shall have given notice to the other six months before the expiration of the said period of three years of their intention to terminate this Agreement, it shall remain in force until the expiration of six months from the date on which notice of such intention is given.

In witness whereof the undersigned, duly authorised to that effect, have signed the present Agreement and have thereto affixed their seals.

Done at London, this 15th day of May, 1933, in duplicate in English and Swedish, both texts being equally authentic.

(L.S.) JOHN SIMON.
(L.S.) WALTER RUNCIMAN.
(L.S.) E. PALMSTIERNA.
(L.S.) B. G. PRYTZ.

i del I, mom. 1, av det till denna överenskommelse hörande protokoll, förbliva gällande under en tid av tre år från dagen för dess ikraftträdande.

Därest ingendera av de fördragsslutande regeringarna sex månader före utgången av sagda tid av tre år lämnar den andra regeringen meddelande om sin avsikt att bringa överenskommelsen till upphörande, skall denna förbliva gällande intill utgången av sex månader från dag, då meddelande om sådan avsikt lämnas.

Till bekräftelse härav hava undertecknade, därtill behörigen befullmäktigade, underskrivit denna överenskommelse och försett den med sina sigill.

Som skedde i London den femtonde maj 1933 i två exemplar på svenska och engelska språken, vilka båda texter skola äga lika vitsord.

(L.S.) JOHN SIMON.
(L.S.) WALTER RUNCIMAN.
(L.S.) E. PALMSTIERNA.
(L.S.) B. G. PRYTZ.

PROTOCOL.

At the moment of signing the Commercial Agreement of this day's date between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Sweden, the undersigned, being duly authorised to that effect, declare that they have agreed on the provisions set out in this Protocol, which shall form an integral part of the above-mentioned Agreement.

Part I.

1. The Government of the United Kingdom shall have the right at any time to terminate the Agreement upon three months' notice, if in any one period of twelve months, commencing on the first day of the month following the date on which the Agreement comes into force and on the corresponding date in each subsequent year, the amount of coal of United Kingdom origin imported into Sweden is less than 47 per cent. of the total imports of coal into Sweden in that period as shown by official statistics of total imports of coal and of imports of coal of United Kingdom origin.

It is understood that any deficiency in the aforesaid percentage of coal of United Kingdom origin imported during the first period of twelve months may be made up at any time before the 1st January, 1935.

2. The Government of the United Kingdom undertake not to give notice of termination of the Agreement in accordance with paragraph 1 until they have given an opportunity to the Swedish Government to enter into discussions on the matter in the United Kingdom. Such discussions to commence within 14 days of the date of the receipt by the Swedish Government of a request from the Government of the United Kingdom.

3. The Agreement shall not be terminated under paragraph 1 if, during the period between the date when notice of termination is given and the date of its taking effect, quantities of coal of United Kingdom origin are imported into Sweden sufficient to make good the deficiency.

4. The Contracting Governments take note of a letter to the Chairman of the Swedish Delegation for the negotiation of the Commercial Agreement, dated this day and signed on behalf of the United Kingdom coal industry by the Chairman of the Central Council of Colliery Owners and the Chairman of the British Coal Exporters' Federation, wherein they have expressed their desire and firm intention to fulfil the requirements of Swedish buyers and users of coal by every means within their power; and for this purpose have given to Swedish buyers and users the assurances contained in

ПРОТОКОЛЛ.

Vid undertecknandet av handelsöverenskommelsen av denna dag mellan Konungariket Sveriges regering samt det Förenade Konungariket Storbritanniens och Norra Irlands regering förklara undertecknade, därtill behörigen befullmäktigade, att de hava enats om bestämmelserna i detta protokoll, vilket skall utgöra en integrerande del av ovannämnda överenskommelse.

Del I.

1. Det Förenade Konungarikets regering skall äga rätt att när som helst uppsäga överenskommelsen till upphörande tre månader efter uppsägningen, därest under någon period av tolv månader, börjande å första dagen i månaden närmast efter den då överenskommelsen trätt i kraft och å motsvarande dag under varje följande år, den kvantitet stenkol, frambringade i det Förenade Konungariket, som införts till Sverige, skulle, jämlikt den officiella statistiken rörande dels den totala stenkolsimporten dels ock importen av stenkol, frambringade i det Förenade Konungariket, understiga 47 procent av den totala stenkolsimporten till Sverige under samma period.

Det förutsättes, att underskott i ovan nämnda procentuella andel kol, frambringade i det Förenade Konungariket, som införts under den första perioden av tolv månader, skall kunna utfyllas under tiden intill den 1 januari 1935.

2. Det Förenade Konungarikets regering förbinder sig att icke på grund av mom. 1 verkställa uppsägning av överenskommelsen, innan svenska regeringen beretts tillfälle att i det Förenade Konungariket upptaga förhandlingar i saken. Sådana förhandlingar skola påbörjas inom 14 dagar efter det svenska regeringen mottagit framställning därom från det Förenade Konungarikets regering.

3. Överenskommelsen skall icke på grund av uppsägning jämlikt mom. 1 upphöra att gälla, därest under tiden mellan den dag, då meddelande om uppsägning lämnats, och den dag, då verkan därav skulle inträda, för underskottets utfyllande erforderliga kvantiteter kol, frambringade i det Förenade Konungariket, införts till Sverige.

4. De fördragslutande regeringarna hava tagit del av en till ordföranden i den svenska delegationen vid förhandlingarna rörande handelsöverenskommelsen ställd skrivelse, dagtecknad denna dag och undertecknad för kolindustrien i det Förenade Konungariket av ordföranden i "The Central Council of Colliery Owners" och av ordföranden i "The British Coal Exporters' Federation," vari dessa givit uttryck åt sin önskan och bestämda avsikt att med alla medel, som stå dem till buds, uppfylla svenska köparens och kolförbrukares krav samt i detta syfte gentemot svenska köpare och förbrukare av

that letter with regard to prices, qualities, availability of supplies, and other matters. It is agreed that the right of the Government of the United Kingdom, under paragraph 1 of this Part of the Protocol, to terminate the Agreement upon three months' notice is conditional upon those assurances being implemented.

5. The Government of the United Kingdom shall not have the right to give notice of termination of the Agreement in accordance with paragraph 1 of this Part of the Protocol if a sufficient quantity of coal of United Kingdom origin suitable for the Swedish buyers in question has not been available by reason of a strike or lock-out, or by reason of the fact that ice or other conditions have prevented transport from the United Kingdom to the Swedish port of destination, or if the buyers have been unable to obtain from the United Kingdom either the coal that they require or a suitable substitute at a comparable price. In any such event due allowance shall be made, in applying the provisions of paragraph 1 of this part of the Protocol, for such quantities of coal as have been purchased in place thereof by the Swedish buyers in question from other sources. Similarly, in applying the provisions of paragraph 1 of this Part of the Protocol due allowance shall be made for non-consumption of coal in Sweden on account of protracted strikes or lock-outs within those branches of Swedish industry in which United Kingdom coal is used in considerable quantities. Allowances claimed under this paragraph shall be made only (a) by agreement between the Swedish Committee to be appointed under paragraph 6 of this Part of the Protocol and the Mines Department of the Government of the United Kingdom, or (b) failing such agreement, after discussion and settlement between the Contracting Governments.

6. As soon as the Agreement comes into force, a Committee will be appointed in Sweden under the auspices of the Federation of Swedish Industries, for the purpose of—

- (a) submitting to the Mines Department of the Government of the United Kingdom official monthly statistics prepared by the Swedish Board of Trade, of the total imports of coal into Sweden and of the imports of coal of United Kingdom origin into Sweden; such statistics to be submitted within two months from the end of the month to which they relate;
- (b) dealing with complaints by Swedish buyers and users of coal of United Kingdom origin as regards price, quality, supply and other such matters in so far as such complaints relate to matters on which assurances have been given by the United Kingdom coal industry;
- (c) dealing with questions arising under paragraph 5 of this Part of this Protocol;

stenkol givit i skrivelsen närmare angivna utfästelser i avseende å pris, kvalitet, leveransmöjligheter m.m. Det är överenskommet, att den rätt, som det Förenade Konungarikets regering jämlikt mom. 1 i denna del av protokollet äger att uppsäga överenskommelsen till upphörande efter tre månader, är beroende av, att dessa utfästelser innehållas.

5. Det Förenade Konungarikets regering skall icke äga rätt att jämlikt mom. 1 i denna del av protokollet uppsäga överenskommelsen i sådana fall, då erforderliga kvantiteter kol, frambringade i det Förenade Konungariket, lämpliga för ifrågakommande svenska köpare, icke kunnat erhållas på grund av strejk eller lockout eller på grund av att is eller andra förhållanden hindrat transport från det Förenade Konungariket till vederbörande svenska destinationshamn, eller då köparne icke från det Förenade Konungariket kunnat erhålla vare sig sådant kol, som de påfordra, eller lämplig ersättning därför till jämförligt pris. I varje dylikt fall skall i fråga om tillämpning av bestämmelserna i mom. 1 i denna del av protokollet gälla, att vederbörligt avdrag skall ske för sådana kvantiteter kol, som av ifrågavarande svenska köpare i stället inköpts från annat håll. Likaledes skall i fråga om tillämpning av bestämmelserna i mom. 1 i denna del av protokollet gälla, att vederbörligt avdrag skall ske för utebliven förbrukning av kol på grund av långvariga strejker eller lockouter inom sådana grenar av svensk industri, inom vilka kol, frambringade i det Förenade Konungariket, förbrukas i avsevärda kvantiteter. Avdrag, som jämlikt detta moment påyrkas, skola endast kunna göras a) efter överenskommelse mellan den svenska kommitté, som jämlikt mom. 6 i denna del av protokollet kommer att tillsättas, och Mines Department i det Förenade Konungariket, eller b), därest dylik överenskommelse icke kommer till stånd, efter förhandling och uppgörelse mellan de fördragsslutande regeringarna.

6. Så snart denna överenskommelse träder i kraft, kommer genom Sveriges Industriförbunds försorg en kommitté att tillsättas i Sverige med uppgift:

- (a) att tillhandahålla Mines Department i det Förenade Konungariket officiell månatlig statistik, utarbetad av Kungl. Kommerskollegium, rörande dels den totala stenkolsimporten, dels ock importen av stenkol, frambringade i det Förenade Konungariket, till Sverige; sådan statistik skall tillhandahållas inom två månader från slutet av den månad, å vilken statistiken har avseende;
- (b) att behandla klagomål från svenska köpare och konsumenter av kol, frambringade i det Förenade Konungariket, i avseende å pris, kvalitet, tillgång m.m., för så vitt dylika klagomål hava avseende å förhållanden, beträffande vilka utfästelser givits av kolindustrien i det Förenade Konungariket;
- (c) att behandla frågor, som må uppkomma jämlikt mom. 5 i denna del av detta protokoll:

- (d) communicating where necessary with the Mines Department of the Government of the United Kingdom on any matters arising on (b) and (c) above.

Part II.

1. The Government of the United Kingdom hope that such regulation as may be necessary of imports of agricultural produce into the United Kingdom may be effected by voluntary co-operation between the Government of the United Kingdom on the one hand and the Governments of countries supplying these products to the United Kingdom on the other hand; and the Government of the United Kingdom will endeavour for their part to secure that any regulation applied to imports into the United Kingdom of agricultural produce from Sweden shall be effected in this way.

2. For the purpose of the effectual operation of the control of the exports of bacon and hams from Sweden to the United Kingdom, the Government of the United Kingdom will use their best endeavours to ascertain and communicate to the Swedish Government as early as possible in each year the quantities of bacon and hams produced in Sweden to be permitted to be imported into the United Kingdom in the following year. If possible, such information will be communicated six months before the beginning of the year to which it relates.

Part III.

It is understood that in the Commercial Agreement the term "foreign country" in relation to the United Kingdom means a country not being part of the British Commonwealth of Nations nor a territory under British protection or suzerainty nor a mandated territory in respect of which the mandate is exercised by the Government of a part of the British Commonwealth of Nations; and the term "foreign imports" means imports from foreign countries as so defined.

Done at London, this 15th day of May, 1933, in duplicate in English and Swedish, both texts being equally authentic.

JOHN SIMON.

WALTER RUNCIMAN.

E. PALMSTIerna.

B. G. PRYTZ.

- (d) att, i den mån så befinnes erforderligt, träda i förbindelse med Mines Department i det Förenade Konungariket beträffande frågor, som må uppkomma jämlikt punkterna (b) och (c) här ovan.

Del II.

1. Det Förenade Konungarikets regering hyser den förhoppningen, att i den mån reglering av importen till det Förenade Konungariket av jordbruksprodukter må bliva nödvändig, sådan reglering skall kunna genomföras genom frivillig samverkan mellan å ena sidan det Förenade Konungarikets regering samt å andra sidan regeringarna i de länder, som förse det Förenade Konungariket med dessa produkter; och det Förenade Konungarikets regering skall för sin del söka säkerställa, att varje reglering, som må tillämpas beträffande införsel till det Förenade Konungariket av jordbruksprodukter från Sverige, skall genomföras i denna ordning.

2. I och för effektivt genomförande av kontrollen över exporten av fläsk (bacon och hams) från Sverige till det Förenade Konungariket skall det Förenade Konungarikets regering bemöda sig om att så tidigt som möjligt under varje år beräkna och giva svenska regeringen meddelande om vilka kvantiteter fläsk, frambringade i Sverige, som må komma att medgivas till införsel i det Förenade Konungariket under det följande året. Om möjligt skall dylikt meddelande lämnas sex månader före ingången av det år, för vilket det är avsett att gälla.

Del III.

Det förutsättes, att i handelsöverenskommelsen uttrycket "främmande land" i förhållande till det Förenade Konungariket betyder ett land, som varken är del av det brittiska riket eller utgör ett område under brittisk protektion eller överhöghet eller ett mandatområde, beträffande vilket regeringen i någon del av det brittiska riket utöver mandatmyndighet, samt att uttrycket "import från främmande länder" betyder införsel från främmande länder enligt sålunda angivna definition.

Som skedde i London den femtonde maj i två exemplar på svenska och engelska språken, vilka båda texter skola äga lika vitsord.

JOHN SIMON.

WALTER RUNCIMAN.

E. PALMSTIERNÄ.

B. G. PRYTZ.

SCHEDULE I.

[Note.—The goods covered by this Schedule are those specified at the date of this Agreement under the Tariff and Statistical numbers quoted.]

Tariff No.	Statistical No.	Article.	Basis of Assessment.	Rate of Duty in Swedish Crowns.
12	27/28	Fish: Sprats, spiced or salted: In barrels	—	Free
ex 14	48	Other kinds: Herrings, salted... ..	—	Free
78	158	Mustard, ground	100 kg.	60
ex 108	250	Tallow (except premier jus and pressed tallow)	—	Free
ex 111	261	Turnipseed and rapeseed oils, even blown, and other similar blown oils; also turnipseed and rapeseed oil acids	100 kg.	7
ex 113	265	Cottonseed oil or cotton oil in containers other than of glass or earthenware ...	—	Free
ex 117	ex 279	Soy	100 kg.	50
ex 117	ex 279	Sauces	100 kg.	60
ex 121	288	Syrup	100 kg.	5
130 (2)	299 (2), 300/2	Confectionery, not specially mentioned in the Swedish Tariff, not containing chocolate	100 kg.	50
ex 132	304	Biscuits, not classed as confectionery ...	100 kg.	30
133	306	Dog biscuits	100 kg.	20
ex 137	ex 310	Fruit jams and fruit jellies, including orange and lemon marmalade	100 kg.	40
ex 138	ex 311	Jams and jellies of berries	100 kg.	40
ex 143	ex 318	Preserved goods, viz.: Orange and lemon marmalade	100 kg.	50
ex 143	ex 320	Pickles	100 kg.	50
		<i>Note to No. 151</i> —Sparkling cider (fermented apple juice), containing over 2½ but not over 9 per cent. by volume of alcohol, to be classed under Tariff No. 152 at a rate of 69 crowns per 100 litres.		
ex 157	346	Whisky, in casks	100 litres of 50% alcohol at 15° C.	100
ex 158	349	Whisky in other receptacles	100 litres without regard to strength	200
ex 164	398	China clay (kaolin)	—	Free
ex 170	420/424	Coal and coke... ..	—	Free
ex 177	450, 453	Phosphorus and phosphorus sesquisulphide	—	Free
ex 203	495, 502, 507	Salt (sodium chloride); sodium sulphate (Glauber's salt), calcined; nickel sulphate and nickel ammonium sulphate...	—	Free
225	542	Sensitized paper for photography ...	100 kg.	30
ex 227	545	Photographic films, not developed: Cinematograph film	100 kg.	80
ex 227	546	Other	100 kg.	150

BILAGA I.

Anmärkning.—I denna bilaga förtecknade varuslag omfatta varor, som äro hänförliga till nedan angivna rubriker i tulltaxan och nummer i den statistiska varuförteckningen, sådana tulltaxan och varuförteckningen äro gällande å dagen för överenskommelsens undertecknande.

Tulltaxe-nummer.	Stat.-nummer.	Artiklarnas benämning.	Grund för tullberäkningen.	Tullsats i kronor.
		Fisk:		
12	27/8	akarpsill (vassbuk), kryddad eller saltad:		
		i tunnor	—	fri
ur 14	48	andra slag:		
		sill, saltad	—	fri
78	158	Senap:		
ur 108	250	malen	100 kg.	60
		Talg, annan än premier jus och presstalg	—	fri
ur 111	261	Rov- och rapsolja, även blåsta, samt andra liknande blåsta oljor; ävensom rov- och rapsoljesyror	100 kg.	7
ur 113	265	Bomullsför- eller cottonolja på andra kärl än glas- eller lerkärl	—	fria
ur 117	ur 279	Soja	100 kg.	50
ur 117	ur 279	Såser	100 kg.	60
ur 121	284	Sirap	100 kg.	5
130:2	290:2, 300/2	Konfityrer, ej särskilt nämnda, icke innehållande choklad	100 kg.	50
ur 132	304	Dessertkär, ej hänförliga till konfityrer...	100 kg.	30
133	376	Hundbröd	100 kg.	20
ur 137	ur 310	Sylter och geléer av frukter samt pomerans-, citron- och apelsinmarmelader	100 kg.	40
ur 138	ur 311	Sylter och geléer av bär	100 kg.	40
ur 143	ur 318 ur 320	Konserver: pickles samt pomerans-, citron- och apelsinmarmelader	100 kg.	50
		Anm. till nr 151.—Musserande äppelvin (cider) med en alkoholhalt av mer än 2½ men ej mer än 9 volymprocent tulltaxeras enligt nr 152 med en tull av 69 kronor för 100 liter.		
ur 157	316	Visky: på fat	100 liter av 50% alkoholhalt vid + 15° C.	100
ur 158	349	på andra kärl	100 liter utan avseende på alkoholhalten	200
ur 164	398	Kaolin	—	fri
ur 170	420/4	Stenkol och koks	—	fria
ur 177	450, 453	Fosfor och fosforseesvisulfid	—	fria
ur 203	495, 502, 507	Koksalt (natriumklorid); natriumsulfat (gläubersalt), kalcinerat; ävensom nickelsulfat och nickelammoniumsulfat	—	fria
225	542	Ljuskänligt fotografiskt papper	100 kg.	30
ur 227	545	Fografisk film, icke framkallad:		
ur 227	546	kinematografisk film	100 kg.	
		annan	100 kg.	

Tariff No.	Statistical No.	Article	Basis of Assessment.	Rate of Duty in Swedish Crowns.
ex 235	560	Red lead	—	Free
ex 254	ex 584	Asphalt varnish	100 kg.	20
		Washing, scouring, polishing, smoothing, cleaning, disinfecting and dressing substances, not specially mentioned in the Swedish Tariff, containing fat, oil, resin, wax, soap or soft soap, but without admixture of dextrine or starch:		
ex 268	601	Not liquid, other than washing powder	100 kg.	10
270	603	Liquid, in receptacles weighing $\frac{1}{2}$ kg. or less gross weight	100 kg.	15
ex 278	613	Carpenters' glue	100 kg.	20
ex 295	658	Sole and insole leather, in pieces	100 kg.	28
ex 297	663 & 665	Leather (other than sole or insole leather and lacquered leather) in pieces weighing less than 1 kg.	100 kg.	90
		Articles manufactured of rubber, gutta-percha, balata or artificial soft rubber:		
326	696	Threads of soft rubber, of which the largest cross-section does not exceed 5 mm.; knife-handles, also knife-handle blanks and parts thereof	—	Free
331	702/3	Tubes and hose not classed under any other Tariff No., including inner tubes for automobiles, motor cycles and cycles, unfitted and not joined, without valve caps and valves	100 kg.	50
ex 334	ex 706	Rubber flooring	100 kg.	50
335	708	Parts for cycles, not classed under Tariff No. 331 (Statistical No. 702), including rubber parts of pedals or brakes in lengths	100 kg.	120
ex 336	709/710	Parts for automobiles, not classed under Tariff No. 331 (Statistical No. 702) or Tariff No. 1057 (Statistical No. 1916), and parts for motor cycles, not classed under Tariff No. 331 (Statistical No. 702), including rubber parts of pedals and brakes in lengths	100 kg.	120
ex 333	ex 711	Porous rubber upholstery material	100 kg.	80
ex 346	771/2	Spool reeds, spindles, bobbins, shuttles and other unspecified wood parts of machines or appliances for use in the textile industry; also wooden blanks therefor	100 kg.	20

Tulltaxe-nummer.	Stat.-nummer.	Artiklarnas benämning.	Grund för tullberäkningen.	Tullsats i kronor.	
ur 235	560	Mönja	—	fri	
ur 254	ur 584	Asfaltlack Tvätt-, skur-, poler-, slip-, puts-, desinfektions- och appreturmedel, ej särskilt nämnda, innehållande fett, olja, harts, vax, tvål eller såpa men utan inblandning av dextrin eller stärkelse:	100 kg.	20	
ur 268	601	icke flytande, andra än tvättpulver...	100 kg.	10	
	270	flytande, i kärl vägande brutto $\frac{1}{2}$ kg eller därunder	100 kg.	15	
ur 278	613	Draglim Sulläder och bindsulläder:	100 kg.	20	
ur 295	658	stycken av hudar Läder, annat än sulläder och bindsulläder:	100 kg.	23	
ur 297	663, 665	i stycken, vägande mindre än 1 kg: annat än lackerat Arbeten av kautschuk, guttaperka och balata samt av konstgjord mjuk kautschuk:	100 kg.	90	
	326	696	tråd (strängar) av mjuk kautschuk, hållande högst 5 mm i största dimension av tvärsnitt; ävensom knivekraft samt ämnen och delar därtill slangar och rör, ej hänförliga till annat nummer, även i avpassade längder:	—	fria
	331	702/3	andra slag, härunder inbegripna för automobiler, motorcyklar och velocipeder avsedda inner-slangar, omonterade, icke sammansatta och utan ventilkäffar och ventiler	100 kg.	50
ur 334	ur 706	mattor	100 kg.	50	
335	708	velocipeddelar, ej hänförliga till nr 331, härunder inbegripet pedal- och bromsgummi i längder... ..	100 kg.	120	
ur 336	709/10	automobildelar, ej hänförliga till nr 331 eller 1057; motorcykeldelar, ej hänförliga till nr 331, härunder inbegripet pedal- och bromsgummi i längder	100 kg.	120	
ur 336	ur 711	av porös kautschuksmassa bestående material för stoppning	100 kg.	80	
ur 346	771/2	Spindlar, bobiner, spolpipor, skyttlar och andra för textilindustrien avsedda, ej särskilt nämnda maskindelar eller redskap samt ämnen därtill av trä...	100 kg.	20	

Tariff No.	Statistical No.	Article.	Basis of Assessment.	Rate of Duty in Swedish Crowns.
ex 395	893 & ex 895	Sheep's wool, combed, dyed or not ...	—	Free.
ex 399	921	Artificial silk yarn, not twisted, not in small packets for retail sale ...	100 kg.	500
		Yarns wholly or partly of wool, without admixture of silk:		
401	924 & 925	Single unbleached and undyed yarns up to No. 41 (metric) inclusive ...	100 kg.	20
		Yarn of two or more threads up to No. 41 (metric) inclusive:		
405	932 & 933	Unbleached and undyed... ..	100 kg.	25
ex 407	ex 936/7	Dyed... ..	100 kg.	40
411	942	Yarn in small packets, put up for retail sale	100 kg.	50
		Yarn of cotton, without admixture of other textile materials:		
		Single unbleached and undyed yarn:		
415	946	No. 23 and above, but under No. 33	100 kg.	18
416	947	No. 33 and upwards	100 kg.	20
		Yarn of two or more threads, single twist, No. 23 and upwards:		
423	954	Unbleached and undyed... ..	100 kg.	25
426	957	Bleached, dyed, or printed	100 kg.	40
445	976	Cotton sewing thread	100 kg.	35
458	991	Bookbinders' cloth, dressed, whether in combination with paper or not; and so-called label cloth	100 kg.	40
ex 461	ex 994	Tissues and stamped felt, water-proofed, in combination with rubber, not containing silk... ..	100 kg.	175
ex 462	995	Oilcloth	100 kg.	50
463	998	Linoleum and other similar floor covers, with or without cloth foundation; floor covers of cardboard coated with paint, varnish or the like, whether cut to size or not	100 kg.	25
468	1003	Carpeting (carpets in lengths) wholly or partly of wool or other animal hair, without admixture of silk, not knotted, including those with sewing or with fringes	100 kg.	75
		Tissues of wool, not specially mentioned in the Swedish Tariff, containing threads wholly or partly of silk, if the silk does not amount to more than 5% of the whole weight of the tissue, weighing per square metre:—		
ex 479/80	ex 1016/7	More than 200 grammes	100 kg.	250

Tulltaxe-nummer.	Stat.-nummer.	Artiklarnas benämning.	Grund för tullberäkningen.	Tullsat i kronor.
ur 395	893, ur 895	Fårull, kammad, ofärgad eller färgad ... Silke, ej särskilt nämnt, även i förening med annat spånadsämne:	—	fri
ur 399	921	konstgjort silke, icke i smärre för detaljhandeln lämpade uppläggningar, otvinnat	100 kg.	500
401	924/5	Garn: helt eller delvis av ull, utan inblandning av silke: enkelt, oblekt och ofärgat, t. o. m. nr 41 metriak numrering två- eller flertrådigt, t. o. m. nr 41:	100 kg.	20
405	932/3	oblekt och ofärgat	100 kg.	25
ur 407	ur 936/7	färgat	100 kg.	40
411	942	i smärre för detaljhandeln lämpade uppläggningar av bomull, utan inblandning av annat spånadsämne:	100 kg.	50
415	946	enkelt, oblekt och ofärgat: nr 23 och däröver men under nr 33	100 kg.	18
416	947	nr 33 och däröver två- eller flertrådigt, en gång tvinnat: nr 23 och däröver:	100 kg	20
423	954	oblekt och ofärgat	100 kg.	25
426	957	blekt, färgat eller tryckt... ..	100 kg.	40
445	976	Sytråd av bomull	100 kg.	35
458	991	Bokbindarklot, klistrad, även i förening med papper, samt appreterad väv till adresslappar (s. k. labelklot)	100 kg.	40
ur 461	ur 994	Vävnader och stampad filt, vattentäta, i förening med kautschuk, icke innehållande silke	100 kg.	175
ur 462	995	Vaxduk	100 kg.	50
453	998	Mattor, ej särskilt nämnda: linoleummattor och andra dylika mattor, med eller utan underlag av vävnad; ävensom mattor av papp med därå anbragt överdrag av färg, fernissa eller dylikt, även tillskurna andra slag, även försedda med sömnadsarbete eller fransar: helt eller delvis av ull eller andra djurhår, utan inblandning av silke:	100 kg.	25
468	1003	icke knutna, metervara	100 kg.	75
ur 479/80	ur 1016/7	Vävnader, ej särskilt nämnda: vävnader av ull, innehållande trådar, helt eller delvis av silke, för så vitt silket utgör högst 5% av vävnadens hela vikt, vägande per m ² : mer än 200 g	100 kg	250

Tariff No.	Statistical No.	Article.	Basis of Assessment.	Rate of Duty in Swedish Crowns.
ex 480	ex 1017	200 grammes or less <i>Note to No. 479.</i> —For tissues imported in packages the contents of which are all classed under this Tariff heading as amended as a result of this Agreement, the duty based on the whole content of each package shall not in any case exceed an amount corresponding to 25% <i>ad valorem</i> .	100 kg.	The specific duty shall not exceed by more than 25 crowns per 100 kg. the duty on cloth falling under No. 485 and weighing per sq. metre 200 gms. or less.
483	1020	Tissues, not specially mentioned in the Swedish Tariff, wholly or partly of wool, without admixture of silk, weighing per sq. metre: More than 700 grammes	100 kg.	120
484	1021	More than 500 but not more than 700 grammes	100 kg.	160
ex 485	ex 1022	More than 200 but not more than 500 grammes <i>Note to Nos. 483-5.</i> —For tissues imported in packages, the contents of which are all classed under one of the Tariff headings Nos. 483, 484 or 485, the duty based on the whole content of each package shall not in any case exceed an amount corresponding to 25% <i>ad valorem</i> .	100 kg.	225
490	1028	Tissues, not specially mentioned in the Swedish Tariff, of cotton, without admixture of textile materials other than coir or jute: Shag, plush and velvet, with pile cut or not, including so-called "Manchester" fabrics; also articles made up to size of such materials: Bleached or dyed	100 kg.	90
497	1035	Other tissues, if their whole surface is uniformly woven; weighing per sq. metre: 100 grammes or more, and containing not more than 60 warp and weft threads in a square of 1 cm. side :	100 kg.	80
498	1036	Bleached or of one colour ... Woven in two or more colours; also printed ...	100 kg.	100
500	1038	100 grammes or more, and containing over 60 warp and weft threads in a square of 1 cm. side: Bleached or of one colour ...	100 kg.	105

Tulltaxe-nummer.	Stat. nummer.	Artiklarnas benämning.	Grund för tullberäkningen.	Tullsats i kronor.
ur 480	ur 1017	200 g eller därunder... .. <i>Anm. till nr 479.—För vävnader, inkommande i kolli, som uteslutande innehåller vävnader, hänförliga till detta nummer i dess enligt överenskommelsen ändrade lydelse må tullen, räknad efter hela innehållet i varje särskilt kolli, icke i något fall utgå med högre belopp än som motsvarar 25 % av värdet.</i>	100 kg.	viktullen må med högst 25 kr. per 100 kg. överstiga tullen för till nr 485 hänförliga vävnader, vägande per m ² 200 g eller därunder.
483	1020	helt eller de vis av ull, utan inblandning av silke:		
484	1021	andra slag, vägande per m ² : mer än 700 g mer än 600 g men ej mer än 700 g	100 kg. 100 kg.	120 160
ur 485	ur 1022	mer än 200 g men ej mer än 500 g <i>Anm. till nr 483-485.—För vävnader, inkommande i kolli, som uteslutande innehåller vävnader, hänförliga till ett av numren 483, 484 eller 485, må tullen, räknad efter hela innehållet i varje särskilt kolli, icke i något fall utgå med högre belopp än som motsvarar 25 % av värdet.</i>	100 kg.	225
490	1028	av bomull utan inblandning av andra spånadsämnen än kokostågor eller jute: fälb-, plysch- och sammetsvävnader, oskurna eller skurna, s. k. manchester härunder inbegripen; ävensom anpassade varor därav: blekta eller färgade	100 kg.	90
497	1035	andra vävnader, vilkas hela yta är till vävnadsättet likartad, vägande per m ² : 100 g eller däröver, som på en yta av 1 cm i kvadrat innehålla sammanlagt: högst 60 varp- och inslagstrådar:	100 kg.	80
498	1038	blekta eller enfärgade... vävda i två eller flera färger; ävensom tryckta mer än 60 varp- och inslagstrådar:	100 kg.	100
500	1038	blekta eller enfärgade...	100 kg.	105

Tariff No.	Statistical No.	Article.	Basis of Assessment	Rate of Duty in Swedish Crowns.
501	1039	Woven in two or more colours; also printed ...	100 kg.	130
		Less than 100 grammes, and containing not more than 60 warp and weft threads in a square of 1 cm. side:		
503	1041	Bleached or of one colour ...	100 kg.	110
504	1042	Woven in two or more colours; also printed ...	100 kg.	135
		Less than 100 grammes, and containing more than 60 warp and weft threads in a square of 1 cm. side:		
506	1044	Bleached or of one colour ...	100 kg.	130
507	1045	Woven in two or more colours; also printed ...	100 kg.	155
		Other kinds, including those woven with designs, whether made up to size or not, weighing 100 grammes or more per sq. metre:		
508	1046	Unbleached and undyed ...	100 kg.	65
509	1047	Bleached or of one colour ...	100 kg.	115
510	1048	Woven in two or more colours; also printed ...	100 kg.	140
517	1055	Unbleached and undyed tissues of jute, without admixture of textile materials other than coir or coir yarn, containing more than 15 but less than 35 warp and weft threads in a square of 2 cm. side	100 kg.	12
		Lace and lace tissues and tulle, not classed under any other heading:		
548	1089	Containing silk	100 kg.	2,000
		<i>Note to No. 548.</i> —This number also includes lace, lace tissues and tulle in which the silk enters as embroidery.		
		Other kinds:		
549	1090	Curtain tissues of thread, at least 50 cm. wide, and plain tulle (not woven with designs)	100 kg.	250
553	1095	Stockings and socks of wool	100 kg.	200
ex 561	1108	Fishing nets of cotton	100 kg.	25
ex 567	1121/2	Cotton materials, merely cut or stamped out, hemmed or bordered, not specially mentioned in the Swedish Tariff, including such materials having a simple hemstitch in immediate connection with the hem—dutiable as the material of which made, with a surtax of 10 per cent.		

Fulltaxe-nummer.	Stat.-nummer.	Artiklarnas benämning.	Grand för tullberäkningen.	Tullsat i kronor.
501	1039	vävda i två eller flera färger; ävensom tryckta mindre än 100 g, som på en yta av 1 cm i kvadrat innehålla sammanlagt: högst 60 varp- och inslagstrådar:	100 kg.	130
503	1041	blekta eller enfärgade...	100 kg.	110
504	1042	vävda i två eller flera färger; ävensom tryckta mer än 60 varp- och inslagstrådar:	100 kg.	135
506	1044	blekta eller enfärgade...	100 kg.	130
507	1045	vävda i två eller flera färger; ävensom tryckta andra slag, härunder inbegripna mönstervävda, även avpassade, vägande per m ² : 100 g eller därför:	100 kg.	155
508	1046	oblekta och ofärgade ...	100 kg.	65
509	1047	blekta eller enfärgade ...	100 kg.	115
510	1048	vävda i två eller flera färger; ävensom tryckta... av jute, utan inblandning av annat spånadsämne än kokostågor eller kokosgarn: oblekta och ofärgade, som på en yta av 2 cm i kvadrat innehålla sammanlagt:	100 kg.	140
517	1055	mer än 15 men mindre än 35 varp- och inslagstrådar...	100 kg.	12
548	1089	Spetsar samt spetsvävnader och tyll, ej hänförliga till annat nummer: innehållande silke Anm. till nr 548.—Hit hänföras även spetsar samt spetsvävnader och tyll, i vilka silket ingår som broderi.	100 kg.	2.000
549	1090	andra slag: trädgårdinsvävnad av minst 50 cm bredd, ävensom slät (icke mönstervävd) tyll	100 kg.	250
553	1095	Strumpor av ull	100 kg.	200
ur 561	1108	Fisknät av bomull	100 kg.	25
ur 567	1121/2	Spånadsvaror av bomullsvävnad, endast tillklippta, tillskurna, utstansade, fälade och kantade, ej särskilt nämnda även försedda med enkel hälsöm i omedelbart sammanhang med fällen beläggas med samma tull som den spånadsvara, av vilken de framställda, med tillägg av 10%.		

Tariff No.	Statistical No.	Article.	Basis of Assessment.	Rate of Duty in Swedish Crowns.
ex 583 ex 591	ex 1140 ex 1150	Lightning fasteners of all kinds ... Clothing and other sewn articles, not specially mentioned in the Swedish Tariff, made of the textile materials included under Tariff No. 461 (Statistical No. 994)—dutiable as the material of which made with a surtax not exceeding 100 crowns per 100 kg.	100 kg.	200
595	1157	Overcoats, and coats, waistcoats and trousers for men and boys: Of wool, linen or hemp cloth, or of tissues classed under Tariff No. 479, not lined, faced or trimmed with silk—dutiable as the material of which made, with a surtax of 70 per cent.		
597	1158	Of other tissues, not containing silk	100 kg.	200
598/9	1159/60	Clothing and other sewn wares, not specially mentioned in the Swedish Tariff, of lace, lace tissue or tulle classed under Tariff No. 548 ...	100kg.	4,000
ex 607	ex 1170	Ladies' rainproof coats, of wool tissues (not classed under Tariff Nos. 605/6)—dutiable as the material of which made, with a surtax of 75 per cent.		
ex 622	ex 1185	Leather footwear (other than those classed under Tariff Nos. 620-621) weighing more than 750 grammes per pair ...	100 kg.	450
663	1244	Manufactures of asbestos: Asbestos sheeting and plates, including those in combination with rubber, wire or other substances ... Other packing, whether in lengths or not, and brake lining, containing asbestos ...	—	Free
675	1256	Manufactures of insulating material classed under Tariff No. 167 (Statistical No. 404) ...	100 kg.	25
686	1275	Crucibles, retorts and muffles, including those of graphite composition, and parts thereof ...	100 kg.	4
689	1278	Baths, wash basins, sinks, closets and other similar articles of earthenware which cannot be classed as faience or porcelain ware ...	100 kg.	1
			100 kg.	5

Tulltaxe-nummer.	Stat.-nummer.	Artiklarnas benämning.	Grund för tullberäkningen.	Tullsats i kronor.
nr 563 nr 561	ur 1140 ur 1150	S. k. blixtlås (dragkedjor), alla slag ... Kläder och andra sömnadsarbeten, ej särskilt nämnda, av spånadsvaror, hänförliga till nr 461 ...	100 kg.	200
		beläggas med samma tull som den spånadsvara, av vilken de framställda, med tillägg av högst 100 kr. för 100 kg.		
596	1157	Kläder och andra sömnadsarbeten, ej särskilt nämnda: överrockar samt för män och gossar avsedda rockar, västar och byxor: av ylle-, linne- eller hampvävnad eller av vävnad, hänförlig till nr 479: andra (icke försedda med foder, uppslag eller annan besättning, vari silke ingår) ...	100 kg.	200
		beläggas med samma tull som den spånadsvara, av vilken de framställda, med tillägg av 70%.		
597	1158	av annan vävnad, icke innehållande silke ...	100 kg.	200
598,9	1159/60	andra slag: av spetsar, spetsvävnader eller tyll, hänförliga till nr 548 ...	100 kg.	4,000
		beläggas med samma tull som den spånadsvara, av vilken de framställda, med tillägg av 75%.		
nr 607	ur 1170	Skodon av skinn, ej hänförliga till nr 620 eller 621:		
nr 622	ur 1185	vägende per par mer än 750 g ...	100 kg.	450
663	1244	Arbeten av asbest: duk och plattor av asbest även i förening med kautschuk, metalltråd eller andra ämnen ...	—	fria
		andra packningar och tätningar, även i längder, samt bromsband, innehållande asbest ...	100 kg.	25
675	1256	Arbeten av isoleringsmassa, hänförlig till nr 167 ...	100 kg.	4
686	1275	Deglar, retorter och mufflar, även av grafitmassa, samt delar därtill ...	100 kg.	1
689	1278	Badkar, tvättställ, disklådor, klosetter och andra dylika artiklar, allt för så vitt de ej äro hänförliga till fajans- eller porcelinsvaror ...	100 kg.	5

Tariff No.	Statistical No.	Article.	Basis of Assessment.	Rate of Duty in Swedish Crowns.
ex 695	ex 1287	Articles of faience, not decorated, and not in combination with non-precious metal other than iron: Sanitary ware, white or of a single colour	100 kg.	10
777	1416/17	Sheets of iron and steel, whether corrugated or not, coated with tin or with tin alloyed with lead; sheets coated with lead or with lead alloyed with tin, not exceeding 0.3 mm. in thickness ...	—	Free.
ex 778	1418	Sheets of iron and steel, whether corrugated or not, coated with zinc	100 kg.	7
ex 896	1573, 1576, 1577, 1586	Tin and nickel, unwrought, whether alloyed with other base metals or not; also anodes	—	Free.
919	1631	Propellers and propeller blades of non-precious metals other than iron, weighing more than 50 kg. each ...	100 kg.	30
933	1655	Writing pens of non-precious metals ...	100 kg.	150
949	1672/4	Combustion and hot-air engines, weighing not more than 500 kg. each	<i>ad valorem</i>	10%
982	1754/5	Tractors and portable engines; also steam and motor rollers	<i>ad valorem</i>	10%
ex 996	1775, 1777, 1803	Weaving looms; knitting machines, including heads therefor, other than hand worked; including other textile machinery (Statistical No. 1803) ...	<i>ad valorem</i>	10%
1019	1849	Carbon brushes weighing less than 3 kg. each	100 kg.	250
ex 1044	ex 1889	Electrotechnical apparatus and parts therefor of the following kinds, viz.: induction furnaces, tempering furnaces, baking furnaces for industrial purposes and other electrical ovens, excluding domestic ovens; electrical ore separators; current distributors for electrical systems on automobiles; electrical heating apparatus for industrial purposes	<i>ad valorem</i>	10%
ex 1056	ex 1907	Automobiles, for passengers, with engines having a cylinder capacity of less than 1,600 c.c.	<i>ad valorem</i>	15%
ex 1056	1913/4	Motor cycles and sidecars for motor cycles	<i>ad valorem</i>	15%

Tulltaxe-nummer.	Stat.-nummer.	Artiklarnas benämning.	Grund för tullberäkningen.	Tullsats i kronor.
ur 695	ur 1267	Fajans- och porslinsvaror, ej särskilt nämnda: andra slag (ej till prydnad eller i förening med annan oädel metall än järn): av fajans (oäkta porslin): vita eller enfärgade: sanitetagoda	100 kg.	10
777	1416/7	Plåtar av järn eller stål, även korrugerade: överdragna med rent eller blyhaltigt tenn; ävensom överdragna med rent eller tennhaltigt bly, av högst 0.3 mm tjocklek	—	fria
ur 778	1418	överdragna med zink	100 kg.	7
ur 896	1573 1576/7 1586	Tenn och nickel, orbetade, även legerade med oädla metaller, samt anoder ...	—	fria
919	1631	Propellrar samt lösa propellerblad av annan oädel metall än järn, vägande per stycke: mer än 50 kg	100 kg.	30
933	1655	Skrivpennor av oädel metall	100 kg.	150
949	1672/4	Förbrännings- och varmluftsmotorer, vägande per stycke: högst 500 kg	100 kr.	10
982	1754/5	Traktorer och lokomobiler; ävensom ång- och motorvärlar	100 kr.	10
ur 996	1775 1777 1803	Vävtolar; stickmaskiner, andra än för handkraft, härunder inbegripna överdelar till sådana maskiner; ävensom andra maskiner för textilindustrien (stat. nr 1803)	100 kr.	10
1019	1849	För elektrotekniskt ändamål arbetat kol, ej särskilt nämnt, vägande per stycke: mindre än 3 kg.: kolborstar	100 kg.	250
ur 1044	ur 1889	Elektrotekniska specialapparater och delar därtill, ej särskilt nämnda: induktionsugnar, härdugnar, bakugnar för industriellt bruk och andra elektriska ugnar med undantag av hushållsugnar; elektriska malmseparatorer; strömfördelare för automobiler; ävensom elektriska värmeapparater för industriellt bruk ...	100 kr.	10
ur 1056	ur 1907	Automobiler för personbefordran med en cylindervolym understigande 1,6 liter...	100 kr.	15
ur 1056	1913/4	Motorcyklar och sidvagnar därtill ...	100 kr.	15

Tariff No.	Statistical No.	Article.	Basis of Assessment.	Rate of Duty in Swedish Crowns.
ex 1059	ex 1918	The following parts for motor cycles, when imported separately, viz., running boards, running-board plates, tyre frames, chain covers, frames, steering gear, and mudguards, including parts therefor, not specially mentioned in the Swedish Tariff	100 kg.	130
ex 1062	1922	Aircraft, with engines	<i>ad valorem</i>	15%
1095	1992	Gramophones, phonographs and similar instruments for reproducing music, &c., and parts and accessories therefor, including gramophone needles... ..	100 kg.	50
ex 1128	2056	Tennis balls	100 kg.	120

SCHEDULE II.

<i>Class or Description of Goods.</i>	<i>Rate of Duty.</i>
Bacon and hams	Free.
Butter	15s. per cwt.
Eggs in shell—	
(a) not exceeding 14 lbs. in weight per great hundred ...	1s. per great hundred.
(b) over 14 lbs. but not exceeding 17 lbs. in weight per great hundred	1s. 6d. per great hundred.
(c) over 17 lbs. in weight per great hundred	1s. 9d. per great hundred.
Fish:	
Fresh or salted, except shell fish	10% <i>ad valorem</i> .
Canned herring and canned brisling	10% <i>ad valorem</i> .
Hay and straw	Free.
Horseradish	10% <i>ad valorem</i>
Seeds:	
Alsike clover (<i>Trifolium hybridum</i>)	} 10% <i>ad valorem</i> .
Cocksfoot grass (<i>Dactylis glomerata</i>)	
Meadow fescue grass (<i>Festuca elatior</i>)	
Poa trivialis	
Hard crisp bread made from rye flour and yeast, with the inclusion of not more than 5% of wheat flour, but containing no butter or sugar	10% <i>ad valorem</i> .
Felspar, raw, including crushed but not ground	Free.
Rock crystal quartz, raw (including crushed)	Free.
Granite, raw in blocks	10% <i>ad valorem</i> .
Macadam of granite	10% <i>ad valorem</i> .
Granite setts and curbs	15% <i>ad valorem</i> .
Calcium carbide	Free.
Potassium chlorate, other than grades subject to duty under the Safeguarding of Industries Act, 1921, as amended by the Finance Act, 1926	10% <i>ad valorem</i> .
Sodium chlorate, other than grades subject to duty under the Safeguarding of Industries Act, 1921, as amended by the Finance Act, 1926	10% <i>ad valorem</i> .
Liquid rosin (by-product of chemical wood pulp manufacture)	10% <i>ad valorem</i> .

Tulltaxe-nummer.	Stat.-nummer.	Artiklarnas benämning.	Grund för tullberäkningen.	Tullsatsi kronor.
r 1059	ur 1918	Delar, ej särskilt nämnda, till motorcyklar, för så vitt delarna äro särskilt inkommande:		
		fotateg, fotatödsplattor, hjulskenor (fälgar), kedjeskydd, ramar, styrstänger och stänkskärmar samt delar därtill, ej särskilt nämnda	100 kg.	130
r 1062	1922	Luftfartyg med motor	100 kr.	15
1065	1992	Grammofoner, fonografer och dylika för återgivande av musik m. m. inrättade instrument samt delar och tillbehör därtill, grammofonålar härunder inbegripna		
r 1128	2056	Tennisbollar	100 kg. 100 kg.	50 120

BILAGA II.

Varuslag.	Tullsats.
Fläsk (bacon och bams)	fritt.
Smör	15s. per cwt.
Agg:	
a) vägende högst 14 lbs. per 120 st.	1s. per 120 st.
b) vägende mer än 14 lbs. men icke mer än 17 lbs. per 120 st.	1s. 6d. per 120 st.
c) vägende mer än 17 lbs. per 120 st.	1s. 9d. per 120 st.
Fisk:	
Färsk eller saltad, med undantag av skaldjur... ..	10% ad valorem.
Konserverad (canned) sill och konserverad (canned) brialing	10% ad valorem.
Hö och halm	fria.
Pepparrot	10% ad valorem.
Frö:	
Alaiseklöver (<i>Trifolium hybridum</i>)	} 10% ad valorem.
Hundaxing (<i>Dactylis glomerata</i>)... ..	
Ångsvingel (<i>Festuca elatior</i>)	
Betesgröe (<i>Poa trivialis</i>)	
Knäckebröd, tillverkat av rågmjöl och jäst samt innehållande högst 5% vetemjöl men icke innehållande smör eller socker	10% ad valorem.
Fältpat, oarbetad, däri inbegripet krossad, men icke förmald	fri.
Kristallinisk kvarts, oarbetad eller krossad	fri
Granit, oarbetad	10% ad valorem.
Granit, makadam	10% ad valorem.
Granit, gat- och kantsten	15% ad valorem.
Kalciumkarbid	Tullfrihet.
Kaliumklorat, med undantag av de slag, vilka äro tullpliktiga enl. Safeguarding of Industries Act, 1921, med senare ändringar genom 1926 års finanslag	10% ad valorem.
Natriumklorat, med undantag av de slag, vilka äro tullpliktiga enl. Safeguarding of Industries Act, 1921, med senare ändringar genom 1926 års finanslag	10% ad valorem.
Flytande harts (biprodukt vid cellulosatillverkning)	10% ad valorem.

<i>Class or Description of Goods.</i>	<i>Rate of Dut</i>
Wooden pitprops, which are considered to include "pitbars," i.e., the usual form prepared by cutting off two small arcs of the pitprop lengthwise in two parallel planes; also bars so prepared halved by a third parallel cut through the middle. Pitprops also include crowntrees in their simplest form, which is the halved pitbar referred to above	Free.
Hewn, sawn and planed softwood, not further prepared or manufactured except as detailed below. Planed soft wood shall be considered to include all descriptions of—	
(1) Softwood weatherboards, floorings and matchings, planed on one or more sides, with or without profiling on one or more sides	
(2) Softwood skirtings with board and profile in one piece	
(3) Softwood boards which are tongued, grooved, beaded, V-jointed, rebated, chamfered, centre beaded, centre V-jointed or round-edged—if profiled the board and profile to be in one piece	10% <i>ad valorem</i> .
(4) Softwood boxboards, sawn or planed, whether in sets or not, including boxboards, tongued, grooved, glued, lock-jointed or printed, but excluding boards dove-tailed, mortised or tenoned at the ends	
Boards consisting of a middle layer of thin strips of wood covered on both sides with a layer of paper or paper board	15% <i>ad valorem</i> .
Wood flour	15% <i>ad valorem</i> .
Wood pulp	Free.
Newsprint, that is to say, paper in rolls containing not less than 70% of mechanical wood pulp and of a weight of not less than 20 lbs. or more than 25 lbs. to the ream of 480 sheets of double crown, measuring 30 inches by 20 inches	Free.
Kraft paper ⁽¹⁾ (excluding imitation kraft paper); machine glazed paper (other than fully bleached white poster); greaseproof paper (excluding imitation greaseproof paper); whether coated or otherwise treated in any manner or not, of a weight when fully extended equivalent to more than 7 lbs. but not more than 90 lbs. to the ream of 480 sheets of double crown measuring 30 inches by 20 inches, but not including paper which forms part of another article	16½% <i>ad valorem</i> .
Writing paper in sheets measuring not less than 16½ inches by 21 inches and tissue paper of a weight when fully extended equivalent to not more than 90 lbs. to the ream of 480 sheets of double crown measuring 20 inches by 30 inches, but not including paper which forms part of another article	16½% <i>ad valorem</i> .
Paper, and board made from paper or pulp whether coated or otherwise treated in any manner or not (other than straw board), of a weight when fully extended equivalent to more than 90 lbs. to the ream of 480 sheets of double crown measuring 30 inches by 20 inches, but not including paper and board which forms part of another article	If the duty is raised, it shall not exceed 20% <i>ad valorem</i> .

(¹) *Note*.—Kraft paper shall be considered to be a paper manufactured entirely of bleached or unbleached sulphate cellulose fibre without admixture of other fibres.

Varuslag.

Tullrats.

Gruvstolpar av trä, däri inbegripet "pitbars," d.v.s. gruvsparrar, vanligen bestående av gruvstolpar, från vilka modelst två parallella skär avakilt två tunna bakar; jämväl sådana sparrar, vilka därefter i mitten itusågats genom ett tredje, i förhållande till de övriga parallellt skär

fria.

Gruvstolpar inbegripa också crowntrees i den enklaste formen, som motsvarar på ovan nämnda sätt itusågade pitbars.

Bilat, sågat och hyvlat barrträ, som icke i annan mån undergått bearbetning än vad här nedan nämnes. Som hyvlat barrträ skola anses alla till efterföljande beteckningar hänförliga varor:

1. Av barrträ framställda "weatherboards" eller liggande panelbräder, golvbräder, spåntade bräder, hyvlade på en eller flera sidor, med eller utan profiler på en eller flera sidor.
2. Av barrträ framställda golvpanelbräder med profil i samma stycke som brädan.
3. Av barrträ framställda bräder, försedda med spånt, nåt, pärlstav, dubbelfas, fals (halvspånt), pärlstav i mitten, dubbelfas i mitten eller rundkant. (Vid profilering förutsättes, att brädan och profilen utgöras av ett enda stycke.)
4. Av barrträ framställda lådbräder, sågade eller hyvlade, i fullständiga satsar eller ej, däri inbegripet lådbräder, som äro spåntade, limmade, på längden sinkspåntade eller på vilka förekomma tryck. (Däremot äro undantagna lådbräder, som i ändarna äro laxspåntade, sinkade eller tappade.)

10% ad valorem.

Sammansatta skivor, bestående av ett mellanskikt av tunna träskivor, vilka på båda sidor äro täckta av ett pappers- eller pappkikt

15% ad valorem.

Trämjöl

15% ad valorem.

Pappersmassa

fria.

Tidningspapper, d.v.s. papper i rullar, innehållande minst 70% mekanisk trämassa, samt vägande ej under 20 lbs. och ej över 25 lbs. per ris om 480 ark double crown, 30 x 20 engelska tum

fritt.

Kraftpapper⁽¹⁾ (undantagandes imiterat kraftpapper); maskinglättat papper (annat än helblekt "white poster"); greaseproofpapper (smörpapper) (undantagandes imiterat greaseproofpapper); vare sig belagda eller bestrukna eller på något annat sätt behandlade eller icke behandlade vägande i fullt utbrett skick över 7 lbs. men ej över 90 lbs. per ris om 480 ark double crown, 30 x 20 engelska tum, undantaget dock papper, som utgör del av annan vara ...

16½% ad valorem.

Skrivpapper i arkformat ej under 16.5 x 21 engelska tum, ävensom "tissue"-papper, vägande i fullt utbrett skick upp till högst 90 lbs. per ris om 480 ark double crown, 30 x 20 engelska tum, undantaget dock papper, som utgör del av annan vara

16½% ad valorem.

Papper, ävensom papp tillverkad av papper eller massa, vare sig belagda eller bestrukna eller på något annat sätt behandlade eller icke behandlade (med undantag av halmpapp), vägande i fullt utbrett skick över 90 lbs. per ris om 480 ark double crown, 30 x 20 engelska tum, dock med undantag av papper och papp, som utgör del av annan vara

I händelse av förhöjning av tullen skall icke överstiga 20% ad valorem.

⁽¹⁾ Anmärkning: Såsom kraftpapper skall anses papper, tillverkat uteslutande av blekt eller oblekt sulfatcellulosafiber, utan inblandning av annan fiber.

<i>Class or Description of Goods.</i>	<i>Rate of Duty.</i>
Ferro-chromium	Free.
Ferro-manganese, refined, containing less than 3% carbon ...	Free.
Ferro-silicon, containing not less than 35% of silicon ...	Free.
Silico-manganese	Free.
Iron and steel of the following descriptions:—	
Pig iron, smelted wholly with charcoal	Free.
Ingots manufactured entirely from pig iron, smelted wholly with charcoal	Free.
Blooms, billets, slabs, bars and rods of wrought iron produced by puddling with charcoal from pig iron smelted wholly with charcoal	Free.
Bandsaw strip over 4 inches wide and from 19 to 12 gauge (Birmingham wire gauge) in thickness	Free.
Iron and steel (including alloy steel) of the following descriptions, but not including goods specifically referred to in Schedule I of the Additional Import Duties (No. 1) Order, 1932, as amended at the 13th April, 1933:—	
(i) Ingots (other than those manufactured entirely from pig iron smelted wholly with charcoal):	
Blooms, billets and slabs (other than wrought iron produced by puddling with charcoal from pig iron smelted wholly with charcoal):	
If the value exceeds £7 10s. per ton and does not exceed £25 per ton	£2 10s. per ton or 20% <i>ad valorem</i> , whichever is greater.
If the value exceeds £25 per ton	25% <i>ad valorem</i> .
(ii) Bars and rods of all kinds (other than wrought iron produced by puddling with charcoal from pig iron smelted wholly with charcoal):	
If the value exceeds £9 per ton and does not exceed £33 per ton	£3 per ton or 20% <i>ad valorem</i> , whichever is greater.
If the value exceeds £33 per ton	25% <i>ad valorem</i> .
(iii) Angles, shapes and sections of all kinds, whether fabricated or not:	
If the value exceeds £15 per ton and does not exceed £30 per ton	£5 per ton or 20% <i>ad valorem</i> , whichever is greater.
If the value exceeds £30 per ton	25% <i>ad valorem</i> .
(iv) Forgings (including drop forgings), in the rough or machined. Castings and pressings in the rough or machined, weighing 7 lbs. or over, other than gutters, domestic tanks and cisterns:	
If the value exceeds £24 per ton and does not exceed £40 per ton	£8 per ton or 20% <i>ad valorem</i> , whichever is greater.
If the value exceeds £40 per ton	25% <i>ad valorem</i> .
(v) Hoop and strip of all kinds (other than hot rolled strip over 10 inches wide, in coils of more than 3 cwt., and bandsaw strip over 4 inches wide and	

(*) (For the purpose of this agreement, strip, if in the flat, must not exceed 12 in. in width, and if in coils, must not exceed 32 in. in width.)

Varuslag.

Tullsat.

Ferrokrom	...	...	...	...	fritt.
Ferromangan, raffinerad, hållande mindre än 3% kol	...	...	...	...	fritt.
Ferrokisel, hållande 35% kisel eller däröver	...	...	...	...	fritt.
Kiselmanganjärn	...	...	...	...	fritt.
Järn och stål av följande slag:					
Tackjärn, smält enbart med träkol	...	...	...	...	fritt.
Göt, tillverkade uteslutande av tackjärn, smält enbart med träkol	...	...	...	...	fria.
Blooms (smältstycken), billets (ämnen), slabs (platta ämnen), stänger och valstråd av välljärn, tillverkat genom puddling med träkol av tackjärn, smält enbart med träkol	...	...	...	...	fria.
Bandsågstål med en bredd av över 4 engelska tum och med en tjocklek av från 19 till 12 gauge (Birmingham Wire Gauge)	...	...	...	...	fritt.
Järn och stål (inbegripet legerat stål) av följande slag men icke innefattande varuslag, som finnas särskilt omnämnda i Schedule 1 av "Additional Import Duties (No. 1) Order," 1932, enligt dess avfattning den 13 april 1933:					
1. Göt (andra än sådana, som tillverkats uteslutande av tackjärn, smält enbart med träkol):					
Blooms, billets (ämnen) och slabs (platta ämnen) (andra än av välljärn, tillverkat genom puddling med träkol av tackjärn, smält enbart med träkol):					
om värdet överstiger £7 10s. per ton men icke £25 per ton	...	...	...	...	£2 10s. per ton eller 20% ad valorem, vilketdera som är högst.
om värdet överstiger £25 per ton	...	...	...	...	25% ad valorem.
2. Stänger (bars) och valstråd (rods) av alla slag (andra än av välljärn, tillverkat genom puddling med träkol av tackjärn, smält enbart med träkol):					
om värdet överstiger £9 per ton men icke £33 per ton	...	...	...	...	£3 per ton eller 20% ad valorem, vilketdera som är högst.
om värdet överstiger £33 per ton	...	...	...	...	25% ad valorem.
3. Vinkel- och profiljärn av alla slag, vare sig sammansatta eller icke:					
om värdet överstiger £15 per ton men icke £30 per ton	...	...	...	...	£5 per ton eller 20% ad valorem, vilketdera som är högst.
om värdet överstiger £30 per ton	...	...	...	...	25% ad valorem.
4. Smiden (inklusive hejarsmidan), bearbetade eller icke bearbetade. Gjutgods och pressade ämnen, bearbetade eller icke bearbetade, vägande per styck 7 lbs. eller däröver, andra än avloppsrännor (gutters), behållare och cisterner för husinredningar (domestic tanks and cisterns):					
om värdet överstiger £24 per ton men icke £40 per ton	...	...	...	...	£8 per ton eller 20% ad valorem, vilketdera som är högst.
om värdet överstiger £40 per ton	...	...	...	...	25% ad valorem.
5. Bandjärn och bandstål (hoop and strip) av alla slag (andra än varmvalsat bandstål med en bredd av över 10 engelska tum, i ringar vägande mer än 3 cwts.					

<i>Class or Description of Goods.</i>	<i>Rate of Duty.</i>
from 19 to 12 gauge (Birmingham Wire Gauge) in thickness):	
If the value exceeds £16 per ton	£5 6s. 8d. per ton or 20% <i>ad valorem</i> , whichever is greater
(vi) Plates and sheets of all kinds:	
If the value exceeds £16 per ton and does not exceed £30 per ton	£5 6s. 8d. per ton or 20% <i>ad valorem</i> , whichever is greater.
If the value exceeds £30 per ton	25% <i>ad valorem</i> .
The values shall be calculated in accordance with the provisions of Section 15 of the Import Duties Act, 1932.	
Safety razor blade blanks, not ground	20% <i>ad valorem</i> , plus a specific duty of 1s. the gross.
Weldless steel tubes	20% <i>ad valorem</i> .
Butt hinges	20% <i>ad valorem</i> .
T. hinges	20% <i>ad valorem</i> .
Skates	20% <i>ad valorem</i> .
Blow lamps for liquid fuel of pressure type	20% <i>ad valorem</i> .
Incandescent oil lamps of pressure type	20% <i>ad valorem</i> .
Wickless oil cooking stoves for domestic use of pressure type	20% <i>ad valorem</i> .
Screw taps and dies with ground threads	20% <i>ad valorem</i> .
Marine and stationary internal combustion engines.	
Air compressors, reciprocating and rotary.	
Pneumatic machinery and tools.	
Grinding machinery for workshops—	
When consigned direct to a shipbuilding yard registered by the Commissioners of Customs and Excise, and which will be used for the building, repairing or refitting of ships in that yard	Free.
Cream separators	15% <i>ad valorem</i> .
Milking machines	15% <i>ad valorem</i> .
Hay and grass mowers (including mowing attachments to tractors) other than those of the rotary blade type	15% <i>ad valorem</i> .
Centrifugal separators, other than for cream	20% <i>ad valorem</i> .
Coffee grinding and meat mincing machinery	20% <i>ad valorem</i> .
Ball bearings and parts thereof (other than for motor cars, including motor bicycles and motor tricycles, accessories and component parts of motor cars, motor bicycles and motor tricycles)	20% <i>ad valorem</i> .
Complete roller bearing and ball bearing axle boxes for vehicles (other than for motor cars, including motor bicycles and motor tricycles, accessories and component parts of motor cars, motor bicycles and motor tricycles)	20% <i>ad valorem</i> .
Electric motor and generator casings and unwound rotors and stators (other than parts for motor cars, including motor bicycles and motor tricycles, musical instruments and clocks)	15% <i>ad valorem</i> .

Varuslag.

och bandsågstål med en bredd av över 4 engelska tum och en tjocklek av från 19 till 12 gauge (Birmingham Wire Gauge), om värdet överstiger £16 per ton

Anm.—Såsom strips skall vid tillämpningen av denna överenskommelse anses, dels band i raka längder av högst 12 engelska tums bredd, dels valsat järn eller stål av högst 32 engelska tums bredd i rullar.

6. Grovplåt och tunnplåt av alla slag: om värdet överstiger £16 per ton men icke £30 per ton

om värdet överstiger £30 per ton

Anm.—Värdet skall beräknas i överensstämmelse med föreskrifterna i paragraf 15 av "Import Duties Act, 1932."

Rakbladsämnen, calipade

Sömlösa stålrör

Kantgångjärn

T-gångjärn

Skridskor

Blåslampor, för flytande bränsle, arbetande under tryck

Olje- glödljuslampor, arbetande under tryck

Kokapparater för hushållsändamål, utan veckar, för flytande bränsle, arbetande under tryck

Gångtappar och gängsnitt med slipade gängor

Marina och stationära förbränningsmotorer, Luftkompressorer (kol- och roterande), Pneumatiska verktyg och maskiner, samt Slipmaskiner för verkstäder:

därest de levererats direkt till ett av brittiska tullverket registrerat skeppsvarv och skola användas för byggnad, reparation eller utrustning av fartyg på dylikt varv ...

Mjolkseparatorer

Mjölkningsmaskiner

Slåttermaskiner (inbegripet dylika maskiner för koppling till traktorer), andra än dylika med roterande kniv

Andra separatorer än mjolkseparatorer

Kaffekvarnar och köttkvarnar

Kullager och delar därav (ej avsedda för motorfordon, häri inbegripet två- eller trehjuliga motorcyklar ävensom tillbehör och delar till automobiler och motorcyklar)

Kompletta boxlager, apterade med rull- eller kullager, för fordon (andra än för automobiler, häri inbegripet två- eller trehjuliga motorcyklar ävensom tillbehör och delar till automobiler och motorcyklar)

Elektriska motor- och generatorkåpor och olindade rotores och statorer (andra än sådana, som äro delar till motorfordon, inbegripet två- eller trehjuliga motorcyklar, samt sådana, som äro delar till elektriskt drivna musikinstrument och klockor)

Tullsats.

£5 6s. 8d. per ton eller 20% ad valorem, vilketdera som är högst.

£5 6s. 8d. per ton eller 20% ad valorem, vilketdera som är högst. 25% ad valorem.

20% ad valorem, plus en specifik tull av 1s. per gross.

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EXCHANGES OF NOTES.

(1)

Sir John Simon to Baron Palmstierna.

Sir,

Foreign Office, London, May 15, 1933.

I HAVE the honour to state that in the course of the negotiations which have led to the conclusion of the Commercial Agreement between the United Kingdom of Great Britain and Northern Ireland and Sweden signed this day, it has always been assumed by His Majesty's Government in the United Kingdom that neither Government would introduce quantitative restrictions on imports which would have the effect of nullifying the tariff concessions for which provision is made in the agreement. In order, however, to put the matter beyond dispute, I should be glad to have an assurance that the Swedish Government view the matter in the same light and that they have no intention of imposing quantitative restriction on imports of articles enumerated in Schedule I to the agreement.

2. On the assumption that this assurance is given on behalf of the Swedish Government I am authorised, on behalf of His Majesty's Government in the United Kingdom, to give a similar assurance as regards the articles enumerated in Schedule II to the agreement with the exception, of course, of the products of agriculture and of fisheries to which, as you know, special considerations apply, and to state at the same time that His Majesty's Government in the United Kingdom have no intention of imposing quantitative restrictions on the importation of Swedish iron ore.

I have, &c.

JOHN SIMON.

(2)

*Baron Palmstierna to Sir John Simon.**Swedish Legation, London,**den 15 maj 1933.*

Sir,

I EDER skrivelse av denna dag har Ni avgivit en förklaring, att det Förenade Konungarikets regering icke har för avsikt att i fråga om varor upptagna i bilagan II till den denna dag avslutade handelsöverenskommelsen, med undantag för jordbruksprodukter och fisk, införa några kvantitativa importrestriktioner, vilka skulle hava till följd ett omintetgörande av de tullmedgivanden, varom avtalats i överenskommelsen. Denna förklaring är beroende av att en motsvarande förklaring avgives för svenska regeringens del.

Jag har äran meddela Eder, att svenska regeringen under förhandlingarna om handelsöverskommelsen förutsatt, att inga kvantitativa importrestriktioner, vilka skulle hava till följd ett

omintetgörande av de tullmedgivanden, varom avtalats i överenskommelsen, skulle komma att av någondera regeringen införas i fråga om de varor, som upptagits i bilagorna I och II till överenskommelsen—med undantag för jordbruksprodukter och fisk—, och jag är bemyndigad att å min regerings vägnar avgiva en förklaring, att svenska regeringen för sin del icke har för avsikt att införa sådana importrestriktioner, som nyss angivits i fråga om varor, vilka upptagits i överskommelsens bilaga I.

Svenska regeringen har även tagit del av den å det Förenade Konungarikets regerings vägnar avgivna förklaringen, att det Förenade Konungarikets regering icke har för avsikt att införa några kvantitativa restriktioner i fråga om importen av svensk järnmaln.

Mottag, &c.

E. PALMSTIERNA.

(Translation.)

Sir,

Swedish Legation, London, May 15, 1933.

In your letter of this day you have given an assurance that the United Kingdom Government have no intention of imposing on imports of articles enumerated in Schedule II to the Commercial Agreement signed this day, with the exception of products of agriculture and of fisheries, quantitative restrictions which would have the effect of nullifying the tariff concessions for which provision is made in the agreement. This assurance is subject to a similar assurance being given on behalf of the Swedish Government.

I have the honour to inform you that the Swedish Government have assumed in the course of the negotiations that no quantitative restrictions which would have the effect of nullifying the tariff concessions made in the agreement would be imposed by either Government with regard to the articles enumerated in Schedules I and II to the agreement—except for the products of agriculture and of fisheries—and I am authorised by my Government to give an assurance that the Swedish Government for their part have no intention of imposing such quantitative restrictions in regard to articles enumerated in Schedule I to the agreement as are indicated above.

The Swedish Government have taken note also of the assurance given on behalf of the United Kingdom Government that they have no intention of imposing quantitative restrictions on the importation of Swedish iron ore.

Accept, &c.

E. PALMSTIERNA.

(3)

Sir John Simon to Baron Palmstierna.

Sir,

Foreign Office, London, May 15, 1933.

WITH reference to article 3 of the Commercial Agreement signed this day, it is understood that the withdrawal of the Swedish Government's request to be accorded by treaty a minimum percentage of imports of bacon and hams from foreign countries into the United Kingdom is dependent upon an assurance by His Majesty's Government in the United Kingdom of Great Britain and Northern Ireland that no foreign country except Denmark will be accorded such a minimum percentage by treaty.

2. I have the honour to inform you that I am authorised to give that assurance on behalf of the Government of the United Kingdom.

I have, &c.

JOHN SIMON.

(4)

*Baron Palmstierna to Sir John Simon.**Swedish Legation, London,**den 15 maj 1933.*

Sir,

I ANSLUTNING till den denna dag undertecknade handelsöverenskommelsen har jag äran meddela Eder, att jag av Konungariket Sveriges regering bemyndigats aviga följande förklaringar:

1. Beträffande artikel 1. Svenska regeringen har ingenting att invända mot den av det Förenade Konungarikets regering hävdade uppfattningen, att förekomsten i yllevävnader av en mindre procentsats silke icke borde inverka på varans tullsats. Med hänsyn till det nuvarande förhållandet mellan beskattningen i Sverige av silkegarn å ena sidan och yllevävnader å andra sidan, är det svenska regeringen icke möjligt att för närvarande bringa ifrågavarande princip i tillämpning, men regeringen kommer att, om och när den nu utgående tullen å silkegarn (tulltaxenr. 399) skulle väsentligt modifieras, skänka välvilligt beaktande åt det Förenade Konungarikets regerings önskemål om att tullsatserna för yllevävnader, innehållande högst 5 procent silke, oavsett deras vikt, icke skola vara högre än de, som tillämpas med avseende å yllevävnader icke innehållande silke.

2. Beträffande artikel 2. Svenska regeringen förklarar sig villig att till välvillig prövning upptaga varje förslag, som det Förenade Konungarikets regering må komma att framställa om någon eller några av de i överenskommelsens bilaga II angivna ad valorem tullsatsernas ersättande med specifika tullsatser.

Mottag, &c.

E. PALMSTIERNA.

(Translation.)

Sir,

Swedish Legation, London, May 15, 1933.

With reference to the Commercial Agreement signed this day, I have the honour to inform you that I am authorised by the Government of the Kingdom of Sweden to make the following declarations :—

1. In regard to article 1. The Swedish Government do not dissent from the contention of the Government of the United Kingdom that the admixture of a small percentage of silk in wool tissues should not affect the rate of duty charged upon them. In view of the present relation between the taxation imposed in Sweden on silk yarn and that on wool tissues, the Swedish Government are unable to apply the principle at the present time, but they undertake that if and when the present duty imposed on silk yarn (T.N.899) is substantially modified, they will give favourable consideration to the desire of the Government of the United Kingdom that the rate of duty applied to wool tissues of whatever weight containing up to 5 per cent. of silk should not be higher than that applied to wool tissues not containing silk.

2. In regard to article 2. The Swedish Government agree to consider sympathetically any proposal by the Government of the United Kingdom for the substitution of specific duties for any of the *ad valorem* duties set out in the second schedule to the agreement.

Accept, &c.

E. PALMSTIerna.

DENMARK



Treaty Series No. 34 (1933)

AGREEMENT AND PROTOCOL
BETWEEN THE GOVERNMENT OF
THE UNITED KINGDOM
AND THE GOVERNMENT OF DENMARK
RELATING TO
TRADE AND COMMERCE

London, April 24, 1933

(WITH EXCHANGE OF NOTES OF MAY 17, 1933)

[Ratifications exchanged at Copenhagen, June 20, 1933]

*Presented by the Secretary of State for Foreign Affairs
to Parliament by Command of His Majesty*

LONDON

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1933

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and Economics, Poona 4.

AGREEMENT AND PROTOCOL BETWEEN THE GOVERNMENT
OF THE UNITED KINGDOM AND THE GOVERNMENT OF
DENMARK RELATING TO TRADE AND COMMERCE.

London, April 24, 1933.

[Ratifications exchanged at Copenhagen, June 20, 1933.]

AGREEMENT.

THE Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Denmark, desiring, in view of the long-standing friendship between the two countries and having regard to the existing balance of trade between them, to facilitate and extend still further trade and commerce between the United Kingdom of Great Britain and Northern Ireland on the one hand and the Kingdom of Denmark on the other, have agreed to the following effect:—

ARTICLE 1.

The articles enumerated in the first Schedule to this Agreement produced or manufactured in the United Kingdom from whatever place arriving shall not on importation into Denmark be subjected to duties or charges other or higher than those specified in the Schedule.

If the imports into Denmark from countries other than the United Kingdom of goods of any of the classes enumerated in Part II of the first Schedule shall in any period of six months during the currency of this Agreement have increased in quantity by more than 30 per cent. as compared with the imports of such goods from those countries in the six months immediately preceding such period, and if such imports shall also exceed the average imports from the same countries during the corresponding period of the three years 1932, 1933 and 1934, the two Governments shall discuss together any proposals which the Danish Government may wish to make to the Government of the United Kingdom for the purpose of preserving or restoring an economic level of prices. Any measures which may be agreed for this purpose shall not come into operation before the 1st July, 1935.

ARTICLE 2.

The articles enumerated in the Second Schedule to this Agreement produced or manufactured in Denmark from whatever place arriving shall not on importation into the United Kingdom be subjected to duties or charges other or higher than those specified in the Schedule. The Danish Government agree to consider sympathetically any proposal by the Government of the United Kingdom for the substitution of specific duties for any of the *ad valorem* duties set out in the Schedule.

Den danske Regering og det Forenede Kongerige Storbritanniens og Nordirlands Regering, der i Betragtning af det nære Venskabsforhold, som gennem lange Tider har bestaaet mellem de to Lande, og under Hensyn til Handelsbalancen dem imellem nærer Ønske om yderligere at fremme og udvide Handelsforbindelsen mellem Kongeriget Danmark og det Forenede Kongerige Storbritannien og Nordirland, er blevet enige om følgende:

ARTIKEL 1.

De i Bilag I til nærværende Overenskomst opregnede Varer, som er frembragt eller tilvirket i det Forenede Kongerige, skal, uanset hvorfra de kommer, ved Indførsel til Danmark ikke være underkastet andre eller højere Afgifter eller Byrder end de i Bilaget angivne.

Saafernt Indførselen til Danmark fra andre Lande end det Forenede Kongerige af Varer af en af de i Bilag I, Afsnit II, opregnede Grupper i nogen Periode paa 6 Maaneder indenfor nærværende Overenskomsts Gyldighedsperiode i Mængde har været mere end 30 pCt. større end Indførselen af saadanne Varer fra de paagældende Lande i den nærmest forudgaaende 6-Maaneders Periode, og saafernt Indførselen samtidig overstiger Gennemsnitsindførselen fra de samme Lande i den tilsvarende Periode af Aarene 1932, 1933 og 1934, skal de to Regeringer i Fællesskab drøfte saadanne Forslag, som den danske Regering maatte ønske at fremsætte overfor det Forenede Kongeriges Regering i det Øjemed at opretholde eller paany tilvejebringe lønnende Priser. Foranstaltninger, som man i saadan Anledning maatte blive enige om, skal ikke kunne træde i Kraft forinden 1. Juli 1935.

ARTIKEL 2.

De i Bilag II til nærværende Overenskomst opregnede Varer, som er frembragt eller tilvirket i Danmark, skal, uanset hvorfra de kommer, ved Indførsel til det Forenede Kongerige ikke være underkastet andre eller højere Afgifter eller Byrder end de i Bilaget angivne. Den danske Regering samtykker i at ville underkaste ethvert Forslag fra det Forenede Kongeriges Regering om at erstatte de i Bilaget angivne Værditoldsatser med specifikke Toldsatser en velvillig Overvejelse.

ARTICLE 3.

Either of the Contracting Governments may require, in order to determine the country of origin of imported goods, that such goods be accompanied by certificates of origin. Such certificates of origin may be issued either by the Government Authorities or by any Chamber of Commerce or other authority or association which may be accepted for the purpose by the country of destination.

ARTICLE 4.

(1) In addition to the obligations relating to import duties and charges which they assume under Article 2 of this Agreement, the Government of the United Kingdom undertake not to regulate the quantity of the imports of bacon and hams, butter, eggs or cream from Denmark, except in so far as may be necessary to secure the effective operation of a scheme or schemes for the regulation of the marketing of domestic supplies of these products. In the event of such regulation of imports being introduced in the case of all or any of these products, the following provisions shall have effect in so far as they may be applicable.

(2) In making allocations to the several foreign supplying countries, the Government of the United Kingdom will take into consideration the position which Denmark has held in recent years as a supplier of these products to the United Kingdom market. In particular: For bacon and hams, the Danish allocation shall not be less than 62 per cent. of the total permitted imports from foreign countries.

For butter, the Danish allocation shall not be less than 2,300,000 cwts. in any year. If the total imports of butter are allowed to exceed 8,100,000 cwts. in any year Denmark will be allotted her share of the imports in excess of that amount.

For eggs, the Danish allocation shall not be less than $5\frac{1}{2}$ million great hundreds in any year, subject, however, to the understanding that if some greater reduction in the total imports from all foreign countries than is compatible with this quantity should be essential to secure the maintenance of a remunerative level of prices, the Government of the United Kingdom may, after consultation with the Danish Government, subject the imports of eggs from Denmark to such reduction below $5\frac{1}{2}$ million great hundreds as may be necessary to this end. In any event the Danish allocation shall be not less than 38 per cent. of the total permitted imports from all foreign countries.

For cream, any reduction that may be necessary in the quantity of imports from Denmark shall be effected as gradually as possible.

(3) In the event of the total quantity of any of the aforesaid products permitted to be imported into the United Kingdom from foreign countries being increased during any period of regulation,

ARTIKEL 3.

Hver af de to kontraherende Regeringer vil, for at blive sat i Stand til at bestemme Oprindelseslandet for indførte Varer, kunne kræve, at saadanne Varer ledsages af Oprindescertifikater. Saadanne Oprindescertifikater vil kunne udstedes enten af Regeringsmyndighederne eller af Handelskamre eller andre Myndigheder eller Institutioner, som i dette Øjemed maatte blive anerkendt af Bestemmelseslandet.

ARTIKEL 4.

(1) I Tilslutning til de Forpligtelser vedrørende Indførselsafgifter og Byrder, som det Forenede Kongeriges Regering paatager sig i Henhold til nærværende Overenskomsts Artikel 2, forpligter nævnte Regering sig til ikke at regulere Indførselsmængden fra Danmark af Bacon og Skinker, Smør, Æg og Fløde, medmindre dette er nødvendigt for en effektiv Gennemførelse af en Organisationsplan eller Organisationsplaner vedrørende Regulering af Afsætningen af den indenlandske Produktion af disse Varer. I Tilfælde af, at en saadan Regulering af Indførselen gennemføres for alle eller enkelte af de nævnte Produkter, skal følgende Bestemmelser gælde, for saa vidt disse er anvendelige.

(2) Ved Tildeling af Andele til de forskellige fremmede Leverandør-Lande vil det Forenede Kongeriges Regering tage Hensyn til den Stilling, Danmark i de senere Aar har haft paa Markedet i det Forenede Kongerige som Leverandør af disse Produkter. Særligt bestemmes:

Danmarks Andel af Bacon og Skinker skal være mindst 62 pCt. af den samlede tilladte Indførsel fra fremmede Lande.

Danmarks Andel af Smørindførselen skal ikke kunne gaa ned under 2.800.000 cwts. aarlig. Hvis der i noget Aar tillades en samlet Indførsel af Smør paa mere end 8.100.000 cwts., skal Danmark have sin Andel af den Mængde, hvormed Indførselen overstiger dette Kvantum.

Danmarks Andel af Ægindførselen skal ikke kunne gaa ned under 5½ Mill. great hundreds om Aaret. Det er dog en Forudsætning, at saafremt en større Reduktion af den samlede Indførsel fra alle fremmede Lande end den, der svarer til ovennævnte Kvantum, er nødvendig for at holde Priserne paa et lønnende Niveau, kan det Forenede Kongeriges Regering efter Forhandling med den danske Regering gøre Indførselen af Æg fra Danmark til Genstand for en saadan Nedskæring under 5½ Mill. great hundreds, som skønnes nødvendig for Formaålet. Danmarks Andel skal i hvert Fald være mindst 33 pCt. af den samlede tilladte Indførsel fra alle fremmede Lande.

En saadan Reduktion af Indførselen af Fløde fra Danmark, som maatte blive nødvendig, skal foregaa gradvis og saa jævnt som muligt.

(3) I Tilfælde af, at det samlede Kvantum af noget af de ovennævnte Produkter, som tillades indført til det Forenede Kongerige fra fremmede Lande, øges indenfor en fastsat Reguleringsperiode, skal

additional allocations shall be made to Denmark, but any temporary inability on the part of Denmark to supply the whole or a part of any such additional allocation shall not prejudice as regards any subsequent period the undertakings given above.

(4) In the event of any other foreign supplying country renouncing or forfeiting, in whole or in part, its allocation of any of the aforesaid products, the Danish allocation shall be increased in not less ratio than the allocation of any other foreign country.

(5) The control of exports of the aforesaid products from Denmark to the United Kingdom shall be entrusted to the Danish Government, so long as the Government of the United Kingdom are satisfied that such control is effectual and in conformity with the scheme or schemes of regulation of imports for the time being in force.

ARTICLE 5.

In addition to the obligations relating to import duties and charges which they have assumed in Article 2 of this Agreement the Government of the United Kingdom undertake not to regulate the import of dried fish or of salmon, sea trout, eels or fresh-water fish of Danish taking. In the event of the regulation of the quantity of the import of other kinds of fish, the following provisions shall have effect.

In making allocations to the several foreign supplying countries the Government of the United Kingdom will take into consideration the position which Denmark has held during recent years as a supplier of these products to the United Kingdom market. The total quantity of fresh and wet salted fish permitted to be imported from Denmark shall not be less than 412,000 cwts. in any year, exclusive of any salmon, sea trout, eels or fresh-water fish. Of the minimum permitted total of 412,000 cwts. not less than 20,000 cwts. shall consist of wet salted fish.

The control of exports of fish from Denmark to the United Kingdom shall be entrusted to the Danish Government so long as the Government of the United Kingdom are satisfied that such control is effectual and in conformity with the scheme of regulation of imports for the time being in force. The Government of the United Kingdom will co-operate with the Danish Government in exercising the necessary control of direct landings.

ARTICLE 6.

The fees for licences for commercial travellers who visit Denmark on behalf of United Kingdom companies or firms shall not exceed the following rates:—

	Kr.
Licences valid for a period of 15 days	40
Licences valid for a period of 45 days	100
Licences valid for a period of 1 year	300

der tildeles Danmark en ekstra Andel. Skulde Danmark midlertidigt være ude af Stand til at levere hele det tildelte ekstra Kvantum eller en Del heraf, skal dette ikke, for saa vidt angaar en efterfølgende Periode, kunne ændre de ovenfor givne Tilsagn til Skade for Danmark.

(4) I Tilfælde af, at noget andet fremmed Leverandør-Land helt eller delvist opgiver eller fortaber Retten til sin Andel i Indførselen af noget af de ovennævnte Produkter, skal Danmarks Andel forøges i mindst samme Forhold som det, hvormed et hvilket som helst andet fremmed Lands Andel forøges.

(5) Kontrollen med Udførselen til det Forenede Kongerige af de ovennævnte Produkter fra Danmark skal overlades til den danske Regering, saa længe det Forenede Kongeriges Regering er forvisset om, at Kontrollen er effektiv og i Overensstemmelse med den eller de Planer, der er gældende for Regulering af Indførselen.

ARTIKEL 5.

I Tilslutning til de Forpligtelser vedrørende Indførselsafgifter og Byrder, som det Forenede Kongeriges Regering har paataget sig i Henhold til nærværende Overenskomsts Artikel 2, forpligter nævnte Regering sig til ikke at regulere Indførselen af tørret Fisk eller af Laks, Havørred, Aal eller Ferskvandsfisk af dansk Fangst. I Tilfælde af en Regulering af Indførselsmængden af anden Fisk skal følgende Bestemmelser gælde:

Ved Tildeling af Andele til de forskellige fremmede Leverandør-Lande vil det Forenede Kongeriges Regering tage Hensyn til den Stilling, Danmark i de senere Aar har haft paa Markedet i det Forenede Kongerige som Leverandør af disse Produkter. Den samlede Mængde af fersk og vaadsaltet Fisk, som tillades indført fra Danmark, skal ikke kunne gaa ned under 412.000 cwts. om Aaret, heri ikke indbefattet Laks, Havørred, Aal eller Ferskvandsfisk. Af det samlede tilladte Minimumskvantum paa 412.000 cwts. skal mindst 20.000 cwts. bestaa af vaadsaltet Fisk.

Kontrollen med Udførselen af Fisk fra Danmark til det Forenede Kongerige skal overlades til den danske Regering, saalænge det Forenede Kongeriges Regering er forvisset om, at en saadan Kontrol er effektiv og i Overensstemmelse med den gældende Plan for Regulering af Indførselen. Det Forenede Kongeriges Regering vil samarbejde med den danske Regering ved Udøvelsen af den nødvendige Kontrol med Hensyn til direkte Landinger.

ARTIKEL 6.

Gebyrerne for Adgangsbeviser for Handelsrejsende, der for engelske Selskaber eller Firmaer besøger Danmark, skal ikke overstige følgende Sats:

	Kr.
Adgangsbeviser gyldige i 15 Dage	40
Adgangsbeviser gyldige i 45 Dage	100
Adgangsbeviser gyldige i 1 Aar	300

The corresponding fees for supplementary licences entitling the holder to represent additional companies or firms shall not exceed 20 kr., 50 kr. and 150 kr. respectively.

Directors and principal officers of companies and principals of firms carrying on business in the United Kingdom shall be permitted without taking out a commercial traveller's licence, to accompany a representative resident in Denmark of the company or firm when such representative visits customers for the purpose of soliciting orders, provided that such representative fulfils the conditions prescribed by Danish law.

ARTICLE 7.

Nothing in this Agreement shall be deemed to affect the rights and obligations arising out of the Treaty of Peace and Commerce signed at Whitehall on the 13th February, 1660/1, the Treaty of Peace and Commerce signed at Copenhagen on the 11th July, 1670, or the Convention of Commerce, together with the separate and additional article thereto annexed, signed in London on the 16th June, 1824.

The Contracting Governments agree that, having regard to the provisions of the above-mentioned treaties of 1660/1 and 1670, United Kingdom goods in Denmark and Danish goods in the United Kingdom shall enjoy in all respects treatment not less favourable than that enjoyed by goods produced or manufactured in any other foreign country.

ARTICLE 8.

The Contracting Governments agree that any dispute that may arise between them as to the proper interpretation or application of any of the provisions of the present Agreement or of any of the treaties enumerated in Article 7 shall, at the request of either of them, be referred to the Permanent Court of International Justice, unless in any particular case the Contracting Governments agree to submit the dispute to some other tribunal, or to dispose of it by some other form of procedure. In case any dispute shall fall to be submitted to the Permanent Court of International Justice, the Court shall, unless the Contracting Parties otherwise agree, be requested to give its decision in accordance with the summary procedure provided for in Article 29 of the Statute of the Court.

ARTICLE 9.

The stipulations of the present Agreement shall not be applicable to Greenland.

Nevertheless, goods produced or manufactured in Greenland shall enjoy in the United Kingdom treatment in all respects as favourable as that accorded to goods produced or manufactured in any other

De tilsvarende Gebyrer for Tillægsbeviser, der berettiger Indehaveren til at repræsentere yderligere Selskaber eller Firmaer, skal ikke overstige henholdsvis 20 Kr., 50 Kr. og 150 Kr.

Direktører og ledende Funktionærer i Selskaber og Ledere af Firmaer, der driver Virksomhed i det Forenede Kongerige, skal være berettiget til, uden at løse Adgangsbevis for Handelsrejsende, at ledsage Selskabets eller Firmaets i Danmark bosiddende Repræsentant, naar denne aflægger Besøg hos Kunderne for at optage Ordre, forudsat at nævnte Repræsentant opfylder de i den danske Lovgivning fastsatte Betingelser herfor.

ARTIKEL 7.

Intet i denne Overenskomst skal anses at ændre de Rettigheder og Forpligtelser, som følger af Freds- og Handelstraktaten, undertegnet i Whitehall den 19. Februar 1660/1, Freds- og Handelstraktaten, undertegnet i København den 11. Juli 1670, eller Handelstraktaten med den dertil knyttede særskilte Artikel og Tillægsartikel, undertegnet i London den 16. Juni 1824.

De kontraherende Regeringer er enige om, at Varer fra det Forenede Kongerige, der indføres til Danmark, og danske Varer, der indføres til det Forenede Kongerige, under Hensyn til Bestemmelserne i de ovennævnte Traktater af 1660/1 og 1670 i alle Henseender skal nyde en Behandling, der ikke er mindre gunstig end den, der tilstaas Varer, frembragt eller tilvirket i et hvilket som helst andet fremmed Land.

ARTIKEL 8.

De kontraherende Regeringer er enige om, at enhver Tvistighed, som maatte opstaa mellem dem med Hensyn til den rette Fortolkning eller Anvendelse af en hvilken som helst af Bestemmelserne i nærværende Overenskomst eller i nogen af de i Artikel 7 nævnte Traktater, paa Forlangende af en af Parterne skal forelægges den faste Domstol for mellemfolkelig Retspleje, med mindre de kontraherende Regeringer i noget særligt Tilfælde bliver enige om at forelægge Tvistigheden for en anden Domstol eller at benytte en anden Fremgangsmaade til dens Afgørelse. I Tilfælde af at nogen Tvistighed forelægges den faste Domstol for mellemfolkelig Retspleje, skal Domstolen, med mindre de kontraherende Parter er enige om noget andet, anmodes om at fatte sin Beslutning i Overensstemmelse med den summariske Retsforhandling omtalt i Artikel 29 i Statuten for Domstolen.

ARTIKEL 9.

Bestemmelserne i nærværende Overenskomst skal ikke finde Anvendelse paa Grønland.

Ikke desto mindre skal Varer, frembragt eller tilvirket i Grønland, i det Forenede Kongerige nyde en Behandling, der i alle Henseender er lige saa gunstig som den, der tilstaas Varer, frembragt eller

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foreign country, and goods produced or manufactured in the United Kingdom shall enjoy in Greenland treatment as favourable as that accorded to goods produced or manufactured in any other foreign country.

ARTICLE 10.

The present Agreement shall be ratified and the ratifications shall be exchanged at Copenhagen as soon as possible. It shall come into force immediately on the exchange of ratifications and shall, subject to the provisions of paragraph 1 of Part II of the Protocol to this Agreement, be binding during a period of three years from the date of its coming into force. The Contracting Governments shall consult together before the end of that period for the purpose of determining whether it shall be continued in force and if so upon what conditions.

In witness whereof the undersigned, being duly authorised to that effect, have signed this Agreement and have affixed thereto their seals.

Done in London this twenty-fourth day of April, nineteen hundred and thirty-three, in duplicate in English and Danish, both texts being equally authentic.

(L.S.) JOHN SIMON.

(L.S.) WALTER RUNCIMAN.

(L.S.) P. F. AHLEFELDT LAURVIG.

tilvirket i et hvilket som helst andet fremmed Land, og Varer frembragt eller tilvirket i det Forenede Kongerige, skal i Grønland nyde en Behandling, der er lige saa gunstig som den, der tilstaaes Varer, frembragt eller tilvirket i et hvilket som helst andet fremmed Land.

ARTIKEL 10.

Nærværende Overenskomst skal ratificeres, og Ratifikationsdokumenterne skal udveksles i København saa snart som muligt. Der skal træde i Kraft umiddelbart efter Ratifikationsdokumenternes Udveksling og skal, under Forbehold af Bestemmelserne i nærværende Overenskomsts Protokol, Afsnit II, Stykke 1, gælde for en Periode af tre Aar fra Datoen for dens Ikrafttræden. De kontraherende Regeringer vil træde i Forbindelse med hinanden før Udløbet af denne Periode for at træffe Beslutning om, hvorvidt Overenskomsten fortsat skal være gældende og i bekræftende Fald paa hvilke Betingelser.

Til Bekræftelse heraf har de Undertegnede, der er behørigt bemyndigede dertil, undertegnet denne Overenskomst og forsynet den med deres Segl.

Udfærdiget i London den fireogtyvende April, Aar nitten hundrede og tre og tredive i to Eksemplarer paa dansk og engelsk, idet begge Tekster skal have samme Gyldighed.

(L.S.) JOHN SIMON.

(L.S.) WALTER RUNCIMAN.

(L.S.) P. F. AHLEFELDT LAURVIG.

PROTOCOL.

At the moment of signing the Agreement of this day's date between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Denmark relating to trade and commerce, the undersigned, being duly authorised to that effect, declare that they have agreed on the provisions set out in the following Protocol, which shall form an integral part of the above-mentioned Agreement.

Part I.

1. In administering the provisions of the Agreement the contracting Governments will keep in view the balance of trade between the two countries.

2. The Contracting Governments take note of the conversations which, in view of the present disparity in the balance of trade between the United Kingdom and Denmark, have taken place in regard to steps for increasing the sales in Denmark of United Kingdom iron and steel.

3. The Contracting Governments take note of an agreement concluded between "De samvirkende danske Andelsslagteriers Fælleskontor" of Copenhagen and the Dundee Chamber of Commerce by which the Danish Slaughterhouses undertake for bacon and hams exported to the United Kingdom to use wrappers made exclusively of jute cloth woven in the United Kingdom from yarns spun in the United Kingdom: the said agreement is concluded for a period of three years.

4. The Contracting Governments take note of an agreement concluded between "Grosserer Societetets Komité" of Copenhagen on the one hand and "The Salt Manufacturers' Association," Liverpool, on the other, whereby the said Danish Association undertakes to arrange that there shall be imported into Denmark in each year a quantity of salt produced in the United Kingdom which shall not be less than the quantity used by the Danish Slaughterhouses and Dairies in the manufacture of bacon, hams and butter destined to be marketed in the United Kingdom: the said agreement is concluded for a period of three years.

5. The Contracting Governments take note of an agreement concluded between "De samvirkende danske Andelsslagteriers Fælleskontor" of Copenhagen on the one hand and "The London Chamber of Commerce" on the other, whereby the said Danish Association undertakes to arrange that there shall be imported into

PROTOKOL.

Ved Undertegnelsen af Handelsoverenskomsten af Dags Dato mellem det Forenede Kongerige Storbritanniens og Nordirlands Regering og den danske Regering erklærer Undertegnede, behørigt bemyndigede dertil, at de er blevet enige om de i nedenstaaende Protokol indeholdte Bestemmelser, som skal udgøre en integrerende Del af ovennævnte Overenskomst.

Afsnit I.

1. Ved Gennemførelsen af de i Overenskomsten indeholdte Bestemmelser vil de kontraherende Regeringer holde sig Handelsbalancen mellem de to Lande for Øje.

2. De kontraherende Regeringer tager visse Samtaler til Efterretning, som har fundet Sted under Hensyn til den nuværende ulige Handelsbalance mellem det Forenede Kongerige og Danmark, og som vedrører Foranstaltninger til Forøgelse af Salget i Danmark af Jern og Staal tilvirket i det Forenede Kongerige.

3. De kontraherende Regeringer tager til Efterretning, at en Overenskomst er afsluttet imellem "De samvirkende danske Andelslagteriers Fælleskontor" i København og Handelskammeret i Dundee, i Hensyn til hvilken de danske Slagterier forpligter sig til, forsaavidt angaar Bacon og Skinker, som udføres til det Forenede Kongerige, udelukkende at anvende Wrappers, forfærdiget af Jutelærred vævet i det Forenede Kongerige af Garn spundet sammesteds. Den nævnte Overenskomst er indgaaet for et Tidsrum af tre Aar.

4. De kontraherende Regeringer tager til Efterretning, at en Overenskomst er afsluttet imellem "Grosserer Societetets Komité" i København paa den ene Side og "The Salt Manufacturers' Association," Liverpool, paa den anden Side, hvorefter den nævnte danske Organisation paatager sig at sørge for, at der hvert Aar til Danmark indføres et i det Forenede Kongerige tilvirket Kvantum Salt, ikke mindre end det Kvantum, der forbruges af danske Slagterier og Mejerier til Fremstilling af Bacon, Skinker og Smør, bestemt til Udførsel til det Forenede Kongerige. Den paagældende Overenskomst er indgaaet for et Tidsrum af tre Aar.

5. De kontraherende Regeringer tager til Efterretning, at en Overenskomst er afsluttet imellem "De samvirkende danske Andelslagteriers Fælleskontor" i København paa den ene Side og "The London Chamber of Commerce" paa den anden Side, hvorefter den nævnte danske Sammenslutning paatager sig at sørge

Denmark in each year a quantity of saltpetre refined in the United Kingdom which shall not be less than the quantity used by the Danish Slaughterhouses in the manufacture of bacon and hams destined to be marketed in the United Kingdom: the said agreement is concluded for a period of three years.

6. The Contracting Governments take note of recommendations made by "Landbrugsraadet," Copenhagen, to the Danish dairies that for the packing of butter exported to the United Kingdom they should use exclusively parchment paper produced in the United Kingdom.

Part II.

1. The Government of the United Kingdom shall have the right to terminate the Agreement upon three months' notice, if in any one year the amount of coal of United Kingdom origin imported into Denmark is less than 80 per cent. of the total imports of coal into Denmark in that year, as shown by the official statistics issued by the Danish Government. The Agreement shall not be terminated in virtue of this arrangement if, during the period between the date when notice of termination is given and the date of its taking effect, quantities of United Kingdom coal are imported into Denmark sufficient to make good the deficiency.

2. The Government of the United Kingdom undertake not to give notice of termination of the Agreement in accordance with the preceding paragraph until they have given an opportunity to the Danish Government to enter into discussions on the matter. The Danish Government undertake to send representatives to the United Kingdom for the purpose of such discussions at 14 days' notice.

3. The Contracting Governments take note of a letter to the Danish Consul-General in London, dated this day and signed on behalf of the United Kingdom coal industry by the Chairman of the Central Council of Colliery Owners and the Chairman of the British Coal Exporters' Federation, wherein they have expressed their desire and firm intention to fulfil the requirements of Danish buyers and users of coal by every means within their power; and for this purpose have given to Danish buyers and users the assurances contained in that letter with regard to prices, qualities, availability of supplies, and other matters. The right of the Government of the United Kingdom, as stipulated above, to terminate the Agreement upon 3 months' notice in the circumstances set out is conditional upon those assurances being implemented.

for, at der hvert Aar til Danmark indføres et i det Forenede Kongerige raffineret Kvantum Salpeter, ikke mindre end det Kvantum, der forbruges af de danske Slagterier til Fremstilling af Bacon og Skinker, bestemt til Udførsel til det Forenede Kongerige. Den nævnte Overenskomst er indgaaet for et Tidsrum af tre Aar.

6. De kontraherende Regeringer tager den Henstilling til Efterretning, som Landbrugsraadet, København, har rettet til de danske Mejerier om ved Pakning af Smør, som udføres til det Forenede Kongerige, udelukkende at benytte Pergamentpapir, der er tilvirket i det Forenede Kongerige.

Afsnit II.

1. Det Forenede Kongeriges Regering skal have Ret til at opsigte Overenskomsten med tre Maaneders Varsel, hvis Danmarks Indførsel af Kul, produceret i det Forenede Kongerige, ifølge den officielle danske Statistik i noget Aar er mindre end 80 pCt. af Danmarks Totalindførsel af Kul i det paagældende Aar. Overenskomsten skal ikke kunne bringes til Ophør i Kraft af denne Bestemmelse, hvis Danmark i den Periode, der ligger imellem Opsigelsesdatoen og den Dato, paa hvilken Overenskomsten vilde ophøre, indfører tilstrækkelige Mængder Kul, produceret i det Forenede Kongerige, til at dække det for lidt indførte Kvantum.

2. Det Forenede Kongeriges Regering forpligter sig til ikke at opsigte Overenskomsten i Overensstemmelse med det i det foregaaende Stykke indeholdte, førend den har givet den danske Regering Lejlighed til en Drøftelse af Sagen. Den danske Regering forpligter sig til at sende Repræsentanter til det Forenede Kongerige med 14 Dages Varsel for at optage en saadan Drøftelse.

3. De kontraherende Regeringer tager Indholdet af et Brev til Efterretning, som er tilstillet den danske Generalkonsul i London, er dateret Dags Dato og underskrevet paa det Forenede Kongeriges Kulindustriis Vegne af Formanden for "The Central Council of Colliery Owners" og Formanden for "The British Coal Exporters' Federation." I dette Brev har de paagældende Formænd udtrykt deres Ønske og faste Beslutning om ved alle til Raadighed staaende Midler at imødekomme de danske Køberes og Kulforbrugeres Krav; i dette Øjemed har de til de danske Købere og Forbrugere i Brevet afgivet Forsikringer angaaende Priser, Kvaliteter, til Raadighed staaende Forsyninger samt andre Spørgsmaal. Det Forenede Kongeriges Regerings Ret til, som ovenfor anført, at bringe Overenskomsten til Ophør med tre Maaneders Varsel under de angivne Forhold, er afhængig af, at disse Forsikringer opfyldes.

4. The Government of the United Kingdom undertake that they will not give notice of termination of the agreement in accordance with paragraph 1 of this Part of this Protocol if a sufficient quantity of coal of United Kingdom origin of qualities suitable for the Danish buyers in question has not been available by reason of a strike or lock-out, or by reason of the fact that ice or other conditions have prevented transport from the United Kingdom to the Danish port of destination, or if the buyers in question have been unable to obtain from the United Kingdom either the coal that they require or a suitable substitute at a comparable price. In any such event the Government of the United Kingdom undertake that in applying the provisions of paragraph 1 of this Part of this Protocol they will make due allowance for such quantities of coal as have been purchased from other sources. Similarly due allowance will be made for non-consumption of coal on account of protracted strikes or lock-outs within those branches of Danish industry in which United Kingdom coal is used in considerable quantities. Allowances claimed under the foregoing provisions of this paragraph shall be made only (a) by agreement between the Danish Committee to be appointed in accordance with paragraph 5 of this Part of this Protocol and the Mines Department of the Government of the United Kingdom, or (b) failing such agreement, after discussion and settlement between the Contracting Governments.

5. As soon as the Agreement comes into force, a committee shall be appointed in Denmark for the purpose of—

- (a) dealing with all complaints by Danish buyers and users of United Kingdom coal as regards price, quality, supply and other such matters in so far as such complaints relate to matters on which assurances have been given by the United Kingdom coal industry;
- (b) dealing with questions arising under paragraph 4 of this Part of this Protocol;
- (c) communicating where necessary with the Mines Department of the Government of the United Kingdom on any matters arising on (a) and (b) above.

6. It being the hope of the Contracting Governments that the existing share of the Danish market for coke should continue to be enjoyed by the United Kingdom, they will enter into consultation, if the case requires, with a view to the maintenance of that situation.

4. Det Forenede Kongeriges Regering forpligter sig til ikke at opsigse Overenskomsten i Henhold til Stykke 1 i denne Protokols Afsnit II, hvis et tilstrækkeligt Kvantum Kul, produceret i det Forenede Kongerige, af en Kvalitet egnet for de paagældende danske Køberes Behov, ikke har været disponibelt paa Grund af Strejke eller Lockout eller paa Grund af den Kendsgerning, at Is eller andre Forhold har forhindret Transporten fra det Forenede Kongerige til den danske Bestemmelsehavn, eller hvis de paagældende Købere har været ude af Stand til fra det Forenede Kongerige at faa enten den Kulsort, de har Brug for, eller en passende Erstatning til en tilsvarende Pris. I alle saadanne Tilfælde forpligter det Forenede Kongeriges Regering sig til ved Anvendelsen af Bestemmelserne i Stykke 1 i Protokollens Afsnit II at tage saadanne Kvantiteter af Kul, som er blevet indkøbt andetsteds, tilbørligt i Betragtning. Ligeledes vil svigtende Forbrug af Kul paa Grund af vedvarende Strejker eller Lockouts inden for de Grene af dansk Industri, hvor Kul fra det Forenede Kongerige forbruges i betydelige Kvantiteter, blive taget tilbørligt i Betragtning. Indrømmelser i Henhold til nærværende Stykkes ovenstaaende Bestemmelser skal kun finde Sted (a) efter Aftale mellem den danske Komité, der vil blive nedsat i Henhold til Stykke 5 i dette Afsnit af Protokollen, og det Forenede Kongeriges Regerings Mines' Department eller (b) i Mangel af en saadan Aftale, efter Forhandling mellem og Afgørelse af de kontraherende Regeringer.

5. Saasart Overenskomsten træder i Kraft, skal der nedsættes en Komité i Danmark med det Formaal:

- (a) at behandle enhver Klage, der indløber fra danske Købere og Forbrugere af Kul, produceret i det Forenede Kongerige, og som angaar Pris, Kvalitet, Levering o. lign., forsaavidt saadanne Klager angaar Spørgsmaal med Hensyn til hvilke Kulproducenterne og Kuleksportørerne i det Forenede Kongerige har afgivet Forsikringer;
- (b) at behandle de i Stykke 4 i denne Protokols Afsnit II omhandlede Spørgsmaal, naar saadanne opstaar;
- (c) at træde i Forbindelse med det Forenede Kongeriges Regerings Mines' Department, hvor dette skønnes nødvendigt, angaaende Spørgsmaal, omhandlet under de ovenfor anførte Punkter (a) og (b), naar saadanne Spørgsmaal opstaar.

6. Da det er de kontraherende Regeringers Haab, at det Forenede Kongerige skal bevare den Andel, det for Tiden har i Indførselen af Koks til Danmark, vil de om fornødent træde i Forbindelse med hinanden for at drøfte, hvorledes denne Tilstand kan opretholdes.

Part III.

1. The Government of the United Kingdom hope that such regulation as may be necessary of imports of agricultural produce into the United Kingdom may be effected by voluntary co-operation between the Government of the United Kingdom on the one hand and the Governments of countries supplying these products to the United Kingdom on the other hand; and the Government of the United Kingdom will endeavour for their part to secure that any regulation applied to imports into the United Kingdom of agricultural produce from Denmark shall be effected in this way.

2. For the purpose of the effectual operation of the control of the exports of bacon and hams from Denmark to the United Kingdom, the Government of the United Kingdom will use their best endeavours to ascertain and communicate to the Danish Government as early as possible in each year the quantities of bacon and hams to be permitted to be imported from Denmark into the United Kingdom in the following year. If possible such information will be communicated six months before the beginning of the year to which it relates.

Part IV.

The Government of the United Kingdom declare that they will not claim the benefit of any privileges accorded by the Government of Denmark exclusively to Iceland.

Done in London this twenty-fourth day of April, nineteen hundred and thirty-three, in duplicate in English and Danish.

JOHN SIMON.

WALTER RUNCIMAN.

P. F. AHLEFELDT LAURVIG.

Afsnit III.

1. Det Forenede Kongeriges Regering haaber, at en saadan Regulering af Indførselen af Landbrugsprodukter til det Forenede Kongerige, som maatte anses for nødvendig, kan ske ved frivilligt Samarbejde mellem det Forenede Kongeriges Regering paa den ene Side og Regeringerne i de Lande, som leverer disse Produkter til det Forenede Kongerige, paa den anden Side. Det Forenede Kongeriges Regering vil for sit Vedkommende bestræbe sig for, at enhver Regulering af Indførselen af Landbrugsprodukter til det Forenede Kongerige fra Danmark gennemføres paa denne Maade.

2. For at sikre en effektiv Gennemførelse af Kontrollen med Udførselen til det Forenede Kongerige af Bacon og Skinker fra Danmark, vil det Forenede Kongeriges Regering bestræbe sig for at fastlaa og saa tidligt som muligt hvert Aar at meddele den danske Regering hvilket Kvantum Bacon og Skinker, der kan tillades indført til det Forenede Kongerige fra Danmark i det følgende Aar. Saadan Oplysning vil om muligt blive meddelt seks Maaneder før Begyndelsen af det paagældende Aar.

Afsnit IV.

Det Forenede Kongeriges Regering erklærer, at den ikke vil gøre Krav paa Begunstigelser, som den danske Regering maatte have tilstaaet Island alene.

Udfærdiget i London den fireogtyvende April, Aar nitten hundrede og tre og tredive, i to Eksemplarer paa dansk og engelsk.

JOHN SIMON.

WALTER RUNCIMAN.

P. F. AHLEFELDT LAURVIG.

FIRST SCHEDULE.

PART I.

Tariff Number.	Article.	Rate of Duty
ex 4	Tartar, crude or refined	Free.
ex 4	Copper sulphate	Free.
ex 26/28	Cider (fermented apple juice): Containing not more than 6% by volume of alcohol 10 oere per litre Containing more than 6% but not more than 9% by volume of alcohol ... 15 oere per litre N.B.—The above-mentioned rates of duty shall only apply to products which, according to a declaration issued by the manufacturer concerned and authenticated by a Chamber of Commerce, are manufactured from fresh apples without the addition of spirit, raisin-cider or any other ingredient of grapes.	Plus an amount equal to the amount of the excise duty in force at any time.
ex 29a	Whisky and gin, in bottles, flasks, stone jars or jugs, with capacity of 2 litres or less: When the contents of alcohol does not exceed 50% (volume) according to Tralles alcoholometer N.B.—The above-mentioned rate of duty shall only apply to whisky and gin when the content of alcohol (in volume %) is given on the label of the bottle or other container used.	1 kr. 50 oere per litre.
ex 29b	Other	3 kr. per litre.
ex 31	Whisky and gin in casks, per litre of 50% strength or less, according to Tralles alcoholometer N.B.—Any reduction of Customs or Excise duty accorded in respect of cognac, rum, arrack, liqueurs and similar potable spirits of foreign origin, shall apply to whisky and gin.	1 kr. 50 oere.
ex 41c	Salted gut	Free.
ex 50	Paints, colours, lacquers and the like. The existing regulations regarding Customs drawbacks when the articles are used in the building or the repair of ships shall continue in force during the currency of the Agreement.	
ex 53	Red Lead	1 oere per kg.
ex 63b	Marmalade, manufactured from oranges, lemons, apricots or grapefruit N.B.—The above-mentioned rate of duty shall apply only to marmalade which, according to a declaration issued by the manufacturer concerned, is manufactured from oranges, lemons, apricots or grapefruit. In the event of a rise in the price of sugar in Denmark, resulting from Governmental measures, the above-mentioned duty may be increased by up to 60% of the amount by which the wholesale price of the finest granulated sugar has in this manner been increased.	24 oere per kg.
ex 65b	Pickles (mixed vegetables preserved in vinegar and/or mustard)	24 oere per kg
ex 72b	Bananas	1 oere per kg.
ex 91	Dry plates for photography	20 oere per kg.

BILAG I.

Afsnit I.

Løbe- Nummer.	Vareart.	Toldsats.
ex 4	Vinsten, raa og rønsat	Fri.
ex 4	Blaa Vitriol (Kobbersulfat)	Fri.
ex 28/29	Æblecider (gæret Æblesaft): Naar Alkoholindholdet ikke overstiger 6 Rum- fangsprocent pr. Liter 10 Øre Naar Alkoholindholdet overstiger 6 Rumfangs- procent, men ikke 9 Rumfangsprocent pr. Liter 15 Øre <i>Anm.</i> —Ovennævnte Toldsatser kan kun finde Anvendelse paa Varer, der ifølge en af den paagældende Fabrikant udstedt og af et Handelskammer legaliseret Erklæring er frem- stillet af friske Æbler og uden Tilsætning af Spiritus, Rosiucider eller andre Bestanddele af Druer. Whisky og Gin paa Flasker, Glasbeholdere, Stændunke og Krukker af 2 Liters Rumindhold eller derunder:	Med Tillæg af et Beløb svarende til den til en- hver Tid gæl- dende inden- landske Afgift.
ex 29a	Naar Alkoholindholdet ikke overstiger 50 Rum- fangsprocent efter Tralles Alkoholometer ...	1 Liter 1 Kr. 50 Ø.
	<i>Anm.</i> —Ovennævnte Toldsats kan kun finde Anvendelse paa Whisky og Gin, hvis Alkohol- styrke (i Rumfangsprocent) er angivet paa Flaskens eller den paagældende Beholders Etiket.	
ex 29b	ellers	1 Liter 3 Kr.
ex 31	Whisky og Gin paa Fustager—pr. Liter af 50 pCt. Styrke og derunder efter Tralles Alkoholometer ... <i>Anm.</i> —Enhver Nedsættelse af Told eller Tillægsafgift paa Cognac, Rom, Arrak, Likør o. lign. Drikkespiritus af udenlandsk Oprindelse skal finde Anvendelse paa Whisky og Gin.	1 Kr. 50 Øre.
ex 41c	Saltede Tarme	Fri.
ex 50	Farver, Lakker o. desl. De gældende Regler om Toldgodtgørelse ved Varernes Anvendelse til Ny- bygning eller Reparation af Skibe skal forblive i Kraft, saa længe Overenskomsten varer.	
ex 53	Mønne	1 kg 1 Øre.
ex 63b	Marmelade, fremstillet af Oranger, Citroner, Abrikoser eller Grapefrugt <i>Anm.</i> —Ovennævnte Toldsats kan kun finde Anvendelse paa Marmelade, der ifølge en af den paagældende Fabrikant udstedt Erklæring er fremstillet af Oranger, Citroner, Abrikoser eller Grapefrugt. Ved en Forhøjelse af Sukkerprisen i Danmark, der hidrører fra Regeringsforanstaltninger, kan ovennævnte Toldsats forhøjes med indtil 60 pCt. af det Beløb, hvormed en gros Prisen for fineste Melis paa nævnte Maade er forhøjet.	1 kg. 24 Øre.
ex 65b	Pickles (blandede Grønsager, syltede i Eddike og/ eller Sennep)	1 kg 24 Øre.
ex 72b	Bananer	1 kg. 1 Øre.
ex 91	Fotografiske Glasplader	1 kg. 20 Øre

<i>Tariff Number.</i>	<i>Article.</i>	<i>Rate of Duty.</i>
ex 94	Asphalt, artificial	Free.
	Felt hats (of wool or other animal hair):	
ex 108b	The rate of duty not to exceed	1 kr. 50 oere each.
ex 116c	Gramophones and phonographs	70 oere per kg.
ex 118	Roofing slates	Free.
126	Cleaning and polishing materials, with the addition of fatty materials, volatile oils, &c., solid, liquid or in paste—in packings of not more than 1 kg. gross if the receptacle is liable to a duty of 10 oere or more per kg.	20 oere per kg.
ex 130	Baths, basins, lavatory bowls, urinals and similar ware, of so-called "fire clay"	4 oere per kg.
ex 132c	Baths, basins, lavatory bowls, urinals and similar ware of faience, not including so-called "Vitreous China"	12½ oere per kg.
ex 145	Mustard, ground or prepared	30 oere per kg.
ex 147	Coal, coke and cinders	Free.
ex 172	Linoleum—if the textile material consists only of crude, unbleached jute (whether or not in combination with threads of paper)	9 oere per kg.
ex 173	Oiled silk	35% <i>ad val.</i>
ex 179	Dyed cotton sewing thread on wooden reels	25 oere per kg.
ex 180	Undyed worsted yarn for weaving	16 oere per kg.
ex 181	Undyed jute yarn for weaving	4 oere per kg.
ex 182	Undyed cotton sewing thread on wooden reels	10 oere per kg.
ex 184	Undyed linen yarn of two or more threads for weaving	10 oere per kg.
ex 185	Undyed single-thread linen yarn for weaving... ..	4 oere per kg.
ex 195	Articles of crude, unbleached, undyed jute (cloth, wrappers, and sacks)	Free.
ex 212	Carpeting of wool or other animal hair N.B.—The above-mentioned duty shall only be applied to carpeting of width not exceeding 140 cm. and which is imported in lengths of not less than 10 metres.	20% <i>ad val.</i> subject to a minimum of 1 kr. per sq. metre.
ex 219c	Stockings and socks with hand or machine embroidered ornamentation of artificial silk, where the weight of the silk does not exceed 6% of the weight of the material	2 kr. 20 oere per kg.
ex 219j	Piece-goods of cotton and artificial silk mixed, weighing not less than 100 gr. per sq. metre, the weight of the artificial silk not exceeding 45% of the weight of the material, with the exception of open-woven piece-goods and goods with woven patterns or patterns of dyed thread, and goods which are hand or machine embroidered, printed, moiré, goffered or stamped	4 kr. 95 oere per kg.
ex 222	Dynamos and electrical motors. The existing regulations regarding Customs drawbacks when the articles are used for the building or the repair of ships shall continue in force during the currency of the Agreement.	
ex 223	Sewing machines	Free.

<i>Løbe-</i> <i>Nummer.</i>	<i>Vareart.</i>	<i>Toldsats.</i>
ex 94	Kunstig Asfalt	Fri
ex 108b	Filthatte (af Uld eller andre animalske Haar): Tolden maa ikke overstige	1 Stk. 1 Kr. 50 (1)
ex 116c	Grammofoner og Fonografer	1 kg. 70 Øre
ex 118	Skiferplader	Fri
126	Pudse- og Polermidler med Tilsætning af Fedtstoffer, flygtig Olie m.v., faste, dejagtige eller flydende— i Pakninger af ikke over 1 kg. brutto, naar Emballagens Toldsats er 10 Øre pr. kg. eller derover	1 kg. 20 Øre.
ex 130	Badekar, Vaskekummer, Klosetkaale, Urinaler o. deal. af saakaldt "fire clay"	1 kg. 4 Øre.
ex 132c	Badekar, Vaskekummer, Klosetkaale, Urinaler og deal. af Fajance, herunder ikke saakaldt "Vitrious china"	1 kg. 12½ Øre.
ex 145	Sennep, malet eller tilberedt	1 kg. 30 Øre.
ex 147	Kul, Koks og Cinders	Fri.
ex 172	Linoleum, saafremt Stoffet bestaar alene af raa, ubleget Jute (eventuelt i Forbindelse med Papirgarn)	1 kg. 9 Øre.
ex 173	Olieret Silke	Af Værdien 35 pCt.
ex 179	Farvet Sytraad af Bomuld paa Træruller	1 kg. 25 Øre.
ex 180	Ufarvet Kamgarn til Væveribrug	1 kg. 16 Øre.
ex 181	Ufarvet Jutegarn til Væveribrug	1 kg. 4 Øre.
ex 182	Ufarvet Sygarn af Bomuld paa Træruller	1 kg. 10 Øre.
ex 184	Ufarvet, to- eller flertraadet Linnedgarn til Væveribrug	1 kg. 10 Øre.
ex 185	Ufarvet, enkelttraadet Linnedgarn til Væveribrug ...	1 kg. 4 Øre.
ex 195	Raa, ublegede, ufarvede Varer af Jute (Lærred, Wrappers og Sække)	Fri.
ex 212	Gulvtæppetøjer af Uld eller andre animalske Haar ... <i>Anm.—Ovennævnte Toldsats kan kun komme til Anvendelse paa Gulvtæppetøjer, hvis Bredder ikke overstiger 140 cm., og som indføres i Længder af mindst 10 m.</i>	Af Værdien 20 pCt. dog mindst 1 Kr. pr. m ² .
ex 219c	Strømper og Sokker med haand- eller maskin- broderede Forsiringer af Kunstsilke, naar Silke- indholdet ikke overstiger 6 pCt. af Stoffets Vægt ...	1 kg. 2 Kr. 20 Øre.
ex 219j	Metervarer af Bomuld og Kunstsilke, naar de vejer 100 g. pr. m ² eller derover, og Silken højst udgør 45 pCt. af Stoffets Vægt, med Undtagelse af aabentvævede Varer samt Varer, der er mønster- vævede eller afmønstrede med farvet Traad eller er forsynede med Haand- eller Maskinbroderi, trykkede, moirerede, gaufreerede eller mønster- pressede	1 kg. 4 Kr. 95 Øre.
ex 222	Dynamoer og elektriske Motorer: De gældende Regler om Toldgodtgørelse ved Varernes Anven- delse til Nybygning eller Reparation af Skibe skal forblive i Kraft, saa længe Overenskomsten varer.	
ex 223	Symaskiner	Fri.

Tariff Number.	Article.	Rate of Duty.
ex 224	Agricultural tractors without motor ploughs	5% <i>ad val.</i>
ex 228	Pig iron	Free.
ex 234	Iron and steel, in hoops, bars, sections and rods (more than 8 millimetres in thickness); plates and sheets (black, tinned and galvanised)	Free.
ex 239	Link bolt chains and links and parts thereof	4 oere per kg.
ex 246	Pens (writing)	20 oere per kg.
ex 249	Files	10 oere per kg.
ex 249	Steel wire mesh—i.e., welded lattice work for concrete, made of iron rods or wire not less than 3 mm. in thickness and without wire netting interwoven:	
	Made from rods more than 8 mm. in thickness	Free.
	Other	3 oere per kg.
ex 254	Steel-cored lead glazing bars	4 oere per kg.
293a.	Pleasure boats, with and without motors; canoes, kajaks, racing boats and similar rowing boats for sporting use	15% <i>ad val.</i>
ex 306	Marmalade, manufactured from oranges, lemons, apricots or grapefruit	65 oere per kg.
	N.B.—The above-mentioned rate of duty shall only apply to marmalade which, according to a declaration issued by the manufacturer concerned, is manufactured from oranges, lemons, apricots or grapefruit.	
	In the event of a rise in the price of sugar in Denmark, resulting from Governmental measures, the above-mentioned duty may be increased by up to 60% of the amount by which the wholesale price of the finest granulated sugar has in this manner been increased.	
ex 306	Pickles (mixed vegetables preserved in vinegar and/or mustard)	40 oere per kg.
ex 306	Chutney	40 oere per kg.
ex 307	Sauces	20 oere per kg.
ex 308a	Cakes, biscuits and the like, except those wholly or partly coated with chocolate, and except wafers	24 oere per kg.
ex 305/307	Prepared soups	40 oere per kg.
351	Aircraft	7½% <i>ad val.</i>
ex 354a	Motor cycles	1 kr. per kg.
ex 356a & b	Motor cars and chassis for the same, not including motor lorries, delivery vans, omnibuses and similar vehicles, nor chassis which can be used only for lorries, omnibuses and similar vehicles—	
	(b) With an engine capacity not exceeding 1,600 c.cm.	35 oere per kg.
	(c) With an engine capacity exceeding 1,600 c.cm., but not exceeding 3,000 c.cm.... ..	55 oere per kg.
	(d) Others	55 oere per kg.
	N.B.—Motor vehicles and chassis therefor are dutiable under these numbers even if imported without certain parts, e.g., wheels, engine, &c. In clearing motor cars of the above descriptions and chassis for such motor cars the engine capacity must be stated. Otherwise, or if imported without motor, the car shall be liable under 356d. Regarding motor vehicles and chassis dutiable	
		plus 15% <i>ad val.</i>

løbe- Nummer.	Vareart.	Toldsats.
ex 224	Landbrugstraktorer uden Motorplov	Af Værdion 5 pCt.
ex 228	Raajern	Fri.
ex 234	Jern og Staal i Baand, Profiler og Stænger (af over 8 mm. Tykkelse) samt Plader og Blik (sorte, fortinne og forzinkede)	Fri.
ex 239	Ledboltkæder samt Led og Dele til saadanne Kæder	1 kg. 4 Øre.
ex 246	Skrivepenne	1 kg. 20 Øre.
ex 249	File	1 kg. 10 Øre.
ex 249	Stangjernnet—d.v.s. sammensvejet Gitterværk til Betonarbejde, fremstillet af Stænger eller Traad af ikke under 3 mm. Tykkelse, og uden indflettet Traadnet: Af over 8 mm. tykt Jern	Fri.
	ellers	1 kg. 3 Øre.
ex 254	Vinduessprosser af Bly med Staalkærne... ..	1 kg. 4 Øre.
293a	Lystfartøjer med eller uden Motor; Kanoer, Kajaker, Kaproningsbaade og lignende Rofartøjer til Sportsbrug	Af Værdien 15 pCt
ex 306	Marmelade, fremstillet af Oranger, Citroner, Abrikoser eller Grapefrugt Anm.—Ovennævnte Toldsats kan kun finde Anvendelse paa Marmelade, der ifølge en af den paagældende Fabrikant udstedt Erklæring er fremstillet af Oranger, Citroner, Abrikoser eller Grapefrugt. Ved en Forhøjelse af Sukkerprisen i Danmark, der hidrører fra Regeringsforanstaltninger, kan ovennævnte Toldsats forhøjes med indtil 60 pCt. af det Belsb, hvormed en gros Prisen for fineste Melis paa nævnte Maade er forhøjet.	1 kg. 65 Øre.
ex 306	Pickles (blandede Grønsager, syltede i Eddike og/eller Sennep)	1 kg. 40 Øre.
ex 306	Chutncy	1 kg. 40 Øre.
ex 307	Saucer	1 kg. 20 Øre.
ex 308a	Kager, Biskuits o. desl. med Undtagelse af saadanne som helt eller delvist er overtrukket med Chokolade samt af Vafler	1 kg. 24 Øre.
x 305/307	Tilberedte Supper	1 kg. 40 Øre.
351	Flyvemaskiner og Luftskibe	Af Værdien 7½ pCt
ex 354a	Motorcykler	1 kg. 1 Kr.
x 356a og b	Motorvogne og Chassis'er til saadanne med Undtagelse af motordrevne Lastvogne, Varevogne, Omnibusser o.lign. Vogne samt Chassis'er, som kun er anvendelige til Lastvogne, Omnibusser o.lign. Vogne: (b) naar Motorens Cylindervolumen ikke overstiger 1600 cm. ³ (c) naar Motorens Cylindervolumen overstiger 1600 cm. ³ men ikke 3000 cm. ³ (d) ellers Anm.—Motorvogne og Chassis'er til saadanne henføres herunder, selv om de ved Indførelsen maatte mangle enkelte Bestanddele som Hjul, Motor, m.v. Ved Indklarering af Motorvogne og Chassis'er dertil af ovennævnte Art skal Motorens Cylindervolumen angives. I modsat Fald, samt hvis Vognen indføres uden Motor,	1 kg. 35 Øre. 1 kg. 55 Øre. 1 kg. 55 Øre plus 15 pCt. af Værdien.

<i>Tariff Number.</i>	<i>Article.</i>	<i>Rate of Duty.</i>
	under No. 356d, the value for duty purposes shall, in every case, be fixed according to the value of the vehicle ready for driving, even if imported without certain necessary parts, unless proof be afforded that the motor vehicles and chassis are imported for assembling with home-manufactured parts of the kind in question.	

PART II.

ex 182	Undyed cotton yarn for weaving	10 oere per kg.
ex 206b	Printed cotton piece goods... ..	85 oere per kg.
ex 207	Piece goods of cotton or linen, &c., of several colours or with patterns of one colour, and also with woven pattern, coloured or not	85 oere per kg.
ex 208	Piece goods of cotton or linen, &c., of one single colour, without patterns	70 oere per kg.
ex 209	Piece goods, unbleached, of cotton: Where the weight does not exceed 100 g. per sq. metre, and the number of threads in warp and weft together is not less than 58 threads to the sq. cm.	35 oere per kg.
	Others	40 oere per kg.
ex 210	Piece goods, bleached of cotton or linen... ..	45 oere per kg.
	Piece goods of wool:	
ex 216	Weighing 750 g. or more per sq. metre	80 oere per kg.
ex 217	Weighing from 250 g. to 750 g. per square metre	1 kg. 20 oere per kg.
ex 218b	Weighing less than 250 g. per sq. metre	1 kr. 30 oere per kg.
ex 218b	Stockings and socks of wool	1 kr. 30 oere per kg.
ex 220a	Clothing materials of wool (in the piece) not velveteed, containing silk and weighing 250 gr. or more per square metre, the weight of the silk not exceeding 6 per cent. of the weight of the material	2 kr. 20 oere per kg. 2 kr. 20 oere per kg.

SECOND SCHEDULE.

<i>Class and Description of Goods.</i>	<i>Rate of Duty.</i>
Internal combustion engines for petroleum and crude oil.	
Electrical generators and motors.	
Electrical deck machinery (winches, steering machinery, capstan winches and trawler winches).	
When consigned to a shipbuilding yard registered by the Commissioners of Customs and Excise, and to be used for the building, repairing or refitting of ships in that yard	Free.
Bacon	Free.
Hams	Free.
Butter	15/- per cwt.

<i>Løbe- Nummer.</i>	<i>Vareart.</i>	<i>Toldsats.</i>
	henføres den til Løbe-Nr.356d. For Motorvogne og Chassis'er, som henføres under Løbe-Nr.356d, skal Toldberegningensværdien i alle Tilfælde fastsættes efter Køretøjets Værdi i kørefærdig Stand, selv om der ved Indførselen maatte mangle enkelte hertil nødvendige Dele, medmindre det godtgøres, at de paagældende Motorvogne og Chassis'er indføres til Samling med her i Landet fremstillede Dele af den omhandlede Slags.	
AFSNIT II.		
ex 182	Ufarvet Bomuldsgarn til Væveribrug	1 kg. 10 Øre.
ex 206b	Trykkede Metervarer af Bomuld... ..	1 kg. 85 Øre.
ex 207	Metervarer af Bomuld, Linned, m.v., flerfarvede, ensfarvede menstrede samt farvede eller ufarvede menstervævede	1 kg. 85 Øre.
ex 208	Metervarer af Bomuld, Linned, etc., ensfarvede ikke menstervævede	1 kg. 70 Øre.
ex 209	Metervarer af Bomuld, ublegede: naar Vægten ikke overstiger 100 g pr. m ² , og naar 1 cm. ² indeholder mindst 58 Traade tilsammen i Kæde og Skud ellers	1 kg. 35 Øre. 1 kg. 40 Øre.
ex 210	Metervarer af Bomuld eller Linned, blegede	1 kg. 45 Øre.
	Metervarer af Uld:	
ex 216	med en Vægt af 750 g eller derover pr. m ²	1 kg. 80 Øre.
ex 217	med en Vægt af 250 g til 750 g pr. m ²	1 kg. 1 Kr. 20 Øre.
ex 218b	med en Vægt af under 250 g pr. m ²	1 kg. 1 Kr. 30 Øre.
ex 218b	Strømper og Sokker af Uld	1 kg. 1 Kr. 30 Øre.
ex 220a	Uldne, ikke fløjsvævede Klædningsstoffer (Metervarer) indeholdende Silke, naar de vejer 250 g eller derover pr. m ² , og Silken højst udgør 6 pCt. af Stoffets Vægt	1 kg. 2 Kr. 20 Øre.

BILAG II.

<i>Varens Art.</i>	<i>Toldsats.</i>
Eksplosionsmotorer for Petroleum og Raaoilie, Dynamoer og Elektromotorer, Elektrisk Dækmaskineri (Skibsspil, Styremaskiner, Capstanspil og Trawlerspil), der er konsigneret til et hos the Commissioners of Customs and Excise registreret Skibsværft, og som vil blive anvendt til Nybygning, Reparation eller Nyudstyrelse af Skibe paa det paagældende Værft	Fri.
lacon	Fri.
kinker	Fri.
mør	15 sh. per cwt

<i>Class and Description of Goods.</i>	<i>Rate of Duty.</i>
Eggs in shell—	
(a) Not exceeding 14 lb. in weight per great hundred... ..	1/- per great hundred.
(b) Over 14 lb. but not exceeding 17 lb. in weight per great hundred	1/6 per great hundred.
(c) Exceeding 17 lb. in weight per great hundred	1/9 per great hundred.
Fish, fresh or salted, other than shell fish	10% <i>ad valorem</i> .
Cream in hermetically sealed containers	10% <i>ad valorem</i> .
Coconut oil, refined	15% <i>ad valorem</i> .
Hardened whale oil	10% <i>ad valorem</i> .
Yeast	4/- per cwt.
Grass-seed of the following varieties:—	
Cocksfoot, Meadow Fescue, Poa Trivialis... ..	10% <i>ad valorem</i> .
Stoves for domestic heating, with solid fuel	15% <i>ad valorem</i> .
Dairy machinery of the following descriptions	15% <i>ad valorem</i> .
Cream separators	
Churns for butter making	
Combined churns and butter workers	
Cheese presses	
Churns for the conveyance of milk	15% <i>ad valorem</i> .
Soap flakes, but not including soap powder	15% <i>ad valorem</i> .
Sulphosin	10% <i>ad valorem</i> .
Organo-therapeutic preparations (excepting synthetic organic chemicals, analytical reagents, all other fine chemicals and chemicals manufactured by fermentation processes as referred to in the Schedule to the Safeguarding of Industries Act, 1921)	10% <i>ad valorem</i> .
Rennet	10% <i>ad valorem</i> .
Annatto colouring	10% <i>ad valorem</i> .

[For Exchange of Notes see page 30.]

<i>Varens Art.</i>	<i>Toldsats.</i>
<i>Eg i Skal:</i>	
(a) Naar Vægten ikke overstiger 14 lb. per great hundred ...	1 sh. per great hundred.
(b) Naar Vægten overstiger 14 lb., men ikke 17 lb. per great hundred	1 sh. 6d. per great hundred.
(c) Naar Vægten overstiger 17 lb. per great hundred	1 sh. 9d. per great hundred.
Fiak, fersk eller saltet, herunder ikke Skaldyr	10% af Værdien.
Fløde i hermetisk tillukkede Beholdere	10% af Værdien.
Lokosolie, raffineret,	15% af Værdien.
Ivalolie, hærdet,	10% af Værdien.
Isør	4 sh. per cwt.
<i>Jræfns af følgende Sorter:</i>	
Hundegræs, Engsvingel, almindelig Rappgræs	10% af Værdien.
Sækkeovne til Opvarmning med ikke-flydende Brændsel... .. .	15% af Værdien.
Mejerimaskiner af følgende Slags	15% af Værdien.
Mælkecentrifuger, Kærner, Kombinerede Kærncalttere, Ostepressere.	
Mælketransportspande	15% af Værdien.
Sæbespaaner, herunder ikke Sæbepulver	15% af Værdien.
Sulfosin	10% af Værdien.
<i>Organo-therapeutiske Præparater (undtagen syntetisk organiske Kemikalier, analytiske Reagenser, alle andre fine Kemikalier og Kemikalier, fremstillet ved Gæringsprocesser, saaledes som nævnt i Bilaget til the Safeguarding of Industries Act, 1921)</i>	
... .. .	10% af Værdien.
Stelsbe	10% af Værdien.
Udnattofarver	10% af Værdien.

EXCHANGE OF NOTES.

No. 1.

Sir John Simon to Count Ahlefeldt Laurvig.

Sir, *Foreign Office, London, May 17, 1933.*

I HAVE the honour to inform you that His Majesty's Government in the United Kingdom of Great Britain and Northern Ireland propose that the Commercial Agreement between the Government of the United Kingdom and the Government of Denmark, which was signed on the 24th April last, should be read subject to the following interpretations of certain words and expressions used therein:—

- (1) The expression "foreign country" in relation to the United Kingdom means a country not being a part of the British Commonwealth of Nations nor a territory under British protection or suzerainty, nor a mandated territory in respect of which the mandate is exercised by the Government of a part of the British Commonwealth of Nations, and the expression "foreign imports" means imports from foreign countries as so defined.
- (2) Any reference to regulation of imports into the United Kingdom relates to regulation of the quantity of imports only.
- (3) The expression "from Denmark" in relation to agricultural products means "produced or manufactured in Denmark," and the expressions "United Kingdom goods" and "Danish goods" in Article 7 mean goods produced or manufactured in the United Kingdom or Denmark as the case may be.
- (4) Any reference to imports of fish into the United Kingdom from Denmark includes a reference to fish landed in the United Kingdom direct from sea by Danish vessels.

2. If the Government of Denmark agree, I would propose that this note and your reply in similar terms should constitute the understanding arrived at in this matter.

I have, &c.
JOHN SIMON.

No. 2.

Count Ahlefeldt Laurvig to Sir John Simon.

Sir, *Danish Legation, London, May 17, 1933.*

IN reply to your Note of to-day's date, I have the honour to inform you that the Government of Denmark agree that the Commercial Agreement between the Government of Denmark and the Government of the United Kingdom of Great Britain and Northern

Ireland, which was signed on the 24th April last, should be read subject to the following interpretations of certain words and expressions used therein:—

- (1) The expression "foreign country" in relation to the United Kingdom means a country not being a part of the British Commonwealth of Nations nor a territory under British protection or suzerainty, nor a mandated territory in respect of which the mandate is exercised by the Government of a part of the British Commonwealth of Nations, and the expression "foreign imports" means imports from foreign countries as so defined.
- (2) Any reference to regulation of imports into the United Kingdom relates to regulation of the quantity of imports only.
- (3) The expression "from Denmark" in relation to agricultural products means "produced or manufactured in Denmark," and the expressions "United Kingdom goods" and "Danish goods" in Article 7 mean goods produced or manufactured in the United Kingdom or Denmark as the case may be.
- (4) Any reference to imports of fish into the United Kingdom from Denmark includes a reference to fish landed in the United Kingdom direct from sea by Danish vessels.

2. The Government of Denmark agree that your above-mentioned note and this reply constitute the understanding arrived at in this matter.

I have, &c.

P. F. AHLEFELDT LAURVIG.

IRON AND STEEL REORGANISATION SCHEME

Correspondence between the National Committee
for the Iron and Steel Industry and the Import
Duties Advisory Committee

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and Economics, Poona 4.

NATIONAL COMMITTEE FOR THE IRON AND STEEL
INDUSTRY,
Caxton House (East),
Tothill Street,
Westminster, S.W.1.

13th March, 1933.

Sir George May, Bt., Chairman,
Import Duties Advisory Committee,
Caxton House,
Tothill Street, S.W.1.

DEAR SIR,

In our first Report to you, dated 29th September, we stated that "the industry has devised an organisation which is progressively working towards the national solution of its many problems", but pointed out that progress was handicapped by the then tentative nature of the protective duties which were subject to review every three months. This on the one hand encouraged the continued consumption of foreign material and the maintenance of low price levels by competing countries in their determination to retain their market in this country, and on the other hand, the same uncertainty handicapped the prospective expenditure of additional capital.

After receipt of this Report you were good enough to attend a meeting of the National Executive Committee on 10th October at which the difficulties of the problem were frankly discussed: the Committee then gave you a definite assurance that they would press on with the preparation of a scheme. This assurance enabled you to recommend to the Lords Commissioners of His Majesty's Treasury that the duties should be continued for a further period of not less than two years from the 26th October, 1932 "subject to satisfactory progress being made in the preparation of the scheme of re-organisation and in putting the approved scheme into force", and in due course the Treasury made an Order giving effect to this recommendation.

I have now to report that after you had left the meeting of 10th October, Sir William Larke and I were requested by the Committee forthwith to prepare a Memorandum on the future course of procedure and were authorised to consult Sir Alfred Hurst, who had been good enough to offer to assist the Committee, and I would like to say here how much we have valued the assistance

we have received from Sir Alfred Hurst which has been most useful and very ungrudgingly given. In the preparation of the scheme we have also been helped by discussions with the Chairmen of the four Regional Committees.

A Memorandum suggesting in broad outline a scheme of re-organisation was first submitted to the National Executive Committee on the 27th October, 1932, and, after amendment in the course of further discussions, was submitted to the National Committee on 16th November, 1932. The National Executive Committee, after considering it, passed the following resolution 'nemine contradicente':—

“ That the structure of the scheme be accepted in principle and that the Sub-Committee responsible for its preparation be requested to draft this scheme in greater detail for the consideration of the Executive Committee in the first instance, and on approval by them, the scheme to be submitted to this Committee for approval or amendment before further action is taken.”

Following this resolution further consideration was given to the matter by the Sub-Committee and by the Executive Committee and the scheme which I now enclose was recommended to the National Committee by a resolution passed by the National Executive Committee at its meeting held on 22nd February, in the following terms:—

“ That this scheme be referred to the National Committee and recommended for acceptance by them as providing machinery whereby the progressive organisation of the industry may be achieved.”

The scheme was thereupon circulated to the thirty-four members of the National Committee and a special meeting of the Committee was convened on the 10th March. At that meeting after full discussion the following resolution was moved and carried by twenty-six votes to six:—

“ This National Committee accepts the Memorandum dated 22nd February and the general outline of the scheme referred to therein, and directs that it be forwarded forthwith to the Import Duties Advisory Committee, together with a statement of the measure of support accorded to it by this Committee, this action being in fulfilment of the undertaking given by the National Executive Committee on 10th October last to the Chairman of the Import Duties Advisory Committee.”

Of the six dissentients, three are makers of foundry pig iron, who it is understood, did not object to the scheme *per se*, but considered that their interests were not sufficiently identified with those of the other producers of iron and steel to make it desirable that they should participate in the scheme. Of the other dissentients, one was a manufacturer of pig iron, one a wrought iron maker and the other a steel maker.

We trust that the Advisory Committee will agree that the enclosed scheme should, subject to the maintenance of protective duties at an effective level, provide satisfactorily for the progressive reorganisation of the industry—a reorganisation which should enable it again to take its rightful place in the national economy, and in so doing to make an increased contribution to national employment.

Yours faithfully,

(Sgd.) CHAS. MITCHELL.

Enclosure.—Scheme for the Reorganisation of the Iron and Steel Industry.

THE REORGANISATION OF THE IRON AND STEEL INDUSTRY.

I. MEMORANDUM.

1. At the meeting of representatives of the Iron and Steel Industry with the Import Duties Advisory Committee on the 3rd June, 1932, an undertaking was given on behalf of the industry in return for the grant of protection to prepare a scheme of reorganisation. The assurance then given was categorically renewed by the Executive Committee of the National Committee of the industry on the 10th October. The scheme appended hereto has been prepared in accordance with the resolution of the National Committee at their meeting on the 16th November, 1932. In arriving at that resolution the National Committee recognised that the problems of the industry were far too complex and many sided to admit of any simple or immediate solution. The scheme now presented may perhaps more correctly be described as a scheme for establishing the machinery whereby a reorganisation of the industry may be carried out rather than a scheme of reorganisation itself and its ultimate success will entirely depend upon the vigour and single-mindedness with which that machinery is used. It has purposely been drawn on broad lines and with an elastic structure, so as to be readily adaptable to the constantly changing conditions of trade and industry.

2. The case for a reorganisation of the British Iron and Steel Industry arises partly from the general world situation in regard to production and consumption and partly from features peculiar to itself. In few industries did the War period result in so large an expansion of world productive capacity as in the Iron and Steel Industry: in few has the post-war period seen so marked a development of economic nationalism. On the other hand, there has in the last three years been a great falling off in the world demand for iron and steel, and the prospects of an early return to the level of 1929 are not encouraging. Under such conditions it seems probable that the orderly progress of the industry can only be secured by the regulation of production in relation to demand both by international agreements and also, even within the protection of tariff walls, by applying some degree of control to the individual producers of each country. The attached scheme aims first, therefore, at setting up an organisation in this country which will have the power to negotiate such arrangements with producers abroad, and will be in a position to apply the necessary degree of control at home to the benefit both of the industry and of the nation generally.

3. But in regard to the British Iron and Steel Industry mere regulation of production in relation to demand will not alone suffice to place it in a position to play its proper part in the national economy. The Iron and Steel Industry of this country reached maturity in the days of individualism and the continuance of free access to foreign supplies of raw and semi-manufactured materials has resulted in its retaining much of its complex individualistic organisation long after its competitors in other countries have become highly rationalised. Such a situation might be tolerable in years of prosperity, but under conditions of surplus production the existence of many small, out-of-date, or inefficient plants has handicapped others in keeping abreast of their competitors abroad. A considerable amount of leeway both in equipment and in organisation has, therefore, to be made up in various sections of the industry before its condition can be considered to be thoroughly sound.

4. If foreign analogies are to be trusted, further consolidation of the industry both by way of horizontal groupings and vertical amalgamations will be found desirable, but this process is necessarily difficult and lengthy and it is impossible to trust to this course for an immediate, or even ultimately a complete, solution of present difficulties. While leaving full scope for such consolidation, therefore, the scheme proceeds to seek a solution by co-operative action under which the interests of the industry are safeguarded to the maximum possible extent, while it is evolving an organisation adequate to present day needs.

5. For this purpose it is proposed to adapt and improve on the existing machinery of Trade Associations and the National Federation of Iron and Steel Manufacturers, grouping the Associations, which are at present mainly price maintenance bodies, into a smaller number of effective instruments for the control of production in the several main divisions of the industry, and giving a new central organisation the power, which the Federation now lacks, to support and co-ordinate the activities of the Associations and to give effect to the will of the industry in matters of general policy extending beyond the sphere of any one Association. It is proposed to mark this considerable development beyond the existing powers and functions of the Federation by constituting the new organisation "The Iron and Steel Corporation of Great Britain."

6. It is believed that national interests, no less than those of the industry itself, can best be served if this matter of reorganisation is taken in hand by the industry rather than by external authority and the scheme has been framed on this basis. It is hoped that the scheme may be made effective without statutory power, but it must be recognised that this depends on its acceptance ultimately by the bulk of the industry. Assuming that at the outset all substantial producers of pig iron and ingot steel and a good majority

of the manufacturers of secondary products join the proposed Corporation, it would be able to exert pressure on any opposing section by suitable rebate schemes. These might provide on the one hand for preferential prices for supplies to members of the Corporation and on the other bind purchasers by means of special rebates to take only products of the Corporation. Should, however, the minority of the industry standing out against the scheme prove to be substantial, it would probably become necessary to seek statutory powers.

7. An important question arises at the outset as to what is to be regarded as the Iron and Steel Industry for the purpose of the scheme. The ramifications of the industry extend into every phase of the national life and if the tariff on imported iron and steel is to be maintained at an effective level, the Government and Parliament will need to be assured that the interests of consumers of steel are properly safeguarded. For this purpose it is essential that the Corporation, to which it is proposed to entrust considerable powers, should contain a considerable representation of the consuming interests. This does not mean that all users of steel should be so represented, including such substantial industries as ship-building, the railways or the motor car industry. Indeed, this would give an unnecessarily cumbrous structure besides introducing excessive diversity of interest. Perhaps the most convenient principle to follow would be to include all the main activities which are commonly associated with the manufacture of iron and steel. The application of this principle results in a reasonable balance of interest in the Corporation and at the same time brings within its purview most of the difficulties arising from the competition of fully integrated plants with secondary producers purchasing semi-finished steel as their raw material.

8. The wide range of interests so brought together in the Corporation necessarily involves a strict limitation of its powers of interference with the affairs of separate Associations and still more with the interests of individual producers. The general conception underlying the scheme is that the respective Associations should be the responsible agents for securing the efficient working of each section of the industry, being each autonomous in its own sphere, and that the functions of the Corporation should be generally of a stimulating and co-ordinating character. In the former capacity it would bring to the assistance of each Association the stimulus of the general opinion of the organised industry, backed by the co-operation of other Associations, as and when required, and by the powerful instrument of a central fund collected by a levy on the national production of pig iron and ingot steel. As a co-ordinating body it would use its influence to secure that mutually consistent policies were followed by the several Associations, it would adjust differences between them, and in collaboration with them would

take part in negotiations with outside interests. The Corporation acting alone would have no power of interference with the rights of any individual producer.

9. Probably one of the most important activities of the Corporation would be that of guiding and moulding the evolution of the present fifty or so existing associations of very varying character and effectiveness into the smaller number of powerful production Associations envisaged under the scheme. It is desirable that the number of associations should be kept as small as possible, consistently with reasonable homogeneity of interest (i) in order to increase their importance (ii) to facilitate a policy of interchange in production ; and (iii) to secure greater compactness and efficiency in the general organisation. There is no reason why one Association should not comprise a number of sections each dealing with a homogeneous group of products and co-ordinated by the main Association. This would undoubtedly be necessary in the case of the very comprehensive Association proposed for the unspecialised section of the steel industry. In order that this difficult process of forming the new association may be carried through within a reasonable period and without much waste of effort, it is proposed to constitute the Corporation at the outset, though it must then of course be on a somewhat provisional basis. The representation of any Association on the Council of the Corporation would naturally come up for revision as each was formally approved.

10. This does not imply that the Corporation would be established during the initial period alongside the Federation. Such a course would only lead to duplication and confusion. The Corporation is intended to be the lineal descendant of the Federation, absorbing, as and when constituted, all the existing functions and organisation of that body. The change over could not, however, in any event be made until the existing members of the Federation had decided by the necessary two-thirds majority vote, required under its constitution, on its dissolution.

II. SCHEME OF FUTURE ORGANISATION.

1. *General Organisation.*—The British Iron and Steel Industry shall be organised on the basis of a number of approved Associations, each dealing with a group of similar products, and a central body co-ordinating Associations and incorporated either under Royal Charter or under the Companies Act, called the Iron and Steel Corporation of Great Britain.

2. *Membership.*—All producers of iron and steel in the United Kingdom, and all firms in the United Kingdom substantially engaged in the manufacture of products of any of the classes named in 6 (d) below, shall be entitled to become ordinary members of their appropriate Associations and of the Corporation and all

necessary steps shall be taken to secure as soon as possible that the Corporation includes all such producers of iron and steel and that the respective Associations include all firms substantially engaged in each section of the industry. With this end in view all members of the Corporation shall automatically become members of the Associations dealing with their respective products when constituted and approved.

3. *Functions.*—The Corporation shall be empowered

(a) to provide services of an advisory character for the assistance of its members and Associations, e.g., statistics, trade intelligence as to home and foreign markets and transport facilities, research of all kinds, propaganda and guidance on employment, financial, technical, transport, legal and other questions;

(b) to promote the formation of approved Associations on the lines set out below and to exercise such measure of supervision over them in matters of general policy and matters affecting more than one Association as is necessary to secure the orderly progress of the industry;

(c) by agreement with approved Associations to provide, or assist in the provision of, services of general benefit to their members, such as secretarial services, central purchasing, common marketing, research, etc.;

(d) to assist approved Associations in any measures calculated to promote the efficient organisation of their respective sections of the industry including:—

(i) the promotion of desirable amalgamations of existing undertakings and extensions and improvement of plant as and when required;

(ii) the prevention of unnecessary duplication of plant whether by existing members of the association or by other producers.

(e) to co-operate with approved Associations in promoting the export trade in iron and steel;

(f) to adjust matters in dispute between Associations and to decide any question referred to it under the rules of any Association;

(g) to act on behalf of the industry generally—in collaboration, where appropriate, with representatives of any Associations specially concerned—in all negotiations and other proceedings with outside interests, e.g., other industries, transport authorities, the Government, Parliament, foreign Governments, foreign industries, etc.

4. *Management of the Corporation.*—The Corporation shall operate through an Annual General Meeting, a Council, an Executive Committee and four Regional Committees, together with national Advisory Committees for Wages, Transport, Research and other matters as may be found necessary.

5. *Annual General Meeting.*—An Annual General Meeting, which all members of the Corporation will be entitled to attend, shall be called by the Executive Committee. The meeting shall receive an annual report and statement of accounts from the Council and give such directions as may be necessary from time to time in regard to the general scope of the activities of the Corporation.

6. *Constitution of Council.*—The Council of the Corporation shall be constituted as follows:—

(a) a whole time permanent chairman to be appointed by the members of the Council selected under (c) and (d);

(b) the Chairman of the British Iron and Steel Export Association (Clause 14);

(c) nine representatives of the four Regional Committees, i.e., the Chairman and one nominee of each Committee (two from the Midlands). These nine to be all producers of pig iron or ingot steel;

(d) one member specially representative of each of the following ten sections of the industry, being nominated by the appropriate Associations as and when formed and in the meantime by existing Associations covering the products in question:—

Wrought Iron	Special Steels
Steel Castings	Forgings
Re-rolled Products	Sheets
Tin plates	Tubes
Wire	Fabricated Steelwork

The Council shall appointed a Secretary who shall also be Secretary of the Executive Committee.

7. *Meetings, etc., of Council.*—The Council shall meet at least once a quarter and all elected members shall hold office for three years and be eligible for re-election.

8. *Executive Committee.*—The ordinary administration of the the Corporation, subject to the general authority of the Council, shall be in the hands of an Executive Committee of eight, as follows:—

(a) The Chairman of the Corporation acting as Chairman of the Committee.

(b) The Chairman of the British Iron and Steel Export Association.

(c) The four Chairmen of the Regional Committees.

(d) Two other members elected by the ten representatives in 6 (d) above, one to retire every two years but to be eligible for re-election.

9. *Regional Committees.*—A Regional Committee, representative of interests comprised in the Corporation shall be constituted for each of the four regions, to be elected by members of the Corporation in the respective regions. In order to secure the establishment

of authoritative Committees at the earliest possible moment after the inception of the scheme, the first election shall be made by existing members of the Federation in the respective regions. One-third of the members shall retire every two years, but to be eligible for re-election.

10. *Functions of the Regional Committees.*—The Regional Committees shall exercise such powers and duties as may from time to time be delegated to them by the Council of the Corporation.

11. *Income of the Corporation.*—The income of the Corporation shall be derived in two ways :—

(a) by an annual levy per ton, payable by producers of pig iron and ingot steel under legal agreement for a term of not less than ten years : such agreement shall provide a maximum rate of levy for each class of product within which limits the Council may levy such a proportion as may from time to time prove necessary ;

(b) by a levy on all members of the Corporation who do not produce pig iron or ingot steel not exceeding 5s. per £100 wages paid per annum or by such other methods as may be approved.

12. *Associations.*—With a view to the avoidance of wasteful competition and the concentration of production in the more efficient units, the industry shall be organised into a number of production Associations each comprising the manufacturers of a group of products. The existing Associations shall be combined, as soon as may be, into the following Associations to be approved under Clause 13 below :—

1. Pig Iron and Ferro Alloys.
2. Blooms, slabs, billets, plates, angles, sections, joists, sheet and tin plate bars, rails and re-rolled products such as rods, bars, hoop and strip.
3. Wrought Iron in all forms.
4. Special Steels in all forms.
5. Steel Castings.
6. Forgings.
7. Sheets.
8. Tinplates.
9. Tubes.
10. Wire.
11. Fabricated Steelwork.

13. *Constitution of Associations.*—As a condition of approval by the Corporation the constitution of each Association shall contain provisions, to the satisfaction of the Council of the Corporation :—

(a) for ensuring its permanence and comprehensiveness ;

(b) for preventing wasteful competition among its members while reasonably safeguarding the interests of the members of other associations in the Corporation ;

(c) for securing the progressive concentration of production in the more efficient plants;

(d) for eliminating redundant and inefficient plants by agreement with proprietors on payment of suitable compensation;

(e) for affording assistance, where necessary, to the export trade;

(f) for submitting for the concurrence of the Council of the Corporation decisions on general policy, agreements, and other matters affecting other sections of the industry.

14. *British Iron and Steel Export Association*.—All Associations approved under Clause 13 shall be eligible for membership of a British Iron and Steel Export Association or Company, the constitution of which shall comply with the provisions of Clause 13 (a) (b) (e) and (f) above.

AS APPROVED BY NATIONAL COMMITTEE

10th March, 1933.

W.J.L.

Import Duties Advisory Committee,
Caxton House (West Block),
Tothill Street,
Westminster, S.W.1.

6th April, 1933.

SIR,

I have laid before the Import Duties Advisory Committee your letter of the 13th ultimo and the enclosed draft scheme, with covering memorandum, for the future organisation of the iron and steel industry. After careful consideration of these documents the Committee directed that they should be submitted with their report thereon to His Majesty's Government, and I am now requested to enclose herewith for the information and guidance of the National Committee a copy of a letter from the Chancellor of the Exchequer dated 6th instant, in regard to the scheme.

The Committee would call particular attention to the statement in that letter to the effect that "only the first stage has been reached and that much remains to be done before the industry can be said to be properly equipped and organised", and in this connection they note the statement in the covering memorandum that this scheme "may perhaps more correctly be described as a scheme for establishing the machinery whereby a reorganisation of the industry may be carried out, rather than a scheme of reorganisation itself, and its ultimate success will entirely depend upon the vigour and single-mindedness with which that machinery is used".

In conveying to you, and to the National Committee, the invitation of the Government to press on with the steps necessary to put the scheme into force, I am to state that the Advisory Committee will be glad to continue to render any necessary assistance within their power, and I am to ask that they may be informed from time to time of the progress made.

I am, Sir,

Your obedient Servant,

(Sgd.) PERCY ASHLEY.

Charles Mitchell, Esq., Chairman,
National Committee for the Iron and Steel Industry,
Caxton House (East), S.W.1.

Enclosure.—Letter from Chancellor of Exchequer to Chairman of Import Duties Advisory Committee.

Enclosure.

Treasury Chambers,
Whitehall, S.W.1.

6th April, 1933.

DEAR SIR GEORGE MAY,

I have to thank you for your letter of the 27th March* covering various documents concerning the draft scheme for the future reorganisation of the Iron and Steel Industry together with your own Memorandum on the same subject.

I have now carefully considered these documents and after consultation with my colleagues I desire to make the following observations upon them.

From the outset the Government have made clear their view that an efficient and prosperous iron and steel industry is essential to this country, and that the duties imposed on foreign imports were intended to provide opportunity for the reorganisation which was necessary for this purpose. From the beginning also they have expressed the opinion that those engaged in the industry were best qualified to formulate a satisfactory scheme or schemes, and recognising all the difficulties which had to be overcome they have been ready to afford reasonable time for orderly and careful planning so long as they could be satisfied that proper progress was being made.

* Not printed.

Accordingly I welcome the evidence now afforded that work on reorganisation has been steadily proceeding and I regard the present proposals as constituting a real step forward in the required direction.

You will, however, recognise that only the first stage has been reached, and that much remains to be done before the industry can be said to be properly equipped and organised.

I trust, therefore, that the industry as a whole and all sections thereof will press on with the work which they have so well begun. I understand that opinion in the industry is still overwhelmingly against invoking compulsory powers, and I hope that the industry will be able to bring about a proper measure of reorganisation on a voluntary basis.

While the Government must necessarily reserve complete discretion as to the precise action, legislative or otherwise, they may deem it expedient to take in any circumstances which may arise, I desire to assure you and the industry that, so long as the Government are satisfied of the determination of the industry to set its house in order, they will be ready to give such support to its efforts as may from time to time appear necessary to enable this great enterprise to be brought to a successful conclusion.

I shall be glad if you will keep me informed of the progress made.

Yours sincerely,

(Sgd.) N. CHAMBERLAIN.



SEA-FISH COMMISSION
FOR THE UNITED KINGDOM
Appointed under the Sea-Fishing Industry Act, 1933

FIRST REPORT

THE HERRING INDUSTRY

*Presented to Parliament by the Minister of Agriculture and Fisheries,
the Secretary of State for Scotland and the Secretary of State
for the Home Department by Command of His Majesty
August, 1934*

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MINUTE OF APPOINTMENT.

SEA-FISHING INDUSTRY ACT, 1933.

We, the Secretary of State for Home Affairs, the Secretary of State for Scotland and the Minister of Agriculture and Fisheries, in accordance with Section 5 of the Sea-Fishing Industry Act, 1933, hereby appoint the persons named hereunder to be the Sea-Fish Commission for the United Kingdom :—

Sir Andrew Rae Duncan, whom we hereby appoint to be
Chairman of the Commission.

The Rt. Hon. Viscount Wolmer, M.P.

Francis Beattie, Esq.

Edwin Fisher, Esq.

Lawrence Neal, Esq.

We further appoint Mr. Wynn Thomas of the Ministry of Agriculture and Fisheries and Mr. H. J. Crowe of the Fishery Board for Scotland to be Joint Secretaries of the Commission.

(Sgd.) JOHN GILMOUR,
Secretary of State for Home Affairs.

(Sgd.) GODFREY P. COLLINS,
Secretary of State for Scotland.

(Sgd.) WALTER E. ELLIOT,
Minister of Agriculture and Fisheries.

20th December, 1933.

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First Report of the Sea-Fish Commission for the United Kingdom.

THE HERRING INDUSTRY.

To

The Right Honourable Sir JOHN GILMOUR, D.S.O., M.P., His Majesty's Secretary of State for Home Affairs,
 The Right Honourable Sir GODFREY COLLINS, K.B.E., C.M.G., M.P., His Majesty's Secretary of State for Scotland, and
 The Right Honourable WALTER ELLIOT, M.C., M.P., Minister of Agriculture and Fisheries.

I.—INTRODUCTION.

On 20th December, 1933, you appointed us, in accordance with Section 5 of the Sea-Fishing Industry Act, 1933, to be the Sea-Fish Commission for the United Kingdom. That Section contains our terms of reference which, besides giving us a wide discretion to investigate and report upon matters relating to the landing, storage, treatment and distribution or sale of sea-fish, specifically requires us to report "whether any, and if so, what, steps ought . . . to be taken for re-organising any branch of the sea-fishing industry of the United Kingdom or any branch of industry in the United Kingdom which is engaged in dealing with sea-fish"; it also directs us to report on any matter relating to the above-mentioned subjects which you, as the "appropriate Ministers" may refer to us.

This Report is presented in compliance with your request, conveyed in a letter, dated 1st January, 1934, from the Secretary of State for Scotland, that we should deal in the first place with the herring industry, and should report upon it as a matter of urgency.

For the purpose of informing ourselves at first hand of conditions in the industry, we have visited most of the more important herring fishing centres, and discussed herring problems on the spot with a large number of fishermen, salesmen, curers, kipperers, boatbuilders and others. We have also taken evidence formally from the Fisheries Departments, the Admiralty, the Board of Trade and other Government Departments, from representative associations and from leading individuals in all sections of the industry. We desire to express our gratitude for the ready help afforded to us by all those with whom our inquiries have brought us into contact.

Pressure of time has compelled us to defer to a later Report the detailed examination of certain composite problems affecting white fish as well as herring, e.g., railway transport and the spread between prices realized at the port of landing and the prices paid by the consumer. There is no reason, however, to fear that the main conclusions in this Report will require qualification on that account.

II.—BROAD OUTLINE OF THE INDUSTRY.

1. The Nature of the Herring Fisheries.

Herring shoals appear round the coasts of England and Wales, Scotland and Northern Ireland during the greater part of the year, but mainly from June to December. Although concentrations can be expected in fairly well-defined areas, and at fairly well-defined seasons, yet, from week to week and from season to season, wide and quite unpredictable variations in quantity take place in the catches. At times there are complete failures. There are also marked variations in the quality of the catches, and in their suitability for particular markets.

Further, the article is highly perishable, making short voyages and immediate landing at the ports imperative. The very term "overdays",* for instance, denotes the urgency of the business. Urgency, indeed, remains the dominant factor at the succeeding stages, whether the herring are to be eaten fresh, kippered, canned, or salt-cured for export. Catches have to be handled at high pressure, and staffs kept ready to cope with them.

2. The Fishing Fleet.

The catching organisation is almost entirely based on the small boat adventuring as an independent unit and following the herring as they appear from time to time off different parts of the coast. The steam drifter—the normal catching unit—carries a complement of nine or ten men.

In Scotland—which has the predominant interest in this industry—the boats are largely owned by fishermen. The bulk of the crew take their earnings on a profit-sharing basis and generally share in ownership of the nets. The fleet and the personnel are drawn from scattered ports such as Buckie, Fraserburgh, Peterhead and Anstruther on the East; Stornoway, Mallaig and the Firth of Clyde ports on the West; Wick and Lerwick in the North—most of them being small and almost entirely dependent on herring activities.

In England, the herring fleet is mainly drawn from Lowestoft and Yarmouth, and, for the most part, the boats and the nets are owned, not by the fishermen, but by shore owners, the bulk of the crew being paid, however, on a sharing system.

In pre-war days there was a growing market for herring and conditions generally contributed to emphasise the virtues of this hardy type of individual enterprise.

3. Other Sections of the Industry.

In order to secure the herring fresh, other sections of the industry follow the boats. The curer, for instance, may operate simultaneously, or in succession, in as many as half-a-dozen ports

* Herring caught more than twenty-four hours before landing are known in the trade as "overdays," and are of inferior value.

with his workers moving round the coasts. In prosperous times this probably resulted in seven or eight months of curing during the year, and, in such circumstances, the costs of travel and of several establishments were economically carried by the continuity of output. In adverse times, however, these overhead charges become an excessive burden.

As with the curer, so with the kipperer; and so also with the fish salesman who sells the herring by auction and does much of the incidental management of the boats.

4. The Export Market.

British herring have long been known for their quality, and in pre-war days there were few other foods as cheap, palatable and nourishing. The simplest way of preserving the herring is to salt-cure it. For cured herring the export market was, prior to 1914, exceedingly important, and was expanding almost of its own momentum. Over 70 per cent. of the total catch was exported; the remainder found outlets in the home market as fresh herring, kippers or bloaters.

The export demand made curing the dominating influence in the industry. To-day circumstances have changed, and in 1933 the cured article accounted for less than one-half of the total catch. The curer and exporter are now faced with impoverished populations in countries which retain a taste for British herring; with demands for credit, without any solid basis for granting it; and, in some cases, with organised foreign buying calculated to depress prices. They have to meet increased foreign competition, tariff barriers and currency restrictions, and to compete with the modern range of alternative and inexpensive foods. In short, herring have now to win their way where previously the road was clear. The individualistic industry of pre-war times with a ready sale for its product had no need to develop a marketing technique, and it now has no means of meeting adequately the economic difficulties of existing markets, or of opening up new markets.

5. The Problem of Readjustment.

The first essential for any readjustment of the industry to modern conditions is to separate clearly the more permanent features from those which were appropriate to past development but are no longer suitable.

Encouragement, for example, should still be given to the pioneering spirit among fishermen whose inheritance and experience have developed almost an extra sense for their calling. This, however, is not to say that the old type of individualism must continue. That type of individualism in present circumstances gives rise to a disorganisation which is patently uneconomic, and consistently

places the fishermen at the mercy of adverse market conditions. While the single boat can well remain in some ways the unit for enterprise, the pioneering spirit cannot hope to have a fair chance unless backed by collective action, not only in fishing operations, but also in relation to the other sections of the industry, and to necessary services such as finance, shipbuilding and coal.

Similarly, one has to face clearly the new problems in marketing, which the curing branch of the industry cannot hope to meet without organisation. In present circumstances, where the instinct—and necessity—is for each to scramble individually for the business, there are bound to be weak sellers, and concentration of effort to secure economy in costs, or to organise a drive on selected points by a central marketing agency, is impracticable.

So also with the home market. Immature herring are caught at certain seasons, spent herring* at others; but, owing to the lack of concerted policy, all kinds, good and bad, are marketed, although the practice is generally condemned, and it is realised that, as a result, the taste for fresh and kippered herring as an attractive and nutritious food is seriously prejudiced. Moreover, even good herring may be poorly packed and badly cared for in transit, with the result that the consumer obtains an indifferent article.

6. Basic Principles of Readjustment.

In every direction, therefore, the problems of the industry call for organised action. It should, in our opinion, be based on the following principles which underlie our concluding recommendations:—

(i) Under modern conditions, unless there is responsible and collective organisation, there can be no fair chance for the units participating in the industry or scope for individual effort.

(ii) The organisation which we contemplate, while bearing in mind the economy of the whole, must endeavour to preserve a reasonable balance of opportunity among different areas and different sections of the industry.

(iii) The organisation at the catching end will fail of its purpose unless accompanied by, and linked with, a parallel organisation in the processing sections, and for the exploration and development of markets at home and abroad.

(iv) Markets can be won and developed only on the basis of lowered prices to the consumer for an article that is in first-rate condition, and capable of competing successfully with alternative foods.

* Herring which have just spawned and owing to the absence of milt or roe are thin and not in good condition.

We think it will be found that these principles are supported by, and are indeed the natural outcome of, any survey of the problems of the industry. There is already on record a mass of evidence dealing with the herring industry, summarised in the Report on the Fishing Industry issued as recently as 1932 by a Committee of the Economic Advisory Council (Cmd. 4012), and, although further acute depression has overtaken the industry since the time covered by that Report, we feel justified in making our survey of the problems briefer than would otherwise be necessary.

III.—SURVEY OF THE PROBLEMS OF THE FISHING FLEET.

1. Financial Distress of the Fleet.

The catastrophic fall in markets in recent years, due in part to general trade depression but even more to changing circumstances in this particular industry, has placed the fishing fleet as a whole in acute financial distress.

A few figures will indicate the extent of the decline. From 1911 to 1913 the total quantity of herring sold amounted to an annual average of about 10,800,000 cwts. which realised on landing £3,700,000. From 1925 to 1930 the average had dropped to 7,700,000 cwts. sold for £3,500,000. From 1931 to 1933 (with the smallest output falling in 1933) the average was only 5,100,000 cwts sold for £2,100,000. Stated in another way, over a 20-year span the total export of herring has dropped by about 55 per cent., and the sale for home consumption has dropped by about 45 per cent.

The contraction of boats* has not nearly kept pace with this fall in trade, and, as will be seen from Table 1 on page 10 which may be taken as widely representative of Scottish steamer drifters, the average gross takings per boat have, as a result, fallen from about £2,200 in 1929 to less than £1,100 in 1933.

From these gross takings there fall to be deducted in the first place the running costs. Further examination of Table 1 shows that a drop of about one half in the gross takings has been accompanied by a saving in total running expenses of little over one quarter. Coal in 1929 entailed a charge on the gross taking

* Year.				Number of Steam Drifters.	Catch. (cwts.)
1913	...	...	...	1,470	11,763,000
1929	...	...	...	1,162	8,264,000
1933	...	...	...	1,088	4,688,000

The number of steam drifters, which account for 80 per cent. of the total catch, was in 1933 only 74 less than the number in 1929 when the total catch was nearly twice as great.

TABLE 1.

AVERAGES OF INCOME AND EXPENDITURE OF SCOTTISH STEAM HERRING DRIFTERS FOR THE YEARS 1929 AND 1933 (COMPILED FROM THE ACCOUNTS OF A LARGE NUMBER OF TYPICAL BOATS FROM SIX PORTS).

	Year 1929.		Year 1933.	
	Average £.	Percentage of Gross Takings %	Average £.	Percentage of Gross Takings %
(1) Gross Takings ...	2,208	100.00	1,080	100.00
(2) Running Expenses:				
Coal	436	19.75	316	29.26
Stores and Water ...	62	2.81	49	4.54
Dues	51	2.31	35	3.24
Proportion of Marine Insurance charged as a Running Expense (a) ...	45	2.04	39	3.61
Fish Salesmen's Com- mission on Sales ...	97	4.39	46	4.26
Ice, Baskets, Salt, Cutch, etc. ...	54	2.45	47	4.35
Wage Earners (En- gineer, Fire man and Cook)... ..	220	9.96	161	14.91
Food, etc. and National Insurance (b)	167	7.56	131	12.13
	1,132	51.27	824	76.30
(3) Nett Divisible Earnings:				
Share fishermen ...	359	16.26	86	7.96
Owners of Nets (c) ...	359	16.26	85	7.87
Owners of Drifter ...	358	16.21	85	7.87
[(1) - (2)]	1,076	48.73	256	23.70
(4) Drifter Owners' Share as in (3) above	358	16.21	85	7.87
Less:				
Drifter Owners' Expenses (main- tenance, insurance, etc.)	289	13.09	200	18.52
Nett Profit or Loss of Drifter Owners (d)	69	3.12	(-) 115	(-) 10.65

NOTES:—

- (a) The balance of the cost of Marine Insurance is charged to "Drifter Owners' Expenses."
- (b) At some Scottish Ports, no part of the cost of Food is charged as a "Running Expense," the cost being met by the Crew themselves out of their share of the Nett Divisible Earnings.
- (c) The Owners of Nets meet the expenses of maintenance and replacement of Nets out of their share of the Nett Divisible Earnings.
- (d) The "Nett Profit or Loss of Drifter Owners" shewn above is computed without charging Interest and Depreciation.

amounting to 20 per cent. and in 1933 to 30 per cent. The remaining expenses entailed a charge on the gross takings in 1929 of 30 per cent. and in 1933 of 45 per cent.

The result is that for these boats the total running expenses alone are now absorbing about 75 per cent. of the gross takings as compared with 50 per cent. as recently as 1929. In other words, in 1929 out of gross takings of £2,200, about £1,100 remained as nett divisible earnings, but in 1933 out of gross takings of £1,100 only £250 so remained. This state of affairs appears all the more serious when we consider the heavy commitments which the nett divisible earnings have to meet.

In the case of Scottish-owned steam drifters the nett divisible earnings are generally divided into three equal parts—

(a) The earnings of the share fishermen, who probably number 7 out of a total crew of 10, the others being paid a fixed wage.

(b) The earnings of the nets—to provide for the wear and tear and loss of nets and for replacement when worn out.

(c) The earnings of the boat—to meet maintenance expenses, insurance, depreciation and interest.

In conditions of ownership, methods of sharing and fishing seasons, the English-owned boats differ from the Scottish-owned, but their results—although on a higher level than the Scottish—deteriorated as between 1929 and 1933 in a corresponding ratio.

(i) *Share Fishermen's Earnings.*—In the instances reviewed in Table 1 the earnings of share fishermen, as such, in Scottish-owned steam drifters amounted to about £51 each on the average in 1929, but only to about £12 each in 1933, and our Accountants report that in many instances the fishermen did not earn sufficient to meet their proportion of voyage expenses, and were thus unable to provide anything towards the maintenance of family and home.

It is the custom on English-owned steam drifters for fishermen each to receive from the owners advances of about £1 a week during the season on account of their share; if the share amounts to less (as it did in many instances in 1933) the advances are normally not recovered.

(ii) *Condition of Boats and Nets.*—In Scotland about 75 per cent. of the ownership of boats is in the hands of fishermen. Shore-owners, fish salesmen and others hold a small number of shares in many boats. Ownership of nets is almost entirely in the hands of the fishermen.

In England, on the other hand, 80 per cent. of the boats are shore-owned—sometimes by individual owners, or part owners, and in other cases by companies or small syndicates. The same parties as a rule own the nets.

Evidence shows that the general condition of the English boats and nets is not so bad as that of the Scottish: further—and this throws a significant sidelight on the position—in England, if one of the vessels in a company's fleet loses its nets, the loss can be made up from the group's general reserve. On the other hand, a similar Scottish loss will nowadays most probably necessitate the return of the vessel to its home port.

It has not been the general custom for fishermen-owners to set aside and earmark funds for the specific purpose of renewal of their assets, and any savings formerly available have long since been swallowed up. The Committee of the Economic Advisory Council reported in 1932 that many of the steam drifters were becoming worn out. Their condition to-day is far worse, and, in the case of many, even their seaworthiness, according to the evidence before us, is open to grave doubt.

Business passing to boat repairers is restricted to a minimum, and in the case of very many boats the limit of credit for repairs has been reached.

In pre-war days drift nets were replaced at the rate of about 40 per annum per steam drifter, and probably nothing can better demonstrate the desperate condition to which fishermen have been reduced than their present inability to purchase adequate supplies of fresh gear. Their own testimony on this point is supported by the report of our Accountants, and by the figures of the net manufacturers, whose sales totalled 87,000 drift and ring nets in 1913; 61,000 in 1929; but only 18,000 in 1933.

(iii) *Present Indebtedness.*—Our Accountants have made an investigation of the indebtedness of 430 boats widely representative of both the Scottish and English steam drifter fleets. They have found that relatively few of these units are free from debt. In the case of 357 of the boats, the extent of indebtedness to fish salesmen alone is over £200,000, the average indebtedness per boat being over £580. Many of the same boats are also heavily indebted in other directions. At one port the average total indebtedness amounts to as much as £1,800 per boat.

Recognition of the plight of the fishing fleet comes this year in the form of temporary assistance from the Government, but is, unfortunately, accompanied by a deepening of the depression—notably in the important German market—and there is no sign that, taken as a whole, any considerable measure of export recovery can be safely anticipated in the near future.

2. Rehabilitation of the Fleet.

Before the war the fisherman, although engaged in a roving and speculative calling, felt himself to be sufficiently master of his fate. Such questions of policy as there were, involving common

action, did not encroach unduly upon the wide scope that existed for individual initiative.

On all sides the evidence tendered to us admitted the inability of the individual to-day to lift himself clear of the morass in which the industry finds itself. There still remained in some quarters a natural reluctance to accept completely the logical consequences, and there was an inclination to believe that all would be well again if only a sudden resuscitation of markets could somehow be achieved. On the other hand, there is a wide consensus of opinion throughout the industry that there is little hope or opportunity for a restoration of a prosperous fishing fleet unless, in regard to many of the major problems, steps are taken for the enunciation of a common policy with central control to direct it.

(i) *Curtailment of Redundancy.*—The inescapable and major issue of redundancy overshadows the fishing fleet and its personnel as a consequence of the severity of the depression. To allow the fleet to continue to adjust itself by a process of attrition, as some witnesses suggested, would be, in our judgment, a cruel and wasteful policy; and, in addition, it would at least delay, if not frustrate, the objects sought to be achieved by other ameliorative measures. If the 1933 catch per boat had reached pre-war dimensions, at least one-third of the fleet would have been redundant in that year. Orderly contraction of the fleet is imperative, therefore, as a preliminary to a reasonable prospect of improved average earnings. In such orderly contraction one would obviously not adopt the course—feared by some witnesses—of so cutting to the bone that the fishing fleet ran the risk either of further losing markets to the foreigner, or of being unable to redevelop its activities, should the situation, as a result of other measures, take a turn for the better.

(ii) *Restoration of Efficiency.*—Of the steam drifter portion of the fishing fleet—

6 per cent. is under 10 years old :
 28 per cent. is between 10 and 20 years :
 63 per cent. is between 20 and 30 years :
 3 per cent. is over 30 years.

Even if by orderly contraction many of the older boats—or the least seaworthy boats—are eliminated, there will still remain, as a matter of urgency, the reconditioning and re-equipment of boats which, in the financial stress, have not been adequately maintained. It may well be also that gradual substitution of new boats for the older craft will be necessary in the interests of greater efficiency.

For the rehabilitation of the fleet—whether in its re-equipment or in the reconditioning of old boats and the building of new—credit facilities will need to be made immediately available. The necessary finance cannot be expected to be

forthcoming from the same sources as have supported the industry in the past and have been carrying the very heavy amount of indebtedness in which the fishing fleet is now involved, and, further, it would not seem fair or reasonable to disregard wholly the claims of the existing creditors in determining the conditions of security and repayment on which new money would be made available.

(iii) *Incidence of Capital and Running Costs.*

(a) **BOATS.**—The price of the steam drifter before the war was about £3,000. In the opinion of some witnesses capital expenditure of that amount was too heavy a burden in relation to annual gross takings even at their pre-war level. For interest, depreciation and insurance, the annual charge would be about £325 before anything was allowed for repairs and upkeep and general expenses.

Since the war, with a diminishing turnover and increasing expenditure on repairs as the boats get older, the position has become acute, and, with the still higher costs of the larger boat to-day—whether steam or Diesel—re-organisation needs to be radical enough to ensure a prospect of higher average earnings than the pre-war level.

In some quarters it was argued that the solution of the difficulties of the fishing fleet lay in a general adoption of the Diesel drifter. In certain areas within recent years a number of small Diesel boats have been introduced, and an examination of their results shows that there have been satisfactory returns both in gross takings and in economy of running. Most of the owners of these boats, however, admitted that local conditions—the opportunity afforded of fishing in sheltered waters, or the ability to combine fishings for herring and white fish—had been favourable to the success of their small Diesel boats. They appreciated that results might well have been different had a larger number of boats joined in their fishing. Some of the owners, too, admitted that there had not been enough experience yet to enable any general conclusions to be drawn as to the ultimate economy which would be achieved in the costs of maintenance of the Diesel boat, and certainly not enough experience as to the suitability of a Diesel drifter of the larger size that would be necessary for the more arduous work of herring fishing in open waters and rough weather, the capital cost of which would be at least as great as that of a steam drifter. For fishing in open waters and rough weather nearly all the fishermen witnesses—and some of them had had experience of the Diesel boat—maintained that the steam drifter as an instrument of catching remained unchallenged. She can ride heavy seas, has a long life and is simple to work and maintain, although her running costs as well as her initial cost are high. So few steam drifters

have been built since the war that it is not possible to say to what extent technical improvements can still be developed in them with favourable results to the running costs, or to what extent the capital cost can be reduced by continuity of orders.

The controversy that engages the industry as to the relative merits of the steam and Diesel vessel, and also as to the extent to which the smaller sized boat can still further take the place of the larger steam drifter in certain areas, is clearly a matter upon which some guidance is desirable and upon which further experience may yet be needed before final conclusions can be drawn. In this, as in every other field, technical experiment is to be encouraged.

(b) COAL.—In Table 1 the average running expenses of steam drifters are shown under several heads, and it will be seen that coal accounts for more than the fixed wages and food, and for about 60 per cent. of the total running expenses apart from these two items. Since the steam drifter is still responsible for about 80 per cent. of the total catch of the herring, coal is an item of the greatest consequence, and we have had the books of firms supplying coal for the drifter fleet at certain ports examined, and the facilities and methods of handling investigated.

We are advised that the profits of the coal merchants are in some cases more than the profits normally obtaining in the coal trade; but in this connection the shortness and special circumstances of the seasonal trade must be borne in mind, as well as the fact that the number of firms handling the supplies is very large and the tonnage handled by each firm is, on the average, small.

The prices charged at the different ports are widely divergent, ranging in 1933 from at least 18s. to 32s. 6d. per ton. This wide range in price is in part attributable to varying distances from the coalfields, and consequently varying transport charges, and in part to the great diversity of facilities for storage and for coaling the drifters at the different ports.

The price at an East Anglian port for railborne coal delivered into drifters by a small coal boat in the fish docks in 1933 was 31s. nett per ton. Representative figures were as follows :—

	£	s.	d.
Pit Price	0	14	1
Wagon and Rail Charges	0	8	2
Labour and Delivery Charges at fishing port	0	5	8
Administration, Overhead Charges and Profit	0	3	1
	<hr/>		
	£1	11	0
	<hr/>		

For seaborne coal similarly loaded the price was 29s. 6d. nett per ton.

Each of the prices mentioned above was reduced by 4s. per ton when the coal was delivered to the drifter at the merchant's coaling wharf or direct from a collier, there being an average saving of about that amount in the costs of delivery.

It is clear that this important supply to the herring fleet has never been considered from the broad standpoint of economic organisation, and we are advised that, if there were more system amongst the fishermen themselves as to the replenishment of their supplies, together with a greater use of colliers for direct supply and concentration of the business in fewer hands, substantial savings could be effected.

- (iv) *Personnel*.—There are now about 15,000 fishermen engaged in the herring industry. The majority are entirely dependent upon herring fishing for their livelihood, although some are able to supplement their earnings by joining in white fishing at other seasons, and a few by working on the land.

There is no need for us to stress the quality of the personnel engaged in this industry. Evidence tendered on behalf of the Admiralty paid the highest tribute to the national service rendered by fishermen, and a Resolution passed in the House of Commons on 6th December, 1933, may be quoted as representing the view of the nation in regard to the fishing community :—

“ That this House, while appreciating the steps already taken to improve the position of the white fishing industry, views with concern the depressed state of the herring fishing industry, and, being of opinion that the maintenance of a prosperous fishing population is essential for the national welfare, urges His Majesty's Government to direct its attention to the distress in the herring fishing centres and to do everything in its power to assist the efforts of the industry to establish itself on such a footing as to enable it to afford to those engaged in it a fair living.”

During the difficult period of transition and adjustment to new conditions it cannot be hoped that employment will be found in the herring industry for the full complement of men or boats now engaged. Since the fishing communities themselves afford only a very limited prospect of employment in other occupations, special consideration will need to be given to those who are displaced. Alternative employment in their own calling of the sea is obviously desirable if available, but, until we have examined the prospects of the white fishing industry, it is not possible to say to what extent it offers a reasonable hope of alternative employment. We shall return to this aspect of the question in our later Report.

For the fishermen retained in the herring industry there will still remain the need of adjusting conditions so that they can be brought within the scope of Unemployment Insurance. Up till now, share fishermen have been outside its scope by reason of their system of remuneration, and they feel their exclusion keenly.

The Minister of Labour recently undertook that their position would receive the consideration of the Unemployment Insurance Statutory Committee set up under the 1934 Act.

It is clear from the evidence which has been submitted to us that the fishermen attach great importance to the profit sharing system, but, by the introduction of a basic weekly payment, the system might be adapted to meet insurance conditions.

3. Regulation of Fishing.

In addition to the problems of rehabilitation of the fishing fleet, there are matters connected with the fishings themselves upon which there appears to be need for regulation and central control.

On occasions in recent years emergency schemes of general curtailment of catching have been tried, at the instance of the curers and exporters, in view of the limited market for cured herring. These schemes have been too hurriedly improvised and have to a large extent disregarded the alternative outlets of freshing, kippering and canning, which are now of much greater relative importance than they were. Such schemes may have caused undue hardship to certain areas, and they also have probably not paid enough regard to the heavier loss which is bound to fall on boats operating at a distance from their home ports as compared with local boats.

It is not suggested that schemes of curtailment in herring fishing are capable of precise planning, as in manufacturing processes, for shoals may appear quite unexpectedly or there may be unexpected failure, partial or complete. Adjustment of catching could, however, be adapted to the needs of the market with reasonable equity to the respective interests, if there were an overriding authority whose business it was to see that the various interests were properly balanced, and if there were a basic structure—itsself equitably balanced—on which emergency measures, when necessary, could be superimposed. As it happens, there is in the industry need for an overriding authority and a basic structure.

- (i) *Seasons*.—Fishing operations sometimes commence earlier, and are often continued later, than is advisable.

As a result, immature herring and spent herring are placed on the market without regard to the injury they do to the reputation of the herring as an article of food. Supervision, that is flexible enough to take account of local and changing conditions, is necessary as a backing for any serious attempts to increase markets by offering better quality.

There is a notable unanimity amongst all sections of the trade in favour of a close season for catching herring during a period of some weeks between the beginning of April and the middle of May, when there are no herring of really good quality anywhere off the coasts.

We have had an expert survey made of the present and potential home market for herring in all its forms, to which we shall refer in more detail later, and the results of that survey amply confirm the harm that is done to the sale of herring because of the poor quality to which we have referred.

The enforcement of a week-end close time and the prohibition of daylight fishing were further measures of regulation advocated for certain areas.

- (ii) *Areas*.—Table 2 on page 19 indicates the fluctuations in fishing from season to season and area to area. The activities of the greater part of the herring fleet are concentrated on the two principal fishings, the Scottish summer fishing and the East Anglian autumn fishing. The former extends from June to September, being located chiefly in the area from the Shetlands to the East Coast and in the Minch and other Hebridean waters. The latter takes place from October to December off Yarmouth and Lowestoft. English drifters take part in the Scottish summer fishing and Scottish drifters participate in the East Anglian autumn fishing.

There are limited winter fishings; on the south and south-west coasts of England, carried on chiefly from Plymouth, and in Scotland off the north and north-west coasts and in the Firth of Forth.

Herring fishing is carried on in the Firth of Clyde area more or less continuously throughout the year, but principally in the winter months. Off Northern Ireland the season is from May to October, the catches being landed mainly at Ardglass.

Although the bulk of the fleet concentrates on the Scottish summer fishing and the East Anglian autumn fishing, a number of the boats proceed at other seasons of the year to any part of the coast where fishing is to be had. As a consequence there is often overcrowding—and general inadequacy of earnings—in an area or at a time when the prospects would have been good enough to afford remunerative fishing for a smaller fleet.

Apart from the curtailment of the fleet in relation to the principal fishings, some plan is desirable for allocating vessels to particular fishings for the whole or a part of the fishing season, preference being given to local boats. It is interesting to note in this connection that, in the weeks of late November and early December, the earnings of English boats are greatly

TABLE 2.

TABLE SHOWING BY AREAS AND MONTHS QUANTITY (IN CWTs.) OF HERRING LANDED IN GREAT BRITAIN
FOR THE YEAR 1933.*

	Jan.	Feb.	Mar.	Apr.	May	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.	Total.
East Coast, Scotland	9,147	38,977	86,517	5,655	32,092	145,314	252,341	374,773	38,981	5,153	2,861	4,149	995,960
Orkney and Shetland	—	77	168	77	36,839	174,897	96,013	46,557	17	—	—	—	354,645
West Coast ex- cluding Clyde	17,350	44,587	13,132	8,318	24,381	23,660	66,221	145,672	66,744	4,320	18,264	18,601	451,250
Clyde	45,437	28,920	11,043	1,176	4,204	8,152	23,201	49,500	35,701	43,334	92,573	98,970	442,211
East Anglia (Yarmouth and Lowestoft) ...	49	188	—	3,906	484	57	265	2,388	58,293	669,977	971,188	128,896	1,835,691
Remainder of England and Wales	43,552	8,126	1,516	2,637	17,859	22,905	76,503	149,179	158,335	74,540	24,294	28,508	607,954
	115,535	120,875	112,376	21,769	115,859	374,985	514,544	768,069	358,071	797,324	1,109,180	279,124	4,687,711

* 733 Scottish and 355 English Steam Drifters were engaged in herring fishing in 1933.

improved by reason of the fact that the Scottish fleet returns to its home ports during November, when salt-curing operations have ceased.

- (iii) *Methods of Fishing.*—The drift-net is the principal net used for herring fishing, taking in England and Wales approximately 93 per cent. of the total quantity landed and in Scotland about 75 per cent.

The question of the size of mesh of drift-nets is of importance. The scientific evidence as to the selectivity of drift-nets appears to be conflicting, but, on the whole, the proportion of large herring in the catches show a considerable falling off since before the War, notably in East Anglia where the Scottish fishermen use their oldest nets.

A small amount of trawling for herring takes place. This method of fishing was strongly challenged throughout the industry as being definitely destructive to the stock of herring.

In certain areas the ring-net method of fishing is employed, more particularly in sheltered waters and mainly with motor boats. In this method the boats operate in pairs, and large quantities of herring can be quickly enclosed within the circle described by their manoeuvres. Practically the whole of the Firth of Clyde fishing is done by this method, and it has yielded, on the whole, good results. There is also a certain amount of ring-net fishing in the Firth of Forth and on the North-West Coast of Scotland.

There arises the question whether this method should be further encouraged, and what are the limits within which its extension can be economically developed. As a method of fishing it is alleged by some to be more destructive to the stock of herring than the drift-net method, and it is a matter for consideration whether regulations may not be necessary prescribing a larger mesh for the ring net.

The use of the ring net in the Firth of Forth and on the North-West Coast of Scotland, where drift-nets are also used, has given rise to disputes between the two classes of fishermen concerned, it being alleged that ring-netting does serious damage to the drift-net when both forms of fishing are pursued simultaneously in the same waters. There is also a clash of interests between differing types of fishing in Bigbury Bay near Plymouth, where complaints have been made of damage to nets.

The Fishery Board for Scotland and the Fisheries Department of the Ministry of Agriculture and Fisheries are responsible for the administration of the herring fisheries. Apart from the duty of advising Ministers in regard to problems arising from time to time in connection with the trade, the departmental functions consist mainly in conducting scientific investigations, assistance to

fishery harbours, the administration of the Crown Brand, and the collection and compilation of statistics. There has been less necessity in the past for purely regulatory measures in regard to the herring fishings, and, though certain powers of regulation are vested in the Fishery Board for Scotland, it was never intended that the Board should interfere in problems that were essentially business matters.

It is clear that to-day there are a number of questions that go to the root of the economic re-organisation of the industry upon which regulation and/or supervisory control will be unavoidable. Any governing body dealing with these business matters must, besides being capable of protecting public interests, function with such knowledge of the industry as to command good will, confidence and co-operation, and must be possessed of powers capable of prompt and effective application to changing requirements.

4. Development of Winter Fishing.

At most of the ports where we took evidence, it was strongly represented to us that the winter fishing could be considerably developed in home waters, particularly round the North and North-West Coasts of Scotland. In recent years the winter fishing has fallen to a negligible quantity as a result, it is alleged, of competition from Norwegian importations. Undoubtedly, Norway possesses many natural advantages for winter fishing, although its herring are of coarse quality. Early in the year the shoals come right up the fjords, where they are penned in and baled out when needed; subsequently they are packed in ice and transported to Hull or Newcastle. They are sold mainly for kippering. At both ends the trade is well organised, the shipments are regular, and, generally speaking, the fishing is reliable, though it so happened that it was almost a failure during last season.

In the early years, according to the evidence, these Norwegian importations under-cut home prices so as to secure the market. No real attempt has been made by the industry to regain the market, although Norwegian prices have now risen considerably.

It was not firmly maintained that the market could be entirely regained to the extent of the Norwegian quota—500,000 cwts. annually—for the uncertainties attaching to winter fishing in stormy waters were admitted, as well as the difficulties of organising transport. An attempt on a sufficient scale and over a sufficient length of time to test the possibilities should, however, be made with central organisation and direction. Even partial success for a limited fleet would be a material factor in spreading the load of costs over, say, a nine months season for those participating instead of the normal span of six months. In addition, there would be the beneficial effect upon the moralé of the fishermen.

Under the Anglo-Norwegian Agreement of March, 1933, Great Britain has undertaken to permit for three years the annual importation of up to 500,000 cwts. of fresh herring from Norway without any increase on the present import duty of 10 per cent. ad valorem. Such an Agreement should not be renewed until the home possibilities have been fully explored.

5. Selling and Management.

Herring are sold by auction at the ports. The auction is conducted by fish salesmen who are responsible for the collection of the proceeds, and, in most cases, assume the risk of any bad debts that may be incurred. Auctioning is done at rates of commission ranging from about 9d. in the £ in Scotland to 1s. in the £ in England and Wales with certain rebates.

The fisherman often requires assistance in keeping his books and accounts and perhaps also in obtaining supplies, and, since the salesman is at hand to perform the service of selling, these other functions are entrusted to him. The English boats are generally managed in large groups.

There are some 44 firms of salesmen—28 in Scotland and 16 in England—3 of the largest of which account for the sale of about 40 per cent. of the total landings of herring. Most of the firms have branch offices in more than one port and follow the boats round. This has enabled them to give continuous personal attention to the boats under their management; but the industry's turnover of recent years does not justify such a general movement from port to port with its attendant expenses and overlapping, and it has been recognised by the salesmen themselves that more economical concentration is called for.

The evidence confirms the impression we formed on visiting the ports that the auction system is acceptable to all interests, and is a fair and reasonable method of selling the herring when landed. It was in its origin quite separate from the functions of management, and should be kept quite separate, as many of the fishermen manage their own boats.

At its best, management by the fish salesmen has been well and usefully carried out. In many ways it has served as a very necessary prop; and, of recent years, in both Scotland and England the fish salesman has largely acted as the financial buffer during a period when advances to, or mortgages by, the fisherman-owner were obviously not a banking risk. Indeed, they could scarcely be described as a business risk at all; but in this industry all sections have, perhaps naturally, proceeded on the basis of despair, feeling that of all evils the least was to continue the fishing, even although it might mean throwing good money after bad. The upshot is that many of the fish salesmen are now heavily involved, and their liquid resources probably do not permit of granting further credit.

IV.—SURVEY OF THE PROBLEMS OF PROCESSING AND MARKETING.

Herring, when sold at the auction sale on landing, are bought for re-sale as fresh herring or for kippering, canning or curing, principally salt-curing. Fresh herring and kippers are mainly sold in the home market, although there is an export of fresh herring to Germany known as klondyking. Cured and canned herring are mainly exported. It is in the export market that the most serious decline has taken place.

1. The Principal Export Markets.

The principal markets for salt-cured herring have been the Central and Eastern European countries and the United States of America, the latter taking chiefly a special quality cure from the West Coast of Scotland.

TABLE 3.

NUMBER OF BARRELS (000'S OMITTED) OF SALT-CURED HERRING EXPORTED FROM THE UNITED KINGDOM TO THE PRINCIPAL EUROPEAN COUNTRIES OF CONSIGNMENT DURING THE UNDERMENTIONED PERIODS.

Year.	Germany.	Russia.	Poland.*	Latvia.†	Lithuania.†	Estonia.†	Finland.†	Total.
1911-1913 average.	1,319	1,105	—	—	—	—	—	2,424
1921-1928 average.	656	66	334	179	2	62	46	1,345
1929 ...	697	11	609	268	21	35	38	1,679
1930 ...	628	61	463	205	17	24	31	1,429
1931 ...	511	13	299	114	24	10	5	976
1932 ...	468	134	210	40	47	—	—	899
1933 ...	396	2	201	76	45	7	—	727

* Included partly in Russia and partly in Germany prior to 1921. After 1921 Poland includes Danzig.

† Included in Russia prior to 1921.

From Table 3 above, it will be seen that exports to the European countries of consignment of salt-cured herring for 1929 were lower than the average of 1911 to 1913 by nearly one third, and that in the last three years the decline has been much steeper, with the result that in 1933 our principal European customers took only 30 per cent. of their pre-war quantity.

(i) *Russia*.—Since the war Russia has been a spasmodic and relatively small buyer, trading having latterly taken the form of deals specially negotiated with the Soviet Government.

The deals have been accepted by the industry as a means of keeping open the Russian market, although the prices have been at a very low level.

- (ii) *Germany*.—Since the war Germany has been easily the principal outlet for British cured herring—her purchases averaging from 40 per cent. to 50 per cent. of those of the countries shown in the Table. She has, however, for various reasons, been a declining market, and, under cover of a high protective tariff, is developing her own fishing and curing industry. Currency restrictions are a further handicap to the British exporter. The importation of cured herring into Germany is in the hands of powerful buying organisations at different ports. Germany has also been the chief outlet for klondyked herring, a section of the trade which was, until recently, the most hopeful factor in the export market.
- (iii) *Poland*.—In Poland also, which takes between 25 per cent. and 30 per cent. of the British export to Europe, there is a greatly diminished market by comparison with 1929. The chief problem here is the poverty of the agricultural population who are the main consumers of the cured herring. The trade has been faced with the dilemma—either of granting credit to unsound buyers or of stopping up one hopeful channel for increasing sales. The Polish Customs Tariff has operated in favour of Norwegian herring and to the disadvantage of British exports.

The whole of the decline in the export market, however, is not to be explained by the abnormal trading difficulties that have interposed themselves between the industry and its customers. Increased competition from Icelandic and Norwegian herring, and from other and cheaper foodstuffs, has in part been responsible, and, in this field of competition, much must depend upon the quality and price of the cured article, and on the marketing strength of the curers and exporters.

2. Curers and Exporters.

The curers and exporters are more or less loosely knit into one Association but they are, in the main, separate interests.

- (i) *Curers*.—The salt-curing trade has been more particularly associated with the East Coast of Scotland, where most of the leading firms have their headquarters. Their operations extend in summer to Stornoway and Castlebay on the West, to Stronsay and Lerwick, and then to the Scottish East Coast ports, and in the autumn to the English ports, principally Yarmouth and Lowestoft. In Northern Ireland a certain amount of curing is done at Ardglass and Kilkeel, mainly by Scottish curers, though local curing has been developed to some extent.

There were in 1933 about 200 firms engaged in the salt-curing of herring, the ten largest employing, during the combined Scottish and English seasons, from about 50-100 crews apiece, and accounting for upwards of one-quarter of the total output. Many of the other firms are very small, some employing as few as half-a-dozen crews. The crews (of three women each) work under the direction of a cooper who is usually employed during the winter in making barrels.

In 1913 the output per crew for the Scottish summer season was about 575 barrels and for the English autumn season 625 barrels. By 1933, as a result of market contraction unaccompanied by corresponding adjustment of staff, these figures had dropped to about 275 and 335 respectively.

Typical costs of curing, based on an output of 300 barrels per crew for each season, are to-day roughly as follows:—

	s.	d.
(a) Costs per barrel not varying with production,		
Barrel	4	6
Salt	1	3
Dues, Cartage and Quay Labour	1	3
Gutting, packing and upfilling	1	6
	8	6
(b) Costs per barrel varying with production,		
Weekly Wages and Arles, Railway Fares, and General Overhead Expenses	4	3
	12	9

Costs may come down to 11s. per barrel or even less when output rises to a rate of 500 barrels per crew for the season. Bearing in mind that trade is won or lost on small margins, the figures quoted indicate the importance of the curing trade returning to its pre-war output per crew.

With so many curers operating on an exceedingly small scale, and without financial reserves, there has been a large amount of weak and forced selling, both to exporters and direct to foreign buyers. Such selling adversely affects all members of the trade. An examination by our Accountants of the books of some of the largest curing firms showed that, on the average, a nett profit on trading of about 3½ per cent. in 1929 had been converted into a loss of nearly 10 per cent. in 1933.

The weakness of the individual units has resulted also, unfortunately, in their being content sometimes to cure an indifferent article. The export market depends so much on quality as well as price that there is need for insistence on the first-rate article. The Crown Brand regulations, administered by the Fishery Board for Scotland, safeguard the reputation of the cured herring to some extent, but the Crown Brand is not compulsory and has only been suitable in the past for a section of the trade.

In face of the unprecedented conditions ruling to-day, a much wider application of standardisation of cure and packing is necessary than is represented by the Crown Brand. With proper organisation among the curers, this wider application could well be achieved without sacrifice of the added value which attaches to the individuality and experience of the several units in the industry.

- (ii) *Exporters*.—Although many curers have their own contacts with foreign buying agents and importers, and as much as 15 per cent. of the total cure is shipped on consignment, the main export trade is handled by about two dozen exporting firms, approximately one-half of them being British. In addition, about a dozen representatives of continental importers, mainly from Hamburg, Stettin, Danzig, and Königsberg, buy direct on the market here. The three largest exporters probably deal with about one-third of the whole cure.

The evidence shows that there has always been a large speculative element in the exporting business. Under the recent conditions of a very restricted market, competition among the exporters has involved not only loss to the curers but loss to themselves as well, and in recent years they have suffered severely. They have found that the least dangerous course to adopt, if they were to get any business at all, was to try and “blank sell” at prices below their competitors and wait for the curers to accept the price. As one witness put it:—

“It is more or less a question of speculation. We buy herring which at the moment we cannot place at the price. We sell herring which we have not got. Sometimes it is a good fishing and sometimes it is a bad fishing. It is a trade which lends itself very much to speculation. So long as things were normal and we had an expanding market—or, at least, a market which was not contracting—I do not think the speculation did the trade any harm, the producer or the curer. If we sometimes ‘beared’ the market, we might have hurt the trade by bringing down the prices, but, again, some of us went the other way and ‘bulled’ the market, and benefited it. On an average, that was the

natural way of marketing the herring. But, lately, the market has become so contracted that it has been our policy to sell rather than to buy. In other words, we knew that a certain country could only use a certain quantity of herring and that once they were supplied that was finished; and we tumbled over each other to get these orders.

“ We then sat down and waited until the curer came and asked us to buy his herring. It came to be that the only policy was to sell, and we could buy afterwards. That was undoubtedly detrimental to the trade as a whole.”

The impact of the prevailing adverse conditions in the export markets has, it is quite obvious, been the heavier on the herring fishing industry because of the weakness or absence of organisation within the curing and exporting branches, and, as appeared from the evidence, there is general uneasiness in the minds of the fishermen that they are the victims of these intermediate branches of the trade.

But the truth would appear to be that under modern conditions the old system of individualism, which worked well enough when markets were expanding, must now subordinate itself to efficient organisation.

3. New Approach to Export Markets.

The need for strong and cohesive organisation so as to withstand the disintegrating influences at work in the existing export trade is apparent. Since much of the export field now falls within the sphere of reciprocal arrangements between Governments, there must be an authority, representative of the industry, that can present its case to the Government, and also an organisation which can follow up the market when it has been opened to it. In so far as it meets with organised and powerful buying agencies, it must do so with equal strength.

Such an organisation should be conceived not merely as a defensive counter weapon, for, in the long run, its chief advantage would be as a constructive instrument necessary in the search for new markets and the development of new forms of cure.

The herring can be palatable in a number of forms. A trade in “ red ” herring, which is a hard cure with good keeping properties, is carried on mainly with Mediterranean countries; and a fair sized, though diminishing, trade in canned herring is carried on, mainly with Empire countries, in Africa, Australia and North America.

It is possible that the conventional methods of cure may not be attractive enough to retain their hold against alternative foods even in those countries where herring has been one of the staple diets.

Among impoverished populations the price-level is bound to determine the issue. The ordinary methods of salt-cure are the cheapest yet known, but they offer a considerable range in saltiness, from the light cure to the hard cure, as also in price and quality. Until there has been closer investigation into the most effective price-levels for mass consumption in each country, it will be difficult to claim that even the present markets are being catered for in the best way.

This factor of taste assumes growing importance as the income level rises; and, although this may not as yet be a matter of much moment in the markets on which the industry most relies, it certainly appears to be receiving far too little attention. Thirty years ago, for instance, the Russian trade greatly increased because the curer was able to offer a lighter cure of good quality. To-day, despite the improvement and greater choice in other foods, there has been little progress in methods of cure, with the result that there is a risk of losing the present consumer at that point where he can afford a more varied diet.

The work of exploring new forms of cure, or of actively and intelligently surveying new markets, has not been sufficiently taken in hand. The trade, in fact, has not been constituted for such a task because, in the days of its prosperity, its markets came to it very largely of their own accord, and the need for going out to search for new possibilities scarcely arose until the full weight of the depression had deprived the industry of its fighting resources.

Organisation cannot by itself be a guarantee that lost markets will be recovered or new markets won. Once the trade, however, is properly equipped with the right type of organisation, it will, at any rate, possess the most effective instrument for essaying this task.

4. Home Markets.

Figures for home consumption of herring can only be estimated approximately, and should not be read as indicating more than general trends. Unfortunately, too, separate analysis for fresh herring, kippers and bloaters is impossible on the statistics available.

The following table indicates a drop of about 45 per cent. in total home consumption during the last 20 years; but not all herring consumed in the home market are caught by British fishermen, 25 per cent. of them coming from Norway, especially for the winter kippering trade.

TABLE 4.

*Annual Averages of Home Consumption.**

Period.	British Caught Herring.	Retained Imports.	Total.	Percentage, taking 1911-1913 as 100.
	(a)	(b)	(a) + (b)	
	Cwts.	Cwts.	Cwts.	
1911-1913... ..	2,818,000	1,233,000	4,051,000	100
1922-1924... ..	2,581,000	557,000	3,118,000	77
1925-1930... ..	2,083,000	830,000	2,913,000	72
1931-1933... ..	1,650,000	595,000	2,245,000	55

(i) *Kippering*.—An association of kipperers, numbering about 60 members at different ports, is said to cover the bulk of the trade, with a total employment roll of about 1,200 to 1,500. Some of the larger firms nowadays employ machinery for splitting, gutting and preparing the fish, but there has been no change in the traditional type of smoke-house which is used for the actual kippering. As the success of the smoking is greatly affected by the varying humidity of the atmosphere, the experience and skill of the individuals count for much.

At the auction sale at the port of landing the kipperer bids early so as to ensure that he obtains his supplies. Accordingly, he, like the fresher, pays on the average considerably higher prices than the curer. Throw-outs, together with losses, first in splitting and then in smoking, reduce the prime weight of the herring by nearly one-third, and, when the charges for processing at about double the pre-war level are added, the actual cost of the herring used may not represent more than one-third of the value of a 14 lb. box of kippers in the wholesale market.

The kipper has a flavour and a texture that very quickly betray the imperfect cure or article. It is therefore essential that the kipperer should supply a first-rate product, and this has led some firms to market under their own brands. But the trade is undoubtedly suffering from certain practices that are sufficiently widespread to be bringing the kipper into disrepute with the public. Since the kipper is the form which offers the best prospect for development of sale in the home market, the maintenance of good quality is of the highest importance.

* The above figures have been arrived at in the following way:

To the total for British landings, there have been added imports of all kinds—fresh, cured and canned; from this total, exports and re-exports of all kinds have been deducted. Customs figures have been taken for imports, exports and re-exports, the export figures having been reduced to estimated nett weights.

(a) A NATIONAL MARK.—Incentive to a general raising of standards could be given by the use of a National Mark. This would serve as a guarantee of quality, not only in respect of the herring, but also in respect of the grade of curing. The Mark would be used in conjunction with the brand of the individual kipperer but the regulations as to the National Mark should prevent kippers from being sold to the public under misleading names. Even kippered Norwegian herring, we were told, have at times been sold as “Loch Fyne kippers”. The National Mark would only apply to fish both home-caught and home-cured and would be a guarantee of quality to the buyer. The sale of other kippers would be allowed, but the foreign-caught article, whether sold fresh in the home market or kippered at home, should be made to bear an indication of foreign origin whenever offered for sale.

(b) CLOSE SEASONS.—At certain times of the year the quality of the herring does not justify its use for kippering. There is no clearer case of this than the Norwegian importation of “steng” herring in the months of April and May. These fish are the end of the season’s catch—ill-nourished and showing the bad effects of having been penned for weeks in the fjords. They are in a very different class from the earlier imports of January to March, and are only saleable because suitable herring are not being caught at that time in home waters. Trade opinion generally is agreed on the need for the prohibition of the landing of Norwegian herring as well as home-caught herring for a period of weeks in April-May.* It would be better to have a gap in supplies than to allow the public taste for this food to be prejudiced. The public would return in greater numbers to the kipper in the season of good quality.

(c) STANDARDS OF CURE.—The question of the artificially coloured kipper has been fully discussed in the course of the evidence. The public preference is, we are told, for a kipper of deep golden colour. The colour is obtainable in the case of the best herring without recourse to any dye, because, being rich in natural fat, they are able to stand a lengthy spell of smoking without unduly losing moisture. But, as this is not possible except for herring of the best quality, an alternative method had to be sought for other classes which are apt to become dry and tasteless if subjected to heavy smoking. Dyeing was therefore adopted as it shortened the period of smoking and so obviated loss of moisture. This in turn was profitable in two ways: it enabled a larger output through greater speed in smoking, and, as the loss of moisture was also reduced, the kipperer could get, say, 18 boxes instead of 16 out of every cran of fish.

* There might have to be special exemption for herring used for bait and quired by boats that go line fishing.

The public preference for an attractively coloured kipper has led to a practice which in itself may be harmless enough, but which can be too easily extended to the point where it becomes an abuse. The resulting profit increases the temptation to disguise, in certain instances, an indifferent and a cheaper article. Some witnesses in fact contested the theory of public preference, and attributed the prevalence of dyeing solely to the desire to increase profits.

Whichever view be the true one, if the general standard of kippering were deliberately raised by the adoption of a National Mark, it would cut at the root of the use of herring of poor quality for kippering, whether dyed or not.

(d) **HYGIENE AND DISTRIBUTION.**—Cleanliness and hygiene in the actual processing are elementary needs. Our visits to smoke-houses made on the whole an unfavourable impression on our minds as to present practice. Requirements as to hygiene would form part of the regulations for the National Mark, and should, in addition, be made applicable to all kippering.

The flavour of the kipper remains at its best only from about four to seven days, dependent on weather conditions. As consignments frequently have to come from distant ports and may need to be re-distributed from wholesale centres to outlying parts of the country, the distributive machine has to work at top speed if the retailer is to have a chance of clearing his stocks while they still remain fresh. Enclosure in a suitable transparent cover might be made a requirement of the National Mark, and it is worth considering whether the stamping of the date of cure on the cover should also be a requirement.

Adequate organisation among kipperers should not only aim at improving the standards of their own section of the trade, but would make possible active co-operation with the railways and distributors in ensuring that the results of improved standards are not dissipated in the subsequent stages of sale. As an instance of progress, reference may be made to the special arrangements recently made for carrying Stornoway kippers from the railhead on the West Coast of Scotland in refrigerated vans.

(e) **PRESERVATION.**—Some of the leading fishmongers arrange for herring of prime quality to be kippered when in season and then placed in cold storage* for a period of three months or so. It is only in this way that distant parts of the world can be supplied with kippers. If the quality is satisfactory in the first instance, the kipper is quite palatable when removed from storage of this duration; but the present costs raise the price to such a level that it cannot compete in the medium and inexpensive sections of the home trade.

* Freezing in air at temperatures ranging from 10°F. to 20°F. and storing at the same temperatures.

Research on the newer method of rapid freezing in brine at a temperature of -5° F., or lower, followed by cold storage at roughly the same level, has already advanced to the commercial stage in the case of halibut, a high-priced white fish; and a great deal of experimental work in connection with herring has been carried out at the Torry Research Station, Aberdeen.

Technically the results are most promising. When the herring is de-frosted after six months, the flesh is firm and bright, and kippering can take place. At our request Mr. A. Lumley, the Superintendent of the station, has made a special investigation of brine-freezing plants in Norway, and has submitted a comprehensive report accompanied by plans and an estimate of costs for erecting two depots to be suitably located in this country. The depots could not be expected at this stage to prove a commercial proposition for herring alone, but we think that judgment should be passed on them only as coming within a larger setting, and as intended to provide a valuable and flexible instrument for spreading evenly the supplies of herring. On this basis the scheme might become a sufficiently material factor in the whole finances of the summer and autumn fishing (when there is a surplus) to justify a special rate for bulk supplies, and thus make it possible during the winter months to produce really good kippers from brine-frozen herring at reasonably competitive prices.

We should be in favour of recommending an experiment on a sufficiently large scale to test the possibilities. If this could be done in conjunction with the similar treatment of white fish, the problem of costs, which is likely to be the crux of the matter, would become simpler. This makes the location of the depots a question of greater importance.

Our recommendation would not conflict in any way with our earlier suggestion for encouraging the revival of winter fishing round the North Western coasts of Scotland. Both projects would be intended to contribute towards filling the winter gap in supplies of home-caught herring, and the experiment in brine-freezing would have the added advantage of relieving a summer or autumn surplus. The industry itself is certainly in no position to finance this experiment; but we feel that assistance in these directions would be well-merited, and would receive whole-hearted support from all sections of the industry once it were re-organised in the manner we suggest.

We should add that, subsequent to the experimental stage, the commercial success of the scheme would depend upon adequate protection against any Norwegian importation at temporarily unremunerative levels. The matter should, therefore, be borne well in mind before negotiating any further agreement with Norway.

(ii) *Fresh Herring.*—At the auction sale at the port of landing, the wholesale merchants and agents who deal in fresh herring are among the earliest buyers. They have their contacts with inland merchants and retailers, and, in order to ensure speedy despatch, are prepared to bid at once for such quantities as they estimate are needed to satisfy their customers' requirements.

Once their regular trade is satisfied, it becomes a speculative business for the merchants to buy additional quantities of so perishable an article, or for them to send surplus quantities on consignment to the large inland centres. In the case of London, the most populous market, the leading Billingsgate wholesalers who specialise in fresh herring have their agents round the coast so as to ensure their normal supplies in times of scarcity. When at a time of heavy landings large quantities are sent on consignment, it may only be possible to dispose of them, if at all, at quite unremunerative prices.

With a product so susceptible to fluctuations both in quantity and quality, and with the curers far less able nowadays to buy up the larger quantities when supplies are heavy, the problem of absorbing abnormal catches has become serious. The home market for fresh herring has never in any sense been organised to deal with this matter.

(iii) *Distribution.*—The distribution and merchanting of herring can better be surveyed as part of the general structure of the distribution and merchanting of fish as a whole, but there are certain aspects of the problem as it relates to herring which it may not be inappropriate to mention now, pending fuller consideration when we come to our investigation of the white fish industry.

Whereas landings of white fish are large and relatively regular, the landings of herring are variable and irregular. The bulk of the white fish is landed at Hull, Grimsby, Aberdeen and Fleetwood. These ports handle about 11,000,000 cwts. of white fish a year, a figure about five times the present home consumption of all kinds of herring, and afford better harbour, market, storage and railway facilities than are available at the smaller ports where herring are landed. Similarly, the organisation connecting the white fish landings with the wholesale centres inland is much more complete than any contacts the herring ports have with the inland markets.

Since, both for herring and kippers, the consumers' demand does not permit of the fishmonger taking more than relatively small quantities at a time, transport charges entail a heavy burden. The most favourable railway rates are applicable to

bulk traffic in loads of 1, 3 and 5 tons but the herring trade cannot often take advantage of such rates. Even when it can, the rates may well add from 30 per cent. to 50 per cent. to the auction price of the herring, whereas white fish, which on the average are double the value, would only have to bear a similar scale of rates. Of particular interest to the herring trade are the one hundredweight rate, the half-hundredweight rate, which is not always available, and the parcel rate for a 14 lb. box of kippers. The widespread distribution of small packages might do much to popularise the consumption of the kipper but, as the present transport charges may well add 50 per cent. to the prime costs, the use of such packages is seriously hindered.

The question of the types of van and truck used for the transport of herring is also of importance, and, in this connection, there is need for the supervision of the containers used by the trade. A more general use of the non-returnable box is very desirable from the point of view of hygiene.

It is typical of the lack of organisation in the herring industry that their Associations, even when invited to submit a case to us on these matters, failed to make satisfactory representations. It is true that individual views have been frequently pressed on the railways, but no responsible body has been in a position to speak on behalf of the trade as a whole. We are satisfied from railway evidence that an organised herring industry can look for co-operation from the railways in all matters of transport affecting the welfare of the industry. The object should be to stimulate trade by a revision of rates so that both sides stand to benefit from the arrangement. An effective case with this aim has never been submitted to the railways.

Pending our closer study of distribution problems in connection with white fish, we make two further concrete suggestions :—

(a) CO-OPERATION WITH INLAND MARKETS.—A joint committee of freshers, kipperers, and port merchants on one side, and inland wholesalers such as Billingsgate merchants on the other, could usefully explore lines of common action and remove causes of friction.

(b) STATISTICAL INFORMATION.—Fuller statistics and an intelligence service in respect of the home market are required. For instance, information should be available showing the quantities of herring in their different varieties sent from each port to the home market; the comparative sales of each inland centre in relation to its population; and the effect of different prices on sales.

5. Consumer Survey.

With a view to a better assessment of possibilities in the home market we have caused a survey to be made among a large number of people representative of all classes. Some thousands of interviews were well spread geographically so that tabulations were possible for London and for certain urban and rural areas in the provinces. There are strikingly similar results for all classes and all areas, not one of them providing any exception to the picture of a general and serious decline in consumption.

The following table summarises the present position with regard to consumption as compared with a few years ago:—

	<i>Kippers.</i> (Per cent.)	<i>Fresh Herring.</i> (Per cent.)	<i>Bloaters.</i> (Per cent.)
Now serve	59	53	37
Have ceased to serve	33	38	42
Have never served...	8	9	21
	100	100	100

This shows that more than one out of every three have given up eating herring. Even of those who still serve them, fully one-fifth report that they do so less often than they did five years ago. A still more noticeable feature is the marked infrequency in the consumption of fresh herring, and, although the kipper appears in a more favourable light in this respect, it is very far from being a weekly or fortnightly dish.

Since there has hitherto been an almost total lack of enterprise in marketing herring, the position disclosed by the survey is not surprising, nor is it unhelpful. The first point of attack should be an extension of consumption among those who already use and like herring, and it certainly seems as if the kipper in particular might be made a regular article of diet during at any rate two-thirds of the year.

There has also to be won back the large market in urban areas that has been recently lost, and in our opinion this can be done most effectively by ensuring a marked improvement in the quality of the product. Quality in food consists in flavour and nutritive properties, and the results of the survey definitely underline the hopeful possibilities for herring since 90 per cent. of those liking kippers do so on account of their flavour, while, in the case of fresh herring, 65 per cent. mention flavour and 48 per cent. the factor of nourishment as well. Clearly the nutritive value of kippers has not been sufficiently appreciated, and this would be a point well worth establishing, possibly with the help of bio-chemical research, so that a campaign could be based on both qualities.

This would also help to overcome the difficulties connected with price. Herring are not the cheap food that they were, or are still expected to be, but if the housewife came to realise their vitamin content, and could rely upon their quality, price would be partly offset by value, and, as a food for children, the sale of herring could be greatly extended in spite of the prevalence of bones. On the question of bones there is room for experiment, as this is a major trouble. The industry might apply itself to seeing whether an efficient method could be found of filleting herring either before sale in the shop or immediately prior to cooking. This would have to be done without causing any deterioration or loss of flavour.

This would not lessen, however, the need to improve on present prices by better organisation through all stages of marketing. About 50 per cent. of fresh herring are purchased at prices under 4d. a lb., and most of the remainder at prices between 4½d. and 6d. a lb. In the case of kippers 60 per cent. are purchased at less than 4d. a pair, and fully another 30 per cent. at 4½d. to 6d. a pair. But the significant point is that, even in the lower of these two price-ranges, more than one-third of the buyers consider the price dear. Further, the danger point is obviously reached in each case at just over the level of 4d. (per lb. for fresh herring and per pair for kippers); since about half of the buyers comment critically on the higher price range of 4½d. to 6d. It should also be remembered that families with annual incomes not exceeding £200 comprise about 70 per cent. of the population, and it is to these that the appeal must mainly be made. Any campaign that did not take account of these factors would clearly fail in realism.

In addition there is need to explore new possibilities for herring in other forms. A few individual firms have already experimented with "buckling," with spiced fillets in bottles and other varieties; but, at a time when more and more people are becoming accustomed to ready-cooked food, a great deal more attention should be given to further experiments along these lines.

One other aspect of the matter calls for comment. Within our own experience there is considerable ignorance on the part of hotel keepers, and even of dealers, as to the qualities that go to make a good herring. Much educative work is undoubtedly necessary before the potentialities of the market for an article of quality can be properly developed.

We therefore consider it fundamental to our suggested scheme of organisation that the governing body for the industry should have a strong marketing arm that will continuously explore the needs of the home consumer, and, from that basis, facilitate the machinery of distribution.

V.—CONCLUSIONS AND RECOMMENDATIONS.

Although in some respects there is inter-dependence between herring fishing and other branches of the Sea-Fishing industry, it is in our opinion practicable to deal with the main problems of the herring industry independently. Our survey of these problems will have made it clear that the industry stands in urgent need of re-organisation, and that both a governing body and a basic structure are indispensable pre-requisites if the fullest economic results are to be obtained from re-organisation.

1. Governing Authority—a Herring Board.

- (i) JURISDICTION.—The governing authority which we have in view (hereinafter called "the Herring Board") should have jurisdiction over all the herring fishings of the United Kingdom. Any division of the final authority as between the individual countries would be a serious weakness in organisation. It must be recognised that the problems of the herring fishings of Northern Ireland present certain special features, and we take this fact into account when dealing with Area Committees on page 39.

As the industry is predominantly Scottish, we recommend that the headquarters of the Herring Board should be in Edinburgh, which we understand to be the most acceptable meeting ground for the various sections of the industry, and also well suited as an administrative centre.

- (ii) METHOD OF APPOINTMENT.—It is a basic principle of the organisation that the industry should have as large and increasing a measure of self-government as is possible in the circumstances. As required by the Sea-Fishing Industry Act, 1933, we have considered the question in the light of schemes which have been put into operation under the machinery of the Agricultural Marketing Acts. Agricultural Marketing Schemes are initiated on a voluntary poll, and this from the technical standpoint is a relatively simple matter because they are confined to one section of an Agricultural industry, either producers or processors, so that the unit of voting is clearly defined. Moreover, the agricultural products so far affected find their main outlets in this country, and, where necessary, the re-organisation of the whole industry has been further accompanied by legislative action to protect the producer in the home field.

Conditions in the herring industry necessitate a different approach. The export market has been the predominant factor, and its contraction has been so severe as to leave an inescapable issue of redundancy with varying repercussions on the different sections of the industry. As any scheme for re-organisation, if it is to be effective, must embrace these different sections—producing, processing, marketing—and must subordinate sectional or area advantage to the well being of the whole industry, it is not to be expected that a satisfactory scheme of voting could be evolved as between areas and interests so scattered

and diverse. The nature of the industry and the nature of the problem would make it exceedingly difficult for the industry to initiate a scheme. Moreover, decisive action is a matter of urgency for the position is in danger of deteriorating beyond control unless remedial measures are taken immediately.

Having these considerations well in mind we have been at pains to explore the problem with leading members of different sections of the industry, and have had our own opinion confirmed that in the present emergency a scheme initiated by the Government is the only practical course to adopt.

In its general provisions, however, and from the moment it comes into effect, the scheme will, like the Agricultural Marketing Schemes, place in the hands of the industry an instrument calculated to develop its powers of responsible self-government. Experienced people in the industry will be called upon, not only to deal with practical questions within their own spheres, but also to collaborate in solving the many important and complicated issues that at present cut right across all sectional and area interests.

(iii) **INDEPENDENT MEMBERS.**—We are of the opinion, and again find support for it from responsible witnesses, that the Board should consist, in part, of members from outside the industry. They should be persons who would bring to bear on the trade problems a wide business and administrative experience, and, besides helping to promote cohesion within the industry, would have regard to public interest and the interests of the consumer.

The fact that some 50 per cent. of the output of the Industry still depends on the export trade, and the need to combat the international competition which exists, should act as a powerful incentive to the Board to promote greater efficiency.

The ground lost can only be recovered, and an extended market developed, on the basis of lowered prices and better value to the consumer, and the Members of the Board, whether Trade Members or Independent Members, will, therefore, be constantly engaged in efforts in these directions, which should adequately safeguard the interests of the home consumer.

In view of all the circumstances, we do not consider that a Consumers' Committee will be necessary.

(iv) **SIZE OF THE BOARD.**—The Board should be small, numbering not more than eight. Three of the eight, including the Chairman, should be independent of the Trade; the remaining five should be appointed first for their outstanding experience and ability in the industry, and secondly with a view to preserving a reasonably equitable balance of representation between the different functions of catching, processing and marketing.

All the members of the Board should be nominated by the appropriate Ministers. In the appointment of the five members

drawn from the trade, the Ministers might take such consultation with such representative bodies in the trade as they think fit.

(v) **PERIOD OF APPOINTMENT.**—The first appointments should be for not less than four years and not more than eight years. The important tasks to be undertaken by the Board make continuity a matter of importance and we would recommend that dates of retirement and re-appointment should vary within these limits so that not more than two members fall due for retirement or re-appointment at one time.

(vi) **REMUNERATION.**—The remuneration of the Chairman should be fixed on the basis of his giving full time to his duties. The remaining members should be remunerated on a basis equivalent to an onerous directorship. At the beginning there might be additional and special duties attaching to certain members of the Board for which additional payment might need to be made.

(vii) **AREA COMMITTEES.**—We recommend that on matters affecting the interests and organisation of areas the Board should enlist the help and advice of small Area Committees to be appointed by the Board to whom they could also delegate such functions of area administration as they thought fit, particularly in such an area as Northern Ireland.* These Area Committees would provide a two-way channel. It is important that the Board should be kept closely in touch with informed opinion upon all local matters and equally important for the central administration itself to ensure that a reasoned case for its action is adequately ventilated and understood in all areas.

The Area Committees should be representative of the different sections of the trade within each area, and, during seasonal fishings, might have added to them representatives of visiting interests. The Committees might number eight in all, some of the areas they would represent being smaller than others. The eight areas suggested in this connection are as follows :—

SCOTLAND.

1. The Shetland Islands.
2. The North-East Coast from Wick to Aberdeen, including Orkney.
3. The East Coast south of Aberdeen to Eyemouth, including Firth of Forth.

*The total landings of herring in Northern Ireland represent about 1 per cent. of the aggregate landings in the United Kingdom. About 600 local fishermen are engaged working from the ports of Portavogie, Kilkeel and Ardglass. Curing is carried on at the two latter ports, to the extent of 75 per cent. by Scottish curers and 25 per cent. by local curers whose activities have latterly been developing. A Government system of branding is in operation. Substantial quantities of fresh herrings are landed in Northern Ireland by Scottish fishermen from the Firth of Clyde.

4. The North-West Coast from Stornoway to Oban, including the Hebrides.
5. The West Coast—Firth of Clyde area.

ENGLAND AND NORTHERN IRELAND.

6. The North-East Coast and East Anglia.
7. The West Coast from Fleetwood to Plymouth.
8. Northern Ireland.

The period of service on Area Committees would be a matter for the Herring Board.

(viii) SECTION PANELS.—We recommend that the Board should also constitute Panels, representative of the respective sections of the industry, whom they could consult when dealing with problems that have general application to any particular section, whether in the technical or commercial field.

2. Functions and Powers of the Herring Board.

Primarily, the function of the Board would be to create such a framework of organisation within the herring industry as would preserve for the units participating in it scope for individual initiative, but would at the same time enrol all sections in a concerted effort to restore economic stability to the whole. This framework should, we believe, rest largely upon a system of licensing, which, in its initial stages, would afford the industry an opportunity of orderly adjustment and consolidation, and subsequently enable it to expand its activities again with the help of such marketing services as the Board should, we suggest, provide.

As a matter of convenience, we set out under the various sections of the industry the nature of the powers which we think the Board should possess, and the form which we conceive their exercise should take :—

- (i) *Fishing Fleet*.—Section III of our Report discloses the need for curtailment of the fleet, for reconditioning and re-equipment of boats and gear and guidance as to new craft; credit facilities for reconditioning, re-equipment and building of boats; reduction of capital costs and running costs; regulation of fishing operations as to season, area and methods; allocation of boats to particular fishings or periods of fishing; and development of winter fishing.

The Board should have power—

- (a) To license the boats that may catch herring for sale, prescribing standards of efficiency and suitability, with special regard to seaworthiness; the licences to be held subject to compliance with such requirements as the Board may from time to time determine, whether in respect of the matters following or otherwise, and to be valid for such ports and periods as may be specified.

(b) To fix starting and stopping dates for the various fishings, and to allocate boats to particular fishings or periods of fishing.

(c) To apply close seasons for fishing operations, and to prohibit fishing in certain areas at certain times with a view to the preservation of stocks.

(d) To prescribe the size of mesh for nets, and the number of nets per boat.

(e) To regulate the methods of fishing in any area, for example, where there is a clash of methods, such as that between drift net and ring net.

(f) To make credit facilities available for reconditioning and re-equipping boats, for the construction of new boats and for the supply of nets.

(g) To give financial assistance, if necessary, for the development of a winter fishing.

(We have suggested on page 22 that the Anglo-Norwegian Agreement should not be renewed until the home possibilities of a winter fishing have been fully explored.)

(h) To organise co-operative arrangements for supplies to the fishing fleet.

It is not contemplated that all of these powers should be exercised immediately, but that order and stability should be brought gradually into the system.

A general raising of the standard of quality of the herring sold, and a reasonable allocation of boats to the fishings, would afford a fair and even chance to all licensed boats to improve their earnings.

(ii) *Auction Sale at Ports of Landing.*—In the sale of the catch there should continue to be a free auction market as at present, but, if the Board are to exercise proper control over the observance of their requirements as to fishing and the quality of the herring, there must be effective machinery at this point. The Board should have power—

(a) To license the salesmen that may sell herring at the port of landing, the licences to be held subject to compliance with such requirements as the Board may from time to time determine, whether in respect of the matters following or otherwise, and to be valid for such ports and periods as may be specified.

(b) To employ their own officers to sell herring in cases where such a course is considered necessary.

(c) To determine the remuneration to be paid to the salesmen; and to impose a levy on all sales of herring on which levy the remuneration of salesmen and all expenses of sales should be a first charge, no commission to, or deduction by, the buyer being allowed.

(d) To reject herring considered unsuitable for general sale, or to prescribe special conditions of sale in regard thereto.

(e) To purchase herring on their own account when considered necessary.

(f) To prohibit salesmen from purchasing on their own account without express permission of the Board.

(g) To fix minimum prices for selling if circumstances at any time render this necessary or desirable.

(h) To apply to herring landed by any vessel belonging to a British Dominion or foreign country, or to herring sold at sea, the same requirements as are applied to herring landed by British vessels.

(i) to prescribe the limits within which licensed salesmen may also be interested in management, supply and other services to licensed boats.

It is not proposed that there should be any general interference by the Board with existing arrangements for the management of fishing vessels. The fishermen should be free to make their own arrangements for such services if they so desire.

(iii) *Curing*.—Section IV of our Report discloses the need to ensure that the benefits of adjustment in the catching section are not dissipated at the processing stage; that a wider standardisation of cure is obtained; that savings are effected in the cost of the cure, and that curers are supported by adequate organisation to cope with the difficulties of the export market.

The Board should have power—

(a) To license the curers who may cure herring for sale, the licences to be held subject to compliance with such requirements as the Board may from time to time determine, whether in respect of the matters following or otherwise, and to be valid for such ports and periods as may be specified.

(b) To prescribe—

The maximum number of barrels and/or crews that may be allowed to any curer, based on an economic ratio of barrels to crews.

General standards for curing and packing.

Specific standards for brands, including the Government Brands, the administration of which should be taken over from the Fishery Departments.

Requirements as to hygiene and general upkeep of curing establishments.

(c) To formulate a set of conditions of sale and define the responsibility as between the curers and the exporting department (referred to below) for the safekeeping of the cured herring prior to shipment.

(d) To grant exemption from their requirements in whole or in part in the case of particular cures, for example, the red herring or the matje cure.

(e) To impose a levy on curers for the purpose of providing funds for the development of export markets and for their other services.

(iv) *Exporting*.—In the export field organisation is needed to prevent forced selling; to meet powerful buying agencies on an equal footing; to recover lost ground in old markets and to develop new markets.

We recommend that the Board should themselves assume responsibility for this task, and we feel sure that we are correctly interpreting the general wishes of the industry in this respect.

We have reviewed export control schemes that are being operated in the Dominions and elsewhere, and find that, as a general rule, Control Boards are given statutory powers not only to sell as agents for the producers, but also to establish a trading monopoly. In practice they seldom exercise their full powers, and, although they control and give directions as to purchases and sales, they do not themselves buy and sell.

Having particularly in mind the need for opening up new markets, we recommend that the Herring Board should similarly be given comprehensive powers to be held in reserve, but in the ordinary way we anticipate that they would act only as export agents and not as holders of stocks.

The Board should have power—

(a) To establish an export department which will conduct the export of all cured herring, negotiating and arranging shipments, freights, insurance and other handling charges.

(b) To undertake as agent for the curing trade all negotiations in connection with sales to the Russian market and other markets where such a course is considered desirable.

(So far as foreign markets other than Russia are concerned curers might generally be left free to

negotiate contracts of their own if they so desire, but export arrangements should be made only by the export department of the Board.)

(c) To require information as to the prices and conditions of sale in respect of contracts negotiated direct by curers, and to charge for the exporting services the same rates of commission as would be charged if the Board themselves had negotiated the contract.

(d) To undertake sales on consignment abroad, or, alternatively, to refuse to allow sales on consignment except at times and at minimum prices fixed by the Board.

(e) To make credit facilities available for the temporary financing of export sales.

(f) To establish agencies and arrange for storage abroad.

(g) To grant exemption from their requirements in whole or in part in the case of a particular cure, e.g. the red herring cure or the matje cure.

(h) To assume responsibility for the collection of accounts and for bad debts in all cases where the Board have negotiated the contract.

(i) To promote the development of sales abroad by canvassing or advertising or otherwise.

(j) To buy and sell cured herring and generally assume the duties of a trading concern, but only should necessity arise in the opening up of new markets or in other special circumstances.

We have it in mind that in establishing their export department the Board would draw their home personnel and their agents abroad from the present exporting firms, or they might find it desirable to use existing exporting firms as their agents.

- (v) *Kippering*.—In the home market the kipperer is the most important processor. The Board would be actively engaged in ensuring the quality of the fish sold at auction, in co-operating to improve transport and distributive facilities, and in directing commercial research and publicity. Efforts would be stultified unless the general standards of cure and organisation are raised throughout the kippering trade.

The Board should have power—

(a) To license the kipperers who may kipper herring for sale, the licences to be held subject to compliance with such requirements as the Board may from time to time determine, whether in respect of the matters following or otherwise, and to be valid for such ports and periods of time as may be specified.

(b) To prescribe—

Standards of cure and of quality for kippering :

A special grade of cure and quality which may be marketed under a National Mark.

(It would be permissible for National Mark kippers also to carry the brand of an individual kipperer).

Requirements as to hygiene and general upkeep of kippering establishments.

(c) To promote the development of sales of kippers by advertisement or otherwise.

(d) To impose a levy on all kipperers to provide funds for the development of markets and for their other services.

We recommend that steps should be taken to require disclosure of foreign origin at each stage of sale of foreign-caught herring whether sold fresh or kippered. Steps should also be taken to prevent the use of misleading descriptions in the sale of kippers, e.g., the term "Loch Fyne" applied to kippers made from herring not caught in that area.

(vi) *Canning*.—The few firms engaged in canning herring are large and have other canning interests of major importance. While we do not find it necessary to suggest a system of licensing for the canners, there should be close contact between them and the marketing branch of the Board. It is a field in which favourable development might conceivably arise, and every encouragement should be given to the exploration of new possibilities.

(vii) *Home Market*.—In the field of distribution the Board would be exercising influence rather than control. They would assist the sale of all varieties of herring by advertisement, by encouraging improved methods of marketing, or otherwise; and, in particular, they would:—

Negotiate with the railways on behalf of the industry as a whole. Subjects for discussion would include transport facilities from out-lying ports; railway rates, especially in connection with small-sized traffic; improved and/or refrigerated vans.

Enlist the support of wholesale and retail distributors in furthering a campaign for a National Mark kipper, and in similar efforts for raising to the consumer the quality of other varieties of herring.

Co-operate in researches into methods of preservation of herring.

Explore the possibilities of additional distributive outlets.

Institute marketing services for ascertaining the needs of the consumer.

(viii) *General.*—The Board should be given powers to conduct technical and commercial research and experiments, to inspect premises, boats, gear, stocks, etc., and to require information and returns, and such other powers as may be necessary for the discharge of their functions. The Board should also be given powers to prescribe a form of financial accounts to be kept by each section of the industry which comes under the licensing arrangements. The financial accounts should be furnished, if called for, to an independent firm of Chartered Accountants to enable the figures to be aggregated and averaged for the information of the Board.

Each section of the industry should be required to keep statistics in a prescribed form, and submit them for the use of the Board as desired.

The Board should undertake the collection of the statistics at present collected in respect of the herring fisheries by the Fishery Departments, and should include them, together with any additional statistical information required, in the Annual Report which they should submit to the appropriate Ministers.

We consider that, on the establishment of the Herring Board, it would no longer be necessary, so far as the herring fisheries are concerned, to have trade representatives on the Fishery Board for Scotland. We feel confident that the wide knowledge and experience of the Fishery Departments will be made available to the Herring Board, and will be of great advantage to them in the exercise of their powers.

The diagram on page 47 indicates the framework of the proposed organisation, distinguishing between the sections where control by licensing would operate, and the sections where the Board's influence would be only of an indirect kind.

3. Application of Licensing system.

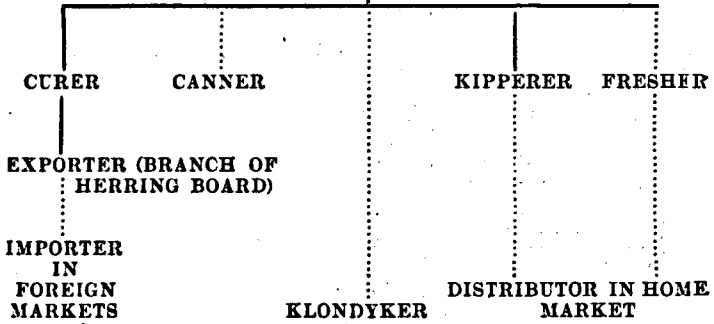
In the issue of licences the Board would need to have regard both to the efficiency of the individual unit and to the balance within the respective sections. In the case of the fishing fleet in particular there is no disguising that the markets are incapable of providing a livelihood for the number of boats at present engaged, and nothing the Board could do immediately would be likely to alter this fundamental fact. Their main task must be to endeavour to secure a fair living for those who will remain within the industry.

In the contraction of the fleet the first test to apply is that of seaworthiness, as curtailment along these lines will obviate the heavy expense of re-conditioning many unwanted boats. We have considered whether it might be practicable for the fishing fleet to agree upon a fund being created, by means of a levy on all licensed boats, out of which the Board might buy many of the older boats and scrap them. It is clear that those who receive

HERRING BOARD.

FISHING FLEET

SALESMEN



— = Herring Board would exercise control by licences etc.

..... = Herring Board would possess indirect sphere of influence.

licences will enjoy a certain measure of protection, and the principle might be a just one that, in return for this protection, they should make some contribution towards the displaced boats. It is of the first importance, however, that the new organisation should not be saddled with burdens that might unduly imperil its prospects, and we do not feel that we could propose such a scheme safely, since for some years the task of raising the average earnings of licensed boats will be severe enough. At the same time, curtailment of the existing number of boats is so imperative and urgent that we are unwilling to abandon an opportunity of its being made quickly possible. We believe that for the sum of £50,000 a major contribution could be made to a solution of this problem by the purchase of older boats for scrapping.

We recommend, therefore, that the Board should be given a grant of £50,000 by the Government for this purpose. A Government grant to this Industry is more than ordinarily justifiable, for the Industry has been fighting against adverse conditions of exceptional severity until its resources and its credit are exhausted.

We have had it in mind also, and so recommend, that the Board might, as a further part of their programme of curtailment of the fishing fleet, initiate a scheme whereby credit facilities might at once be given for the building of a new boat where two or more owners of older boats were willing to scrap them at their own expense and combine in a joint enterprise for a new boat.

In the case of salesmen, curers and kipperers, too, we conceive it to be possible that in the granting of licences the Board might be able to arrange for the grouping of small firms into larger units.

As soon as the position has been consolidated, the Board, in considering applications for new licences, whether in the catching or processing sections, must be careful, on the one hand, not to issue more licences than the condition of the industry warrants, and, on the other hand, not to impede development in any way by an undue anxiety to give protection to its existing licences. In the case of the fishermen, so far as the near future is concerned, priority would naturally be given when allotting new licences to applicants who have already been in the industry. When on this test alone applications outnumber the available licences, the area from which each fisherman comes should be taken into consideration, in addition to his personal record and standing.

Licences should revert in all cases to the Board, but in ordinary circumstances the Board would allow transfer of licences on approved terms and conditions.

4. Finances of the Board.

We have already pointed out that, in the case of agricultural products, schemes for marketing have been accompanied by legislative action to protect the producer in his home markets. In this industry, however, the retention and development of the export

market are essential to any restoration of prosperity, and, in view of the impoverished condition of the industry and of the time that ameliorative measures must take to fructify, substantial financial help is necessary.

(i) *Initial Grants*.—The Board should be given a special grant to enable them—

(a) To meet the initial expenses of setting up their organisation and to cover the amount of their establishment and administration expenses for at least the first two years :

(b) To engage at once in marketing services and marketing campaigns at home and abroad :

(c) To support experiments, including experiments in brine freezing.

We have endeavoured to make a close estimate of the expenses which the Board might reasonably incur in respect of (a), (b) and (c) above, and we recommend that the amount of the initial grant for these purposes should be not less than £125,000.

To this should be added the further sum of £50,000 which we have recommended should be granted to the Board for the purpose of buying older boats for scrapping.

At the end of two years it is hoped that the Board would be able to provide for their expenses out of ordinary income.

(ii) *Capital*.—However successful the steps taken to restore equilibrium to the industry might be, it would be some years before a reasonable amount of additional financial credit was available for the herring fleet from ordinary sources. We have therefore recommended that the Board should be empowered to provide credit facilities for re-conditioning and re-equipping boats, for the construction of new boats and for the supply of nets.

We have also recommended that the Board should be empowered to establish an export branch, and further that they should be free to undertake credit arrangements in respect of export sales generally.

The difficulty of estimating the financial requirements for these purposes is obvious, as much depends upon the success of the Board's efforts, but we have endeavoured to arrive at a reasonable figure.

We recommend—

(a) That the Board should be given initial borrowing powers of not less than £800,000.

(b) That the Treasury should be authorized to guarantee principal and/or interest on the Board's borrowings up to that amount.

(c) That, since the money would be largely required for transactions of a "revolving" or self-liquidating character, temporary borrowing or the assumption of liability should

not exhaust the borrowing power but leave it available for re-exercise, the restriction by the maximum being applied to the total liability outstanding at any one time.

Simple and inexpensive means should be provided for expanding the borrowing powers of the Board if and when expansion becomes necessary.

- (iii) *Income*.—We contemplate that, as a result of the setting up of the Herring Board, the Fishery Departments would be relieved of certain duties which they at present discharge in respect of the herring fisheries, notably the administration of the Crown Brand and the collection of statistics, and we are of opinion that the Herring Board should be repaid by the Exchequer an annual amount equal to the savings in public expenditure thus effected.

The initial grant mentioned above would, besides enabling the Board to get under way at once, also enable them to reduce their calls upon the industry during the first two difficult years. Ordinarily, however, the income of the Board would be in three parts:—

(a) A percentage levy would be charged on the proceeds of the sale of herring at the auctions. The sum derived from the levy would be required for the purpose of remunerating the fish salesmen for their services, defraying the general expenses of the Board, making a contribution towards their expenditure on general publicity, marketing, and experimental development, and for the creation of a reserve fund.

It might also be found that the operations of the licensing system made desirable the creation out of the levy of an equalisation pool from which payments might be made to fishermen, at the discretion of the Board, in cases where the allocation of boats to particular fishings may have been less advantageous to some fleets than to others.

(b) Levies would be charged on kipperers and curers to meet the expenses of the Board in connection with the development of markets at home and abroad, and their other services.

(c) The exporting department of the Board would make a direct charge for their services.

In making the brief survey of the problems of the industry given in this Report we have stated the facts as we have seen them and the conclusions to which we have unanimously come. Our enquiries have been conducted under considerable pressure, rendered necessary by the urgency of the case, but we believe them to be complete.

In conclusion, we desire to make grateful acknowledgment of our indebtedness to Mr. D. W. Coates, C.B.E., F.C.A., and Mr. D. L. Reynolds, C.A., who voluntarily gave us the advantage of their services in the financial investigations which we deemed to be necessary in connection with our enquiry.

We wish also to express our appreciation of the services of our Joint Secretaries, Mr. Wynn Thomas and Mr. H. J. Crowe, and of our Assistant Secretary, Mr. R. H. Mares. Their intimate knowledge of the problems of the fishing industry has been of great value, and they have rendered admirable service both in the conduct of our enquiry and in the preparation of this Report.

(Signed) ANDREW R. DUNCAN, *Chairman.*
 WOLMER.
 FRANCIS BEATTIE.
 EDWIN FISHER.
 LAWRENCE NEAL.

WYNN THOMAS, } Joint Secretaries
 H. J. CROWE, } of the Commission.

8th August, 1934.



FISHERY BOARD FOR SCOTLAND

HERRING TRADE ON CONTINENT

Report of Visit of Inspection, 1933

By Mr. William Keir, M.B.E.

Chief Inspector of Sea Fisheries

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EDINBURGH

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Herring Trade on Continent.

INTRODUCTION.

The depressed condition of the herring-fishing industry at the present juncture lends a special interest to the following report by Mr. William Keir, M.B.E., now Chief Inspector of Scottish Sea Fisheries, on his visit of inspection last year to the Continental cured-herring markets, on which the industry has hitherto been mainly dependent. This report is the sixth of its kind furnished by him since the war, his previous visits having been made in 1925, 1927, 1928, 1929, and 1930.

The report shows the export trade in cured herrings from this country to be faced with a combination of adverse circumstances which precludes any easy optimism for the future. The prevailing economic depression has impoverished consumers, and at the same time reduced the prices of competing foodstuffs, while the growth of economic nationalism which has become so pronounced since the war has led to the cutting down of imports by increases of tariffs as well as by more direct restrictions, and to the fostering of a national herring fishery by many of the herring-consuming countries with a view to supplying their own requirements. The competition from rival herring-exporting countries has also been intensified, the Icelandic production of a cure competing with that of Scotland having in particular been greatly developed within the last few years.

Scottish herrings continue to maintain their high reputation, and on their merits are preferred in most markets ; but in addition to the action which the Government has taken and can take to remove or reduce the handicaps to trade in the form of tariffs or otherwise, it is clearly necessary for those engaged in the industry to maintain the standard of quality and finish, and to reduce costs of production and distribution to a minimum, if those markets are to be retained or regained.

EDINBURGH,

March 1934.

FISHERY BOARD FOR SCOTLAND.

Herring Trade on Continent.

REPORT ON VISIT OF INSPECTION.

After an interval of three years, my last tour of inspection having been made in 1930, I was again this year instructed by the Fishery Board for Scotland to visit the principal herring-consuming countries on the Continent for the purpose of making inquiries into general conditions there in so far as they affected the cured-herring industry and discussing with Continental dealers any difficulties that had arisen in connection with the import of Scottish cured herrings.

My tour was carried out during the months of September and October. I first visited the principal importing centres in the following order, viz. :—Hamburg, Stettin, Gdynia, Danzig, Königsberg, Memel, Libau, and Riga, and afterwards proceeded to the interior markets in Poland and Germany. No visit was on this occasion paid to Estonia, where the import of British herrings had fallen to a low level; nor to Finland, where since 1931 it had entirely ceased.

I regret to have to report that in none of the countries visited had economic conditions improved in recent years, and from this cause, and others which will be specified later, the outlet for British cured herrings had been considerably curtailed since 1930.

The following table shows the cure of herrings in Scotland, with Northumberland, but excluding the Clyde area, and the exports therefrom to the different Continental countries from 1st January to 30th September in each of the years 1929 to 1933 :—

	1929. Barrels.	1930. Barrels.	1931. Barrels.	1932. Barrels.	1933. Barrels.
Cure ..	1,107,691	804,480	483,273	517,509	450,075
Exports—					
To Germany ..	399,138	329,393	234,995	241,648	230,246
„ Poland					
(with					
Danzig):	275,432	179,058	85,928	70,849	63,736
„ Latvia ..	178,649	123,438	47,046	19,574	49,138
„ Lithuania ..	4,375	4,825	5,353	13,178	15,744
„ Estonia ..	37,960	17,330	8,872	—	2,517
„ Finland ...	35,750	29,205	2,671	—	—
„ Holland ..	6,121	6,969	1,694	2,127	3,374
„ Sweden ..	3,843	6,577	1,783	1,459	1,275
„ Russia ..	—	—	—	93,874	—

GERMANY.

Before proceeding to detail conditions in the various markets in Germany, it appears advisable to refer to the factors common to the whole country which have seriously affected the demand for Scottish herrings in recent years.

It will be observed from the foregoing statement that the outlet for Scottish herrings has been retained to a greater extent in Germany than in any other of the Continental countries except Lithuania, the figures for which, however, are misleading, as until 1931 most of the herrings consumed in Lithuania were imported through Libau, Riga, and Königsberg, and were credited to these ports, whereas in 1932 and 1933 most were imported through Lithuania's own port of Memel.

The various factors which in recent years have affected the outlet for British cured herrings in Germany are: (1) the depressed economic condition of the country, (2) the increased import duty on herrings, (3) the development of a national herring-curing industry, and (4) increased competition from other countries, especially Iceland.

The world-wide trade depression of the past few years affected Germany perhaps as much as, if not more than, any other large Continental country. Throughout Germany there was, until 1933, a large and growing volume of unemployment; prices for foodstuffs of home production had slumped, and money was scarce, resulting in a shrinkage of the demand for imported goods, including herrings, the prices of which had been maintained until 1932 at a fairly high level. A considerable advantage was gained by German herring dealers when this country departed from the Gold Standard in September 1931, but a year later this advantage was largely annulled by an increase of the import duty on cured herrings from 3 R.M., equal at the normal rate of exchange to 3s., to 9 R.M. per barrel, which with a new turnover tax of 82 Pfennigs per barrel was equivalent, on the 1933 rates of exchange, to from 13s. to 14s. The increased duty considerably handicapped the operations of the small inland dealers, who, while able to obtain credit for the purchase price, had to pay the duty before the herrings were removed from Customs' control.

In my 1930 report reference was made to the curing of small lots of German trawled herrings, this development being then limited to surpluses which could not be absorbed by the preserving, tinning, and smoking industries. Since then, however, a seasonal trawled herring curing industry has been developed at the German fishing ports of Altona, Cuxhaven, and Wesermünde. Workers have been trained, in some cases under the supervision of experienced Scottish coopers, the standard of cure has been improved, and the scale of operations has increased until during the past season the quantity of trawled herrings cured at those ports reached a total reliably estimated at 250,000 barrels, and exceeding the cure of the previous season by almost 100,000 barrels. An expansion of the German drift-

net herring fishery has also taken place. Before the commencement of the 1933 season, in accordance with a programme for providing employment, 30 new motor drifters were added to the fleet, the necessary capital being guaranteed by the Government. The fleet employed was thus increased to 148 vessels as compared with 118 in 1932, and the catch and cure of herrings showed a corresponding increase. Altogether the total German production of cured trawl and drift-net herrings for the past season up to 30th September exceeded half-a-million barrels, being greater than the total production in Scotland for the summer season. The curing of trawled herrings ceased about the end of September, but the drift-net fishing was carried on until near the close of the year. The annual cure of herrings in Germany for the years 1927, 1928, and 1929 averaged only slightly over 230,000 barrels.

The quality of the cured trawled herrings was very much inferior to that of the Scottish herrings, and the cure in some cases was very crude ; but these herrings, with the advantage of freedom from duty, could be sold at comparatively low prices, and were being taken in many markets in place of Scottish herrings. The German drift-net herrings, which are cured at sea and selected and repacked on shore, have always competed to some extent with Scottish herrings, but more serious competition is threatened by the increase of the fleet, which is to be further augmented by 23 new vessels during 1934.

In recent years there has also been a development in herring-curing in Iceland. The herrings obtained in Icelandic waters during the summer season are usually very large and of a fatty nature. Only a few years ago small lots of those herrings cured as " Matjes " were sent to the Continental markets as an experiment, and as the costs of catching and curing herrings at Iceland are low, they could be sold very cheaply as compared with Matjes put up by Scottish curers, who had, till then, practically a monopoly of the Continental and other markets. The Matje-curing industry at Iceland has since been gradually extended, the output in 1933 exceeding 100,000 barrels, in addition to almost an equal quantity of hard-cured herrings. A considerable part of the Iceland Matje cure was sent to Germany during the autumn season. The quality is again not to be compared with that of good Scottish Matjes, but, owing to monetary conditions in Germany, the cheaper article found a market and retarded the sale of the Scottish cure, which was then on hand in cold store. The Iceland Matjes are, however, not available until the autumn season, so that the most important Matje-consuming season of June, July, and August will still be retained for the Scottish cure.

HAMBURG.

Hamburg was visited from 11th to 14th September and again at the end of October. At the time of my first visit the import for the

season of British-cured herrings, chiefly Matjes, amounted to 15,449 barrels and 138,257 half-barrels, as compared with 22,985 barrels and 145,598 half-barrels for the corresponding season of 1932.

For herrings of Matje cure, Hamburg continues to be the most important market on the Continent. At the commencement of the 1933 season, the previous year's stocks were almost exhausted and prospects for a normal supply during the early part of the season were good. The first herrings were received from Shetland about the end of May, and, as the quality was considered suitable for immediate consumption, satisfactory prices were realised. During the first week of June, however, heavy consignments were received, again from Shetland, and, as the herrings had not improved in quality and were unsuitable for storing for later use, difficulty was experienced in disposing of the supplies even at greatly reduced prices. An attempt was made to clear at a fixed low selling price, some parcels being sold as low as 16s. (11½ R.M.) for two half-barrels, but this did not result in greatly increasing the demand, and a proportion had ultimately to be put in cold storage. As the landings in Scotland were later restricted owing to the "discount" dispute, supplies of Matjes became scarce and prices rose rapidly, the general price for good quality being from 75s. to 95s. (52½ to 66½ R.M.) per two half-barrels C.I.F., while parcels of exceptional quality sold at very much higher figures. It was estimated at the time of my visit that there were between 25,000 and 30,000 half-barrels of Matjes in cold storage at Hamburg, which quantity was not considered excessive for winter and spring consumption.

In addition to the Scottish Matjes, it was estimated that about 15,000 whole barrels of Iceland Matjes of 1933 cure had been imported. The herrings first received from Iceland were stated to be of unsatisfactory quality and realised very low prices, varying from 16 to 20 R.M. per barrel C.I.F. Herrings of better quality were delivered later, and prices advanced to from 20 to 24 R.M. per barrel, and at these low prices there was a fairly keen demand, although the principal Matje season in Germany was then past.

Most of the hard-cured herrings imported at Hamburg were in transit to dealers in inland markets, who had contracted direct with Scottish exporters. Only small lots, mostly end-of-season balances, were being offered at the daily inspection and sales at Hamburg. Generally the quality was satisfactory, although in one or two instances the markings on the barrels were misleading, but there was at that time little local demand for this cure. A cargo of herrings, mostly Crown branded, from Fraserburgh and Peterhead was being discharged in excellent condition, and was being railed direct to interior markets.

Scottish Crown Brands were being offered at the following prices:— Full 45s. (30 R.M.), Matfull 44s. (29 R.M.), and Medium 50s. (33 R.M.) per barrel C.I.F. There was no outlet at Hamburg for Scottish Matties and Small Matties, as the dealers who formerly bought

those selections were purchasing German cured trawled herrings, which were being offered at the following prices F.O.R. curing stations :—

No. of fish per barrel.	In German barrels.	In Scottish barrels.
1300-1400	—	28 R.M.
1100-1200	26 R.M.	28½ R.M.
1000-1050	28 R.M.	32 R.M.
800-850	30 R.M.	39 R.M.
700-750	36 R.M.	46 R.M.
600-650	44 R.M.	—

East Anglian cure was being offered for shipment in October at 37s. (25 R.M.) per barrel C.I.F. for Fulls, 32s. (21 R.M.) for Matfulls, and 31s. (20½ R.M.) for Matties.

The German herring trawling at the time of my visit was very successful, and large quantities of fresh and smoked herrings were on sale in the retail shops.

When I returned to Hamburg in October the cured-herring trade was very dull. Various parcels of herrings, including branded herrings from Scotland and Northern Ireland were offered at the daily sales, but brokers and dealers were showing very little interest, the falling prices of herrings of East Anglian cure having adversely affected the market, which was also disturbed by rumours of a proposed increase of the import duty.

The sale of Scottish Matje herrings had been curtailed by the presence on the market of the cheaper Icelandic cure. The demand for the latter had also fallen off, and it was reported that a proportion of the parcels first received was in bad condition in store.

Small quantities of Iceland hard-cured herrings and Norwegian fat herrings had been imported. The former were considered satisfactory, but the latter were not looked upon favourably and were difficult to sell.

The facilities at Hamburg for handling and storing cured herrings are satisfactory.

STETTIN.

Stettin is the chief herring-importing port in Germany. The total import of Scottish and East Anglian cure at the port for the year 1932 amounted to 252,477 barrels, and in addition 49,850 barrels were imported from Scandinavian countries, and 19,514 barrels were received from other German ports. The imports from the various sources of supply for the period from 1st January to the middle of September 1933, and for the corresponding period of 1932 were as follow :—

	1933.		1932.	
Scotland & Ireland ..	108,206	Barrels	118,778	Barrels
East Anglia	28,292	"	43,603	"
Scandinavian Countries	41,936	"	32,363	"
Germany	16,459	"	7,069	"
Total	194,893	"	201,813	"

The outlet at Stettin for Scottish Matjes is much less than at Hamburg, the principal trade being in hard-cured herrings. Only small quantities of early Matjes were received and these had been readily disposed of. During the summer months there was a keen demand for the better class of this cure and, supplies being limited, good prices were realised. There was not, however, the same demand for later Scottish Matjes, the quality of which was not considered altogether satisfactory, while Iceland Matjes had then reached the market and were being offered at cheap prices.

Up to the middle of September about 4,000 barrels of Iceland Matjes of 1933 cure had been imported at Stettin, and further purchases had been made by the dealers at prices varying from 20 to 26 Reichsmarks per barrel C.I.F. The Icelandic herrings had generally been carefully cured and handled and the quality of most of the parcels was considered fairly satisfactory. These herrings, which average some 10 oz. in weight, were being retailed in Stettin at 15 Pfennigs each or two for 25 Pfennigs, while the retail prices for Scottish Matjes, much less in size, were from 15 to 25 Pfennigs each.

Up to the beginning of August there was also a good outlet at Stettin for Scottish hard-cured herrings, the supply, owing to the poor fishing in Scotland, being frequently short of the demand. Prices advanced rapidly until Crown Fulls were quoted at 60s. (42 R.M.) per barrel C.I.F. With the increased landings in Scotland during August there was an abnormal fall in the prices of Fulls and Matfulls, and importers who held stocks or had contracted for supplies of these selections suffered severe losses. At the time of my visit Crown Fulls and Matfulls were being offered at 42s. 6d. (28½ R.M.) per barrel C.I.F., and many of the importers and also the inland dealers had purchased largely at these or similar prices. At the same time Crown Mediums and Matties were being purchased at 47s. (25 R.M.) per barrel, the scarcity of these selections being responsible for their comparatively high price.

A large proportion of the herrings which were on hand in the ordinary stores consisted of Crown Brands, generally in good condition. Throughout the season there had been a scarcity of Crown Mediums, and complaints were made regarding the August cure of this selection, the herrings being considered dry and lacking in fat. A few complaints were also made regarding both branded and unbranded Matties of early cure, and in some of the parcels examined the herrings were found to be in a soft condition, due to the richness

of the fish and probably to some extent to the warm weather which was experienced during the past summer. Parcels of Scottish Small Matties which had been sent to this market were being offered at low prices, but there was little demand for this selection owing to the very cheap offers of German trawled herrings.

The prices in Reichsmarks per barrel exclusive of duty charged at the middle of September by importers at Stettin for Scottish Crown-branded herrings were :—Fulls and Matfulls, 33/34 ; Mediums and Matties, 36/37 ; and La. Spents, 22.

A considerable quantity of Norwegian fat herrings had been imported, and being of better quality than usual were, in certain districts, being purchased in place of Scottish Crown Mediums, of which there was a shortage. Importers' selling prices exclusive of duty of Norwegian fat herrings per barrel containing 100 kilograms were :—

600/800	fish per barrel,	28	Reichsmarks
800/1000	" "	24	" "
1000/1200	" "	20	" "
1200/1400	" "	18	" "

There was a plentiful supply of small fresh herrings and other fresh fish in the fish market and prices were reasonable. In the public market meat and pork were being sold at from 75 Pfennigs to 1 Mark per lb. Salt herrings were being retailed at the following prices :—Matties 4 to 5 Pfennigs, Mediums 8 to 10 Pfennigs, and Matfulls 10 Pfennigs each.

When I visited Stettin again on 24th and 25th October, I learned that the import of Scottish herrings for the season had been increased by 16,317 barrels, but was still short of that of 1932 by over 10,000 barrels. A quantity of German cured trawled herrings, part of the output of two local firms, had been received, along with further small supplies of German drift-net herrings and Iceland Matjes.

Importers and also herring dealers in the interior markets had then fairly large stocks of herrings on hand, and business at Stettin was very quiet. The East Anglian herring fishing was in progress and cheap offers of herrings from that quarter had an unfavourable influence on the market, although buyers were not responding to the cheap offers, most of them adopting a waiting policy until the final results of the East Anglian season were known.

There had been no improvement in the demand for Scottish Matjes and importers complained that part of several parcels was in bad condition. I was asked to examine several parcels in cold storage and found them mixed with sweet and stinking herrings. In one cure, at least, inferior salt appeared to have been used, and the salting generally had been too light even for Matjes. A parcel of unbranded Matfulls of early cure from a northern station, which had been placed in cold storage, was also in unsatisfactory condition owing to light salting.

Complaints were made by most of the importers that occasional barrels of unsound herrings had been found in parcels of both branded and unbranded herrings of hard cure. A number of barrels containing such herrings had been picked out from different parcels and were shown to me. The complaints, which were more numerous than in former years, referred chiefly to herrings cured during the month of August, and in almost every case were attributable to light salting. Complaint was also made regarding a parcel of Crown-branded June Matties, which, on inspection, were found to be soft and torn, owing probably to the warm weather.

A steamer had delivered a part cargo of Scottish herrings a few days prior to my visit. The vessel, on passage from the first discharging port, had experienced stormy weather and had been aground, and some of the barrels and their contents had been damaged. The herrings had been examined and the damage assessed by local experts and a claim had been made on the underwriter of the cargo.

KÖNIGSBERG.

At Königsberg the market for cured herrings, owing to various causes, has been gradually dwindling. Formerly part of the herrings imported were sold to Lithuania and Roumania, but on account of political conditions, those outlets have been closed and importers have now to depend on buyers in East Prussia, where the peasants for some years have experienced a very lean time.

The total import of all kinds of herrings at this port during 1932 amounted to 71,000 barrels, of which 25,000 barrels were of Scottish origin. The import of Scottish herrings in 1932 was, however, much less than usual owing to the sale to Russia of most of the early Scottish cured herrings, chiefly Matties and Mediums, so that supplies of these selections, which are principally bought in East Prussia, were not later available. When I visited Königsberg on 25th September further shipments were still expected, but to that date the import of Scottish herrings of the past season's cure amounted to 25,900 barrels, as against 17,000 barrels for the corresponding period of 1932. In addition 6,500 barrels of German cured drift-net herrings had been received, being slightly less than in the previous year. No German cured trawled herrings had been bought. Small quantities of Iceland Matjes imported in 1932 had met with very little demand, and the experiment had not been repeated.

The first Scottish herrings of 1933 cure were received almost a month earlier than in the previous year. The quality was considered good, and there had been a steady demand for them throughout East Prussia. A large proportion of the Scottish imports consisted of Crown Brands, chiefly Matties which had been contracted for early in the season. The quantity of Crown Mediums received was less than usual, prices being high and supplies scarce, but late in the

season, when prices of Crown Matfulls were comparatively low, quantities of this selection were bought and also quantities of branded and unbranded La. Spents.

With the exception of a number of parcels of June Small Matties and Matties, the Scottish herrings on hand here were generally in good condition. A few minor complaints were made regarding Crown Brands. One dealer stated that he had found a parcel of Crown-branded Matties too heavily salted and had to repack the herrings. Another dealer complained that in a parcel of Crown Matfulls the fish were too tightly packed, and a general complaint was made that the August Matfulls received were hard and dry and not suitable for this market, where rich fat herrings are popular.

The parcels of June Small Matties and Matties referred to above were sent to this market on consignment. I was asked to inspect these parcels and found the herrings soft and torn, evidently as a result of the hot weather, despite the good storage at Königsberg. Although the herrings were for the time being unsaleable, some might be sold at low prices when the cold weather set in.

The German cured herrings were considered satisfactory. Small Matties and Matties of this cure were being offered at 30 to 31 Reichsmarks per barrel at fishing stations. The selling price of Scottish Crown Matties at this time at Königsberg was 47 Reichsmarks per barrel, duty paid.

Very few Matje herrings are consumed in this district, the annual import from Scotland being about 2,000 half-barrels.

The population of East Prussia has been decreasing gradually for a number of years, but it is claimed that, under the present régime, the falling off has been arrested. It was also claimed there were fewer unemployed persons in East Prussia than in any other Province in Germany.

INTERIOR.

The principal markets in the interior of Germany were visited between 9th and 24th October. Most of the herring dealers interviewed expressed appreciation of my visit, and various matters which affected the herring trade were discussed. They readily showed me the cured herrings in their stores and afforded me opportunities to inspect a large number of parcels of different cures. A feature common to all the interior markets was the increased dealings in German cured trawled herrings. Indeed in some of the markets these herrings had almost taken the place formerly held by Scottish herrings.

BRESLAU.

The large industrial districts in German Upper Silesia are supplied with cured herrings mostly through Breslau, which itself is a very

important manufacturing town with a population of about 625,000. The general trade of this district, which embraces engineering, textile manufactures, coal mining, sugar refining, etc., etc., was not satisfactory, and there was a good deal of unemployment.

The total import of cured herrings at Breslau in 1932 amounted to 53,000 barrels, of which it was estimated only 10,000 barrels had been received from Scotland and 15,000 barrels from East Anglian stations, the balance, with the exception of 3,000 barrels of Norwegian cure, being German cured herrings. Prior to 1930 the average annual import of Scottish herrings here was estimated at from 40,000 to 50,000 barrels. The imports of Scottish herrings of 1933 cure, up to 19th October, were estimated at only between 4,000 and 5,000 barrels, mostly branded and unbranded Matfulls. Small lots of Crown Fulls, Matties, and La. Spents had also been received, but there was little demand for the two last-named selections. The Crown Fulls and Matfulls and also the unbranded herrings of these selections were considered of good quality. The high prices asked for Scottish herrings during the early part of the season had curtailed business, and later, when these herrings were offered at very much lower prices, the market was well supplied with German cured trawled herrings, which were cheaper. Scottish Crown Matfulls were then being offered at 42s. 6d. (28½ R.M.) per barrel C.I.F. Stettin, while German trawled Matfulls could be bought at 34 to 35 Reichsmarks per barrel C.I.F. Breslau.

The receipts to the time of my visit of German cured herrings, almost exclusively trawled, were estimated at between 12,000 and 15,000 barrels, chiefly Matfulls. These herrings were mostly being smoked, for which purpose they were considered very suitable. One importer explained the position very briefly by remarking:—"The German herrings are good for smoking, but the Scottish herrings are too good to be smoked." The quality of the Scottish herrings was certainly superior to that of the German herrings, but the latter owing to their cheapness, and also probably to some extent for patriotic reasons, were largely ousting the former from the market. The German herrings received here had all been packed in old Scottish barrels. No Dutch cured herrings were received during the season, although a small quantity had been ordered for later delivery.

During the summer and autumn seasons, when new potatoes were available, a good demand had been experienced for Scottish Matjes, and about 3,000 half-barrels of the cure had been disposed of. The outlet for Matjes here during the winter and spring months is very limited, the demand then being for herrings of East Anglian cure.

Importers were of opinion that in recent years there had not been any great decline in the consumption of cured herrings in this district, the only change being in the sources of supply. There were plentiful supplies of fresh and smoked fish in the shops and public market in Breslau, and prices were reasonable. Other food commodities such as meat, bacon, and eggs appeared to be cheap.

DRESDEN.

At Dresden there was also a good demand for Scottish Matjes during July and August, and about 3,000 half-barrels, brought mostly by rail from Hamburg, were sold. Later a quantity of Iceland Matjes had been imported, but as the principal consuming season was then past, most of these had to be placed in cold stores for possible sale later.

Of hard-cured Scottish herrings, Fulls and Matfulls were mostly in demand, preference being usually shown for Crown Brands. During the early part of the Scottish fishing fairly large quantities of these selections were contracted for, but, owing to the short supplies in Scotland, shipments could not be made until August, and dealers complained that owing to the delay in delivery they had suffered severe losses, as prices for Fulls and Matfulls had meantime fallen considerably.

The Scottish herrings received were stated to be of excellent quality. One dealer thought that the herrings in a parcel of Crown Fulls were too small, but this was not confirmed on inspection. Another dealer, who had a large retail trade, complained that Crown-branded herrings were too lightly salted and did not keep well over the winter. Complaint was also made regarding a parcel of June Small Matties, which were found to be in very soft condition.

Fairly large quantities of German cured trawled herrings had also been imported at Dresden, the largest-sized herrings being smoked locally. Small lots of trawled herrings, of a size equal to Scottish Matties and Small Matties had also been received, but there was little outlet for them although they were offered at very low prices. They were packed in German barrels, containing 100 kilograms, and cost at the fishing stations only 23 Reichsmarks per barrel, each guaranteed to contain from 900 to 1,000 fish. Small quantities of Dutch cured "Pure Milchener" herrings of Matfull size had been bought at 45 Reichsmarks per barrel delivered at Dresden.

This market was well supplied from the German fishing-stations with fresh and smoked herrings and other kinds of fish. Large quantities of the fresh herrings were being made locally into "Roll-mops." Retail prices for fresh herrings and "Bücklinge," i.e. smoked fresh herrings, were 18 Pfennigs and 32 Pfennigs respectively per German lb. Wholesale prices of "Bücklinge" were quoted at from 1 to 1.60 R.M. per box containing five lb. Salt herrings were being retailed at from 13 to 15 Pfennigs each.

CHEMNITZ.

This was formerly a good market for Scottish herrings, but, owing to the general depression in the local textile and engineering industries,

the consumption of imported herrings has largely fallen off in recent years and only small quantities of Scottish herrings were purchased during the past season, consisting chiefly of Crown Fulls, which had given general satisfaction. The only complaint made regarding the quality was to the effect that the herrings in one parcel were small and soft, but as the parcel had all been sold no opportunity to inspect the herrings was available. Most of the dealers, however, complained of the high prices of Crown-branded herrings during the early part of the season and of the irregular prices during the latter part. A larger quantity of Scottish herrings would have been purchased if prices had been moderate during July. Later, when prices of the selections suitable for the market were lowered, the requirements were partly covered by purchases of German trawled herrings, fairly large quantities of which were at the time of my visit on hand in the different stores. It was admitted by most of the dealers that these herrings were inferior in quality to Scottish herrings, and that only the low price combined with the general scarcity of money had led to their purchase. Small lots of Dutch "Pure Milcheners" had also been bought to supply the requirements of certain customers. There was only a very limited demand for Scottish Matjes during the past season. A few small lots of Iceland Matjes had been imported late in the season, but the demand was very slow. The herrings were being sold in retail shops at 30 Pfennigs each, the prices asked for Scottish Selected and Medium Matjes being 20 to 25 Pfennigs each. One Iceland herring was equal in weight to two Scottish herrings.

There were plentiful supplies of fresh and smoked herrings and white-fish in the retail shops, and kippers—"Fleckheringe"—were also on sale, a local dealer, who had started this method of cure on a small scale, finding a ready market for his output. It was stated that the outlet for fresh white-fish in this district was growing rapidly. Prices for all kinds of foodstuffs were low, meat selling at from 70 to 80 Pfennigs, and mutton and veal at from 80 to 90 Pfennigs per German lb., and eggs at from 10 to 12 Pfennigs each. Prices for the most common varieties of white-fish displayed in the shops were, for filleted cod 60 to 70 Pfennigs, haddock 45 Pfennigs, rotbarsch 25 Pfennigs, and halibut 1 Mark, all per German lb.

ZWICKAU.

This is a very important industrial centre with many small manufacturing towns in the neighbourhood, most of which obtain supplies of cured herrings through dealers at Zwickau. The outlet for Scottish herrings has been retained in this district to a larger extent than in any of the other interior districts in Germany which I visited.

The consumption of British cured herrings during 1932 in the area served from Zwickau was estimated at 25,000 barrels, of which about

15,000 were of Scottish cure, the balance having been received from East Anglia. The import, up to the time of my visit, of Scottish herrings of 1933 cure was reckoned at 5,000 barrels, and contracts for further supplies had been arranged. About 90 per cent. of this year's imports consisted of Crown Fulls. Small quantities of Trade Mark Fulls had also been received but, although the quality was good, these herrings were considered to be too lightly salted for this district, where most of the herrings are smoked. About 700 half-barrels of Scottish Matjes were sold in this market during the summer months. A sample parcel of Iceland Matjes had been received late in the season, but met with little demand, the quality and size being considered unsuitable for the local trade.

Prior to this year, only very small quantities of German trawled herrings had been received in this district, but, owing to causes already frequently referred to, dealers were induced to buy the cheaper home production. Altogether about 1,200 barrels had been purchased during the season and had met with a fairly good demand. Scottish herrings, however, under normal conditions and at competitive prices would still be shown a preference.

A complaint was received from a dealer at Greiz, near Zwickau, regarding a parcel of Crown-branded Fulls which had been delivered to him. He stated the barrels were not full, etc., and I decided to investigate the complaint. I visited Greiz and found the complaint was made about only one barrel. This barrel had been opened, probably in transit, and part of the contents had been abstracted. The other barrels in this dealer's store were found to be quite satisfactory, except that a few of them had lost pickle. This dealer had evidently very little knowledge of the herring trade and appreciated instruction on how to pickle and store the barrels.

HALLE.

Halle also is the centre of an industrial area with large factories and coal mines, and is, moreover, surrounded by a large agricultural district. The consumption of pickled herrings here was stated to have been fairly well maintained, although in recent years owing to the competition of German cure the imports of British herrings had shown a decided falling off. The imports from Scotland during the past season, most of which were purchased direct from exporters, were estimated at about 9,000 barrels, and this quantity was in excess of that bought during the season of the previous year. Prior to 1930 the annual consumption of Scottish herrings in this district was estimated at 20,000 barrels.

The Scottish herrings imported during the past season consisted of Matjes and unbranded herrings, received during June and July, and of Crown-branded herrings which arrived later. A good demand was experienced during the early part of the season for lightly-cured

herrings, which had mostly been sold. Matjes are now being brought to Halle by road transport, the journey from Hamburg being made during the night: The later imports were mostly Crown Fulls, a considerable proportion of which had been purchased late in the season when prices were very moderate. The quality of the Scottish herrings was found to be very good, although one dealer stated he considered that Scottish herrings were now too lightly salted and that he preferred East Anglian cure, which kept better during winter. This dealer complained of a parcel of West Coast Matfulls which he had received. The parcel, which had arrived late in the season when the demand for lightly-salted herring was limited, had originally been of excellent quality and would have been highly appreciated if it had reached the market at an earlier period.

Large quantities of drift-net and trawled herrings of German cure were on hand in the different stores. The drift-net herrings were generally well selected and in good condition, but the same could not be said of the trawled herrings, some of the parcels being very badly handled, and the salting and selection being, it was stated, very irregular. There had also this year been a falling off in the quantity of Dutch herrings imported at Halle, purchases being limited to small lots of the selection known as "Pure Milcheners," for which there is a special demand.

Very cheap offers of smoked fresh herrings were being made from German fishing ports, the price asked being one Reichsmark for a box containing 22 fish and weighing five German lb., while similar boxes containing 45 herrings of a smaller size were offered at 75 Pfennigs. German cured trawled herrings were offered in many different selections, including six full of milt or roe, viz.—"Superior," "Sortierte," "Grosse Prima," "Kleine Prima," "Kleine Kleine," and "Kleinste"; and six of Fettheringe, which are empty herrings, according to size; while others were marked "Fulls," "Matfulls," "Matties," "Small Matties," and "Wrackheringe." Quotations were made for German herrings packed in Scottish barrels and half-barrels and in five sizes of German barrels, viz.—Wholes, halves, quarters, eighths, and sixteenths.

MAGDEBURG.

Conditions in Magdeburg were much the same as at Halle. The total import of pickled herrings during 1932 was between 30,000 and 35,000 barrels, of which it was estimated only about 15,000 barrels were of British cure, the balance being largely German herrings with small quantities of Dutch, Icelandic, and Norwegian cure. Here again a larger quantity of Scottish herrings had been purchased during the past season than in 1932 when the high prices had curtailed the demand. Up to the time of my visit about 3,500 barrels of hard-cured Scottish herrings had been received, the greater proportion

being Crown Fulls and Matfulls of August cure. A small quantity of Crown Mediums had also been received.

In the Magdeburg district, herrings full of milt or roe are most in demand, while in the neighbouring district of Michlenburg, which is partially supplied with cured herrings by Magdeburg dealers, Mediums are more popular. There was also a good demand in both districts during the summer months for Scottish Matjes.

The quality of the Scottish herrings was generally found satisfactory. One buyer thought a parcel of Crown La. Fulls was too lightly salted, but, on inspection, the herrings were found to be quite sound, although it was doubtful if without further treatment they would remain in that condition long. This dealer complained also of a parcel of West Coast unbranded Matfulls which had been delivered in place of Shetland Matfulls. This parcel was too lightly salted, and the contents of some of the barrels were useless.

The purchases of German herrings for the season were estimated at 5,000 barrels, largely trawled herrings. I was shown several parcels of these herrings in different stores, and found them in much better condition generally than those I had seen elsewhere. The dealers here had bought mostly "Fladen Ground" herrings, which were of much better quality than those which were later in the season landed by German trawlers from Dogger Bank grounds and the "Gat." Prices for Fladen Ground herrings of the Matfull selection were from 30 to 32 Reichsmarks per barrel F.O.R. fishing stations, while the price of this selection from other grounds was only 28 Reichsmarks.

BERLIN.

There is a large outlet for pickled herrings in Berlin, the population of the area known as Greater Berlin being about 4,000,000. The total annual imports of all kinds of pickled herrings into this district is estimated to be about 100,000 barrels. In recent years there had been a slight falling off in the trade but, with lower prices during 1933, the consumption was stated to be showing an increase.

The import of Scottish herrings at Berlin usually consists very largely of Matjes and light-cured herrings, well-known Trade Marks being most popular. During the past season, however, a greater proportion of Crown-branded herrings, chiefly Fulls and Matfulls, had been purchased when prices for these selections were comparatively low. Smaller quantities of Crown Mediums and Crown Matties had been bought earlier in the season.

Scottish Matjes had met with a good demand during the summer months, and fairly large stocks had been purchased for winter and spring use. It was estimated that local dealers at the time of my visit in October held 5,000 half-barrels of this cure in cold stores at Hamburg and Berlin. The demand for Scottish Matjes during the autumn months was very dull. Large quantities of Iceland Matjes,

bought at low prices, had been placed on the market and the prospects for clearing the better Scottish herrings were by no means bright. Some of the dealers complained that the Scottish Matjes, especially parcels cured at West Coast stations late in the summer, had not given entire satisfaction, the herrings being considered too dry. The cure and selection of a few parcels were also stated to be defective, a larger proportion than usual of the herrings being in a "sweet" condition. A considerable proportion of the earliest deliveries of Iceland Matjes was in the same state. The difficulties experienced in storing half-barrels hooped with iron quarter hoops in cold stores where, in order to economise in space, these are often placed six or more tiers high, were again pointed out, and objection was also made to the use of tar putty in barrels containing Matjes.

The harder-cured Scottish herrings were generally in good condition. Crown Fulls and Matfulls, however, were not proving popular as they were considered to be too heavily salted for this market, whereas in Saxony this cure would have been most suitable. One parcel of Crown Fulls, which had originally been rather lightly salted, was found to be in a dangerous condition and steps were taken to prevent deterioration. Crown Mediums and Crown Matties, of which only small quantities were imported, were in much better demand. In this market in recent years there has been a growing outlet for the smaller herrings. Here again the sale of Scottish herrings had been seriously affected by the large supplies of German cured herrings—both trawled and drift-net—which were being offered cheaply. It was estimated that about 6,000 barrels of German cured small herrings, which had been bought at from 23 to 24 Reichsmarks per barrel F.O.R., were on hand at Berlin.

Considerable quantities of Norwegian cured fat herrings had also been bought. These herrings, which were packed in four selections, viz. :—Ex. Large, Large Selected, Medium, and Small Medium, were bought at from 16 to 22 Reichsmarks per barrel F.O.B. Norway. The herrings were of good quality, and were taken in place of Crown Mediums, of which the supply was very limited during the past season. Hard-cured Iceland herrings, of which a sample had been sent to Berlin, were offered at 20 Reichsmarks C.I.F. Hamburg. I had an opportunity of seeing the herrings, the appearance of which was not attractive, as they had been badly gutted and poorly handled.

In the "Central Markets" in Berlin, where a space is reserved as a wholesale fish market, there were plentiful supplies of all kinds of fresh and smoked fish. At the retail stalls, which were distributed throughout the general market, prices charged for pickled herrings were :—Ex. Large Matjes, 25 Pfennigs; Large Matjes, 20 Pfennigs; Selected Matjes, 15 Pfennigs; Medium Matjes, 10 Pfennigs; Fulls, 15 Pfennigs; Matfulls, 12/13 Pfennigs, and Matties, 10 Pfennigs, all per fish. Iceland Matjes, unsmoked, were sold at from 15 to 20 Pfennigs and, smoked, 25 to 30 Pfennigs each. The usual charge for German Small Matties was from 45 to 50 Pfennigs for 10 fish.

VEGESACK.

At the conclusion of my visit to the Continental Markets I took an opportunity which was afforded of visiting Vegesack, one of the most important herring-fishing and curing stations in Germany, the others being Emden, Leer, and on a very small scale, Glückstadt. During the past year 148 motor vessels were engaged in the German drift-net fishery, 60 of them being based on Vegesack, where all the catches were landed and where the nets were treated and repaired and the vessels refitted and stored.

The management of the fleet was entirely in the hands of an organisation known as the Bremen-Vegesacker Fischerei Gesellschaft, which also received and handled all the catches. This Company has very large and well-equipped premises, with cooperages for barrel making, etc., and has its own landing wharves. The herrings caught by the German vessels are cured at sea and are later selected and repacked on shore. This work was being carried out in suitably equipped and comfortable stores with cement floors which are easily kept clean. The herrings were emptied from the sea-packed barrels on to benches, where they were selected according to grades into shallow vats whence they were packed into the barrels in which they are marketed.

After the barrels were headed up they were conveyed to a mechanical washer and the sides and ends were thoroughly scrubbed, partially warmed water containing soda being used. The barrels were afterwards placed in suitable stores where they are kept in a clean state. Salt for curing was brought into the premises in railway wagons and herrings were railed direct from the stores, a mechanically operated lift being provided for loading the barrels into the railway trucks. For the season up to the end of October, 160,000 barrels of herrings had been handled in these premises and that quantity, it was expected, would be increased by 60,000 barrels before the end of the year. The employees of this organisation, including the fishermen who manned the fishing vessels, numbered 1,500

I was shown over one of the thirty new steel herring drifters which were added to the German fleet in 1933. These vessels are substantially built, with ample deck space. They are about 90 feet in length, and equipped with six-cylinder Diesel engines of 120 h.p., and cost complete 140,000 R.M. each. The price of the Diesel engine was stated to be 20,000 R.M. In addition to the main engine, an auxiliary engine is installed which supplies electric power for lighting purposes, for compressing air, for starting the main engine, for pumping water from the bilges, and for pumping sea water for deck washing, etc. The carrying capacity of each vessel is about 750 barrels of herrings. They are very suitable for herring fishing as it is prosecuted by the Germans, but owing to their high initial cost and present conditions in the herring markets it is very doubtful if they will prove a success financially.

The marketing of the cured herrings produced from the German drift-net fishery is done by an agency, the Deutsche Heringshandel Gesellschaft m.b.H., with headquarters at Bremen, and all information concerning the industry is collected by this agency. Ten of the German drifters are equipped with wireless transmitting apparatus, and wireless receiving sets are installed in all the other vessels of the fleet. The ten vessels referred to keep in daily contact with the other vessels and, through the wireless station at Cuxhaven, keep the headquarters at Bremen informed of catches, etc. The German Fishery Cruiser *Elbe*, which attends the herring-fishing fleet, also assists in transmitting this information. For this purpose a chart of the fishing grounds is divided into small squares, each of which is numbered. The information sent by wireless gives the name of the vessel, the number of the square fished on, the catch of the previous night, and the number of barrels of cured herrings on board. A brief indication of the quality of the catch is added and any serious damage to nets is reported.

All the German drift-net herrings are packed in German-made barrels containing from 100 to 105 kilograms of fish. The fishing was fairly successful during the past season, the total catch up to 28th October being 358,773 Kantjes (i.e. sea-packed barrels) as compared with 277,820 Kantjes for the corresponding period of 1932. As 23 new vessels are to be added to the fleet before the commencement of the 1934 season, a further increase in this production may be expected.

DANZIG.

After the war years, and more especially during the period from 1925 to 1930, Danzig was the most important herring-importing port on the Continent. In 1929, which was the peak year as regards herring imports at this port, the total quantity received exceeded 650,000 barrels, of which more than 95 per cent, was of British cure. Since then the import has gradually fallen off, until in 1932 it amounted to less than 300,000 barrels, while the proportion of the imports received from Scotland and England has also declined. During the first six months of 1933 the quantity of herrings imported was slightly greater than that received during the corresponding period of 1932, but later the demand was curtailed and it was expected that the total import for the year would be less than that of the preceding year.

The quantity of Scottish herrings received here and at the neighbouring Free City port of Neufahrwasser during the period from 1st January to 30th September 1933 was estimated at only 45,000 barrels as compared with 70,000 barrels of the same origin received during the corresponding period of 1932. Most of the Scottish herrings imported consisted of Matjes and Trade Mark herrings, these kinds being most popular in Poland, which is the principal market supplied.

Only small quantities of Crown Mediums and Matties had been imported this year, but late in the season considerable quantities of ordinary unbranded Matties and Small Matties had been purchased from Scotland at low prices.

The import of Scottish Matjes at Danzig was this year much less than usual. During the previous year a large quantity estimated at almost 40,000 barrels of Iceland herrings had been imported, part of which was of Matje cure, and part of hard cure. At Danzig, the latter cure was partly desalted, and was sold as "Iceland Herrings treated as Matjes." These, and herrings originally cured as Matjes, were offered at very low prices, and found a ready sale in Poland. The production of Matjes in Iceland was very considerably increased during the 1933 season. First deliveries of these herrings were made at Danzig about the end of July, and heavy supplies were received during August. Again these herrings were offered at cheap prices, and importers were experiencing difficulty in disposing of their small stocks of Scottish Matjes. The total import of Iceland Matjes of 1933 cure up to the end of September was estimated at between 40,000 and 50,000 barrels, and further supplies were expected.

The stocks in hand of hard-cured herrings at the time of my visit were very limited. These included a quantity of 1932 East Anglian cure which was in fairly good condition, but was being sold cheaply. The quality and cure of the 1933 Scottish herrings had generally proved satisfactory. One dealer, however, complained that the herrings in a parcel of early-cured Crown-branded Matties were soft, and that the barrels were not properly filled, so that he had used the contents of three barrels to fill up the others. A complaint was made by another importer that the top tiers of herrings in some barrels were not laid across the tier underneath, and he strongly objected to this method of finishing off the packing.

A fairly large quantity of Norwegian herrings was seen in the stores. These herrings, mostly of the Vaar and Sloe selections, were purchased at the extremely low prices of from 11 to 12 Norwegian Kroner (11s. to 12s.) per barrel F.O.B. Norway. An attempt had been made, without success, to find an outlet for Icelandic "sugar salted" herrings, and also for headed herrings from the same source.

Danzig is included in the Polish Customs Union, and the same duty is imposed on herrings consumed in the Free State as on those imported into Poland. Importers complained of the difficulty and delay in obtaining Polish import licences, more especially those required for the larger Scottish herrings, which are eligible for the lower rate of import duty. The herring industry at Danzig is now largely controlled by the Polish authorities. Business facilities are, in consequence, somewhat restricted, and part of the trade is being diverted to the Polish port of Gdynia. By an agreement arrived at in August last between the Polish Government and the Danzig

authorities, Danzig is allowed an annual import of 35,000 tons of herrings, as against 14,000 allotted to Gdynia.

POLAND.

The condition of the herring trade in Poland is largely reflected by the decrease in the imports at Danzig through which port most of the herrings consumed in Poland since 1925 up to 1933 were received. The general causes which have led to the falling off in the consumption in this country are: (1) the low cost of all foodstuffs of Polish production; and (2) the low purchasing power of the peasants and unsatisfactory economic conditions generally. Other factors which had the effect of reducing the outlet for Scottish herrings in particular were the competition of (a) Iceland herrings which were imported at the lower rate of duty, and sold cheaply; and (b) herrings landed duty free in Poland by the Polish-Dutch herring fishing companies.

Up to October last the duty imposed on cured herrings imported into Poland was retained at 15 zlotys per 100 kilograms gross weight—equal at the existing rate of exchange to 18s. per barrel—subject to an arrangement under which extremely large herrings were admitted at one-third of the normal duty. In October a new tariff came into force in Poland, under which the duty to be charged was fixed at 24 zlotys per barrel for herrings imported at Polish ports, which include Danzig, and 30 zlotys per barrel for herrings otherwise imported, large herring still being admissible in either case at one-third of the normal duty. The alteration in the basis of charge did not, however, involve any increase of the duty so far as imports through Polish ports were concerned.

Similar differentiation according to place of entry was made in the new tariff in the case of fresh herrings, the duty chargeable at Polish ports being 2 zlotys per 100 kilograms, while imports by rail over land frontiers were subject to a duty of 5 zlotys and 6.30 zlotys per 100 kilograms, according to whether or not a trade agreement was in force between Poland and the country from which the herrings were imported.

GDYNIA.

From Danzig I took the opportunity of visiting the new Polish port of Gdynia, the building of which was commenced in 1924 and is now nearing completion. Since my last visit further extensions have been made, and additional storage accommodation and landing facilities have been provided. The fishing pier has now been completed, and on it has been built a fish market equipped with a modern freezing plant, a small ice factory, and space for storing fresh or

frozen fish. Beside the fish market, another large store has been built which may be used for storing either fresh fish or cured herrings. Part of this store was being used for storing cured herrings by a Danzig firm which this year had opened a branch at Gdynia. Other two herring importing firms, with former connection at Warsaw, had commenced business here, and another Polish firm had established a fish-smoking and preserving factory. Two Polish-Dutch herring companies, known as "Mopol" and "Mewa," are now operating from Gdynia. The former company has been in existence for some time, and has built a herring store on the fishing pier. This company owns eight vessels—four steamers and four motor vessels—which for fishing purposes are based on Vlaardingen, Holland, where all the catches are landed. The latter company, which was formed early last year, owns fifteen motor vessels, which land their catches at Scheveningen, also in Holland. The herrings landed by the vessels belonging to both companies, after being repacked in Holland, are shipped to Gdynia where, as the vessels fish under the Polish flag, they are admitted free of duty. A condition of the agreement with those companies is that a stipulated yearly increasing number of Polish fishermen is to be carried on each vessel. It was reported that more than half the number of men employed on the "Mopol" vessels are Poles. It was also stated that, prior to last year, this Company had been paid a subsidy of eight zlotys per barrel, but this had been discontinued. Both companies, in addition to selling the cure of their own vessels, were also dealing in Icelandic cured herrings.

The combined catches of the vessels belonging to the two Polish-Dutch companies for the season up to the middle of September were estimated at 15,400 barrels, of which 4,726 barrels had been received at Gdynia, where they were being sold at prices, it was stated, only slightly less than those charged for similar selections of Dutch herrings on which the normal rate of duty had been paid.

Several shipments of Scottish herrings, totalling 8,500 barrels, had been made to Gdynia, and this amount was expected to be considerably increased before the end of September. The herring stores are very suitable for the trade. Cured herrings can be discharged direct from the steamers into the stores, along the back of which runs a railway siding. Railway transport facilities to all parts of Poland are stated to be adequate, and rates are cheap. It is claimed that handling charges are lower here than at Danzig.

The Scottish herrings imported consisted largely of Trade Marks, but a few barrels of Crown Matfulls, Matties, and La. Spents had been received. Polish buyers from the interior are now afforded an opportunity of inspecting and buying cured herrings either at Danzig or Gdynia, and it is likely the latter will be further developed as a herring-importing port. The population of Gdynia, which in 1924 was a small village, is now estimated at 50,000.

POZNAN.

This is the centre of one of the most productive agricultural districts in Poland, and was formerly a good market for British herrings. In recent years, however, owing to the continued depression in the farming industry, the consumption has been falling off. This year, although the harvest was good, prices for grain, etc., were low, and among the peasants money was very scarce.

In this area herrings of small size are principally in demand, the consumption of Scottish herrings being largely limited to Matties, with a small proportion of Mediums, Crown-branded herrings being preferred. This year, owing to the comparatively high cost of these selections, a smaller quantity than usual had been purchased, and the shortage was partially made up by quantities of Crown La. Spents, for which, however, it was found there was not a good outlet. With the exception of one parcel of Crown Matties, all the Scottish herrings were delivered in good order. In the parcel about which complaint was made a number of barrels were found to be slackly filled, but on inspection it was evident that the barrels had been tampered with, most probably in transit, and part of the contents removed.

A quantity of herrings had been received from the two Polish-Dutch firms operating at Gdynia, and also a small quantity direct from Holland. These herrings were in good condition, and were considered quite suitable for the market. The Polish-Dutch herrings were being offered at Gdynia in Dutch barrels containing 100 kilograms of fish at much the same price as was being asked for Scottish herrings on which a duty equivalent to 18s. per barrel had been paid.

A small quantity of Iceland Matjes had been received, the price, duty paid, being about 40s. per barrel at the current rate of exchange. There was, however, little demand for this class of herrings at Poznan.

There are a large number of cured-herring retailers in Poznan, where, it is estimated, about 8,000 barrels of herrings are disposed of annually. The dealers occupy stalls in the public markets, which are held in different parts of the town daily. Retail prices for herrings were: Small Matties, 10 grosz; Matties, 12 grosz; Mediums, 13 grosz; and Matfulls, 15 to 20 grosz, per fish.

Previously most of the herrings consumed in this district were purchased from Danzig importers, but the dealers are now purchasing direct from British exporters, and are showing a preference for importing through Gdynia.

WARSAW.

Warsaw, with a population of 1,173,800, is the most important market for cured herrings in Poland, but, here again, owing to the

economic conditions already referred to, the consumption was declining. In this market, in contrast with Poznan, the principal demand is for Matje and other lightly-cured herrings, well established Trade Marks being most popular. The herring trade here is largely in the hands of Jews, who comprise about 30 per cent. of the population. Unfortunately my visit coincided with one of their many religious festivals, but a number of the herring dealers were interviewed. A fair trade had been done in Scottish Matje herrings during the summer, but the prices of that cure latterly were considered too high, and large quantities of Iceland herrings had been purchased. The prices asked for Scottish Matjes of prime quality at that time were from 90 to 100 zlotys per half-barrel, while Iceland Matjes were being bought at from 65 to 70 zlotys per whole barrel. In most of the retail shops only Iceland herrings were on sale. The quality of the hard-cured Scottish herrings was considered to be very good. A trading concern with headquarters at Warsaw and thirty-five wholesale branches throughout Poland had received parcels of Crown Matties and La. Spents, to suit its various customers, and the manager stated he was highly pleased with his purchases. This concern, which is conducted on co-operative principles and with which over 1,000 retail shops are affiliated, had issued very elaborate printed instructions to its branches explaining how to handle and treat pickled herrings. Prices of food commodities were very low. Eggs sold at 9 grosz each, and beef and pork at from 1.40 to 1.60 zlotys, and butter at 3.50 zlotys per kilogram.

KATOWICE.

Katowice, with a population of 150,000, is the largest town in Polish Upper Silesia, and is surrounded by a very densely populated district in which coal mining is the principal industry. During the past summer this industry was in a depressed condition, and there was a good deal of unemployment in the area. It was estimated that, since 1930, the consumption of pickled herrings had fallen off by about one-third. Scottish herrings had, however, retained their popularity in this market, a large proportion of the 1933 purchases being Crown Matfulls and Matties. As, during the latter part of the Scottish season, herrings of the former selection were offered at comparatively low prices, a larger quantity than usual had been purchased, and all the dealers were satisfied with the quality. My attention was called to part of a parcel of Crown Matties of June cure which was on hand in one store. The herrings in this parcel were in a soft condition, and the bellies were mostly torn, but they were excellent to taste, and the dealer, who had considerable experience in handling herrings, was finding a ready sale for them. There is an outlet for only a small quantity of Matjes in this district, and during the past season this was supplied by about equal quantities of

Scottish and Icelandic cure. Most of the herring dealers at Katowice are now buying direct from Scottish exporters.

There are sixteen herring-smoking and tinning factories in Polish Upper Silesia, which usually secured their supplies of fresh herrings during the summer and autumn from the German fishing ports. The merchants who were engaged in this industry had some time ago formed a syndicate for the purpose of purchasing fresh herrings, and an attempt was being made by the syndicate to obtain supplies of fresh herrings direct from East Anglian stations to Gdynia. As, however, the quantity of herrings which could be taken regularly by the members of the syndicate was small, satisfactory arrangements could not be made.

MEMEL (LITHUANIA).

In previous visits to the Continental herring markets, Memel was omitted from my itinerary as the import of herrings at that port was small, largely owing to insufficient harbour facilities. As mentioned at the beginning of this report, most of the cured herrings then consumed in Lithuania were imported through Libau, Riga, and Königsberg. In 1931 improvements of the harbour at Memel were completed, and, as various financial and import restrictions were that year introduced in Lithuania, the importance of Memel as a herring-importing port has since then become greater. The consumption of cured herrings in Lithuania, estimated at about 40,000 barrels annually, and now imported chiefly through Memel, is largely limited to British cure. During 1932 the import of Scottish herrings totalled 13,149 barrels. When I visited this port on 26th September last, the import from Scotland of 1933 cure amounted to 11,580 barrels, and as further quantities were still to be received, it was expected the 1932 import would be very considerably exceeded. A large proportion of the Scottish imports were Matties, mostly unbranded, fat and lightly-cured herrings being most popular. Small quantities of Crown Matfulls, Matties, and La. Spents had been received, and also a fair quantity of unbranded Spents, but most of these were being reserved for winter use. With the exception of a few parcels of early-cured Matties, the Scottish herrings were in good condition. The early-cured herrings referred to, some of which had been rather lightly salted, were in a soft condition, and in some cases unfit for human consumption. There was no outlet for a few barrels of Iceland Matjes which had been sent on commission.

The duty imposed on cured herrings imported into Lithuania was increased in December 1931 by 50 per cent., and is now 12 lits per whole and 7·5 lits per half-barrel—equivalent at the September rate of exchange to 8s. and 5s. respectively. Good ordinary storage is provided for herrings at Memel, but no cold storage is available. The provision of a small cold store or an ice-cooled store would be of great benefit to the trade.

Economic conditions in Lithuania had been unsatisfactory for some years. Farming, in which about 80 per cent. of the population is engaged, was unprofitable. The 1933 harvest was fairly bountiful, but prices for grain and all kinds of meat were low, and the peasants were consuming an increased quantity of their own products, with the result, it was stated, that the sale of pickled herrings throughout the country districts had diminished. The depreciated sterling exchange had helped to maintain the British herring trade, but, until there is an improvement in the internal economic conditions, an increased outlet cannot be looked for.

LATVIA.

For the past three years the economic position of Latvia has been very unsatisfactory. The changes in international trading conditions brought about by the abandonment of the Gold Standard in 1931 by the United Kingdom and certain other countries had a very serious effect on the trade of Latvia, which, so far as the United Kingdom is concerned, consists chiefly in the export of agricultural produce, timber, and flax. As Latvia remained on the Gold Standard she was unable to compete in the British markets with those countries which had departed from that standard, and as a consequence there was considerable stagnation in her industries, much unemployment, and a falling off in the purchasing power of her peasantry. The position was aggravated by increased tariffs in other countries which had formerly received Latvian exports.

About the end of 1931 various measures were taken by the Latvian Government to protect the national industries, including increases in the customs tariffs, restriction of the export of currency, etc., and the introduction of import quotas.

From 1928 British herrings had been admitted to this country duty free, but in January 1932 a duty of 10 lats per barrel was imposed, and a condition attached that importers must purchase local fish to 10 per cent. of the value of cured herrings imported, the yield to be applied to assist the local fisheries. This condition did not, however, become operative, and later a tax of 5 per cent. *ad valorem* was substituted. The quota system was applied to the import of herrings, the total allowed for 1932, which was divided into equal quarterly amounts, being about 75 per cent. of the 1931 imports. The quota system and the control of exchange transactions proved a great hindrance to the herring trade, and in 1932 the import of British herrings, which amounted to about 80 per cent. of the Latvian consumption, fell to 38,960 barrels, against 109,800 barrels in 1931. The total import of British herrings into Latvia in 1929 was 257,400 barrels, of which 195,959 barrels were of Scottish cure.

In the early part of 1933 a temporary trade agreement was reached between this country and Latvia, under which the Latvian

import duty on cured herrings was reduced to 5 lats per barrel, equivalent to 6s. 3d. at the September rate of exchange, and a definite import quota of 10,000 metric tons, or say 62,500 barrels, was arranged. Later it was represented that, owing to the seasonal nature of the herring trade, the division of the quota into four equal quarterly amounts was not suitable, and satisfactory adjustments were made. These concessions resulted in a considerable improvement in the trade in British herrings, the total quantity of cured herrings exported from Scotland to Latvia during the period from 1st January to 30th September being 49,138 barrels as compared with 19,574 barrels for the corresponding period of the preceding year, although it was not expected that the quota would suffice to cover the requirements of the country. All exchange transactions in Latvia are controlled by a Valuta Committee, and serious difficulty and delay are still experienced in obtaining currency to pay for herrings imported, but representations regarding this matter have been made to the Latvian Government, and it is hoped that an improvement will result. A few of the importers complained of the allocation of quantities under the licensing system, but this is a matter which is entirely in the hands of the Latvian authorities.

All the herrings consumed in Latvia are imported through Libau and Riga, which were visited at the end of September.

LIBAU.

At this port I found the herring trade in a fairly healthy condition, although the turnover was much less than usual. With the quantitative restriction on the imports, dealers had experienced a good demand and ready sale, but the former fairly extensive trade in the supply of herrings to districts in Lithuania has now been transferred to Memel.

The import of Scottish herrings of 1933 cure up to the end of September amounted to 16,364 barrels, as compared with 6,739 barrels for the corresponding period of 1932. Most of the herrings received during the season were unbranded, chiefly Matties. Later in the season, small parcels of Crown Matfulls, Mediums, and Matties had been received, along with a considerable quantity of Spents, mostly unbranded, which had been bought cheaply. No very early cured herrings had been purchased.

Satisfaction was generally expressed with the quality of Scottish herrings. A few barrels containing unsound herrings were produced, which had been picked out from unbranded parcels, and a dealer stated he had found the herrings in a parcel of July Crown-branded herrings in soft condition, but the parcel had been sold. I was asked to examine a parcel of Tornbellies which one dealer had received, and found the herrings certainly in very bad condition. To make matters worse, these herrings were stencilled "Torns," instead of the usual

T. B. marking, and the dealer was convinced that something other than the usual Tornbellies which he had bought had been delivered to him.

Small parcels of West Coast and Loch Fyne Matties and Small Matties, which were delivered at the time of my visit, were found to be of excellent quality. Some of the Loch Fyne Small Matties counted as many as 1,400 fish per barrel. A few barrels of a similar selection received from a North of England station were stated to contain 1,800 herrings.

A small quantity of herrings had been sent from this port to the Vilna district in Poland, transport having been arranged through Riga.

RIGA.

The total import of herrings at Riga during 1932 amounted to only 26,818 barrels, of which 13,817 barrels were from Scotland, and 7,134 barrels from East Anglia stations, while 3,695 barrels were Iceland herrings cured at sea by Latvian nationals, the balance of 2,172 barrels being Iceland herrings imported from other ports. The total imports of herrings in 1931 and 1930, which were exclusively of British origin, were 51,089 and 109,962 barrels respectively.

The import to 30th September of Scottish herrings of the past season's cure amounted to 29,189 barrels, and in addition a quantity, expected to represent 3,600 barrels when repacked, had been delivered by a Latvian vessel which was engaged in curing operations in Icelandic waters.

The herring trade here, owing to the decrease in volume, is gradually getting into fewer hands. Practically all the Scottish herrings brought to this market during 1933 were unbranded, lightly-cured fat herrings being most in demand. A large proportion consisted of First Trade Marks from both East and West Coast stations, and also from Loch Fyne. A quantity of Matjes had also been bought. A good ice store is provided by the largest firm of importers, but a good deal of trouble was experienced with this cure during the past season. One parcel received from a West Coast station was entirely in an unsound condition, and the contents of several barrels in other parcels were found to be tainted. Apart from the Matje cure, the Scottish herrings were of good quality, and had been delivered in very good condition.

The Latvian vessel *Bru* was again fitted out for herring curing at Iceland in 1933, and landed her production of 4,400 sea-packed barrels at Riga in September. I learned that the cure of this vessel in 1932 had been readily bought up, largely, it was suggested, for patriotic reasons, but the venture was not a financial success. The herrings were considered to be too heavily salted, and in 1933 two expert Norwegian herring curers were engaged to accompany the vessel for the purpose of superintending the curing operations. An

attempt was made to produce a lighter cure, three different methods being adopted, viz. :—(1) with salt only ; (2) with salt and sugar ; and (3) with a mixture of salt, sugar, and spices.

I had an opportunity of seeing these herrings while being repacked. I tasted the spiced herrings, and found them quite good, but hardly likely to remain in that condition for any length of time. All the herrings, so far as I could see, had been badly handled. Instead of being cleanly gutted they appeared to be only gipped, and the long gut, which was a very objectionable one, was allowed to remain in the fish. Even in the process of repacking, no attempt was being made to remedy this, and no salt was being added to the already too soft cure. The barrels used had been imported from Norway, and import duty had been paid on them and on the imported salt and spices, but the herrings after cure were admitted to Latvia duty free. These herrings were being offered at the low price of 42 lats per barrel, but there was a very limited sale. At the same time, Scottish Matties were being sold at from 64 to 66 lats per barrel. Retail dealers in the public market, which is one of the largest and best organised in Europe, complained of the high prices of Scottish herrings, but very few of them were attempting to sell the Iceland herrings.

GENERAL REMARKS.

As will be gathered from this report, Continental herring dealers experienced many difficulties during the past year.

At the commencement of the season most of the markets were fairly well cleared of stocks of Scottish herrings of the previous year's cure, and a good demand was anticipated for limited supplies of the new season's cure. Unfortunately deliveries of herrings cured as Matjes during the early part of the Scottish season, when the quality was poor, were too heavy for the markets, and the inevitable slump in prices took place, which meant considerable losses to curers and importers. Later, with a shortage in supplies, there was a good demand for this cure until the Iceland cure reached the market, when the outlet for Scottish Matjes became less satisfactory.

Complaints were made that in many instances the selection of Matje herrings was unreliable, and, in a few cases, the cure was unsatisfactory. It was pointed out that Matje herrings of excellent quality, for which high prices were expected, were often packed in old and discoloured half-barrels, and the use of new containers for this highly specialised cure was strongly recommended. As the principal season for the consumption of Matje herrings coincides with the fishing season in Scotland, a large part of this trade will be retained, but it is doubtful if Continental dealers, in view of the large supplies of Iceland Matjes likely to be received later, will continue to purchase Scottish Matjes for cold storing for winter and spring use on the same scale as formerly.

The condition of a proportion of the hard-cured herrings received from Scotland was also the subject of frequent complaint. These complaints referred chiefly to early-cured herrings and to those cured during the month of August, and applied to both Crown-branded and unbranded parcels. The early-cured herrings were mostly in soft condition, apparently as a result of the very warm weather experienced during the summer in Scotland and also on the Continent. It is very difficult to keep this cure in good condition for any length of time, and any large production of these immature herrings would be likely to have a very serious effect on the markets. Most of the complaints about the August cure could be definitely traced to light salting. The complaints did not generally apply to whole parcels, but to occasional barrels in a large number of parcels. Normally a few barrels containing unsound herrings are discovered by dealers during the season, but during the past year the proportion of barrels containing such herrings was excessive. In most Continental markets herrings that are heavily salted are strongly objected to, but in the case of Fulls and Matfulls, which being mostly used for smoking have to be kept in stock for some time, a firmer cure must be insisted on. Barrels containing tainted or unsound herrings, besides involving a loss to the importers, cause trouble and friction between the exporters and importers and between the dealers and their customers.

The unsatisfactory economic conditions in the various countries which were visited and the falling off in the outlet for British herrings have been frequently referred to in this report. The scarcity of money in all those countries, increased tariffs, quantitative and financial restrictions, and the cheapness of competing commodities, all tended to curtail the demand for pickled herrings, but in my opinion far more serious factors from the point of view of the British herring trade are: (1) the large increase in the production of salted herrings in the consuming countries or by their nationals, and (2) the development of the shore curing of herrings in Iceland.

Compared with 1930, the quantity of trawl and drift-net herrings cured during the past year in Germany or on board German vessels will show an increase of at least 350,000 barrels, and this cure is likely to be increased in future. During the past few years Latvia, Estonia, and Finland have embarked on herring curing at sea in Icelandic waters, the last two countries to an extent which was almost sufficient to supply their own now restricted demand during the last two years. In 1929 these two countries together bought over 70,000 barrels of Scottish cured herrings. Of Iceland cured Matjes, which began to appear on Continental markets only a few years ago, more than 100,000 barrels were placed on these markets during 1933, and it is rumoured that this industry is to be further developed. Some 30,000 barrels, or probably more, the produce of the Polish-Dutch herring fleets during the past season, will be imported into Poland duty free, and finally no British herrings were bought during the past year on behalf of Soviet Russia, which country, unfortunately, has

been only a spasmodic purchaser in recent years. In these circumstances a decline of the trade in British herrings has been inevitable.

The superior quality of British herrings is recognised in all Continental countries, but under present conditions cost and not quality has become the most important consideration. Under normal conditions, with an improvement in world trade and with the assistance of the trade agreements which have been concluded between this country and certain Continental countries, part of the herring markets in the Upper Baltic States may be regained. It may, however, be anticipated that any gain in those States will be largely offset by increased production in other countries, more especially in Germany, where an intensive publicity campaign to assist the national fisheries is being carried on, and where protective measures for the home production are considered indispensable.

The British herring trade has experienced many vicissitudes. The situation by which it is at present faced is, however, unparalleled, and, unless markets which have been partially closed since the war years can be re-established, an arrestment of the decline in the industry appears to be all that can be hoped for. It is doubtful if even this can be accomplished unless selling prices are maintained on a more competitive level.

I regret to close this report in such a pessimistic tone, but I would be failing in my duty if I failed to lay before the Board the facts of the situation.

W. KEIR,

Chief Inspector of Sea Fisheries.

EDINBURGH,

4th January 1934.

**IMPORT DUTIES ON SCOTTISH CURED (PICKLED)
HERRINGS.**

Information furnished by the Department of Overseas Trade.

-
- Germany :** Herrings, salted—In whole, half, quarter, or half-quarter barrels—9·00 Reichsmarks per barrel. (Turnover tax of 2 per cent. of the assessed duty-paid value is also levied.)
- Poland and Danzig :** Herrings, salted—In barrels, 30 zlote per barrel; in half-barrels, 15 zlote per barrel; in other containers, 19 zlote per 100 kgs. (gross), *plus* manipulation fee equal to 10 per cent. of duty.
Imported via Polish ports (including Danzig)—
In barrels, 24 zlote per barrel; in half-barrels, 12 zlote per barrel; in other containers, 15 zlote per 100 kgs. (gross).
- Lithuania :** Herrings, salted, in barrels up to 172 kgs., 12 lits per container; in half-barrels up to 88 kgs., 7·50 lits per container; otherwise packed, 1·00 lit per kg. gross.
Preserved herrings, not hermetically sealed—1·00 lit per kg.
- Latvia :** Herrings, salted—5 lats per normal sized 1/1 barrel. Chancery tax of 1½ per cent. of the duty is also levied.
- Estonia :** Herrings, salted or cured, 0·022 Kroon per kg. gross.
- Finland :** Herrings, fresh, or dried—1·00 Finnish mark per kg. net. Salted, 2·00 Finnish marks per kg. net.
Under Article 2 of the Anglo-Finnish Agreement, 1933, the Government of Finland agree to allow a fixed contingent of salt herrings to be entered at reduced duties under the following conditions :—
- (a) During the period of 12 months commencing on the first day of the month following the date on which the Agreement comes into force, a total quantity of 1,410,000 kgs. (net weight) at a duty of 50 penni per kg. ;
 - (b) During each period of 12 months commencing on the corresponding date in each subsequent year, a total quantity of 2,600,000 kgs. (net weight) at a duty of 1 Fmk. per kg. ;

- (c) These reduced duties shall be levied only on salt herrings imported through the Custom houses of Helsingfors, Abo, or Viborg ;
- (d) Of the quantities allowed entrance at reduced duties, the quantities allotted to the United Kingdom will be calculated on the basis of the United Kingdom share in the total imports of salt herrings into Finland for the ten years 1923-32.
- Herrings, cured, except in airtight receptacles—3·00 Finnish marks per kg. gross.
- Belgium :** Herrings, dried, smoked, or salted—imported otherwise than in boxes, jars, crusts, and other similar packing—Free (but “ Taxe de Transmission ” of 2·5 per cent. on landed value imposed).
- France :** Herrings in fillets—95 francs per 100 kgs. gross weight ; dried herrings—25·50 francs per 100 kgs. gross weight ; salted or smoked herrings—45 francs per 100 kgs. gross weight. (A turnover tax of 4 per cent. of the duty-paid value is also imposed.) The importation of herrings is restricted under the French quota system.
- Roumania :** Herrings of any size, salted or brined—250 paper lei per 100 kgs.
 (a) A port tax of 6·50 paper lei per 100 kgs. is also imposed.
 (b) A turnover tax is imposed of 37·50 paper lei per 100 kgs.
 (c) An import quota tax of 80 lei per 100 kgs., and a consumption tax of 1·50 lei per kg. are also levied.
- U.S.A. :** Herrings, pickled or salted—whether or not boned, when in bulk or in immediate containers weighing with their contents more than 15 lbs. each—1 cent. per lb. net.
- U.S.S.R. :** Herrings, salted and smoked—100 per cent. *ad valorem*.
 Reduction of duty for imports via Murmansk—
 15th April to 14th November, 10 per cent. ;
 15th November to 14th April, 13 per cent.

TABLE OF EQUIVALENTS.

I. Moneys.

	Exchange Value of £1 sterling :	
	(a) at par.	(b) current rate (March 1934).
Germany: Reichsmark or "Mark" (R.M.) (100 Pfennigs=1 Mark)	20·43	12·80
Poland: Zloty (100 Grosz=1 Zloty)	43·38	27·00
Lithuania: Lit	48·66	31·50
Latvia: Lat (100 Santimes=1 Lat)	25·225	16·00
Estonia: Kroon (100 Marks=1 Kroon)	18·159	18·00
Finland: Mark	193·23	226·50
Belgium: Belga	35	21·80
France: Franc	124·21	77·25
Roumania: Lei (paper)	813·6	510
U.S.A.: Dollar (100 Cents=1 Dollar)	4·867	5·08

II. Quantities.

1 kilogram ("kg.")=2·2046 lb. avoirdupois.
 1 German lb.= $\frac{1}{2}$ kg.=1·1023 lb. avoirdupois.
 50·8 kgs. =1 cwt.

Scottish herring barrel—

Capacity =26 $\frac{1}{2}$ gallons.
 Weight with contents =about 350 lb.
 Weight of contents only= " 314 lb.
 Net weight of fish = " 260 lb.

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DEPARTMENT OF SCIENTIFIC AND INDUSTRIAL RESEARCH

NOTES ON THE GRANTS
TO
RESEARCH WORKERS AND
STUDENTS

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NOTES ON THE GRANTS TO RESEARCH WORKERS AND STUDENTS

INTRODUCTION

1. The Advisory Council recognise that an increase in the supply of trained scientific investigators must be the very foundation of their schemes for the establishment of industrial research, and for the organisation of the research undertaken by Government in the national interest. The urgency of the need, though it may be obscured by temporary economic difficulties, makes it impossible to wait for the increased supply until such time as universities, colleges and allied institutions can themselves afford, with assistance from industry, from the Local Educational Authorities and from other sources, to provide the scholarships needed in the altered conditions. The Advisory Council are therefore prepared to recommend **Maintenance Allowances** to properly qualified Students to enable them to avail themselves of existing facilities for obtaining training in scientific research. It should be emphasised that the provision which the Advisory Council make is intended to supplement, and not to supersede, existing provision, whether national or local, and the Advisory Council expect eventually to make a gradual reduction in the Maintenance Allowances as increasing provision from other sources becomes available.

2. Among those who are serving their apprenticeship to research are to be found a few who show signs of real originality and the promise of becoming in due course leaders of scientific thought, provided they can obtain an opportunity of developing their own special aptitude for original work. For such there are already available certain senior studentships and fellowships, but the number of them is small. To supplement them the Advisory Council are therefore prepared to recommend the award of a very limited number of **Senior Research Awards** to enable young Investigators who have acquired a sound knowledge of the methods of scientific research and have shown an exceptional capacity for original thought to have an opportunity of the fullest intellectual development.

3. Equally necessary in the view of the Advisory Council is the encouragement of fundamental research in universities and colleges. It is only by this means that the proper medium for the training of increased numbers of recruits can be provided, and those advances in scientific knowledge be realised which, in the long run, make possible the most fruitful applications of science to the

national interest. The Advisory Council are accordingly prepared to recommend the award to Investigators of acknowledged standing of **Grants** for the development of lines of research which are of exceptional timeliness or promise. It is intended that the Grants should enable the Investigators to adopt the most suitable means of developing their researches; for example, by employing assistants, purchasing special equipment, meeting other abnormal expenses incidental to their work, and the like. It must be understood, however, that the Advisory Council are unable to entertain applications for personal payments to members of the regular staffs of universities and colleges and allied institutions. In the view of the Advisory Council, research, no less than teaching, is a primary function of these institutions, and the salaries attaching to posts on their staffs ought to be sufficient to enable the holders to devote a reasonable proportion of their time to the advancement of knowledge within their respective departments. The question of Government aid to universities and colleges for the adequate discharge of their functions falls to the University Grants Committee of H.M. Treasury for consideration, and not to the Advisory Council.

4. The awards to individuals which the Department is prepared to make on the recommendation of the Advisory Council therefore fall under the following headings :—

- (a) **Maintenance Allowances to Students** to enable them to undergo training in research.
- (b) **Senior Research Awards** to enable young Investigators of exceptional promise and proved capacity to devote their whole time to original research.
- (c) **Grants to Investigators** of acknowledged standing to enable them to develop lines of research of exceptional timeliness or promise.

5. The Advisory Council recognise that, if these awards are to fulfil their purpose, it is imperative that they should retain freedom to deal appropriately with applications which present unusual features, and in particular to encourage the output of trained investigators in fields of great imperial or national importance, where there are at present few. In order to preserve the necessary elasticity, they have purposely not defined their scheme by set regulations, and such few rules as they have laid down for their own guidance, and to assist the professors and others who make recommendations, are designedly capable of the widest interpretation. The Advisory Council rely upon the co-operation of professors and others in the selection of suitable persons to receive awards, since the maintenance of a high standard is essential to the success of such an arrangement.

6. In connexion with the preceding paragraph, the Advisory Council propose to take special action in relation to the supply of

research workers in metallurgy. The Council feel that the development of the subject would be promoted by the introduction of men whose basic training has been in physics, chemistry or engineering. For such men some instruction in metallurgy would be an essential preliminary to research work, and accordingly the maintenance allowances will be held available for suitably qualified graduates in physics, chemistry or engineering for the purpose of a postgraduate course in metallurgy leading to research work. In special cases of this nature the Council would be prepared to extend the allowances for a year beyond the two years for which they are normally tenable (see paragraph 15).

The following notes are intended to serve as a guide by indicating the types of cases for which the awards are intended.

GENERAL

7. All Awards are restricted to British subjects* resident in Great Britain.

8. All awards are made in terms of academic years, and for this purpose the academic year is regarded as running from 1st October to 30th September.

9. Applications for assistance for research in agriculture or medicine should be addressed to the Ministry of Agriculture and Fisheries and the Medical Research Council respectively, and not to the Department. Border-line researches will be dealt with in consultation with the Departments concerned.

10. No award should be applied for which would, directly or indirectly, relieve an educational institution of any part of its educational expenditure.

11. Any teaching or other work of a similar character undertaken by grantees (paragraphs 26 and 37) shall be paid for at the usual rate obtaining in the particular university or college. The Advisory Council insist upon proper payment being made because the provision of such teaching is the duty of the university or college itself.

12. The awards are not intended to be used for the solution of specific problems in connexion with particular processes in industry. While the Advisory Council are anxious to encourage

* By British law all persons born within the Empire are British subjects, and so are persons born abroad whose father or, in certain cases, paternal grandfather, was a natural-born British subject who never lost his nationality. British nationality may also result from annexation. Any case of difficulty should be referred to the Department.

co-operation between the scientific staffs of universities and colleges and those engaged in industry, they are not prepared to recommend an award to an investigator to enable him to undertake a specific research proposed by an industrial firm, unless it is made clear that the acceptance of the grant will preclude the firm from obtaining any exclusive use whatsoever of the results.

13. Applicants are warned that representations to individual members of the Advisory Council ought not to be made.

MAINTENANCE ALLOWANCES TO STUDENTS.*

(Form of Application—1S.)†

N.B.—Applications for Maintenance Allowances to Students must reach the Department on or before 8th May preceding the academic year for which the allowances are required. But if funds remain after these applications have been decided, applications received after 8th May but not later than 1st July will be considered, any awards made as a result being described as remanet allowances.

14. Maintenance Allowances are made to Students who have already received sufficient training to enable them to make full use of the facilities for training in fundamental scientific research which are offered by universities and colleges and other suitable institutions, and who are recommended by the professor or other qualified person (called the Supervisor) who will personally direct the training. The allowances are not of the nature of "scholarships," but are intended merely to make it possible for the student to defer taking paid work. The Board of Inland Revenue authorise the statement that the allowances do not, in their view, fall to be regarded as income for Income Tax purposes.

15. The period of an allowance is normally two years, but an allowance may be terminated at any time if the Advisory Council are not satisfied with the progress or conduct of the Student. In any case, the continuance of an allowance for the second year is subject to confirmation after the report and recommendation of the Supervisor have been received, and the Student's own report on his first year's work has been considered.

16. The standard normally required is that which may be expected of a Student who, after a complete preliminary education,

* See also paragraphs 5—13.

† This form can only be supplied to the professor or other person who is willing to recommend the student for a grant and to direct the training.

including two years' sixth form work,* has completed a full Honours degree course, and has clearly shown that he is capable of taking full advantage of the opportunity of a training in scientific research. In particular, the Advisory Council are not prepared to recommend an allowance to a Student who has graduated before reaching the age of twenty years, unless they are satisfied, after special enquiry, that he is of exceptional ability, and that it would have been disadvantageous for him to have deferred graduation. They look forward to raising this age limit to correspond more closely with the standard indicated above.

17. While the Advisory Council recognise the value of a first class in an Honours School as an important test of a Student's ability, the allowances are not necessarily restricted to Students who have taken a first class, nor are such Students necessarily to be regarded as qualified for an allowance. It should be clearly understood that the primary test is the opinion of the Supervisor as to a Student's promise for research work.

18. The Supervisor who signs the form of application and accepts the administrative responsibility of an allowance must be the person under whose personal direction the Student is to be trained, and need not be a professor or head of department. But the Advisory Council reserve the right to determine the place which is best fitted to provide training in that branch of science in which the Student is to specialise, and an allowance will be tenable there.

19. The subject given to the Student for investigation must afford adequate opportunities for an intellectual training, besides providing for the acquisition of manipulative technique and skill.

20. The Advisory Council regard it of the highest importance that the research in which the Student is trained should be of a fundamental scientific character. They will only accept a research having an obvious industrial bearing if they are satisfied that, in the hands of the Supervisor, it will afford the most suitable course of training.

21. The allowances are intended to supplement, and not to supersede, the existing means of aiding Students, whether by university or college scholarships, Local Authorities' scholarships, the reduction of fees, demonstrating fees, or grants or loans from funds for the assistance of necessitous Students. While the Advisory Council rely wholly upon the Supervisor for the selection of a candidate on the grounds of his promise for research, it is to the university or college itself as a body that they look for an assurance that full use has been made of all other sources of assistance open to the Student.

* i.e., work of the standard of an advanced course under the regulations of the Board of Education for secondary schools.

22. The university or college is also responsible for enquiring into the private circumstances of the Student and determining the minimum sum which will be adequate, but no more than adequate, to enable him to maintain himself and pay his fees. It is particularly important, in making the enquiry, to ascertain whether the Student can live at home, can receive help from his family, or has any private means.

23. The Advisory Council's intention is that an allowance shall, together with all emoluments received by the Student from other sources, make up the minimum sum required. But in any case the value of an allowance is limited to £120 per annum, except as provided for in the following paragraph.

24. The Advisory Council realise, however, that there may be a very few cases in which the maximum allowance of £120 per annum would be insufficient to supplement the local sources of assistance to the extent required to maintain a particular Student. If, after consideration of full and detailed evidence, they are convinced that this is the case, the Advisory Council will be prepared to recommend a special additional allowance.

25. The fees which the Student will pay may not exceed those which it is customary for the university or college to charge to post-graduate Students in need of assistance. Fees chargeable for the conferring of higher degrees may not be included in the calculation of the rate of payment.

26. The Advisory Council consider it eminently desirable that a Student should undertake a certain amount of teaching work. The conditions attaching to the allowances make provision for such work, subject to the stipulation that the total demand made on the Student's time shall not exceed six hours a week.

27. In the view of the Advisory Council the publication of the results obtained by a Student in receipt of an allowance is entirely within the discretion of the Supervisor. Copies of published papers, including papers published in the joint names of the Supervisor and the Student, should be sent to the Department.

28. The Advisory Council regard the preparation of a reasoned report on his work as an essential part of the Student's training. Accordingly, at the end of each year for which an allowance is made, the Council will expect to receive a report on the year's work drawn up by the student himself, but submitted through and with the approval of the Supervisor. Copies of joint papers will not be accepted as satisfying this requirement. The Advisory Council realise that in some cases, particularly at the end of the first year of the period of the allowance, the work may not be sufficiently advanced to make it possible to submit a report describing a completed research, but even so the Council will expect a

detailed and reasoned account of the Student's work during the year. At the end of the second year a full report of the research is to be submitted, which should be drawn up by the student on the usual lines of a degree thesis. Normally the report will be returned to the Supervisor after examination. The Supervisor will also make a report at the end of the first year on the progress of the Student, and on the extent to which he is fulfilling the promise which led to the original recommendation.

29. The allowances are intended only for Students who have a bona fide intention of taking up a career in which they will devote the whole or part of their time to research work, or a career, for example, in industrial chemistry or engineering, concerned with the application of research. They are not intended to be used merely for the extension of a university education by a Student who proposes to seek employment of a type other than that indicated above. Moreover, the Advisory Council hold strongly that where, after some months' training, a Student does not appear likely to develop into a competent investigator, he should be advised to lose no time in taking up some other career in which he is likely to prove more successful. The Supervisor may rest assured that the Advisory Council will welcome a considered revision of the estimate of a Student's promise where such revision is necessary, and that they will not regard the termination of an allowance on this ground as indicating undue optimism in the original recommendation.

30. Where a Supervisor recommends more than one Student for an allowance, it is essential that he should place them in order of merit. Where in an Institution two or more Supervisors give instruction in different branches of the same science (e.g., chemistry) and the honours students take a common examination, the order of merit should be drawn up by the Supervisors jointly.

SENIOR RESEARCH AWARDS*

(Form of Application—1W.)

N.B.—Applications for Senior Research Awards should reach the Department on or before 8th May preceding the academic year for which the Awards are required. No application received after that date can be considered unless the Advisory Council are satisfied that there are special reasons for the late submission.

31. Senior Research Awards are made with the object of enabling a few selected young Investigators who have acquired a sound knowledge of the methods of scientific research and have shown an exceptional capacity for original thought to devote the

* See also paragraphs 5—13.

whole of their time to research upon approved subjects for a period of three years.

32. The Awards are open to candidates who, on the last date for the receipt of applications, are under 27 years of age and who are recommended by the head of the laboratory or department in which they have been working. Recommendations must be made on the prescribed form by the head of the laboratory or department, and transmitted through the executive authority of the institution. Copies of published papers, theses, etc., embodying the results of the candidate's work, must accompany a recommendation.

33. The award will in no case exceed £300 per annum and will, in general, be less in the case of an Investigator holding any fellowship, scholarship or the like, or being in receipt of any other award or emoluments. The Awards are terminable at any time in the absolute discretion of the Advisory Council. The Investigators are not eligible to apply for supplementary grants to cover fees or other expenses connected with their researches.

34. Candidates may be required to attend at the offices of the Department for interview.

35. The Awards are tenable at any institution in Great Britain in which the Advisory Council are satisfied that there are adequate opportunities for carrying out successfully the research proposed. Permission to study abroad may be given by the Advisory Council, but only if they are satisfied that special circumstances make such a course advisable. The Investigators may be given leave to remove from one institution to another while holding Awards.

36. The subject proposed for research must afford scope for original work and be of a fundamental scientific character.

37. Except for reasonable vacation, the Investigators are required to devote their whole time to the prosecution of their researches. With the prior approval of the Department, however, they may undertake a limited amount of teaching work provided it does not interfere with the research.

38. The Investigators are expected to publish the results of their research in the most suitable manner, and are not permitted to make commercial use of them without the previous consent of the Department. Copies of published papers must be sent to the Department.

39. The Investigators are required to submit at the end of the first and second years progress reports in sufficient detail to enable the Advisory Council to satisfy themselves that they are making good use of their Awards ; and on the termination of the Awards, a complete account of their work.

GRANTS FOR THE DEVELOPMENT OF SPECIAL RESEARCHES*

(Form of Application—1A.)

N.B.—Applications should, if possible, reach the Department on or before 8th May preceding the academic year for which the grants are required, but will be accepted at any time provided that funds are available.

40. The Advisory Council are prepared to consider applications for Grants to Investigators of acknowledged standing for assistance in the development, during a stated period, of lines of research which are of exceptional timeliness or promise. It should be clearly understood, however, that the Advisory Council are only prepared to recommend a Grant to an Investigator for the purpose of a specific research in which he is personally engaged. Furthermore, it should be emphasised that while in the case of Maintenance Allowances to Students and Senior Research Awards, the primary factor is the promise of the individual, the essential factor in the award of these grants is the importance (from the point of view of timeliness and promise) of the research proposed. The Advisory Council cannot entertain applications for assistance required generally in a research laboratory, or for any other assistance of a general nature; the provision of such assistance is normally the duty of the university or college.

41. It must be understood that the Grants must not be used to provide apparatus and materials that should form part of the normal equipment of a well-furnished laboratory in an institution of university grade, nor for such minor expenses as are normally incidental to research.

42. It is intended that the Grants should enable Investigators to provide themselves with the facilities best suited to the circumstances. While the Grants will commonly be used to enable the Investigator—

- (a) to employ a scientific, laboratory, or clerical assistant;
- (b) to purchase special equipment or material;

nevertheless, a Grant may be made for any other purpose approved by the Advisory Council.

43. The Investigator is required to accept the normal responsibilities of employer in relation to any person whose services are provided by means of the Grant. The Department does not indemnify an Investigator against compensation or other claims for which he may become liable as employer. It is left to him to make arrangements through the university or otherwise to obtain protection against any such liability, e.g. by means of the usual insurance policy.

* See also paragraphs 5—13.

44. All apparatus, etc., of a permanent character purchased out of a Grant is, unless otherwise arranged, the property of the university, college, or other institution where the research is carried out, provided that the Investigator has unfettered use of it until the conclusion of the research. But in the case of apparatus of an expensive character, the Advisory Council generally require the institution to contribute substantially towards the cost.

45. Investigators are expected to publish the results of their research in the most suitable manner, and are not permitted to make commercial use of them without the previous consent of the Department. Copies of published papers must be sent to the Department.

46. Investigators are required to submit at the end of each academic year covered by the period of the Grant a progress report in sufficient detail to enable the Advisory Council to satisfy themselves that good use has been made of the Grants.

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Trade Representative.

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REPORT OF MR. R. H. BASSETT ON HIS TOUR IN INDIA AS CEYLON TRADE REPRESENTATIVE.

THE subjects which I was asked to investigate were as follows :—

- I.—Tariffs.
- II.—Coconut Produce.
- III.—Marketing.
- IV.—Miscellaneous subjects which would be of use to Ceylon.

I have therefore divided my Report into the four sections indicated above, subdividing each section according to the specific points into which I was asked to inquire, and such subject headings as were necessary for orderly representation of the facts.

The Tour occupied sixty days, from April 1 until May 20, 1935. I visited Delhi, Lahore, Karachi, Porebunder, Bhavanagar, Ahmedabad, Bombay, Madras, and Cochin. In every place I was most hospitably treated and every effort was made to provide all the information I required. The Indian Government had been kind enough to inform their representatives in every place that I was coming, and of my general requirements, so that I found much of the information I wanted already collected.

The weather was cold till I left Lahore on April 19, 1935, after which the temperature rose to 110 degrees or more in Bhavanagar.

The total cost of the Tour was Rs. 2,348.48.

In my Report on the possibilities of the expansion of Ceylon's Trade with India I have confined myself to a series of statements of all the facts which I discovered, and the proposals put to me by the Indian merchants, leaving it to the Mercantile profession to take any action they like.

Section I.—Tariffs.

The main points which I was instructed to investigate during my tour in India were :—

- (A) The tariff situation in general.
- (B) To ascertain whether the proposal to increase Indian Tariffs against Ceylon products was being pursued.
- (C) To ascertain the views of those opposed to the increase of such Tariffs.

General.—I approach this part of my Report on my tour in India with diffidence, as it may appear to be outside the duties of a Commissioner of Marketing to discuss International Tariffs. I have confined myself to a statement of facts, and to a summary of the opinions of those from whom I was directed to inquire. My recommendations as to the action which should be taken is my considered opinion upon the result of my investigations, and is added in accordance with paragraph 14 of the Manual of Procedure.

(A) In reviewing the general tariff situation, five aspects of the present tariff dispute must be examined.

- (1) The attitude of Ceylon.
- (2) The attitude of India.
- (3) The advantages to Ceylon of the present situation.
- (4) The disadvantages to Ceylon of the present situation.
- (5) The solution.

(1) *Ceylon's Attitude towards the Tariff Question.*—Ceylon at the present time has not implemented the Ottawa Agreement as regards India, and has fostered her weaker industries by imposing protective tariffs against foreign countries including India. Ceylon's attitude is, not that it wishes to oust Empire trade, but that its own industries must be helped in the same way that other countries, including India, help their trades, by protective tariffs. The fact that Ceylon's principal competitor is India is a misfortune that cannot be avoided.

India it was hoped would realize this, and not regard the tariffs in a hostile light.

(2) *India's Attitude on the Tariff Question.*—India naturally does not look with favour upon Ceylon's protective tariffs. This attitude is strong in Travancore, and decreases further North, until in Lahore there is an attitude of indifference. But when, or if, the question of an increased tariff against Ceylon becomes a political issue, there is little doubt that those who are indifferent will side with their fellow Indians who want the increase. It is probable that the only dissentients will be those Indians who, wanting to import copra from Ceylon as cheaply as possible, cannot be expected to support the measure which conflicts with their business interests. These, though not numerous, are influential in Bombay and Karachi.

It is not realized in Ceylon how acute the feeling is in South India, and in those circles in Delhi where the South Indian viewpoint is endorsed.

The argument that Ceylon tariffs are only intended to protect her struggling industries carries no weight, because whatever their purpose, the result has been to paralyse a flourishing South Indian Trade.

Coconut producing regions in South India have gone so far as to allege that Ceylon is dumping copra in India, and strangling her trade. This allegation is incorrect. The statistics of imports into Indian ports show that Ceylon only supplies the deficit between South India's supply of coconut produce and all India's demand. The allegation was given further strength by the fact that Travancore coconut growers had a bad harvest in 1934, resulting in an increased Indian import of Ceylon's coconut produce. This import prevented the rise in price for which the South Indian Growers had hoped, to compensate them for their deficient crop.

South Indian coconut growers are very influential and have carried out persistent propaganda both in Delhi and in all markets for an increase of tariffs against Ceylon produce. As another bad year in South India is forecast an increase in this agitation is indicated.

Responsible Indian Merchants' Associations in South India are in favour of pressing for the increase of tariffs against Ceylon, unless an amicable solution of the matter can be found. They have reached this decision with regret, and wish to avoid a retaliatory measure at all costs, but there is no doubt that, unless a solution of the present situation is found, there will be a demand for such measures when the Ceylon tariff question becomes an issue before the Legislative Assembly.

(3) *The Advantages to Ceylon of the Present Situation.*—Ceylon is at liberty to reap the advantage of the protective import tariffs she has imposed.

This limited application of the principle of economic nationalism is intended to assist the small Island industries, which now find an internal market among the consumers who bought Indian produce before it was kept out by tariff measures.

(4) *The Disadvantages to Ceylon of the Present Situation.*—(a) The situation has involved a difference of opinion with a very large and powerful neighbour, with whom, owing to proximity, similarity of national characteristics, and membership of the same Empire, she should be on the best of terms.

(b) Owing to a sense of great insecurity in business circles, caused by uncertainty as to tariff moves, trade between India and Ceylon is obstructed. Admittedly last year British India increased her imports of Ceylon coconut produce considerably owing to the Travancore shortage, but according to leading business men of all communities, the increase would have been much greater under settled conditions. The uncertainty is now increasing, and the position is likely to arise that the advantage from protective tariffs to internally marketed industries will be outweighed by the damage caused by them to Ceylon's major Indian exports.

(c) The results of a protective tariff, especially against an immediate neighbour, are so far reaching, and often unexpected, that only time can show whether the net result upon the country is gain or loss. If gain, a small industry is established, but if loss, a national wealth producing trade may be damaged or even destroyed.

(5) The solution which I recommend for the problem is the negotiation of a reciprocal tariff and Trade Agreement between India and Ceylon. The agreement can be arranged by authorized representatives of each country with the assistance of advisers from each industry concerned.

REPORT OF MR. R. H. BASSETT ON HIS TOUR IN INDIA." 5

The agreement should be given a trial for at least three years to create market security.

(B) As will be seen from the above general review of the situation, the proposal to increase Indian Tariffs against Ceylon is being strongly pursued.

(C) Those who recommend a Reciprocal Agreement can be taken as being opposed, on principle, to a Tariff increase, their reasons being that the resulting disorganization of Trade would be extremely detrimental to India.

The only Indians opposed to the increase under any circumstances are the coconut produce importers in Bombay and Karachi. Their reason for opposing the increase is obvious; they do not want the price of Ceylon imports to go up, as they cannot get sufficient supplies grown in India.

My recommendation as to the action to be taken is the same in respect of each head of my inquiry and is contained in paragraph (A) (5).

The creation of a friendly atmosphere by means of a reciprocal agreement will improve the facilities for subsequent combined Indian and Ceylon propaganda with the object of maintaining and extending the market for Coconut Produce.

Section II.—Coconut Produce.

The main points which I was instructed to investigate were:—

- (A) To examine prices and investigate the causes of fluctuation, and to ascertain what prospects of improvement in prices, if any, exist.
- (B) To report whether the use of Ceylon Coconut Produce can be extended in India, and if so, in what areas.
- (C) To report whether the establishment of selling agencies, restaurants, and kiosks, or the employment of advertisement, will assist in extending the use of Ceylon Coconut Produce in India.
- (D) To report upon any means by which the present Shipping freights on Ceylon Coconut Produce can be reduced.
- (E) To report whether a Permanent Trade Representative in India should be appointed, and, if so, what place should be the base of his operations.

Each of these main points will be discussed separately, so far as is possible, but it is inevitable that the same facts will influence more than one head of discussion.

(A) The price of coconut oil is governed by influences within the World Edible Oil Market, which is comprised of a large number of different kinds of oils. Among these are coconut, cotton seed, ground nuts, soya beans, palm kernels, rapeseed, sesamum, sunflower, palm oil, and whale oil.

Copra and coconut oil only comprise about 12 per cent. of the total world Edible Oil Productions.

A rise in the price of Coconut Oil can either be local or world wide, according to its cause, and may have a healthy or unhealthy effect, either generally or only on a local market.

The causes of price fluctuations are often very obscure, but some of the most obvious ones will serve to show how interdependent are rises and falls in all kinds of oil throughout the world.

- (1) Increased utility, caused possibly by War, or other social upheavals. This is a healthy world rise which will be maintained until increased production, or the discovery of a substitute, lessens the limitations of supply and so lowers the price again.
- (2) Limitations of supply or production due to Drought, or Decrease of Planted Acreage. This has a world effect which tends to destroy the market of the affected producer as the consumer turns to other copra markets, or cheaper competitive oils.
- (3) Oversupply to a particular locality. This causes the supply elsewhere in the world to decrease, with a rise in price, and a consequent turning to other competitive oils. The effect of this rise is very detrimental to the producer, who loses the world demand to supply a localized market. In developing the copra oil trade with India, Ceylon should be careful to avoid oversupply in that direction with a resulting rise in price in Europe. On the other hand, it has to be remembered that every

European country is endeavouring to foster its own oils by protective tariffs, so that, at any time, the European market may decrease, and for this reason the Indian trade should be carefully maintained and reasonably increased.

- (4) A shortage of production in any of the competitive oils may produce a world rise in price of Copra oil. This is a very healthy rise and will be maintained as long as the competitor's shortage continues.
- (5) An increased demand for another oil, such as ground nut, which occurred this year, will result in the export of all available supplies of this oil from the countries where it is the only oil seed grown, producing as it did in India, a demand for Copra oil to replace the local product. The effect of this is a healthy rise in price, which will continue until the inevitable slump in ground nut oil occurs.
- (6) Fostering and development of demand by judicious advertising tends to a rise in price, healthy, and likely to be continuous because it is not sudden or unduly large.
- (7) An increase of Tariff duty causes a rise in price in the country where it is imposed. This is an artificially created rise, intended to develop local oils, and as such causes the loss of that market.
- (8) Increased cost of production owing to labour difficulties or other causes, will result in a rise of price detrimental to the producer, as the consumer turns to other sources for his raw material.
- (9) Increased freight charges cause a rise disastrous to the shipper, who thereby loses the market affected by the charges.

There are, similarly, a large number of circumstances which may result in a fall in the price of copra oil—

- (1) Over production, resulting in flooding the market may reduce the price until it is uneconomical to produce.
- (2) Inadequate distribution or badly organized marketing may have the same result.
- (3) Cheaper price of competitive oils will force copra oil to conform or lose its market.
- (4) Cheap production; this has a healthy result, in increased sales, as long as the danger of over production is avoided.
- (5) Reduction of freight charges causes a healthy fall in price.
- (6) Reduced Tariffs normally have the same effect.

Judging from these causes and effects Ceylon may expect an improvement in price of copra, coupled with an increase in demand in India, if the predicted shortage of crop in Travancore eventuates, unless the Indian Tariff against Ceylon Coconut Produce is increased, in which case the rise in price will become prohibitive and Ceylon will lose a great part of her Indian market. It is problematical, if this occurs what the Indian crushers will do, presumably they will have to turn over to Indian grown ground nuts, the production of which would be largely increased by such a tariff.

At the same time protective tariffs in European countries are raising the price nearer to a prohibitive pitch, at which the market will be lost.

Any forecast is necessarily rash, excluding, as it does, innumerable possibilities which may occur to complicate the issue, such as competition from other countries, like the Dutch East Indies, who, now they are off the Gold Standard, are in a position to compete with Ceylon in the Indian Copra market.

(B) In reporting whether the use of Ceylon coconut produce can be extended in India, it is necessary, after a general summary of the position, to deal separately with each product in each place which I visited.

It appears that the use of some of Ceylon's coconut products might be extended in India, subject to several provisos—

- (1) The Indian tariff must not be increased.
- (2) Shipping freights should be reduced.
- (3) The quality of Ceylon coconut products should be improved.
- (4) Credit and commercial reliability in both countries should be improved.
- (5) Ceylon merchants will have to be very enterprising.

REPORT OF MR. R. H. BASSETT ON HIS TOUR IN INDIA. 7

In almost every case the deciding factor as to whether Ceylon products can be sold more extensively is price. In competition with Indian goods, Ceylon has to recover, by cheap production and low freight, the amount of Customs duty she has to pay.

FRESH COCONUTS.

Tariff value: Rs. 22/12/- per cwt.

Duty: 20 per cent.

(1) It does not appear possible to foster an increase in the use of fresh coconut in Northern India, except in the ports of Porebunder, and possibly Karachi, on account of their uneconomical character for transport over long rail journeys.

Eating copra is imported in places where coconuts do not grow, because it pays much better to do so, as the fresh coconut is bulky and heavy, compared with eating copra, either in bolls or halves. There is no wholesale trade in fresh coconuts in Delhi or Lahore; a few are imported by retail traders.

Another factor which militates against the use of fresh coconut in Northern India is the custom of using eating copra which, fostered probably originally by traders, is now so firmly established that, even if fresh nuts are available, copra is preferred.

In addition to this the Swadeshi movement, which is now a habit with all Indians, would prevent consumers from buying Ceylon nuts, when local copra or nuts were on the market.

The Ceylon fresh coconut cannot compete in long rail freight either against the more compact and economically freighted Indian eating copra, or against the much smaller Indian nut, both of which are free from the Customs duty of Rs. 4/55 per thousand nuts. In an Indian market, provided that a fresh coconut is up to the usual size, it will fetch about one anna, and the average buyer will not pay more for a bigger one, so that the only point in which Ceylon coconut produce excels that of India, namely, the size and quality of the fresh nut, is actually a disadvantage. Crawford Market in Bombay was the only place where I saw a distinction of price in fresh coconuts according to size.

Porebunder.

At Porebunder there is a proposal of interchange of trade with Ceylon in sailing vessels from that port, bringing cement to Ceylon, and returning with fresh coconuts, betel nuts, and other produce.

The coconut grows very badly at Porebunder, but, owing to the comparative cheapness of shipping freight, and the shorter rail journey from this port to the interior, fresh nuts are imported, up to the value of about a lakh annually, mostly in steamers but also in sailing vessels, to be sent into British India, and for local consumption. Here, and at Karachi, eating copra does not displace the fresh nut, although both are on sale in the market.

Messrs. Wadia and Haji Jusab Haji Mohamed, well known merchants in Porebunder, are willing to experiment with sailing vessel trade, if Ceylon merchants can send them return freights, while Mr. Simmons, the Manager of the Cement Works, is prepared to send terms if anyone wishes to try the enterprise. The Maharaja Rana is extremely keen on the proposal, and will do all he can to further it. The vessels are rather smaller than a Maldiva buggalow, and take about twenty-five days to do the single journey. They already come regularly to Cochin, and in the past frequently traded with Colombo.

Karachi.

Fresh coconuts are imported into Sind, to the extent of 3½ to 4 million nuts per year, through Karachi, in sailing vessels from west coast ports, and are used to throw into the sea at Hindu festivals; to export to the interior; and for local consumption, although poor people buy eating copra because it is cheaper for both purposes.

If sailing vessels from Malabar reach Karachi in safety with profitable cargoes of nuts it would appear that Ceylon schooners might do the same. The Indian Merchants' Chamber and the Buyers' and Shippers' Association in Karachi both expressed themselves very keen to increase their trade with Ceylon, so that it may pay Ceylon merchants to write and negotiate terms for shipments of nuts to Karachi.

Bhavanagar.

Fresh coconuts at present come here in sailing vessels from Cochin, and the market is also supplied by an extensive coconut estate within the State. If, however, Ceylon sailing vessels can carry nuts to Bhavanagar at low rates, while the customs duty can be counteracted by low cost of production, a good trade might be fostered here, as in Porebunder, especially as there are no Port dues.

Southern and Eastern India.

Ceylon has to compete here with the Straits and the Maldives.

The respective shipments in terms of nuts for the last three years are as follows:—

	Ceylon.	Maldives.	Straits.
1932-33 ..	.. 7 millions	.. 9 millions	.. 1 million
1933-34 ..	.. 2 millions	.. 1½ million	.. 9 millions
1934-35 ..	.. 6 millions	..	13 millions.

Rangoon and Madras are the biggest ports of entry. The import into Bombay last year was only 909,787 nuts.

The Straits nuts go to Rangoon, those from the Maldives to Calcutta, and Ceylon nuts to Madras. The Indian import figures indicate that Ceylon supplies correspond with India's deficit, so that any accusation of dumping coconuts, such as was recently levelled against Ceylon, is incorrect. It would thus appear that Ceylon is already exporting annually to South India the full quantity required.

Price being the main issue in the south, as elsewhere, the question of freight is all important. From the Maldives the majority of the export is in buggalows, a feature of the situation which gives cause for speculation as to whether Ceylon could not employ more sailing craft to South Indian ports. The same monsoon disabilities affect the Maldives as Ceylon, with the added difference that Maldive ships have further to travel in bad weather.

The retail price of a fresh coconut varies from one anna to two annas in all Northern and Western Indian markets.

SUMMARY.

There is a possibility of exporting fresh coconuts to Porebunder and Karachi, if freight can be reduced by the use of sailing craft or otherwise, while the export to Southern and Eastern India might be increased the same way. The use of sailing craft is dependent upon a return cargo.

EATING COPRA.

In the Punjab eating copra is sold in whole "bolls", at prices ranging from 9/- to 12/50 per maund of 82 lb. Half copras are not used here for eating.

It is eaten very extensively as a dried fruit; I saw it on sale at two pice each at a village "mela" or fair ten miles out of Delhi. It is also used at numerous religious ceremonies, including weddings, by Sikhs, who attach a half boll to a necklace of raisins and hang it round a newly born baby's neck.

At present the export of whole eating copra from Ceylon is very small, and our produce compares badly with that of the Maldives and of Tiptur, Alleppey, and other places in Travancore. Travancore appears to have the monopoly at present of whole eating copra in the Punjab.

Whole eating copra should have no cracks, it should have pure milk white "meat" inside, and a bag should contain no bad ones. Those with brown or fungussy meat and cracked skins are bad. It is preferred small, a feature in which Maldive copra excels, but I saw very large ones selling readily in Delhi.

REPORT OF MR. R. H. BASSETT ON HIS TOUR IN INDIA. 9

If Ceylon whole copra can be brought up to the quality standard of the Travancore product, at a lower or equal price, delivered in the Punjab, Merchants in Amritsar, Lahore, and Delhi will do business with Ceylon, but the second of these two provisos presents considerable difficulties. Research should improve the quality, and correct calculation of each separate item of the total cost of delivery will show whether the trade would be profitable in competition with Indian competitors, who have no Customs duty to pay.

Amritsar.

Eating copra produced in Allepey is imported into Amritsar through Karachi, Bombay, and Bhavanagar to the extent of about 25,000 maunds per annum. The price in April, 1935, was Rs. 9/50 per maund.

Amritsar is the main market of the Punjab, where wholesale dealers practise, so that, if, after consideration of the price factors as suggested above, Ceylon merchants are inclined to experiment with whole eating copra in the Punjab, it is to the Amritsar merchants they should first send samples and quotations. The following is a list of merchants whom they should approach:—

- Mr. Nebal Chand Dowlat Ram. Majith Mandi.
- Mr. Seran Singh Sham Singh. Majith Mandi.
- Mr. Kesar Singh Jagan Nath. Majith Mandi.
- Mr. Narain Singh Ram Rattan. Majith Mandi.
- Mr. Gurditta Mal Megh Raj. Majith Mandi.

Lahore.

The price of whole eating copra was Rs. 12/25 per maund of 82 lb. in April. There is a general opinion among the merchants that Ceylon could sell it here at a profit, if the quality of our product was improved.

Quotations and samples should be sent to—

- (1) Hari Gokal. Inside Shahalmi Gate.
- (2) Sheikh Ahsanali Rahmat Ali. Kashmiri Bazaar.
- (3) Sheikh Rahmat Ali. Akbari Mandi.
- (4) Sheikh Barkat Ali. Chowk Nawab Sahib.

Delhi.

The retail price per maund in April was 11/-. Merchants are prepared to buy if the quality is as good as Indian copra.

Quotations and samples should be sent to—

- (1) Ram Chand Kura Mal. Kahari Bawli. Tobacco Katra.
- (2) Singal and Coy. Naya Bans. Kahari Bawli.
- (3) Ranji Lall & Coy. Galhi Badarshan. Sudder Bazaar.

Karachi.

In Karachi I found no whole eating copra. The poorer classes eat half copras scarcely distinguishable from the copra used for expressing oil, and those who can afford it eat fresh coconut. I tried to buy whole copra but could not do so, and was shown none in Messrs. Lunidaram Pahlumal's retail shop. I took Ceylon samples with me to a conference with the Indian Merchants' Chamber and Buyers' and Shippers' Association, but they displayed a lack of interest. After some consideration I came to the conclusion that the cause of their attitude is that whole copra in Karachi is regarded as a menace to the fresh coconut trade, in which numerous people are interested. If this is so its introduction might be worth the experiment, although the discovery of a merchant strong enough to withstand the opposition of his fellows and become an agent for Ceylon whole copra might be difficult.

Quotations and samples should be sent to—

- Messrs. Lunidaram Pahlumal & Co., Bunder road.
- Messrs. Volkart Bros., Bunder road.

Porebunder.

No import figures are available. Whole copra is imported from Cannamangalore, and sells at the retail price of two pice each. I was told that the wholesale price is 4/25 per maund, which contains about 160 copras.

Mr. Haji Jusab Haji Mohamed, General Merchant, said he could import whole copra at that figure.

Ceylon merchants might consider the export of whole copra to Porebunder as part of the sailing ship interchange of trade.

Bhavanagar.

No one at the meeting of the Merchants' Association imported whole copra. This indicates that Bhavanagar is a market open for experiment. I asked why no one imported it and no definite reply was elicited, except that it was not well known in Bhavanagar, and it had never been the custom to import it there. I found it on sale at two pice in the town, after a little difficulty. My bearer who tried to get me some failed to do so.

I would suggest that Ceylon merchants should see what can be done in this market, both for local consumption and for transport inland. The shipping freight charges are six annas a hundredweight more than to Bombay. Quotations and samples should be sent to Mr. Haji Valimohamed Oomer, Bunder road. Mr. Dand Bhai Jafferji, Bankshall street, Pettah, Colombo, comes from Bhavanagar, and is trying to develop trade with his home town.

Ahmedabad.

I found whole copra on sale here, imported through Bhavanagar, but there is no big wholesaler. A market might be developed, as it is not a plentiful article of sale in the bazaar. Quotations and samples should be sent to Mr. Sorabhai Dahya Bhai Sheth. Ratanpole.

Bombay.

This is not a good market for whole copra, because, as in Colombo, local fresh coconuts are eaten. Whole copra is however on sale in fairly large quantities in all the markets at 1½ annas, whereas small coconuts cost only 1 anna.

Madras and Cochin.

The same remarks apply as to Bombay.

SUMMARY.

There is room for considerable expansion in this trade in Northern India, but I am doubtful whether, after customs and freight have been paid, it will be found to be a profitable venture.

COPRA FOR EXPRESSING OIL.

Tariff value: 6/-/- per cwt.

Duty: 20 per cent.

Lahore, Delhi, and Amritsar.

In the Punjab there are no oil mills, because the Punjabi population does not like coconut oil, and considers it degrading to use it for edible purposes. Their objection to its use and taste are observed more in principle than in practice, since the fact is well known all over India that shop-bought ghee is adulterated to a very large extent with specially prepared "tasteless" coconut oil. The prejudice is strong enough, however, to nullify any prospect of exporting oil copra to the Punjab.

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Karachi.

The import of Ceylon copra into Karachi last year was 6,163 tons, value Rs. 630,288/-, to feed three large oil mills which have lately combined as one business. No copra is bought in Karachi from anywhere except Ceylon and India, although formerly it was imported from Zanzibar. The price in Karachi in April was about 18/-/- per candy.

Karachi merchants have several complaints against Ceylon. They complain that Ceylon prices go up from January to May. But it is impossible to alter the seasons to suit them. They said, the same as elsewhere, that Ceylon Copra has not so high an oil content as Indian copra, and that it goes bad much more quickly. Were it not for the necessity of keeping their mills running during the Malabar off season they would not buy it. The lower oil content is due to kiln drying, but the rapidity with which Ceylon copra deteriorates appears to form a suitable subject for research, especially in view of the menace from the Dutch East Indies.

They are prepared to take more copra from Ceylon, and wished to establish a Buying Branch in Colombo, but, having been informed that if they did so they would have to pay Income Tax on their whole Indian income, and that they would have to give security to continue in business in Ceylon for at least three years, they dared not do so.

I have written to the Merchants' Chambers dispelling these mistaken beliefs, with the result that a Karachi Buying Branch will possibly open in Colombo.

They further objected "that the heavy wharfage at Colombo, recovered by a private agency, interferes with their export activity" and wished to know when the Port was going to take over the work of loading goods.

Ceylon merchants who wish to export copra to Karachi should communicate with any of the following addresses:—

- (1) The Karachi Buyers' and Shippers' Association. Bellasis street.
- (2) The Karachi Indian Merchants' Association. Bunder road.
- (3) Messrs. Lunidaram Pahlumal and Co. Bunder road.

No reduction of freight is likely, and sailing craft are unsuitable for carrying copra owing to the length of time they take on the journey and the uncertainty of their sailing dates.

Bombay.

The import of Ceylon copra into Bombay from April, 1934, to March, 1935, was 21,118 tons, valued at Rs. 2,787,920/-.

A new oil mill has lately been opened by Messrs. Lever Bros.

No complaints of difficulties in the way of copra trade with Ceylon were made by Bombay merchants. They already obtain as much as they require and will buy more if they want it, although they agree with Karachi that Ceylon copra is not so good as Indian. It is imported into Bombay because South India cannot supply enough, since the merchants there crush their own, and also supply elsewhere in India, at the same time keeping up the price so as not to spoil their oil prices. As a result of this policy Ceylon copra has to be imported into Cochin.

Owing to their weak credit the small Bombay oil millers have to buy their copra in the bazaar. If they could obtain fifteen days facility for payment they would deal direct with Ceylon. The names and addresses of merchants who wish to open negotiations on these terms with Ceylon exporters can be supplied on application to the Marketing Commissioner's Office.

Porebunder.

There is little interest in oil copra here, as there are no crushing mills, and as a Port for copra it is of little use owing to high steamer freights.

Bhavanagar.

There is a large coconut estate near Bhavanagar but most of its nuts are sold fresh in the town. Figures of imports from Ceylon are not available, but a new copra and ground nut crushing mill was opened here in April. This mill imports Ceylon copra, on account of the continuity of its supply. If the freight could be reduced it would import more. The B. I. and associated lines charge six annas a cwt. more to Bhavanagar than to Bombay, but there are no Port charges and the rail journey to the Punjab is shorter than from any other Port. Ceylon merchants who wish to export to Bhavanagar should communicate with Messrs. Haji Valimohamed Oomer of Bunder road.

Bhavanagar is now building a new additional Port, at which the charges, if any, will be very low, so that the prospect of increased export to Bhavanagar should be closely watched.

Cochin.

The import figures of Ceylon copra into Cochin are not available.

Here there appears to be a good prospect of an increased copra trade.

At present Cochin cannot supply enough copra to keep Messrs. Tata's mills at Ernakulam employed for more than two-thirds of their possible working time, but Messrs. Tata state that they do not buy copra from Ceylon, because the steamer freight from Colombo to Cochin is the same as from Colombo to Bombay. This makes it impossible for Cochin, with its longer rail journey to the majority of consuming centres, to compete with Bombay users of Ceylon copra.

Messrs. Tata's representative informed me definitely that, in the South Indian off season, they would import 1,000 tons of Ceylon copra a month, if the freight was reduced. This expansive offer should be investigated closely by Ceylon merchants. If it should materialize it might pay Ceylon merchants to charter a ship to supply the order, especially as other Cochin firms would possibly give additional orders.

Chartering has been done before in Cochin with a resulting lowering of steamer freight charges.

SUMMARY OF OIL COPRA PROSPECTS.

There is no prospect of improved business in the Punjab, Porebunder, or Ahmedabad, but in Karachi, Bombay, and Bhavanagar there is a possibility of an increase, by means of energetic offers at low rates, while Cochin presents, on the information given to me, a prospect of increased imports from Ceylon.

COCONUT OIL.

In the Punjab, except among the Hindu population, which is in a minority, there is a dislike of coconut oil for eating purposes. A Punjabi, as I have mentioned in dealing with copra in Karachi, considers it degrading to cook his food in coconut oil, but this prejudice does not extend so far as to prevent him from buying it in the form of adulterated ghee. It is common knowledge that all ghee that is not home-made, contains a very large percentage of specially prepared coconut oil.

Ceylon shares in this edible oil trade though her shipments of copra to the Karachi mills, where coconut oil is produced in three colours, in order to facilitate the adulteration factories; yellow for cow ghee, green for goat ghee, and white for buffalo ghee.

In addition to this laudable purpose, coconut oil is largely imported into Northern India for use in soap.

I found the same complaint made all over India against Ceylon coconut oil, as is made against Ceylon copra, namely, that it will not keep.

Amritsar.

About 13,125 maunds of coconut oil are imported annually into Amritsar for making soap and adulterating ghee, principally from Messrs. Lovindaram Pahlumal D. & Co. of Karachi, who use large quantities of Ceylon copra in their mills. A large part of this import is redistributed from the Amritsar market to other towns in the Punjab.

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Prices vary according to Karachi prices from 12/- to 13/50 per maund.

The cost of delivery of Ceylon coconut oil in Amritsar should be very carefully worked out by those expert in the costing of the trade, taking into consideration the use of Bhavanagar as the Port of entry. If it is possible to deliver it cheaper than the price current in Amritsar, it will compete successfully with Indian oils, and in the manufacture of soap, such as til, ground nut, and mohwa, and a profitable trade can be developed.

The names and addresses of wholesalers in Amritsar are—

Lata Singh Jewan Singh—Chowk Malla Singh.
Jai Kishen Ram Saran—Bagh Mandu Singh.
Bhagwan Das Jaggan Nath—Proprietors, Indian National Soap Factory.
Dhab Vasti Ram.

Lahore.

A small quantity of coconut oil is already obtained from Ceylon by some merchants, so I was told by the Industrial Surveyor, but he could not give me the names of the importers, and I never discovered them, as the Secretary of the Indian Merchants' Chamber, being a Sikh, was not interested in coconut oil.

In Lahore coconut oil is described as kucha and pukka, two very hard worked Hindustani words.

Kucha oil is, without treatment, mainly used as a basis of hair oils, and to some extent as an adulterant for ghee. When treated to remove its colour it is called pukka oil and then enters into its main sphere of utility as an adulterant. Some dealers in pukka oil consider that vegetable ghee has considerably replaced coconut oil in the Punjab and North-West Frontier Province.

Kucha oil is now at 14/- per maund and pukka oil at 15/-, both higher than in the principal wholesale market at Amritsar.

The possibilities of an extension of the use of Ceylon oil in Lahore depend upon the same factors as at Amritsar, although the information that Ceylon oil is already used in Lahore gives further probability to the suggestion that a profitable trade can be developed.

The extra 2/- per maund caused by the intermediate hands through which the majority of Lahore oil passes at Amritsar, suggests a further chance of under-selling the Amritsar market by direct dealing with Lahore.

The following merchants deal in coconut produce in Lahore:—

Hari Gokal. Inside Shabilini Gate.
Sheikh Ahsanali Rahmat Ali. Kashmiri Bazaar.
Sheikh Rahmat Ali. Akbari Mandi.
Sheikh Barkat Ali. Chowk Nawab Sahib.

Delhi.

Both Ceylon first quality and Cochin coconut oil sell at 12/- per maund, but Colombo oil is less used because it does not keep so long.

Addresses of Coconut Produce Merchants in Delhi:—

Singal & Co. Naya Bans. Kahari Bawli.
Dad Ram Sohan Lal. Bhadack Habshan.
Ranji Lall & Co. Galhi Badarshan, Suddar Bazaar.

Karachi.

The members of the Karachi Chamber of Commerce were not very interested in coconut products, but in spite of the fact that there are three large copra crushing mills in the town the import of coconut oil from Ceylon to Karachi last year was 361,635 gallons.

Ceylon merchants wishing to try new business should communicate with—

- (1) Bharat Soap Works.
- (2) Indian National Soap Manufactory and Coy., Frere road.
- (3) The Secretary, Buyers' and Shippers' Association, Bellasis street.

Porebunder.

The import last year from Cochin was about 640,000 lb. for making soap.

If Ceylon merchants wish to get a share in this they should take combined action with cement importers, and start a sailing vessel trade as outlined under fresh coconuts. The importing merchants appear under fresh coconuts.

Bhavanagar.

The import figures were not available, but in spite of the new oil mills which have opened, considerable trade may be possible through this very cheap port with inland importers.

There does not appear to be much scope for an increase of trade in Bhavanagar itself owing to the local oil mills' competition.

Merchant.—Haji Valimohamed Oomer, Bunder road.

Ahmedabad.

There is little interest in the coconut oil trade here, but quotations and samples might be sent with advantage to—

Mr. Sorabhai Dahya Bhai Sheth, Ratanpole, Ahmedabad.

Bombay.

The Director of Industries informed me that he thought that eventually the social objection to coconut oil as a cooking medium which exists here would disappear.

Lever Bros. import from Ceylon for soap three times the value in oil that they send to Ceylon in soap.

Bombay imported from Ceylon 259,483 gallons of coconut oil during the year April 1, 1934, to March 31, 1935, the value being Rs. 214,632/-.

Samples and quotations might be sent to:—

Messrs. Lever Bros., Henley House, Graham road.

Mr. J. R. G. Tata, Bombay House, Bruce road.

Mr. J. A. D. Nowraji, Swastik Oil Mills.

Mr. Subedar, President of the Indian Merchants' Chamber, Kodak House, Hornby road.

Haji Ismail Tarmohamed, 6, Tank street, Surti Mohlu, Bombay 8.

Noormohamed Alimohamed, Badula Tank road, Narsing Pura.

Madras.

I was unable to get the import figures from Ceylon, but the Secretary of the Southern India Chamber of Commerce informed me that Madras now gets almost all its coconut oil from Cochin and the West Coast. He thinks that Ceylon might expand its coconut oil trade with Madras considerably because the rail freight from Cochin is about 8 annas a maund of 82 lb., whereas freight from Colombo is only 6/- per ton.

Ceylon merchants have probably already considered this possibility of expansion and decided that it is unprofitable when all expenses are included, since I was informed that no canvassing for the sale of Ceylon oil in Madras has been done.

In case any merchant wishes to investigate the matter the following addresses are given, so that samples and quotations may be sent:—

(1) Abdul Wahab, Bunder street.

(2) Palany Velu Chetty and Sons, Andiappa street, Nr. Kothawal bazaar.

Cochin.

Import figures from Ceylon were not available, but coconut oil is imported by leading merchants such as Messrs. Volkart, Aspinwall and Moolji Jaitha.

Cochin is a very progressive place. It would be well worth the while of Colombo merchants to go there and see the possibilities of trade expansion for themselves.

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SUMMARY.

There is a possibility of expansion in the coconut oil trade, if Ceylon can produce it similar in quality and as cheaply as the present oil sold. It is a matter for individual effort on the part of merchants by means of quotations and samples.

DESICCATED COCONUT.

I found that the existence and use of desiccated coconut is unknown in Northern India, except by professional confectioners. Copra is grated and used instead, making a very second rate substitute, but one with which the Indian is perfectly satisfied. For this reason it is difficult to persuade the housewife that she ought to use desiccated coconut.

There appears to be a market for the Ceylon product; in the opinion of a leading Coombo merchant, a very big market, but considerable advertisement would be necessary to foster the demand, and the resulting individual requirements would mean small separate orders, against which the minimum freight rates would militate. Very few firms import desiccated coconut wholesale at present, and then in quite small quantities, but there are price factors which seem to indicate that this is a line in which Ceylon could successfully compete.

Lahore.

Mr. Larong, who keeps a big cafe in The Mall buys his desiccated coconut from England for $4\frac{1}{2}$ annas a pound. If this desiccated coconut does not originate from Ceylon it comes from some other source approximately equidistant from England. If therefore it can arrive *via* England for $4\frac{1}{2}$ annas = 27 cents, it should be easy to send it direct for less. Mr. Larong is prepared to take it direct from Ceylon if it is up to the quality standard of what he now gets, and cheaper. He only imports about 2 cwt. a year, but it is an opening which may lead to bigger business and should not be missed. We have trade competitors who are not slow to take advantage of equally small beginnings and turn them into big business. The necessary advertising will be dealt with in the appropriate section of this report.

Stiffles' cafe at present buys desiccated coconut locally as it is required, in small quantities from one or other of the wholesale grocers mentioned below, but, if good cheap samples were sent to him he would buy it.

I sent a sample of Larong's desiccated coconut to Ceylon for merchants to try and get his order for this season.

Quotations and samples, with suitable advertising and publicity literature should be sent to—

J. Lorang, Confectioner, The Mall.
Stiffles, Confectioner, The Mall.
Messrs. Nedou, Ltd., Confectioner, Nedou's Hotel.
The Manager, Faletti's Hotel.
Hari Gokal, Wholesale Grocer, Inside Shahalmi Gate.
Sheikh Ahsanali Rahmat Ali, Kashmiri Bazaar.
Sheikh Rahmat Ali, Akbari Mandi.
Sheikh Barkat Ali, Chowk Nawab Sahib.
The National Laboratories, P. O. Box, 106.
Sat & Co., Bazaar Wachhowali.

Delhi.

I was told by the President of the Northern India Chamber of Commerce that even the confectioners in Delhi use grated copra. This seems to be a place to try and develop a trade by judicious advertising, as outlined in the advertising section on page 18, if merchants consider it worth while for small orders.

Quotations, samples, and advertisement literature should be sent to:—

Ram Chand Kura Mal, Kahari Bawli, Tobacco Katra.
 R. S. Amba Parshad, The Chairman, Kirana Committee, Tobacco Katra.
 The Chairman, Punjab Chamber of Commerce, c/o A. F. Ferguson & Co.,
 No. 1, Kashmiri Gate.
 The Hindustani Mercantile Association, Adjutant, Chandni Chowk.
 The Chairman, Marwali Chamber of Commerce.
 Singal & Co., Naya Bans, Kahari Bawli.
 Khan Sahib Abdulla, Nr. Fatepuri Mosque, Chandni Chowk.
 The Manager, Maiden's Hotel.
 The Manager, Hotel Cecil.

Karachi.

Desiccated coconut is very little used here, except by confectioners. The Indian Merchants' Chamber thought of trying to develop it but received no replies to their inquiries from Ceylon. They were surprised that I tried to "push" its use, as they thought that Ceylon did not wish to sell desiccated coconut in Karachi. Many of the merchants did not know what it was.

Samples, quotations, and advertising literature should be sent to:—

Messrs. Lunidaram Pahlumal D. & Co., Bunder road.
 The Manager, The Bristol Hotel.
 Cafe Grand, Victoria road.
 English Cafe, Elphinstone street.
 Oxford Cafe, Elphinstone street.
 D'Souza, Elphinstone street.
 Dias & Co., Somerset street.
 Eastern Confectionery Works, Rambagh road.
 Excelsior Bakery and Dairy Farm, Somerset street.
 Jehangir Rustom Irani & Co., Frere street.
 Karachi Stores, Elphinstone street.
 J. C. Misquitta, Frere street.
 P. F. Pereira & Sons, Frere street.
 Pitumal Udhwadas, Mithadar, City.
 Adam Simar & Co., Frere street.

Porebunder.

Desiccated coconut is not used here. By judicious advertising its use might be fostered and trade developed by means of sailing craft as outlined on page 7. I recommend that samples and quotations with literature should be sent to:—

H. R. H. the Maharajah Rana.
 The Dewan Sahib.
 The Chief Revenue Officer.
 Mr. Simmons, Manager, The Cement Works.
 The Chief Medical Officer.
 The Chief Customs Officer.
 Mr. Wadia, General Merchant.
 Mr. Haji Jusub Haji Mohamed, General Merchant.

Bhavanagar.

Desiccated coconut is not known here. I would recommend that judicious advertising and samples and quotations with literature should be sent to—

H. R. H. the Maharajah.
 Sir Prabashanker Pattani.
 The Dewan Sahib.
 The Chief Medical Officer.
 The President of the Municipality.
 The Revenue Commissioner.
 The Port Manager.

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and the following merchants:—

Aranalis Khabhai.
Natoobhai Devachand.
Pamanchand Manckchaud.
Jetala Baghwan.
Hargovind Probashanker.
Parekh Bros.
Jaganath Bros.

Ahmedabad.

Desiccated coconut is not used here. I recommend that samples and quotations should be sent C. I. F. Bombay or Bhavanagar to:—

Mr. Sorabhai Dahya Bhai Sheth, Ratanpole.
Mr. Kastur Bhai Lal Bhai.
The President, Ahmedabad Mill Owners' Association.
The Proprietor, The Grand Hotel.
The Mess President, British Infantry Mess.

Bombay.

I found no separate record of any import of desiccated coconut in the Bombay Customs Returns. The amount is too small to be shown alone. There is no scope for considerable development here. At present both Mongini and Carnaglia, the two biggest cafes, buy locally, when they require it, from Tokersi Nathoo and Co. opposite Jumma Masjeed. Literature, good samples, and quotations at less than 4 annas a pound can be sent to—

Tokersi Nathoo & Co. opposite Jumma Masjid.
Messrs. Mongini & Co., Confectioners.
Messrs. Carnaglia & Co., Confectioners.
The Manager, The Army and Navy Stores.
The Manager, Taj Mahal Hotel.
The Manager, The Majestic Hotel.
The President, The Indian Merchants' Chamber.

Cochin.

Desiccated coconut is little, if at all, used here. Samples, &c., should be sent to:—

The Chairman, Cochin Chamber of Commerce.
The Secretary, Cochin Chamber of Commerce.
Messrs. Moolji Jaitha, Ltd.
Messrs. Aspinwall.
Messrs. Pierce Leslie.
Messrs. Volkart.
The Manager, Malabar Hotel.

SUMMARY.

Desiccated Coconut is hardly known in India. Advertising, supported by good samples, and cheap quotations, on the lines indicated on page 18, carried out by experts in the trade, should result in a big market.

COIR.

Ceylon has little chance of developing a market because Indian coir string, ropes, and matting are very plentiful, cheaper, and much better made than the Ceylon article.

Travancore coir mats are really artistic and of excellent material, far in advance of anything Ceylon can produce, and Travancore is developing the market energetically. These mats are on sale at the Travancore House in Bombay which is opening branches in Karachi and Poona.

COCONUT SHELL CHARCOAL.

Not in Customs Tariff.

Mr. A. Goodsir, whose present address is: c/o Royal Automobile Club, Pall Mall, London, S. W. 1. is anxious to get in touch with a supplier of the above commodity. Samples and quotations should be sent to him.

COCONUT SEEDLINGS.

Messrs. Merwanji Edulji Kandawala, Motor Dealers, Bunder road, Karachi, wish to import these. Descriptions and quotations should be sent to the Proprietor by any merchant who wishes to obtain this business.

SELLING AGENCIES.

As regards the major coconut products; *i.e.*, fresh nuts, copra, and oil, the establishment of selling agencies in India would appear to be a matter which only the individual merchant can decide. These Ceylon products are too well known to make further organization necessary in the case of large exporters, whose names are familiar to all Indian dealers, but if smaller firms wish to enter the market they will probably find that the employment of a reliable, well known and energetic firm as selling agent on a commission basis is their only chance.

The same applies to the lesser products which need considerable "pushing", such as whole eating copra, if it pays to sell it in India, and in particular desiccated coconut. The latter is essentially a retail article, which can only be successfully put on the market by established general merchants or grocers. For this purpose the merchants whose names I have given in each place would serve, although it is impossible to give any guarantee of reliability.

Restaurants.—I am satisfied that the establishment of a Ceylon restaurant in India would result in financial failure. In addition to the fact that every big place has its full quota of restaurants, the swadeshi movement would militate against Indians frequenting such an obviously foreign institution.

Kiosks.—Tea shops and eating houses are not so popular in India as in Ceylon. For this reason, as well as for those mentioned above, it would be a mistake to try to establish Ceylon kiosks in India.

Advertisement.—There is no necessity to advertise the major Ceylon coconut products. They are sufficiently well known to wholesale Indian dealers. Whole eating copra would repay judicious advertisement, if, in itself, it is found to be a profitable business. Desiccated coconut is a field where advertisement might produce a market. The advertisement would necessarily be educational to begin with, by means of attractive folders and booklets, explaining how desiccated coconut is made, its use, and advantages over scraped copra or fresh coconuts. The initial distribution of these folders would be to wholesale dealers, accompanied by good samples and cheap quotations, then, when, or if, importers have been secured they can be used to distribute and exhibit posters and a pamphlet with every packet. The Indian likes posters and reads them, especially if they have a humorous flavour.

I should hesitate to put forward the above definite assertion unless I had received assurance of the possibilities of the Indian desiccated coconut market. It is obvious that the expense of advertising is a big risk, which would only be undertaken by a firm reasonably confident that the resulting market would produce profits.

D.—POSSIBILITY OF REDUCTION OF SHIPPING FREIGHT CHARGES TO INDIA.

Under the present circumstances there is no possibility of a reduction of steamer freight charges. If the volume of trade with India was substantially increased, enabling merchants to guarantee an increase of cargo by shiploads it would be feasible, but shipping lines will not reduce their charges without such a guarantee.

The possibility of reducing freight charges by employing coastal sailing ships has been discussed on page 7 under the heading of fresh coconuts to Porebunder, Karachi, and Madras. This proposal rests, for its realization, entirely on the

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certainty of a profitable cargo each way, and will be considered probably more by small than large dealers. There is enthusiasm over the scheme in Porebunder, approval in Karachi, and no reason to expect disapproval in Madras; it therefore rests with Ceylon merchants if they wish to do so, to negotiate with the persons whose addresses I have given and test the feasibility of the experiment.

The possibility of chartering a steamer if the demand for copra is high in Cochin has been discussed under the heading of copra in Cochin on page 12. The question of a return cargo is again the main point of the scheme, but tiles should solve the problem without difficulty. It is left to Ceylon merchants to negotiate with Messrs. Tatas and decide whether the experiment is worth while.

PERMANENT CEYLON TRADE REPRESENTATIVE IN INDIA.

At first sight it would appear that, to have a permanent or resident representative in India constantly pushing Ceylon goods, particularly coconut produce, would be an advantage to the Island's trade.

When however the proposition is analysed it loses its attraction, and I am of opinion that a permanent trade representative, in the sense that he would be resident in India, would involve greater financial expense than gain to the Island.

If the trade representative is to be any use it is essential that he should be of such social standing as, in itself, will be an acknowledged guarantee of disinterestedness in any particular business, or suspicion as to his motives will debar him from gaining either information or orders.

Whatever his profession, and whether he is a Ceylonese sent to India, or a local resident employed for the purpose, a resident trade representative will have to be an extra employee under the Ceylon Government, of the high salaried class. In addition to this his travelling expenses will be very heavy as he must be constantly on the move.

Now Ceylon's major exports need no "pushing", they cannot be better known; they only need occasional investigation in India. Her minor exports to India are few. Arecanuts, cinnamon, cardamoms, citronella, and in the future, I hope, cashew nuts, nux vomica, turmeric, ginger, and pepper, complete the list.

The point at issue is whether the value of these minor exports warrants a special expensive, permanent, or resident, representative to develop them. An inexpensive man will be no good, whereas energetic trade activities, and a well edited Ceylon Trade Information Journal, coupled with selling agents on a commission basis, can do a great deal to develop trade at small expense.

I consulted everyone I met on the subject and found that almost all the "big" business men both in Ceylon and India, after consideration, were of opinion that our volume of undeveloped trade did not warrant the expense. The fact that "smaller" men invariably recommended a permanent resident representative, convinced me that the weight of experience was against the proposition.

Admittedly other countries, such as Japan, have permanent representatives, but here again, comparison between the volume of their "lines" of business and ours, shows that we have only a small fraction of the export trade that they look after.

It can be argued, with considerable truth, that in order to develop a similar volume of trade, a representative is necessary, and it is this fact that suggests an alternative proposal.

I have said above that our major products require occasional investigation, in order to ascertain whether we are doing all we can to develop them, while undoubtedly our minor products benefit immensely from the same course of action.

I would therefore suggest the appointment of a serving Government servant as permanent, but not permanently resident, trade representative for India, who, as a Government servant, would visit India annually, biennially, or as occasion demanded. The advantage of this appointment would be, in addition to economy the opportunity which it provides for the trade representative to become equally acquainted with the trade of both countries, and in the light of his experience, to criticize, analyse, and observe the effect of his recommendations in Ceylon.

He would be in a position to tell Indian merchants the results of their efforts and to effect more material improvement by intelligent action based on the observation of results, than by permanent residence in India in the capacity merely

of a "bagman" seeking orders. This proposal is not my own, it originates from interviews with several leading Indian business men, who suggested that it would be a beneficial appointment, far more valuable than that of a resident trade representative.

If Ceylon trade with India develops to a very large extent the appointment of a resident representative may become economically sound.

SUMMARY.

I am confident that a permanent, but not resident, trade representative, visiting India annually, or as occasion demands, will be able to do as much, or more towards developing Ceylon trade, at far less expense, than a permanent resident trade representative in India.

III.—General Agricultural Marketing.

It is satisfactory to be able to report that, after careful investigation of the Indian methods of attacking the problem of marketing of Agricultural produce, it is evident that Ceylon has tackled its similar problem on the right lines, and that nothing that has already been done need be altered. This circumstance is the result of modelling the initial programme of the Ceylon Department upon Section 347 of the Report of the Royal Commission on Agriculture in India, which also forms the foundation of the Indian Scheme.

When I was in India in April, Agricultural Marketing Investigation had not actually started, so that the lessons I was able to learn concern India's proposed methods, not yet put to the proof. There is great enthusiasm over Marketing in Government circles, but it has not yet spread to the merchants and producers, among whom some of the more progressive do not attempt to conceal their opinion that the Marketing Department is like a small boy trying to teach his grandmother to suck eggs. In spite of this natural prejudice, if one is to judge by the outcry against prices and about the difficulties in disposing of their stock, which emanates from the same Agricultural Producers, one cannot but conclude that their marketing methods at present are not very good, and that they may yet be able to learn from the Marketing Department how to improve them.

By a resolution dated January 10, 1935, the Imperial Council of Agricultural Research appointed Mr. Livingstone, a highly qualified and experienced Marketing Expert from the English Board of Agriculture, to their staff, and called him the Agricultural Marketing Adviser to the Government of India. He has his office in Delhi with a staff of several Marketing Officers under him. His work consists of the investigation of marketing problems, and the formulation of schemes for the improvement thereof, recommendations as regards standard grades, and advice to Provincial and Local Marketing Departments.

Provincial and State Governments, who were asked to co-operate by appointing their own marketing staff, have, in the majority of cases done so, with the result that the same lines of investigation will be followed all over India.

Mr. Livingstone is, at present, devoting his attention entirely to Research. His line of action is to investigate the marketing of each commodity thoroughly, then indicate to those interested how they can ameliorate present conditions, and, if necessary, compel improvement by appropriate legislation.

In Ceylon the Marketing Department combines the duties of the Indian Central Advisory Staff at Delhi with those of the Provincial Marketing Departments, so that from the start, we have had to take a more practical part in marketing than is perhaps anticipated as yet in India, but the basis of Research is identical, and I was able to gain invaluable information concerning organization for the discovery of the marketable resources of an area.

The foundation of market research is an Economic Survey, or Census of Production. Part of the Economic Survey consists of a Market Survey, or report on the existing markets, and the methods by which they carry on business, but the detailed information upon which marketing improvements are finally based is the report upon the marketing of a commodity.

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The Indian Provincial Marketing Officer's Assistants are each given a commodity or group of connected commodities for investigation. The Punjab Marketing Officers are now investigating the marketing of fruit, livestock, and oilseeds, while the Marketing Officer himself attends to cereals.

In Ceylon there is similar division of labour but, owing to practical necessities for development, along with research, we have a Marketing Officer in charge of the Marketing Information Branch, a Superintendent of the Old Town Hall Experimental Market, and an officer engaged on a Market Transport Survey, as well as officers who deal respectively with fruit and vegetables, and minor products, while up to date the Commissioner has dealt with paddy. Other subjects will be taken up as development proceeds, since owing to the much lower salary paid in Ceylon to the "Inspector" grade, who correspond to the Indian Assistant Marketing Officers, we can afford more of them.

The main points of the investigation into the marketing of a commodity are to trace the passage of the article in minutest detail, from the producer to the consumer, discovering the price each handler pays, and revealing what part of the process is uneconomic, so that the defects can be remedied. The quantities sent to each town are ascertained by examination of the Railway books, questioning transport owners, and counting head or pingo loads for a number of days, and taking an average, while from the resulting statistics, Production Maps are to be prepared showing areas of concentration of each commodity and lines of export from each.

Mr. Livingstone regards bulking and grading as a popular cry which attracts more attention than it deserves. From his experience he has found that first a market must be found, then, when it has started, grading can be tried to see if it fetches a better price.

Market Information, in regard to certain special commodities, like cotton and wheat, has reached a very high level of efficiency in India, where, in a central market, however far removed from the luxuries of civilization, every merchant has a telephone. India is too large for the system of bulletins on V. C. and Temple notice boards that is proposed in Ceylon, but Mr. Livingstone approved of the idea, as carrying information very thoroughly into all districts, and affording the distant villager the opportunity of ascertaining ruling central market prices in order to bargain on better terms with the itinerant middlemen.

There is no proposal for separate Transport Investigation in India, as such a step come outside the present purview of the Central Department. Mr. Livingstone advised me that transport can best be organized by a body, such as a Sales Society, with a definite guaranteed offer. For instance, the English Pig Board informs a Railway Company that in 1935, they are going to move by train 1½ million pigs, and inquires whether the Railway will take them at 10/- each. If the Railway refuses it stands the risk of losing the whole of this haulage to a lorry company, so that the real economic freight charge is discovered.

Every country has different Marketing Problems, involving individual investigation. It is impossible to apply the results of some one else's investigations into Vegetable Marketing to Ceylon, and, if definite action is to be taken in any line by the Marketing Department itself, the obvious principal danger lies in going too fast, and wasting money on action which completed investigation would have shown to be unprofitable. In England there have been notable failures of this kind, but the anticipated thoroughness of the Indian method is expected to render it very safe.

In Ceylon, where the smaller scale upon which business is conducted renders it possible, it is hoped that Demonstration, provision of transport facilities, and direction, even if only partial, of groups of villagers' produce to reliable selling agencies, thus forming the nucleus of Sales Associations, may have the desired effect.

India proposes to indicate a line of action, then compel its adoption, whereas in Ceylon it is hoped to indicate a line of action and by demonstration on the part of successful traders in the commodity concerned to induce its adoption, reserving legislation in the hope that it will prove unnecessary. One of the advantages of the Ceylon policy will be the opportunity it offers to observe, by experiment,

whether the proposed marketing schemes are sound before they are enforced. It is the lack of elasticity which caused the failures in England, and which appears to me to constitute a grave danger in market legislation.

Mr. Livingstone is of opinion, and the same view has been expressed in Australia, that voluntarily Co-operative Marketing has failed all over the world. Co-operative Marketing must be carefully distinguished here from the normal activities of Co-operative Associations. He therefore considers legislation essential, but there are practical examples already in existence in India that demonstration combined with direction can be successful. I refer principally to the Martandan organization described in the book "Up from Poverty", where some 44,000 people have learnt by these means how to market their produce in an orderly manner without becoming involved in any complication of rules, and without legislation. It may be argued that the Martandan area is small; it is so, but so is Ceylon.

The conviction, forced upon me by observation of India's schemes for dealing with Agricultural Marketing, is that Ceylon should follow the expert methods of the Indian Agricultural Research Department, in the matter of investigation, at the same time endeavouring to induce, on the lines indicated by investigation, the development of orderly marketing, by the same means of demonstration and practical instruction as have been so eminently successful at Martandan.

I have recorded below, under subject headings, the more detailed information I collected upon the Indian marketing methods.

GRADING, BULKING, AND PACKING.

Except in the effort to enter a highly sophisticated market, grading and bulking is, at the outset, unnecessary. One has only to look at the Ceylon markets to realize this.

A market can be started, if it is an economic proposition at all, with whatever produce is obtainable, and afterwards efforts can be made to obtain better prices by grading, and cheaper freights by bulking. Usually, but by no means always, grading results in better prices, and should invariably be tried as early as is practicable.

As in Ceylon, there is no grading of fruit and vegetables in Indian markets. We have to evolve our own standards without assistance. But in the rice trade grades are recognized.

Punjab rice farmers hull their paddy in machines driven by a small engine, then grade each variety for sale to wholesalers, with sieves of varying mesh, into Whole, Broken, Tips and Dust. The retailer again regrades the Whole into Entire, where each tip of the long Punjab rice is intact. This system, or a variation of it if necessary, I propose to introduce in Ceylon as early as possible.

Rice Mills, such as are made at Bhiwandi, near Bombay, grade the grain in the same way, but at the request of the owners of the rice, the mill can be set to allow large Broken pieces to mix with the whole and so, while adulterating the grade, obtain a better price for Broken rice by selling it as Whole. In Australia both Owner and Miller would, I believe, be prosecuted.

Bulking for freight is done whenever possible, and is easiest achieved by Growers Associations. The Railway is always ready to give cheap rates on big consignments.

Packing.—This is a difficult problem, especially as regards fruit, which has been very carefully investigated in Bombay. Every commodity presents its own special case. The solution is inevitably an economic compromise between loss on the fruit itself due to too little expenditure on packing, and loss on the price realized for the fruit by too great an expenditure on packing. The best methods can only be discovered from the experience of others, or by experiment. The ideal form of packing is saleable at the consignee's end of the journey, at a price that goes far towards covering its cost.

I noticed mangoes in transit from Nagpur, *via* Calcutta and Delhi to Karachi in baskets, piled one on the other. The consigner evidently makes a profit or he

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would not send the fruit, but he would certainly make a better profit if he used a package that did not squash, and so secure a higher percentage of undamaged fruit on his market.

Closely connected with packing is the training of Railway and Transport staff in proper handling and stacking of delicate commodities. The Bombay Committee of Inquiry drew attention to the bad handling by the Railway, but, as far as I observed in the course of some 4,000 miles by train, with little success. Railway staff should be trained by competent supervision to realize that a carrier's job is to be careful of the goods committed to his charge, not to be solely concerned with their own convenience in handling packages with the least possible effort, which is usually synonymous with the greatest detriment to the package. The latter attitude is regrettably universal.

"Perishable goods are carried at the owner's risk". The wording of the contract tends towards an attitude of indifference to the important problem of delivering market produce undamaged.

The Bombay Committee urge that Railways should be responsible for all damage to goods that are reasonably packed, reserving the right to refuse responsibility if the consignment does not conform to that requirement. This suggestion would lead to considerable initial difficulties, and probably to slightly increased charges, but the continuance of the present unsatisfactory system whereby consignment of market goods to the Railway amounts to a great probability of material damage, causes consignors to look to the Railway only if other transport is unavailable.

INDEBTEDNESS.

This, as in Ceylon, is one of the principal obstructions to the progress of orderly marketing. Mr. Livingstone, I was glad to find, agreed with me that, although indebtedness may be a formidable obstacle, yet the only real cure for it is good marketing.

In Bhavanagar the State indemnified all agricultural debtors, taking three years to complete the scheme, to the satisfaction of both debtors and creditors. This action is possible in a wealthy Indian State, where heavy pressure can be put on the creditors, but it could not be done in Ceylon. In the Punjab the Sikh marketing officers manage frequently to settle cultivators' debts by friendly negotiation with the creditors, and I found that in Porebunder the revenue officer occasionally takes over both crop and debt and manipulates the debtor out of his trouble.

These solutions cannot be worked here; nor is the Travancore scheme recommended, where a three months moratorium of agricultural debts was declared just as business brightened, with the result that debtors who could easily have repaid their creditors made no effort to do so. The result will be that securities in future will be heavier, and loans far more difficult to obtain, for fear of a repetition of Government action.

Education of the cultivator out of his present uneconomic mode of life, combined with facilities for a better sale of his crop, appear to form the real solution, which will be a gradual change for the better, and not a sudden beneficent revolution.

In India most elaborate farm costing has been worked out over a period of four years, in order to find out where the peasant fails to balance his budget, the result filling a book of 921 pages; while the Punjab Marketing Officer, Sardar Kartar Singh when he was a Professor at the Agricultural College, wrote an excellent treatise on a farmer's budget. I will endeavour to have the same done in Ceylon, but it is difficult to get the necessary highly trained economist, who, is at the same time prepared to live a wholly village life, for the salary offered.

The measures taken in Ceylon for amending the peasants' economic faults, appear to lie, except as regards the sale of his produce, within the Province of the Agricultural Department. At present help given to the peasant in Ceylon is haphazard; there is no sure policy because his economic needs have never been scientifically worked out.

Rural development is handicapped by lack of completed investigation.

RURAL DEVELOPMENT.

Exclusive of the cost of Provincial Marketing Departments, the Central Government of India has granted 2 lakhs a year to each Province for Rural Development. This scheme contemplates a big drive in agricultural education, industrial development both on factory and cottage lines, improved village sanitation, health education, and all the other progressive factors which go towards Village Social Development.

The Marketing Department's activities are very closely allied to this scheme, and, if proper co-operation eventuates, the two movements should be invaluable to one another.

In addition to a Rural Development Officer, in the Punjab this Officer is the brother of Mr. C. V. Brayne, C.M.G., there is an immense amount of voluntary work being done by parties of philanthropic men, who tour the districts demonstrating and teaching improvements in different spheres of development.

This voluntary work is very valuable as it is tacitly under the direction of the Rural Development Officer, and so co-ordinated. It is obvious that unless so directed it would lead to chaotic and overlapping activities which would do more harm than good.

There is vast scope for such voluntary work in Ceylon; if anyone wishes to try it I can give him sufficient marketing work to keep him and his party engaged for any length of time that they are willing to devote to it, anywhere in the Island.

WIRELESS BROADCASTING.

This method of spreading market information is closely connected with the Rural Development Scheme in India, which proposes, as far as possible, to instal a wireless loudspeaker in every village. But even without such lavish facilities, broadcasting reaches a very large number of people in surprisingly out of the way places, not perhaps at first hand, but relayed through servants and general gossip from the wealthier home where it is installed. This spreading of news will increase when it is generally known that Market Information for the benefit of villagers is announced at specified times.

"Five Minutes broadcast talk for Farmers", if at a fixed time once or twice a week, concisely packed with Central Market Prices and stock reports, Crop forecasts and Agricultural requirements, should be of immense assistance to both Producers and Dealers in all kinds of crops. It will be surprising how soon the villager will realize the benefits of information, when he sees others profit financially by it.

MARKETING IN THE CANAL COLONIES.

The wheat crop of the Punjab is immense, and its marketing has been organized by private enterprise to a very high pitch. In Amritsar the wheat market is run on lines very similar to those of the London Stock Exchange, while in every canal colony town the merchants deal on a scale known in Ceylon only among big Colombo merchants.

Each Colony has its "mandi" or permanent market, which consists of a big open quadrangle, some two or three hundred yards across, the sides consisting of the offices of Commission Agents and Dealers, with the road entrances at each corner. Round the inside of the square in front of the offices is a continuous "pukka", or brick built, platform, on which all the grain and cotton for sale, or recently sold, is stacked in the sun, until it is removed into the stores. The houses are all built more or less to a pattern, with the ground floor consisting of stores, the office upstairs, overlooking the inside of the square, and the dwelling portion over the stores looking away from the square.

The carts of grain and cotton congregate inside the square round the central well, where the fine strong draught cattle are watered.

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There are various recognized ways of marketing a wheat crop—

- (1) The best way; through one's own Growers' Association.
- (2) Through a wholesale trader who advances money for the crop, which he fetches when reaped. He takes it in repayment of the advance, and pays extra if the price is above what he advanced. It seldom is.
- (3) Through an old established business connection with a local commission agent who always collects the same Zamindars' crops.
- (4) Through an itinerant trader who collects the crop at a low price, to cover his costs and risk.
- (5) The farmer takes his crop himself to the local mandi and sells it for what he can get.

The wheat trade is so old-established that the services of an itinerant trader are only necessary for a new comer.

It will be seen that, even where Indian market custom has been long established, it differs little from Ceylon methods, but the business relations between grower and commission agent are very different. Credit is far firmer between parties who have dealt with one another for years, and their fathers before them, hence the Indian wheat grower gets, as far as I could see, a fairer price for his crops than the Ceylon cultivator.

In Okara Canal Colony one can see working simultaneously all these marketing methods, from which the sale through a Growers' Association stands out as the economic and most satisfactory organization.

The principal association of this kind in Okara is called the Zamindars' Co-operative Society, in practice it has no other activities except the sale of its members' crops, at a small commission, to cover the cost of its staff and office. There are no loans, and no divisions of profits. It is very successful, but its success appears to depend solely upon the competence and honesty of the Secretary or Manager; that is the weak point of producers' selling organizations. It does not matter how efficient the members may be, it is the Secretary who can make or break the concern. The Okara Zamindars' Co-operative Society consists of the Superintendent of Military Farms, together with several retired Europeans who have taken land in the colony, and a number of wealthy Punjabi Zamindars. It owns a central store where crops can be held over for a rise in price, and sells its member's crops primarily, but will also sell the grain and cotton of non-members at a commission of 6 annas in Rs. 100/-, instead of the 4 annas per 100/- paid by members. Last year the society, which has been in existence for fifteen years, transacted business amounting in value to forty-three lakhs of rupees. It has a very considerable control over prices in Okara as far as local movements are concerned, and, being conducted by wise men, thus checks unnecessary fluctuation, but the influence of this society indicates the danger that can arise from a similar ring of growers who are either unwise or unscrupulous.

The society has other beneficent influences, the chief of which is its insistence upon selling good grade produce. Although this policy has been a great educative influence for fifteen years at Okara, the practice of deliberate adulteration of good grade produce dies hard. Many merchants in Okara still regard the members of the society as fools who lose much good money by their ridiculous insistence on standards, although the success and wealth brought by this very factor in their business policy is patent to all.

Grain bought from the society is frequently heaped and adulterated with sand before resale. The President of the society has a photograph showing a man with a shovel in the open mandi, throwing sand and dust on to a pile of grain that had just left the society's store, "to increase the profits".

Okara Colony contains two lakhs of acres, divided into 25-acre holdings, called "squares", each now worth about 2,000/-, although a few years ago they rose to 5,000/- and 7,000/-. The price of wheat is now so low that it scarcely pays to grow it, a bad time for the colonists who grow only wheat and cotton.

The Agricultural Department sells good seed through local agents, giving a commission of 2 annas on every bag and the cultivators almost all buy the

Government seed as it is known to be satisfactory. Otherwise the Government does not interfere in wheat growing and marketing except to the extent of establishing a Co-operative Credit Society in Okara, which is not a very popular institution.

Most Zamindars go for loans to the local commission agents, who advance only against crops, because when hard times come, they are not so strict in the enforcing of their rules as the Co-operative Credit Society. Although the commission agent charges 2/4 a. on 100/- as against the Co-operative Society's 1/8 a. the extra charge is worth while to the Zamindar, who knows that the commission agent will accommodate him when he is in trouble, whereas the Co-operative Society is bound to stick to its rules. This unfortunate situation is not likely to become common in Ceylon, where the commission agents can hardly be described as a benevolent class.

The Manager of the Military Farm at Okara is an enthusiast over wheat. He combines practical farmer's experience with science, and tests the suitability of different seeds to varying lands again and again, until he reaches the best possible combination of grain, soil, and manure. His insistence on a high grade assists him when he has to sell the product of experiments that have not been very successful, because dealers know that his bags contain 99.5 per cent. pure wheat and that even if he regards it as second rate, it will be as good as other merchants' best.

Both the Manager of the Military Farms and the Punjab Marketing Officer agreed that the principal difficulty in the establishment of any kind of grading or packing station is the selection of an honest Manager. Mr. Livingstone had also mentioned the same problem to me. This sounds a pessimistic opinion but they all based it on at least twenty years' experience of agricultural effort in different spheres. The opportunities for "graft" which offer themselves to an officer who has to pass or reject large quantities of valuable commodities according to a standard are so numerous that he has a great chance of retiring with a large fortune, if he is clever enough not to be detected.

In some parts of India, notably Nagpur, loosely knit associations of growers, without rules or regulations, have involuntarily grown into existence through their "members" always sending their fruit crops to the same agency in a city such as Delhi. These growers can combine when necessary, bulk their produce, and obtain cheap rail freight charges, while, by means of their collective bargaining power they can obtain a fair price for their produce.

It is hoped gradually to induce similar producers groups in Ceylon, dealing with the Ceylon Fruit and Minor Produce Co-operative Society, of which eventually, when they have seen the advantages of even an entirely unregulated combination of sellers interests, they will have the opportunity to become members.

The principal lesson to be learnt from Okara and the Canal Colony Marketing Systems is, that the Government Marketing Department should not interfere when professional private enterprise, by demonstration and experiment, produces an efficient organization for the marketing of its own commodity, at no expense to the taxpayer. In other words, when investigation shows progress on satisfactory lines no action should be taken. This sounds very obvious, but it is a rule that one sees broken more often than it is observed.

RICE CULTIVATION.

There are one million acres under rice cultivation in the Punjab, chiefly in the neighbourhood of Kala Shah Aaku, about thirty miles from Lahore, where the Punjab Government rice farm is situated. Rice cultivation here is a commercial proposition, all "Whole" grade grain being exported and only "Broken" eaten locally. As explained under the heading of "Grading", on page 22 the rice is carefully graded, by means of sieves, and sold in the "Mandis" or markets to millers and agents of the big Amritsar rice market merchants.

The marketing officer is trying to persuade the cultivators to form a "Rice Pool", in order to deal direct with the Amritsar traders, but, so far, he has experienced difficulty in furthering the proposal. Punjab rice is very long and fine; the nicest to taste of any I have ever eaten.

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The bulls and buffaloes used for ploughing are bigger and stronger than Ceylon cattle. Only one crop is taken a year, sown late in May, transplanted when it is well up, and harvested in September. Very little manuring is done. There is no green manure to be had, bones were found not to improve the crop, and artificial manure was too expensive during the depression to be economic. As much cattle manure as possible is put on the fields by some cultivators, who thereby obtain better crops, but many do no manuring. For this reason two crops a year cannot be harvested.

There are private rice markets, each usually near a Railway Station, where small capitalists who have erected husking machines, worked by a small oil engine, husk villagers' paddy at a very low rate.

The husking machines are put up in a row, each set to produce a different degree of fineness of husk removal and polish.

No rice mills are used in the Punjab.

At the Government Rice Farm the Agricultural Department have tried 300 different kinds of paddy, of which 16 are in use, and a few in general use. All the rice grown at the Government Rice Farm is distributed for seed, while demonstration plots of pure-line paddy are grown in each Thaluk, in the same way as is done in Ceylon. The cultivators, after seeing the yield from good Government seed, are anxious to buy it, even though it is a little more expensive than other grades.

The Government Farm buildings and equipment cost Rs. 50,000. Their original iron ploughs came from America but they are now copied and made in Lahore, while chaff cutters of English pattern are made all over India for 20/- each, in order to provide "boosa", used everywhere for cattle fodder. This use of straw is a feature of which the Ceylon villager might make more.

Threshing is done in the Punjab by beating out the grain on a small mud bund, built in the field for the purpose. The grain is then neither trampled on, nor fouled with urine and excreta from the cattle, while the "bundobust" required is far less than by the Ceylon method. The grain too, does not pick up so much dirt, nor so many stones, although it appears to be usually allowed to fall on the ground. Some farmers have learnt to use mats.

The paddy is threshed this way as soon as it is cut. It is not cut before it is quite ripe, as is so often done in Ceylon, and then allowed to lie, exposed to wind, sun, and rain for a day or two before threshing. On account of this better method of harvesting it is not so brittle as Ceylon rice when it is husked unboiled, with the result that far less breakage occurs. Only in the south of the Punjab where the Ceylon method of threshing is employed, is Punjab rice parboiled.

The amount of breakage in Ceylon rice is thus explained. The speed with which Ceylon rice goes bad is due to the fact that it is not polished, and to bad harvesting methods.

In Sind paddy is threshed with cattle, as in Ceylon, but no dirt is picked up. One is led to the conclusion that a large amount of the grit in Ceylon bought rice is put in by the merchants to increase its weight. Sind rice is said not to contain even 1 per cent. dirt, but this sounds too good to be true.

There are rice mills in Sind, but the people say that the mill heats the rice and makes it lose its taste, so that husking machines are still preferred. Grading is done with sieves as in the Punjab, but in Sind "Whole" and "Half" are classed as one grade.

I saw the factory belonging to G. G. Dandekar & Co. at Bhiwandi, near Bombay, where rice mills are made. Mills have become so popular in Bombay Presidency that there are too many of them and rice milling has ceased to be a very profitable pursuit.

The two-ton per hour mill at Bhiwandi costs Rs. 16,000 exclusive of the engine, while a small two-bag per hour mill is Rs. 2,500.

Catalogues are available for perusal at the Office of the Commissioner for Development of Agricultural Marketing in the Secretariat.

CITRUS FARMING.

There is a very large citrus farm at Kissan, about seventy miles from Lahore. The fruit trees extend for some two or more miles alongside the railway, a feature which gives the farm considerable advertisement.

Oranges, limes, and lemons are grown in great abundance, with grapes as an auxiliary crop. Frost does a lot of harm but pests and canker are very little trouble. No spraying is done. Thefts are heavy, as it is impossible to chowkidar the whole place.

Auctions of the crops are advertised and baghwans or dealers come to buy the fruit on the trees, a practice that saves a lot of trouble, although the farm is near a station. The proprietor also has a number of individual clients to whom he sends the pick of his crop, but difficulty is experienced in packing the fruit for transport so that they arrive undamaged. They are packed in paper, inside boxes.

A fair profit is made over fruit juice, for the making of which a big plant is maintained, but in this line there is a lot of competition.

Jam and marmalade were tried, but as the glass containers cost 3½ annas each it was unsuccessful.

ROTATION OF CROPS.

I was asked to investigate the Indian system of rotation of crops.

This is done according to the character of the soil. Wheat may be sown one year, then the land is fallowed, and a leguminous, or other suitable crop grown the year after; or perhaps two different crops, then back to wheat. A cultivator divides his land into halves or thirds, as the case necessitates, and grows in rotation what his experience tells him is good, or what the Agricultural Officer advises.

It is impossible to arrange the rotation until the soil has been investigated because different localities need entirely different series.

The main object is to effect the best possible compromise between the following considerations:—

- (1) To prevent exhaustion of the soil.
- (2) To fit the crops into the right seasons so that cultivation shall be as continuous as possible.
- (3) To grow for the public seasonal demand, and not in the old style, to hope that the market will take what you have grown regardless of the demand or otherwise.

No criterion can be taken from any other country; it is for Ceylon to work out its own suitable rotations in each different soil area.

The following literature is recommended:—

“ A Text-book on Punjab Agriculture ” by W. Roberts. Civil and Military Gazette Press, Lahore.

“ Note-book of Agricultural Facts and Figures ” by R. C. Wood. Taraporewala, Bombay.

“ The Agriculture of the United Provinces ”, published by the Government Press, Allahabad. Also from Taraporewala, Bombay.

CRAWFORD MARKET, BOMBAY.

With a view to obtaining useful guidance in the development of the Old Town Hall Model and Experimental Market, I investigated the organization of Crawford Market carefully. Capt. Flanders the Superintendent, who lives above the market very kindly showed me the organization in detail.

Crawford Market is a Municipal market in which each stall holder buys a licence to sell for an indefinite period for 1/-. The stall rents are put up to auction, and sold to the highest bidder for periods of three months at a time; with the option of taking the same stall again at the end of the period for the same rent. A stall holder has to give one month's notice before quitting his stall, and can be ejected for breach of the conditions of the licence after similar notice.

The Superintendent has no power to enforce grading, or to make stall holders sell superior produce, so that no grading is done.

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Ten to fifteen thousand baskets of produce come daily into the market, which is the wholesale depot for the supply of forty other markets and 2,000 hawkers.

Crawford Market has had a refrigerating room for ten years, with four chambers to keep unsold goods. The charges are one anna for 50 lb. for twenty-four hours. Karachi and Calcutta markets also have refrigerators.

The space per stall in Crawford Market is 6 ft. x 7 ft. The sloping platforms on which their goods are displayed are made by the stall holders. The rent varies according to situation.

A daily list of prices is put up in the market an hour after it is opened. This is copied daily by the newspaper reporters.

There are very few things one cannot buy in this market, of which perhaps the most fascinating part is the bird and animal section, where occasionally even live tigers have been sold.

The scheme of decoration of the building, in chocolate-red and white, is attractive.

I hope to imitate it at the Old Town Hall, while some of the conditions of tenants' licences will be valuable additions to our present terms.

I saw no effort to enforce Plague Regulations in Crawford Market, but some of the other market buildings were very up to date, with white tiled walls and every hygienic contrivance. One in particular was perfect in every respect except that it had no tenants.

This empty building emphasizes the fact that a model market cannot be made by the erection of a hall for it. The market must exist first, in a traditional place, then if a building is put up it will at once be filled. It was interesting to observe that other countries have expensive empty market buildings standing where there has never yet been a market.

Section IV.—Miscellaneous.

I endeavoured to collect information upon every subject which I thought would be useful to Ceylon. The results are given below according to subjects, in alphabetical order.

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AQUARIUM.

As there have been discussions at intervals in Ceylon about building an Aquarium I went to see the one in Madras.

It is an excellent miniature of the Aquarium in the Zoological Societies Gardens in London. The exhibits are extremely interesting, and the entrance fee only one anna, resulting in an annual number of visitors reaching 165,000.

If the Colombo Aquarium is eventually built, its designer and manager might possibly obtain useful information from the Madras establishment.

Literature on this subject is available for perusal in the Office of the Marketing Commissioner.

ARECANUTS.

I was instructed to endeavour to obtain a reduction in the Indian Tariff Valuation of Arecanuts, so that Ceylon may benefit by a preferential difference in rate of duty of 7½ per cent. *ad valorem*. The Tariff Values upon which a duty of 37½ per cent. is payable at present are as follows:—

	Ra. A. P.
	Per cwt.
Betel nuts (husked)—	
Whole from Straits, Dutch East Indies, and Siam	.. 6 8 0
Whole from Goa	.. 7 8 0
Whole from Ceylon	.. 10 0 0
Split from Straits, Dutch East Indies, and Siam—	
(a) mature .. .. .	.. 7 8 0
(b) immature .. .. .	.. 15 0 0
Split from Ceylon—	
(a) mature .. .. .	.. 8 10 0
(b) immature .. .. .	.. 19 8 0
All other sorts .. .. .	.. 8 0 0

In order to obtain this reduction, if possible, I saw in Delhi Mr. T. A. Stewart, C.I.E., Secretary of the Commerce Department of the Government of India, and Dr. Matthai, Director-General of Commercial Intelligence.

They were sympathetic, but pointed out that changes in Tariff Valuation were only occasional, and can only be brought about when it is proved that the existing valuation is incorrect. The average selling price (less duty) of a commodity from a particular country during the preceding year is calculated from statistics of sales, and the Tariff Valuation is based on that calculation. No other factor affects the decision.

Ceylon arecanuts apparently fetch a better price than those from the other countries mentioned in the Indian Customs Tariff, and so their Tariff Valuation is higher.

The Indian Merchants' Association in Ceylon, whose members complain that the present valuation is unfair, should, in combination with the Tuticorin Indian Merchants' Association, and the South India Chamber of Commerce, Madras, send an application to have the valuation reduced to a specific figure, to the Secretary of the Commerce Department of the Government of India, Simla, and to the Director-General of Commercial Intelligence, Calcutta.

In this application they should give in detail their reasons for considering that the present Tariff Valuation is unfair.

I have spoken to the Secretary of the Southern India Chamber of Commerce, Madras, about this matter, and he assured me that, if the Tariff Valuation is unfair, his Chamber will give the Ceylon Merchants every support when the matter comes up for revision in September.

I found that Ceylon arecanuts are regarded in India as of superior quality, but too expensive to be bought by the ordinary person, so that they are difficult to get. In Crawford Market a sample of the Ceylon "Chickna" variety, the only ones available, were sold to me almost with reverence as the best betel nuts obtainable.

The import from Ceylon into Bombay for the year ending March 31, 1935, was 1,876 cwt.

In Delhi the import of arecanuts, but not from Ceylon, has gone up from 23,349 maunds in 1933 to 33,775 maunds in 1934, indicating that the market for them here is a good one.

The Secretary of the South India Chamber of Commerce, Madras, informed me that the Ceylon "Betel nut" market could be largely improved there.

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Samples and quotations should be sent to—

Abdul Wahab, Bunder street, Madras.

Palany Velu Chetty & Sons, Andiappa street, Nr. Kotahwal Bazaar, Madras.

M. R. Tata & Co., Kazi Ziat street, Bombay.

R. S. Amba Parshad, Kirana Committee, Katra Tobacco, Delhi.

Ram Chand Kura Mal, Kahari Bawli, Katra Tobacco, Delhi.

Hari Gokal, Shahalmi Gate, Lahore.

Sheikh Ahsanali Rahmat Ali, Kashmiri Bazaar, Lahore.

Sheikh Rahmat Ali, Akbar: Mandi, Lahore.

Sheikh Barkat Ali, Chowk Nawab Sahib, Lahore.

The Secretary, Indian Merchants' Association, Karachi.

The Secretary, Buyers' and Shippers' Association, Karachi.

Mr. Wadia, General Merchant, Porebunder.

Mr. Haji Jusub Haji Mohamed, Porebunder.

Aranalis Khabhai

Natoobhai Devachand

Pamanchand Manchchand

Jetalal Baghvan.

Hargovind Probashanker

Narshidas Jagjiwandas

Parmanand Darachand.

Nanchand Anandji

Alana Umor Bhai

Mr. Sarabhai Dahya Bhai Sheth, Ratanpole, Ahmedabad.

Messrs. Moolji Jaitha, P. O. Box 16, Cochin.

All of Bhavanagar.

CANE FURNITURE.

Duty: 30 per cent. *ad valorem*.

I was told by the Karachi Merchants' Association that Ceylon cane or rattan furniture is much appreciated in Karachi and has been imported.

An inquiry, with illustrated price list, addressed to the Secretary of this Association might be productive of profitable results.

CASHEW NUTS IN SHELLS.

No Customs duty.

There is a big market for good Ceylon cashew nuts in Cochin, although at present a great part of the annual Ceylon cashew nut crop is wasted for lack of knowledge of a market.

Messrs. Moolji Jaitha of Cochin told me that they would take any quantity of good nuts in their shells that Ceylon likes to send, through their Agents, Messrs. Heptulabhoy of Colombo. Messrs. W. T. Anderson will also import Ceylon cashew nuts.

Prospective exporters must be careful to see that they send the right type of sample, and then to keep up to that standard. The nut should be of light colour, not darkened with the smoke of a year's keeping near the fire place. Dark nuts fetch a poor price or are unsaleable.

In sending an experimental shipment I found difficulty at first in obtaining a level standard throughout half a ton. Villagers, who readily supplied nuts, "topped" their bags with big nuts of this year's crop, hiding lower down a mixed assortment of smaller fresh nuts and sooty nuts, in some cases even charred remnants of last year's harvest.

Cashew nuts are graded as follows in Cochin:—

	Average Length. Breadth. Thickness.		
	Inches.	Inches.	Inches.
Grade 1	1 2/5 ..	1 ..	3/5
Grade 2	1 1/5 ..	9/10 ..	1/2
Grade 3	1 1/5 ..	4/5 ..	1/2
Grade 4	1 1/10 ..	7/10 ..	1/2
Rejections	9/10 ..	7/10 ..	2/5

Samples can be seen at the Office of the Commissioner for Development of Agricultural Marketing. They are packed in sacks, each containing 1½ cwt., for shipment at 7.50 per ton of 20 cwt. The latest price for good Ceylon nuts in

Cochin is 7/ per cwt. or 5/20 net. Cashew nuts in shells pay no Customs duty, but kernels have a Tariff Value of 22/25 per cwt., with a duty of 20 per cent. *ad valorem*.

They are shelled and prepared with great care in factories at Quilon, for shipment to America as wholes, halves, and butts, in tins from which all the air has been withdrawn to be replaced by carbon dioxide gas, in order to prevent mould and "poochies".

I strongly recommend Ceylon growers to take advantage of this market, but would emphasize the necessity of maintaining a good standard of quality, and of not attempting to cheat sophisticated Indian firms, who condemn such efforts more for their pathetic ineptitude than for their blatant dishonesty.

CASTOR SEED.

Duty: 20 per cent. *ad valorem*.

There are several merchants in Bombay who deal in this commodity, out of which lubricating oil is made. I have employed an energetic agent in Bombay to try and work up a Ceylon trade in castor seed, as the castor plant grows wild in most dry zone areas in Ceylon. I have sent a sample to him, and before I left he told me he had established contact with one or two dealers.

In Sind castor seed is collected, dried in the sun, and exported in bags to Indian Castor Oil Mills, while from Porebunder it goes principally to Marseilles.

CEMENT.

As outlined under the heading of Fresh Coconuts, Porebunder, the Manager of the Porebunder Cement Works is anxious to export Indian cement in sailing vessels to Ceylon, hoping for a return cargo of coconut produce.

The Manager will communicate terms to any interested person who inquires for them.

CINNAMON AND CINNAMON OIL.

Duty: 20 per cent. *ad valorem* and 37½ per cent. *ad valorem*.

Cinnamon is imported into India, very largely from Hong Kong, through Bombay, Calcutta, and Karachi. Five to six thousand maunds enter Amritsar every year at from 14/- to 16/- per maund, rising to 17/- in Lahore. The limit of the market in the Punjab is said to have been reached, but Ceylon cinnamon if as good as and cheaper than the present import, would be preferred.

Ceylon cinnamon oil has a bad reputation for adulteration in India, which does more than anything else to spoil the market. This adulteration still continues.

In Bhavanagar it is imported from Sumatra.

The properties of cinnamon oil are very little known in India, and a market for it might be developed by samples and advertising. The question of advertisement of this product is discussed under the heading of Publicity on page 44.

Quotations, samples, and literature might be sent to the same addresses as those given under citronella oil, sending both quills and oil to the merchants, and medicinal oil only to chemists and those to whom citronella mosquito oil is to be sent.

The following additions may be made to the merchants' addresses:—

Aranalis Khabhai, Bhavanagar.

Natoobhai Devachand, Bhavanagar.

Pamanchand Manckchand, Bhavanagar.

Jetalal Baghwan, Bhavanagar.

Hargovind Probashanker, Bhavanagar.

Messrs. Nehal Chand Dowlat Ram, Majith Mandi, Amritsar.

CITRONELLA OIL.

Tariff value 1/- per lb. Duty: 20 per cent.

There is already a large export of citronella oil from Ceylon to India for soap manufacture, but there appears to be scope for development of the market by judicious advertisement and energetic pushing of good samples with cheap quotations. In Amritsar the annual import from Ceylon is 5,000 lb. and from Java between 4,000 and 5,000 lb.

It is most unfortunate that Ceylon citronella oil has a very bad reputation in India for adulteration, due to the frequency with which Ceylon citronella merchants adulterate their produce. This intensely stupid practice has been brought this year to a culminating pitch, when, after supplying one of the biggest firms in the world for six years, a Ceylon merchant adulterated his citronella oil to the extent of 40 per cent., and lost the contract, not only for himself but possibly for Ceylon, as the firm may turn, in disgust, to Java for its supplies. If, however, satisfactory oil is again offered they may return to the Ceylon market.

The use of citronella oil against mosquitoes is comparatively unknown in Northern India; its commercialization for this purpose through leading chemists in large towns and by attracting the attention of leading people in Indian states has the possibilities of gaining a satisfactory market. The question of advertisement of this produce is dealt with under the heading of Publicity on page 44.

Samples, quotations, and literature advertising its use in soap, as well as for mosquitoes may be sent to:—

The Anglo-Siam Corporation, Ewart House, Tamarind lane, Bombay.

Messrs. Lever Bros., Henley House, Graham road, Bombay.

Ram Chand Kura Mal, Kahari Bawli, Tobacco Katra, Delhi.

Jamaluddin H. Hamiduddin, Ballimoran, Delhi.

Hari Gokal, Shahalmi Gate, Lahore.

The National Laboratories, P. O. Box 106, Lahore.

Sat & Co., Bazaar Wachhowali, Lahore.

Messrs. Kahan Singh Mohan Singh, Amritsar.

Bharat Soap Works, Karachi.

Indian National Soap Manufacturing Co., Frere road, Karachi.

Mr. Wadia, General Merchant, Porebunder.

Mr. Haji Jusab Haji Mohamed, General Merchant, Porebunder.

Parekh Bros., Vartej, Bhavanagar.

Jaganath Bros., Bhavanagar.

Sorabhai Dahya Bhai Sheth, Ratanpole, Ahmedabad.

Messrs. Volkart Bros., Cochin.

Messrs. Moolji Jaitha & Co., Cochin.

Messrs. Aspinwall & Co., Cochin.

Messrs. Pierce Leslie & Co., Cochin.

The National Soap & Chemical Works, Calcutta.

The leading chemists in all big towns in India. The addresses can be obtained from the Director of Commercial Intelligence.

Samples, quotations, and literature concerning the use of citronella oil against mosquitoes may be sent to the following persons, asking them to try it, and, if they find it efficient, to advocate its use:—

- (1) His Highness the Maharaja Rana, Porebunder.
- (2) The Dewan Sahib, Porebunder.
- (3) The Chief Medical Officer, Porebunder.
- (4) Mr. Simmons, the Manager, the Cement Works, Porebunder.
- (5) Mr. Boatwalla, the Guest Officer, Porebunder.
- (6) His Highness the Maharaja of Bhavanagar.
- (7) Sir Prabashanker Pattani, Bhavanagar.
- (8) The Chief Medical Officer, Bhavanagar.
- (9) The President, the Municipality, Bhavanagar.
- (10) The Revenue Commissioner, Bhavanagar.

COCHIN.

I was particularly impressed with the progressive atmosphere of this town. Its development as a port will have a considerable adverse effect upon the Ceylon Government Railway and the Colombo Hotels and Shops, since Indian Passengers will no longer take the rather troublesome Ceylon route when access to passenger lines at Cochin is both comfortable and easy.

I could recommend an endeavour to recoup some of our losses by energetic advertisement of Ceylon's attractions in South India, in order that people from there may avail themselves of easy travelling by Bibby and P. & O. ships, to take a holiday in Ceylon, instead of the usual Ootacamund, Coonor, or Kodaikanal.

COMMERCIAL INTELLIGENCE.

I received complaints from several coconut produce merchants in India of lack of information about crop prospects and prices. It was generally suggested that the Ceylon Government should issue a Trade Journal like the Indian paper of that name, or a journal on lines similar to "The Commercial Review", published monthly by the Alleppey Indian Merchants' Association, which should be circulated to Chambers of Commerce and Merchants' Associations all over India. I consider, judging from the numerous questions I was asked as regards current prices and crops, that such a journal, whether printed by the Government or the Merchants' Chambers, would be of value in increasing the development of Ceylon Produce, if it was issued systematically to cover monthly the whole of India.

For the purpose of developing industry within Ceylon there is great scope for a small monthly magazine like the Indian "Industry. The Monthly Magazine for Manufacturers and Businessmen". This paper contains a large mass of valuable information concerning Indian Merchants and the places where things of every kind can be obtained in India.

The following publications can be recommended to anyone wishing to obtain Indian Commercial Intelligence:—

- (1) "Handbook of Commercial Information for India", C. W. E. Cotton, I.C.S., Government of India Central Publications Branch, Calcutta.
- (2) "The Indian Trade Journal", Government of India Book Depot, 8, Hastings street, Calcutta. Rs. 19/50 per annum.
- (3) "The Commercial Review", published monthly, for 8 annas, by the Alleppey Chamber of Commerce.
- (4) "Industry", 22, R. G. Kar road, Shambazaar, Calcutta. 6 annas monthly.

Copies of numbers (2), (3), and (4) can be perused in the Office of the Commissioner for Development of Agricultural Marketing at the Secretariat.

COTTAGE INDUSTRIES.

In India cottage industries are looked upon as a great national asset, and the Provincial Governments are making efforts to promote and foster their growth. This part of the Rural Development Movement is regarded as essential to peasant welfare, since the sale of the cottage industry goods is a valuable addition to the family revenue of an agriculturist, whose farm produce frequently only suffices to supply the family with food, not leaving any surplus for sale.

In places where cottage industry is prosperous there is usually a corresponding prosperity in the peasant homes, whereas in localities where the farmer has no such auxiliary source of income he lives on the borderline of poverty.

In India there is a Director of Industries in each province, who supervises the welfare of all trades, as opposed to agricultural business. Under him the Technical Officer controls cottage industries, conducting the business of the main sale room, instituting research into methods for improving the villagers' technique, teaching individual craftsmen at the institute, and organizing demonstration parties to encourage improved methods.

In Lahore, the Provincial Government subsidises the development of cottage industries, and the sale room is part of the museum, under the direction of the Principal of the Technical School. In Madras, the Victoria Technical Institute

is so heavily endowed that Government assistance is unnecessary, but the Director of Industries organizes surveys of each form of cottage industry, executed by technical experts. Arts and crafts, weaving and tanning have been surveyed, with the result that it is known exactly how much it costs to perform each act of production, and correct costing of the finished article can be calculated, together with an accurate criterion of the standard of work which should be insisted upon by a purchaser. This puts cottage industry on a sound business footing, instead of being a rather haphazard and distinctly speculative form of trade, as it is now in Ceylon, where the producer can only expect a fair price if he deals direct with the Ceylon Cottage Industries Society, which is, except for those who live close to Colombo, too far away to make the journey profitable for him.

Judging from the magnificent sales rooms in Lahore and Madras this system whereby investigation, instruction, finance, collection, and sale are all controlled by the Industries Department is thoroughly efficient. Comparison with these big industrial organizations reflects great credit on the Ceylon Cottage Industries Society for the successful work it has done for twelve years in Ceylon with the small resources at its command.

I took with me to India samples which included basket ware, hambilis, elephants of different woods, tortoiseshell ware, and a porcupine quill box.

The basket ware and hambilis, I regret to say, are at present, unsaleable in India, many large shops already having stocks on their hands of which they cannot dispose. Superfine woven hambilis were much admired, but except to passengers at Cochin and Karachi I found no market for them. Hambilis present a difficult problem in export marketing, since the producers do not like making superfine ones, on account of the trouble and time involved, and persist in the production of the coarse "jazz" pattern article, which, though saleable to certain classes of passengers in Colombo, has now lost its larger market to the longer wearing and better finished hand bags made by the Japanese, and cheap stores such as Woolworths.

Ceylon elephants, however, are now much in demand all over India, but are criticised for lack of finish, and for the numerous cracks camouflaged with black wax which the ebony variety contain.

Tortoiseshell has a poor sale. It has been defeated by celluloid goods which look the same and cost a quarter of the price of tortoiseshell. Both the genuine material and celluloid are equally breakable, whereas celluloid can be replaced easily but the breakage of tortoiseshell is a minor calamity.

I obtained seven orders from leading firms in Delhi, Lahore, Karachi, and Bombay for goods for delivery from the Ceylon Cottage Industries Society, up to the value of Rs. 1,575, and orders for execution in August up to another Rs. 400 from other big establishments.

All these orders will I hope be followed by further and larger orders, if the purchasers are satisfied. As some of the orderers are wholesale dealers with a world market in curios, I hope that Ceylon Cottage Industries are entering upon a prosperous period.

The successful development of this opening depends almost entirely on the workers. If they work hard and conscientiously we can keep this market, but if, as has always happened in the past, big orders lead to inferior work, we shall lose the opportunity for development. It is very difficult to make the Ceylon worker realize that he is supplying a sophisticated and extremely critical market, where articles have to be perfect or meet with immediate rejection.

I was able to establish an agent for the Ceylon Cottage Industries Society in every town.

DIET.

In view of the fact that the diet of the average Sinhalese villager is acknowledged to be unsuitable, in that it is lacking in various nutritious properties, and over-abundant in starch, I inquired into the question of diet in India from two aspects, *i.e.* (A) The collection of information about balanced diets, and (B) An examination of the normal diet of the Indian villager in places where he is obviously stalwart and healthy.

As regards (A), I found that the matter has been closely studied in Bombay by the Bombay Presidency Baby and Health Week Association. From them I obtained the following literature, copies of which may be perused in the Office of the Commissioner for Development of Agricultural Marketing.

“Balanced diets”.

“Some defects in the national diet in India, and how to remedy them economically”.

“A note on the organization of a food and vitamins exhibition”.

“Soya beans. Their cultivation, properties, and uses”.

“Bran: composition and uses”.

As in Ceylon, improperly constituted food, and not merely insufficient food, is the bane of India. To make up the defects of the present diet while at the same time obtaining a reasonably good diet for 5/- to 7/- a month the following foods are recommended, soya beans, skim milk powder, preparations of whole grains and seeds, germinated seeds as a salad, and salts of ground nut and sesame seed after the oil is extracted; but if, as in most parts of Ceylon, vegetables can be obtained within the means of the consumer, they are better than any of the above, all of which are novelties in Ceylon and would be difficult to get.

The following is a balanced diet per day at 5/- per month for a vegetarian, including firewood, occasional tea, fruit, and sweets.

	Oz.
Rice	11
Bran (fresh rice polishings)	1
Wheat (bread) millet or other cereals	5
Pulses, i.e., lentils, peas, beans	2
Gram	0.8
Soya beans	1.5
Vegetable oils. Coconut oil, &c... .. .	1.2
Animal fats. Pure ghee or butter	0.75
Dried skim milk	1.5
Ground nut cake	0.5
Jaggery and sugar	1
Root and fruit vegetables, i.e., tomato, radish, carrot, onion, potato, &c.	3
Leafy vegetable, i.e., spinach, cabbage, &c.	6
	48.75

This balanced diet at 5/- per month can be converted into the following menu.

	7 A.M.	12 noon.	4 P.M.	8 P.M.
Monday	} Rice, roti, and nut cake, chutney.	} Rice kitchri, vegetable curry, curds, and ghee	} Soya bean coffee	} Rice, dal, bread butter, salad of sprouted grains, vegetable curry, curds, plantains
Wednesday				
Friday				
Tuesday	} do. ..	} Bread, ghee, vegetable curry, raw onion, curds	} do. ..	} Rice and dal, ghee, salad, vegetable curry, curds
Thursday				
Saturday				
Holidays or alternate Sundays	} Soya beans coffee or tea	} Rice and dal, ghee, pudding, salad, vegetable curry, sprouted grain, curds	} do. ..	} Rice, vegetable curry, and curds
Sundays				

Sprouted Grains and Soya Beans are obtainable at the Old Town Hall Market.

The method of preparing “Sprouted grain” is given below. It is becoming popular in Bombay, and can be seen on sale both at stalls and in hawkers’ baskets.

How to Sprout Grains and Seeds.—Grains are moistened in water and allowed to sprout. Unsplit dals, gram, wheat, unsplit peas, or any other grain is first soaked in water for 24 hours and is then spread out on damp earth or on a damp blanket and covered over with a moist cloth or sack (gunny bag) which is kept moist by sprinkling water upon it from time to time. After one or two days the grains will have sprouted and be ready for use.

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The sprouted grains should be eaten raw, or after cooking for not more than two minutes. Further boiling will destroy the vitamin.

Firms from which unfamiliar ingredients of the above diet can be purchased.

Soya Beans.—Re. 1/8- a maund from :

- (1) Village Industries and Food Products, Powell buildings, Sandhurst road, Bombay.
- (2) A. B. Godrej & Co., Sole Agents for India, Delisle road, Parel, Bombay.
- (3) X. P. Paiva, Consistory buildings, Colombo.

Fresh Ground Nut Cake (by the expeller process) at about As. 12 a maund :

- (1) Prabhat Oil Mills, Sadar Bazaar, Sholapur.
- (2) Swastik Oil Mills, Wadala, Bombay.
- (3) Ahmed Oomerbhoy Oil Millers, Two Tanks, Bombay.

(B) The Kathiawari peasant is, on an average, an unusually stalwart man, with high resistance to diseases. His diet is as follows :—

Morning: Loaves or chupathis of Bhajri grain or wheat with curd milk.

Noon: Loaves or chupathis of Bhajri grain with vegetables such as brinjals, tomatoes, and radish, &c., milk or water.

Evening: Green gram and rice with Bhajri or wheat loaves or chupathis and milk.

Even the poorest cultivator has these three meals a day.

It will be noticed that he drinks milk, from his own cattle, not inferior tea.

The Punjabi villager is another example of the sturdy peasant type. The diet of poor peasant families in the Lyallpur District during the year 1932 was as follows :—

	Per Cent.		Per Cent.
Wheat	47.2	Vegetable	1.1
Maize	0.7	Fruits	1.2
Milk and milk products	32.3	Salt	0.5
Sugar	8.7	Min.	1.9
Rice	2.7		
Meat	2.3		100.0
Pulses	1.4		

The Ceylon man probably eats more leafy vegetables than the Indian, but, without being in a position, for lack of available statistics, to add a statement of the average Ceylon peasant's diet for comparison, it is not difficult to see at a glance where the difference lies that renders the Ceylon diet less strengthening. It will be found in the great proportion of rice, far exceeding the Punjabi's and Kathiawari's wheat, without a balancing high milk percentage.

The people of Delft present a ready example of the value of milk in balancing a rice diet. They drink a great deal of milk and, like the Punjabi are strong and healthy.

SUMMARY.

The balanced diet is a matter of education which can well be taught in schools and by Social Service Societies, meanwhile the consumption of more milk appears to be an immediate amelioration of the present Ceylon diet, which Health Societies and Social Service Workers can advocate and demonstrate in the villages. If the owners of cows would tend them properly there would be sufficient milk for everyone in Ceylon. The prohibition of the sale of milk powder is intended to encourage home production.

DYES.

I inquired into the question of dyes, in order to find fast colours for Kalutara basket ware, in which several shades fade rapidly.

The Haverø Trading Company, Bombay, have supplied me with dyes, both similar in shade to the samples I showed them, as well as improvements upon our present colours. These are now being tested.

If their dyes are successful they are prepared to train a man from Ceylon free, in the proper methods of using their dyes, so that he can demonstrate in Ceylon.

I find that the Haverro dyes are very popular in India. In Madras District itinerant Mohammedan traders give them to the Kora grass mat weavers, who, in return sell their mats to the traders, less the cost of the dyes.

The Director of Industries in Bombay has used Haverro dyes for his demonstration parties who travel in the Presidency demonstrating and teaching improved methods of handicraft.

EXHIBITIONS.

This form of combined advertisement of industries, in particular Swadeshi goods, is very popular in India. A very big Industrial Exhibition has been held annually at Delhi for three years, by the Director of Industries. It was one of the most interesting places I visited during my tour, and I am sure, both from what exhibitors told me, as well as from the immense number of thriving stalls that were still open on the last day of the Exhibition, that it is a successful means of industrial development.

Large businesses with adequate advertising resources are inclined to be tolerantly amused at the Indian Government's efforts to increase trade by means of exhibitions, but the smaller industries, trying to establish themselves, regard exhibitions as extremely beneficial.

The Industries Department makes a great effort to see that any development which originates at an Exhibition is followed up, and not allowed to lapse due to apathy or lack of financial resource. Healthy, budding industries are financed, organized, and coached into prominence, as described under the heading of Cottage Industries.

FAUNA AND FLORA RESERVE.

The establishment of a small "National Park" has been put into practice by H. H. the Maharaja of Bhavanagar, just outside the town. This reserve, which is not more than 120 acres in extent, is well roaded, for the convenience of the public, both afoot and in carts and cars, who wish to see the wild life within its barbed wire fence.

The flora is not extensive in variety, owing to the arid climate, but the birds appear to appreciate the provision for their safety, while there is an abundance of four-footed animals. In a very short drive round we saw nilghai, jackals, sambhur, and spotted deer free in the jungle.

The success of this enterprise, known as Victoria Park, is by no means an encouraging environment, emphasizes the desirability of the suggested establishment of jungle reserves in different parts of Ceylon, to preserve wild life, archæological remains, and outstanding beauty spots, while at the same time providing facilities of access to those interested in seeing them.

FISH MANURE.

Messrs. Pardhandas Mangumal, General Merchant and Commission Agent, Old Market, Karachi. (Tel. Chamnuda) invites inquiries for quotations and samples from prospective Ceylon importers of the above product.

GHEE.

All over Northern India animal ghee is regarded as the only medium which self-respecting people can use for cooking. As I have remarked under the heading of Coconut Oil, the observance of this custom ceases with the purchase of a bottle of "Pure Ghee", because everyone knows that all shop ghee is adulterated with specially prepared coconut oil.

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In addition to the blatant adulteration several firms now produce vegetable ghee, which is displacing cow, goat, and buffalo ghee in some places. Ghee made from whale oil is so deceptive that only a real expert can tell it.

Cocogem is a vegetable ghee which competes very strongly with animal ghee, especially in South India.

The Director of Industries in Bombay told me that he thought that the prejudice against vegetable ghee was slowly breaking down, with the result that cheaper innovations such as Cocogem are taking its places. The increased use of coconut oil in making ghee is a movement which should be fostered by Ceylon.

GROUND NUT OIL CAKES.

The following Bhavanagar firms invite inquiries for the above commodity from Ceylon:—

Abdul Hussain Noor Mohamed.
Haji Vali Mohamed Umar Bhai.
Hussain Bhai Ghulam Hussain.

KARACHI.

I found here several mistaken ideas among the Indian merchants—

- (1) That Ceylon's imports from India had decreased because of an anti-Indian atmosphere.
- (2) That if a firm established a Buying Branch in Colombo it had to pay Ceylon Income Tax on its whole Indian income.
- (3) That if a firm started business in Ceylon it had to give security to remain in business here for three years.

I have been able to dispel these misconceptions, with the result, I hope, that Karachi's trade with Ceylon will increase.

LACE.

Not in Customs tariff.

I was asked by the Karachi Indian Merchants' Association why Ceylon no longer sent lace to Karachi. The members present thought that this trade could be revived, but were unable to recommend an importer.

An inquiry from the Secretary of this Association might result in profitable business.

LEMON GRASS OIL.

While in Cochin I received an inquiry for this oil. I replied that I would endeavour to get a good sample of about one pint to send to the prospective buyer for his criticism. It should contain 75 per cent. citrol content, which is highest after early rains.

I would emphasize that it should be pure lemon grass oil, without any addition of citronella oil, kerosine, or other adulterant. Adulteration will close a possible market.

If any grower wishes to try this market the sample should be sent to the Secretariat, Colombo, to be forwarded by the Commissioner for Development of Agricultural Marketing.

LITERATURE.

I brought back with me from India the following books which are available for perusal at the Office of the Commissioner for Development of Agricultural Marketing:—

Adulteration Act 1935.
Tamil Sayings and Proverbs on Agriculture.
Agricultural Marketing in India.
Reports on Arts and Crafts of the Bombay Presidency.
Kalimpong Arts and Crafts.
Arts and Crafts Depot, Punjab.
Guide to the Madras Aquarium by Hornell.

Better Money, January-March 1935.
 Bhavanagar State Census 1931.
 Bhavanagar State Administration Report 1932-33.
 Family Budgets 1932-33.
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 Victoria Technical Institute, Madras.
 Kora Mat Weaving Industry.
 Weaving Industry.

MODEL TOWN—Lahore.

This town is situated some five miles from Lahore. The land belongs to a Company, who lease plots only to tenants of respectability whose income exceeds a fairly generous sum. The town is laid out on a plan resembling a wheel, of which the hub is a central park, surrounded by a circular road, and the spokes are roads radiating therefrom. Every house must cost more than a fixed sum, and must be at least a fixed distance, which appeared to be about thirty or forty yards, from its neighbour.

The planning of this town seemed to me to be excellent, while the regulations governing its occupants have resulted in the accumulation of a number of good, unorowed buildings.

MUSEUM—COMMERCIAL.

I was instructed to investigate the proposal to have a Commercial Museum in Colombo.

Every Indian Merchant I consulted held the opinion that a Commercial Museum in Colombo would be a worthless expense. Merchants already know what Ceylon produces, and if they come to Ceylon, want to see actual samples of what they have come to buy, not a museum of standard samples.

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Directors of Industries and Government officers held the opposite view, but it must be remembered that they are not the people who deal in the commodities, and in consequence, hold theoretical rather than practical views.

Merchants were of opinion that show cases of frequently renewed and priced samples, housed in Merchants' Chambers in Indian cities, where the members trade in the products, would be of value, and should be tried, if the Merchants' Chambers can be persuaded to afford the space, as an act of courtesy to Ceylon merchants. This proposal might be suggested to the Bombay and Karachi Indian Merchants' Associations, offering similar reciprocal accommodation, I think with some hope of success.

It is in the country where the goods are to be sold that this form of advertising should be done not in the country of origin.

Travancore State has a "House" in Bombay where the permanent representative has his headquarters. This Retail Sale Room is devoted entirely to Travancore Factory and Cottage Industries, as a form of advertisement of the wholesale coconut products, which are not represented therein. The idea appears to be, by the prominent display and sale, probably at a loss, of attractive Travancore work, in one of the most expensive shop sites in Bombay, surrounded by Banks, to keep Travancore before the public eye, and so, through the selling agency of their representative, to induce an increase in the sale of their major coconut products.

It is an expensive experiment of which the financial success is problematical. The representative is a Bombay merchant of standing, who receives a salary, with which he combines a wholesale trade in Travancore Coconut Produce on his own account, this having been found to be the most satisfactory way in which he can enlarge Travancore's trade, without being involved in credit difficulties.

The proposal to have sample cases in Merchants' Chambers appears to me a less risky, and probably more profitable type of "Commercial Museum" than either an expensive Institution in Colombo or "Houses" in Indian cities.

MACE.

(Unground) Tariff Value 0/13/0 per lb. Duty: 22½ per cent. *ad valorem*.

Ceylon exporters of this commodity should send samples and quotations to—

Ram Chand Kura Mal, Kahari Bawli, Tobacco Katra, Delhi.
 M. R. Tata & Co., Kazi Ziat street, Bombay.
 Tokersi Nathoo & Co., opposite Jumma Masjid, Bombay.
 S. M. Abdulla & Co., opposite Fatehpuri Mosque, Chandri Chowk, Delhi.
 R. S. Amba Parshad, Tobacco Katra, Delhi.
 Messrs. Lunidaram Pahlumal & Co., Bunder road, Karachi.
 The Secretary, Buyers and Shippers Association, Karachi.
 Mr. Wadia, General Merchant, Porebunder.
 Haji Jusab Haji Mohamed, General Merchant, Porebunder.
 Aranalis Khabhai
 Nattoobhai Devachand
 Pamanchand Manckhand
 Jetalal Baghwan
 Hargovind Probashankar
 Sorabhai Dahya Bhai Sheth, Ratanpole, Ahmedabad.
 Messrs. Moolji Jaitha & Co., Cochin.

MANGOSTEENS.

Duty: 20 per cent. *ad valorem*.

These were suggested to me as a suitable crop to send to Bombay and Karachi, during the season.

The freight charge to Bombay is 5/- for a "shipping parcel", and 7/50 per half ton. I have sent an experimental shipment to Captain Flanders, who is in charge of Crawford Market asking him to sell them for me and send me the money

with his criticism and recommendations. A net sum of 5½ cents per mangosteen was realized and the business became popular. Traders did not co-operate, or let me know what they were doing, with the result that too many mangosteens were sent, just at the time Singapore also entered the Bombay market, and the price fell to 2 cents per fruit resulting in losses.

MANGOES.

Duty: 20 per cent. *ad valorem*.

Unless we can send mangoes during the season when there are none in Bombay, Ceylon mangoes have no chance of competition against the "Alphonse" and similar varieties. If we have a crop while Bombay has none, the trade should be very brisk. A good way to pack them is in wooden boxes, with each fruit wrapped in coloured tissue paper, in a little compartment, but I have seen them sent with perfect safety in baskets, although I do not recommend the latter method.

NUX VOMICA.

Duty: 25 per cent. *ad valorem*.

Messrs. Moolji Jaitha of Cochin are prepared to buy this commodity from Ceylon. Samples and quotations should be sent to them. I am sending a trial shipment.

NUTMEG.

Tariff value 0/4/9 per lb. Duty: 37½ per cent. *ad valorem*.

In shell value 0/3/0 per lb. Duty: 37½ per cent. *ad valorem*.

There is plenty of sale for this commodity in India. Samples and quotations should be sent to the same addresses as appear under mace.

OIL MILLS.

I went over a large mill in Karachi, where both copra and groundnut are expressed in "chucks" and expressing machines.

At Bhavanagar, where a new mill was opened in March, there is an admirable tin container factory.

Messrs. Tata's Mill at Ernakulam is, so the Manager told me, only working half of its time. Groundnuts, I am told, are also crushed there.

PUBLICITY.

I took with me to India the following publicity literature:—

1. "Ceylon" (The Ceylon Publicity Co. & C. G. R.)	..	350
2. Map pamphlets	..	300
3. Tea Propaganda Postcards	..	200
4. "We'll all have tea"	..	100
5. "The Garden City," Diyatalawa	..	20
6. Ceylon Folders. Facts and Figures about Hotels, &c.	..	300
7. Kalutara Basket Society Catalogues	..	5
8. Kalutara Basket Society Coloured sheets	..	30
9. Ceylon Cottage Industries Society Folders	..	300
10. The Ceylon Tea Propaganda Map	..	55

On the ss. President Garfield, between Colombo and Bombay, through the courtesy of the captain, every one of the 100 passengers received, at lunch time, a copy of (1), (2), (3), (4), (6), and (8).

I was able to observe the passengers' reactions to this literature. With very few exceptions they were obviously very interested, and, after looking over the pamphlets during lunch, read and discussed them in their chairs during the afternoon. They were much impressed with the "get up" of the publications and expressed the opinion that it was the best out of the large bulk of publicity literature they had received during their world tour of four months. From Americans, whose standard of publicity publications is very high, this is an excellent recommendation.

The Tea Propaganda Maps were left with the Purser, to be distributed when asked for; all were gone the same evening, and I received a request for 100,

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from a member of the Toronto Board of Education for distribution in Ontario schools, which was forwarded to the Tea Propaganda Board. "We'll all have Tea" was particularly popular, the wood cuts arousing great approval.

Next day passengers were still reading "Ceylon", but all had the same very natural question to ask. "Why were we not given this Ceylon literature during our last stage at sea before we got to Colombo? Then we should have known what to see and pay, and have enjoyed ourselves more?"

I was unable to give a satisfactory reply. I would suggest that the Ceylon Publicity Co., the C. G. R., and the Ceylon Tea Propaganda Board should arrange to have stocks of all their literature sent to Bombay and Singapore, to be placed on board all passenger ships coming to Ceylon.

The Managers of Messrs. Thomas Cook in Bombay and Singapore are prepared to do free distribution of publicity literature on ships, if the publications are sent freight and customs paid. I have sent Ceylon Cottage Industries Folders for this purpose both to Bombay and Singapore.

I am convinced that the timely issue of Publicity and Propaganda literature on ships is the best advertisement Ceylon can organize.

As regards Ceylon Publicity in India I regret to have to report, that Ceylon appears to be one of the few countries with tourist attractions that makes little or no effort to advertise them.

I discussed methods of advertising for tourists with the Manager of Messrs. Thomas Cook in Bombay, who complained that Ceylon took no trouble to tell the world of its genuine tourist amenities. He showed me the walls of his offices, adorned with artistic and striking posters from every country except Ceylon, so I gave him six Tea Propaganda maps, one of which is to be framed and hung prominently to remedy the deficiency.

At present the publicity that emanates from Ceylon is uneconomical, because it is not co-operative. The Ceylon Publicity Co. and Messrs. Thomas Cook issue a very similar booklet, which could be produced and distributed far more cheaply, together with all our other publications, if publicity was organized under an efficient publications manager, to whom everyone who wants to advertise abroad could go.

Our arrangements for tourists once they are in Ceylon are comparatively good already; their interests are well served by tourist and transport agencies and hotels; all that is necessary to make their stay pleasant is to eliminate the touts, whose activities entirely destroy the pleasure of many lady visitors, by the substitution of properly authorized guides, and to reduce the present Hotel charges. Travelling on a ship full of expert tourists one hears criticism of Ceylon that the usual resident misses.

The above two factors, *i.e.*, touts and high charges for accommodation and food, are the complaints which "Cruising" fans make about Ceylon to their friends all over the world.

I am led to the conclusion that if a tourist bureau is formed in Ceylon its attentions should be devoted to co-operative and intensive measures for getting people to come here, and that their entertainment after arrival can well be left to institutions whose profession it is to cater for the travelling public.

The only supervision required in this connection within Ceylon is the suppression of the numerous undesirable attentions to which visitors are subjected.

As regards advertisement outside Ceylon, it does not appear difficult to place a large stock of striking posters in every suitable place in the world, accompanied by informative literature. Other countries do this, so it should not be beyond the abilities of Ceylon to imitate them.

In England Messrs. Thomas Cook offer a good opportunity of advertising Ceylon in the most up-to-date fashion, by means of an illuminated panel in their London Booking Hall. The people who come here are travel minded. They come to make arrangements for a journey or to inquire about routes. When they find, in glowing colours round the walls of this hall, illuminated panels sponsored by resorts and transport companies all over the world, they are naturally interested.

The details of posters or photographs are faithfully modelled in a form of plastic cement, then painted in oils, and enclosed in a frame 4 ft. 3 in by 3 ft. carrying concealed lighting. These "models" are placed in the large panels into which the walls of the Booking Hall are divided, and are illuminated continuously all the time that the Booking Hall is open to the public.

Rental charges include the provision of the first model, the supply of the frame, and continuous lighting throughout the year. On expiration of the contract the model becomes the property of the advertiser.

Rates are as follows:—

One year	..	..	£150
Three years (same model throughout)	..	..	£400
Three years (change of model each year)	..	..	£450

When it is considered that a page in most of the illustrated society papers costs between £80 to £120 per issue, for a life of one week, these panels appear to offer good value.

Literature on this subject, with excellent photographs of the "models", can be perused at the Office of the Commissioner for Development of Agricultural Marketing at the Secretariat.

The advertising in India of separate commodities such as citronella oil and cinnamon oil should only be undertaken after a thorough survey of the market possibilities in India, by a person conversant with all the practical points of the trade. I am convinced that no soundly based decision as to whether advertising these commodities is worth while or not can be made without such a survey.

The Ceylon publicity literature mentioned at the beginning of this section was left at—

Bombay.—

Taj Mahal Hotel.
Majestic Hotel.

Lahore.—

Faletti's Hotel.
Nedou's Hotel.
Automobile Association.

Porebunder.—

Guest House.
H. H. Maharaja.

Madras.—

Spencer's Hotel.
Connemara Hotel.

Delhi.—

Maidens Hotel.
Cecil Hotel.

Karachi.—

Bristol Hotel.
Killarney Hotel.

Bhavanagar.—

Guest House.
Sir Prabashnaker Pattani.

Cochin.—

Malabar Hotel.

Copies were also left in the refreshment cars of trains, and postcards were put in every "public" note paper rack I could find.

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PAPAIN.

Mr. Thakur of the Central Bank, Karachi, advised that samples and quotations should be sent to leading chemists and doctors in all Indian cities. Addresses may be obtained from Directories or from the Director of Commercial Intelligence, Colombo.

PALMYRA.

I was asked by the Secretary to H. H. the Maharajah of Porebunder what trees would grow well there and beautify the place. I advised Palmyras, as the locality and soil appears to be very like Jaffna. I am therefore negotiating with a Jaffna owner of Palmyra trees to send a consignment of seedlings or nuts ready for growing to Porebunder, with full instructions as to how to plant and tend them.

If they grow the Secretary is prepared to purchase a large quantity. No one there seems to have seen a palmyra tree.

PLUMBAGO. Duty: 20 per cent. *ad valorem*.

The Secretary of the Indian Merchants' Chamber at Lahore informed me that the members of his Chamber occasionally inquire where they can get plumbago. I gave him addresses of Ceylon firms and would suggest that merchants should send samples and quotations.

In Ahmedabad samples and quotations sent to Sarabhai Dahya Bhai Sheth, Ratanpole, might secure orders.

PINEAPPLE. Tinned. Duty: 20 per cent. *ad valorem*.

I was asked by Porebunder merchants why Ceylon does not send them tinned pineapples, such as they now get from Singapore and Africa at 7.50 per dozen tins.

This appears to offer a market if Ceylon could learn to can its fruit.

PASSION FRUIT. Duty: 20 per cent. *ad valorem*.

The Superintendent of Markets in Bombay suggested to me that passion fruit from Ceylon might be sold successfully in Crawford market.

The names of reliable consignees can be obtained from the Superintendent of Crawford market.

I saw no passion fruit on sale there. Experimental shipments will prove whether the suggestion is feasible or not.

PUMPS FOR ARTESIAN WELLS and agricultural machinery.

I was asked to ascertain firms in India who supply the above articles.

For all information of this kind, the magazine called "Industry", obtainable from 22, R. G. Kar road, Shambazaar, Calcutta, should be consulted.

The following firms are recommended:—

- (1) The Cooper Engineering Works, Satara.
- (2) Kilasker Engineering Works, Kilasker Wadi, Satara District.
- (3) Industrial Machinery Co., 14, Clive street, Calcutta.
- (4) Oriental Machinery Supplying Agency, Ltd., 20, Lall Bazaar street, Calcutta.
- (5) Limage Bros., 21, Canning street, Calcutta.
- (6) Mather and Platt, Ltd., 7, Hare street, Calcutta.
- (7) N. A. Hassanally & Co., 28, Strand road, Calcutta.

Rice Mills can be obtained from—

G. G. Dandekar & Co., Bhiwandi, Thana, Bombay.

PEPPER.

Unground 37½ per cent. *ad valorem*.

I found that Ceylon pepper is not regarded as of a good grade by most Indian merchants. The seeds should be dark and heavy for their size, whereas most Ceylon pepper is rather too light both in colour and weight.

Indian merchants are, however, prepared to receive samples and quotations, which can be sent to the same addresses as appear under Mace.

PORT OKHA.

This port is being rapidly developed and now has accommodation for one steamer to dock "alongside"; I am told that space for another is being prepared. In Karachi it is thought that this port will seriously damage Jamnagar's Port, but in Porebunder I found the opinion that Jamnagar and Porebunder will not be greatly affected.

I was unable to investigate closely as the B. I. steamer on which I was travelling stopped at a considerable distance out to sea. The possibilities of shipping goods to India through Port Okka merit consideration.

RUBBER FACTORIES.

There are Indian factories for the making of rubber articles in Karachi and Bhavanagar, and I was told that there is one at Sukkur, modelled on Japanese lines, and competing successfully with Japanese boots and shoes, owing to the Customs duty of 25 per cent. *ad valorem* or 6 annas per pair, whichever is higher.

I went over the Hindustan Rubber Works at Bhavanagar, owned by Mr. Nassur Hajee Mowjee & Co. It was started in February, but the facility with which the Indian workers have picked up the methods of mass production, under the training of four Japanese men and two women instructors, is amazing. The only process executed by the Japanese is the mixing of the chemicals which makes the rubber plastic, so that it can be moulded without having to weld the joints. This the instructors retain as their own trade secret.

The shoes, known as the Tiger Brand, appear to be rather better than the Japanese product, but they cannot compete in Ceylon without preferential treatment.

I brought some samples with me, which can be seen at my office, but the Colombo Agents, A. Nanjee & Co., 83, Prince street, Pettah, will shortly have stock to show.

Mr. Mowjee, the proprietor, showed me round his new factory, and I was interested to see his small son, back from school for his holidays, the day before, working at stamping eyelets for laces into uppers among the other work boys, and earning the same pay. There is no restriction of children's labour in Bhavanagar. The daily temperature at the time rose to between 106 and 110 degrees in the shade, but the ventilation of the factory is so good that no ceiling is needed inside the tagrum roof.

The factory turns out between 2,000 to 3,000 pairs of shoes per day, using largely Ceylon rubber. Mr. Mowjee, at a Bhavanagar Merchants' Conference, presided over by Sir Prabashanker Pattani, suggested that, as he buys his rubber from Ceylon, he should be given a preferential treatment as regards Customs Duty of 25 per cent., in order to compete successfully with Japanese goods. He is selling good rubber "Court" shoes at 1/- per pair.

I am not aware whether the atmosphere in Ceylon is sufficiently dry to allow rubber shoe making to be done successfully, but one would think that the Jaffna climate would be satisfactory.

A rubber factory in Ceylon appears to be a possible field for the successful investment of Ceylon capital. The rubber is at hand and the manufactured article has to pay no import duty. Mr. Thakur of the Central Bank, Karachi, suggested the proposal. The cost of the plant is high, but the income from the sale of the shoes in Ceylon alone should be very large.

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SOAP.

Owing to the Swadeshi movement India is very keen on making all kinds of products itself, and does produce most things well, but I think that it excels at soap.

Although Lever Bros. have a large establishment in India, other soaps have a big market, from the coarsest crude pink blocks one buys in the bazaars, to de luxe toilet creations, such as those of the Bangalore works.

At the Industrial Exhibition in Delhi the "Ajanta" firm had a very large stall, but, close at hand were one man businesses making soap in primitive brass hand moulds, and selling it prolifically.

There seems to be no reason why Ceylon should not be equally successful. I believe that the industry is now being actively encouraged by the Director of Commercial Intelligence.

SAGO.

Tariff value, 7/50 per cwt.

Customs duty, 20 per cent. *ad valorem*.

Samples and quotations to—

Ram Chand Kura Mal, Kahari Bawli, Tobacco Katra, Delhi.

SWADESHI.

The Swadeshi movement, in the sense of making and "buying Indian", is now a habit with all classes. It has an immense bearing on the prosperity and self-respect of the people, who take a just pride in using their own productions.

In order to create the Swadeshi habit successfully, however, two things are essential—

- (1) Organization and direction of the movement under a Department of Industries.
- (2) Ability and sustained determination, (a) on the part of manufacturers to produce satisfactory goods, (b) on the part of consumers to support the producers by "buying Indian", even if the foreign goods, are at first, slightly superior, as long as they are convinced that the local producers are doing their best.

In the original Swadeshi shops Indian ladies of high social status worked as whole-time saleswomen while Indian capital was readily risked in financing them, until, with the assistance of able direction, their success in stimulating the spirit of emulation has led to the establishment of Swadeshi goods everywhere, so that it is no longer necessary to advertise a shop under the popular label.

The Ceylon Cottage Industries Society has been eminently successful in converting handicrafts and curio making into a thriving business, with a healthy trade rivalry between both producers and rival Colombo shops, so that the initiation of a store in Colombo like the original Swadeshi shop in Bombay, selling only Ceylon goods of every kind, presents the possibility of success both from a patriotic and financial aspect, if it is voluntarily staffed by energetic ladies and advertised by united public interest.

There has been a Swadeshi shop in the Old Town Hall Market for some time, doing a prosperous trade in the humbler class of Ceylon made articles; it deserves the support of a more expensive class of buyers, and the investigation of others sufficiently enthusiastic to risk a practical test of Ceylon goods in their own home market.

STONE—BUILDING.

Porebunder stone, at one time had a very large market. A large part of the old Grand Oriental Hotel was built of it, shipped by Mr. Wadia, who would like to renew the trade in sailing vessels, returning with coconut produce.

The stone is soft light yellow sand stone, very easily carved, but rather porous unless treated with a weather proofing solution.

Almost all the buildings in Porebunder are made of it.

Bhavanagar also exports building stone of a dark colour very durable, judging from the appearance of some of the buildings in the town. Sir Prabashanker Pattani is anxious to develop a market for it with any country that has return cargoes.

TEA.

Customs duty, 3 annas per lb.

The question of Tea Propaganda has been dealt with under the heading of Publicity.

I was informed by the Indian Tea Propaganda Official at the Industrial Exhibition in Delhi that Ceylon is losing her tea market in Kathiawar and Afghanistan.

The figures of tea imports into Karachi appear to support this information. They are as follows:—

		<i>Black Tea in lb.</i>		
		1932-33.	1933-34.	1934-35.
Ceylon	..	412,942..	102,754.	26,301
Japan	..	Nil ..	Nil.	1,003

		<i>Green Tea in lb.</i>							
		1926-27.	1927-28.	1928-29.	1929-30.	1931-32.	1932-33.	1933-34.	1934-35.
Ceylon	Nil ..	5,630..	Nil ..	12,500..	68,280..	74,966..	34,335..	Nil	
Japan	Nil ..	Nil ..	Nil ..	Nil ..	Nil ..	201,626..	369,657..	710,107	
China	55,949..	11,956..	4,594..	39,715..	142,201..	50,914..	18,193..	155,207	

The green tea goes to Persian and Afghan markets.

The import of Ceylon black tea into Bombay from April 1, 1934, to March 31, 1935, was 465,539 lb.

TEXTILES.

I took with me to India samples of popular sarong patterns in order to investigate whether Indian mills could supply them cheaply to Ceylon.

Porebunder.—At the Maharana mills—the master weaver took cuttings and said he would send samples of what they could make on the same lines to the address of Ceylon importing firms which I gave him.

Ahmedabad.—Mr. Kastur Bhat Lal Bhai, the proprietor of the Arvind mills, informed me that he has already sent some samples to Ceylon, and showed me cloths that he makes for the Ceylon market.

I met the Committee of the Ahmedabad Mill Owners' Association, who stated that if Ceylon textile importers will send them samples which they want copied, with the rates they are prepared to pay, they will reply giving all particulars as to the possibilities of supplying Ceylon cheaply with the required cloths.

I went over the Arvind mills, one of the most up-to-date factories in existence, with a modern automatic Underfeed Stoker and water cooled ventilation throughout the whole building. The temperature, though 106 degrees outside, is like that of Nuwara Eliya all day inside.

Bombay.—The attitude of the Chairman of the Mill Owners' Association here was that, at present their business is paying so that they are unlikely to turn over any of their machinery to making cloths for Ceylon as an experiment of doubtful financial success. The Secretary recommended negotiating with the Madras hand loom industry for cloths required in Ceylon. He had not heard of Palayakat sarongs.

SUMMARY.

It appears probable that cheap cloths of popular patterns can be obtained from Ahmedabad, and samples of what is required, with rates offered, should be sent to them.

R. H. BASSETT,

Commissioner for Development of Agricultural Marketing.

June 29, 1935.

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