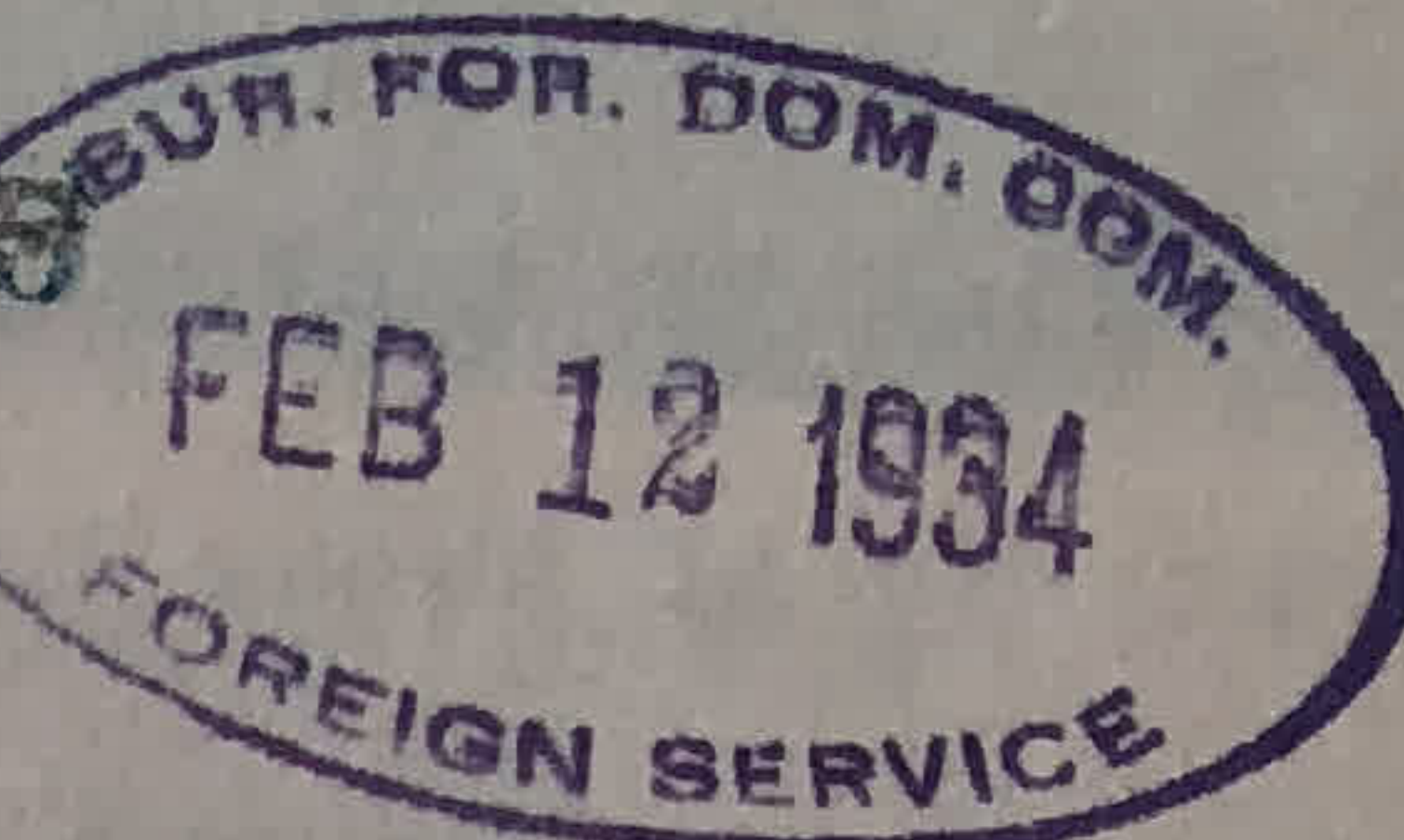


Shanghai, China. January 11, 1934.

Subject: "AUTOMOTIVE SURVEY" Year ending December 31, 1933.  
(Questionnaire 321)  
Submitted By: A. Viola Smith, Trade Commissioner.

GENERAL

182033



The automotive trade has, all things considered, held its own throughout the year, imports for the first eleven months of 1933 aggregating 4308 units (2,522 passenger cars and 1,786 motor trucks), an increase of 199 units over total imports for the entire year 1932. While 1933 continued to show an upward trend, imports are still far below their peak year of 1929 when total importations reached 8781 units. They have gradually climbed from their low level of 3750 units in 1931 to their present position, with encouraging prospects for the future.

American vehicles regained their supremacy in the trade during the last half of the year due to the improvement in silver exchange. The market, primarily one for low priced sedan type passenger cars and low capacity trucks has, entirely because of the exchange factor, absorbed medium and high priced passenger car models which have been heretofore stagnant. The China market is not a large one, there being less than 50,000 motor vehicles in all of China, including Hongkong and Manchuria, for which there is approximately the same mileage of low surfaced motor roads.

Motor travel received a fresh impetus through the completion of several gaps in existing highway routes, thus for the first time making available to the motorist long distance highways. Especially



is this true in the Shanghai region where it is now possible to travel in three provinces within a day. The Chinese motoring public are taking an increased interest in motor travel as a result of the coupling up of these highway routes with important Chinese cities.

The outlook in China proper for the ensuing year is a bright one, with the exception of Hongkong where the 20% Empire Preference License Fee obstacle militates against American-made cars. Total imports of passenger cars from all countries into Hongkong decreased by one third in 1933, while imports of passenger cars from the United States fell in 1933 to only 12% of the 1932 imports.

Sales and Import Trends:

Total sales have averaged fairly well throughout the year as indicated by the import figures for the first eleven months of 1933; though passenger cars are somewhat under last year.

MOTOR CARS		Eleven months	
		1933	1932
TOTAL		Pieces 2,522.	Pieces 2,680
<u>From</u>	U.S.A.	1,649	1,699
	Great Britain	620	695
	Japan	51	39
	Italy	96	45
	France	71	78
	Germany	85	86

MOTOR TRUCKS		Eleven months	
TOTAL		Pieces 1,786	Pieces 1,147
<u>From</u>	U.S.A.	1,561	956
	Japan	42	30
	Great Britain	156	112



is this true in the Shanghai region where it is now possible to travel

Registration figures below of brand new vehicles in the International Settlement of Shanghai for the year, furnish another index to the sales in this particular locality, though the absence of similar figures for new vehicles which are registered in the French Concession, at Shanghai, makes the picture incomplete.

REGISTRATIONS OF NEW VEHICLES, SHANGHAI

1933 Month	<u>Passenger Cars</u>		<u>Motor Trucks</u>		TOTAL
	Private	Public	Private	Public	
January	53	9	11	2	75
February	45	1	4	6	56
March	50	11	--	4	65
April	33	12	6	3	54
May	59	11	13	6	89
June	52	1	14	9	76
July	93	1	10	10	114
August	66	5	15	6	92
September	74	8	10	10	102
October	79	19	19	21	138
November	53	7	16	22	98
Total for Eleven months	657	85	118	99	959

Registration of new cars and trucks represent approximately 32% of the total imports into the port of Shanghai during the eleven months ended November 30, 1933.



\*Figures include imports into Manchuria. Since July 1, 1932, the Chinese Maritime Customs figures have not included imports into Manchuria owing to the seizure of their customs houses in that region. In 1929 Manchuria imported 1893 motor cars and trucks, 540 in 1930 and 25 in 1931.

IMPORTS INTO SHANGHAI

Eleven Months 1933

	Pieces	Value Gold Units
<u>Motor Cars</u>	<u>Total</u> 1,871	<u>2,482,967</u>
From U.S.A.	1,155	1,523,793
Japan	36	58,148
Great Britain	549	718,879
Germany	70	132,908
France	52	82,116
<u>Motor Trucks</u>	<u>Total</u> 1,070	<u>1,371,969</u>
From U.S.A.	931	1,039,279
Japan	21	45,780
Great Britain	106	220,761

America's position in the total trade is vividly shown in the hereunder table:

TABLE SHOWING COMPARISON OF AMERICAN CARS IMPORTED INTO CHINA WITH THOSE FROM OTHER COUNTRIES

	1929*	1930*	1931*	1932	Eleven mos. 1933
	p i e c e s				
<u>Total Imports</u>	8,781	4,280	3,750	4,109	4,308
<u>From</u> U.S.A.	3,257	1,332	1,541	2,811	3,210
Japan	3,582	1,795	979	80	93
Canada	161	132	62	31	--
<u>Total American Assembled</u>	7,000	3,259	2,582	2,922	3,303
From Gt. Britain	392	233	229	888	776
Germany	15	34	54	123	85
France	225	203	172	108	71
Italy	3	13	28	49	96



\*Figures include imports into Manchuria. Since July 1, 1932, the Chinese Maritime Customs figures have not included imports into Manchuria owing to the seizure of their customshouses in that region. In 1929 Manchuria imported 1893 motor cars and trucks, 540 in 1930 and 25 in 1931.

In Hongkong the 20% Empire preference license fee caused imports of passenger cars from the United States to fall in 1933 to only 12% of the 1932 imports. The depression in Hongkong and unsettled economic and political conditions in South China have made the situation worse.

The installation of a vehicular ferry service in March, 1933, between Hongkong and the mainland, while encouraging greater use of commercial vehicles for carrying merchandise between the manufacturing and trading areas has not had the marked effect upon passenger car sales that was at first anticipated. The tariff is still too high to bring about its every day use by residents on the mainland who work on the island of Hongkong.

Sales of motor vehicles in the Amoy district amounted to 67 as compared with 107 for the previous year. All were of American manufacture, being 8 passenger cars, 59 motor trucks and no motorcycles.

In Canton it is estimated that a greater number of new American cars have been imported during 1933 than during any other one year previously.

About 550 to 600 motor vehicles were imported into Hankow during 1933, representing a 30 to 40% increase over 1932. Of the 1933 total, about 90 to 95% are American make. Only one Hankow dealer



regularly imports automotive vehicles directly from abroad, while the other dealers obtain their stocks through Shanghai.

### Stocks:

Stocks are generally light throughout the country, the carry over probably being more favorable than for several years past. In some regions dealers during the last quarter experienced a famine in deliveries of American cars from the factories. In Canton, especially, very small stocks are kept, mostly being maintained in Hongkong, from whence many vehicles are smuggled past the Customs to Canton. In Hankow stocks are depleted with dealers having only a few cars on hand for exhibition.

Some stocks of new American-made cars still exist in Hong Kong from 1932. Dealers state that there is no chance to sell them in Hongkong in competition with cars made by American factories in Canada and England and there is not much hope of marketing them in China until conditions improve.

### Trade Exhibitions:

The only exhibition of any importance during the year was the Empire Products Fair held in Hongkong during May, 1933. About twenty different types of Empire cars, trucks and bus chassis made up the exhibit. Cars made in the United States were not allowed to be shown.

Various publicity stunts have been held. The China distributors (an American concern) for the Chrysler-Plymouth line organized a motor caravan of approximately 100 cars, and made a weekend tour from Shanghai to Haiyen, a point about half way between



Shanghai and Hangchow during October. Several owner drivers who made this trip had never previously motored outside of Shanghai environs. In Hongkong a Ford Gasoline Economy Test was held during November. Newspaper accounts indicate that 26 Ford car owners took part in the competition. The cars covered a 52 mile circuit. The winner for V-8 Ford model registered 31.1 miles to the American gallon, while the competitor in the Baby Ford class made 49.52 miles to the American gallon.

An expedition in China's northwest territory under the leadership of Dr. Sven Hedin, the well known Swedish explorer, has attracted considerable attention. American cars (Fords) have received favorable publicity as the result of their selection for the arduous tasks which the expedition entails.

The National Good Roads Association of China launched its annual membership campaign by the successful staging of a motor vehicle parade in Shanghai during October. About 100 vehicles participated therein, with favorable American representation.

Dealerships:

The major shifts in dealerships during the year have been chiefly occasioned by a re-adjustment of the Manchurian territory. Several manufacturers have severed that region from their China territory. In some instances the dealerships have been placed directly in the hands of Japanese firms, while in other cases the Japan distributors have been delegated to cover the territory. Some makes of cars which were heretofore well represented in that area by firms



whose head offices were in China proper, but with well established branches in Manchuria, have not been affected.

In Shanghai the principal change during the year was in the liquidation of Honigsberg & Son (an American firm) handling the Studebaker franchise, which was subsequently bought over by Chinese interests. The franchise for this account is now held by the Cathay Motors, Ltd. The extensive territory of some Shanghai dealerships for General Motors lines was contracted to meet changing conditions in these areas.

In Canton the agency for two well known low priced American cars was placed in Chinese hands. Over anxiety to secure all the business has resulted in disastrous price cutting, until it would seem that these two cars are now being sold by their Canton agents at what must be absolute cost price with no profits to the agents. This is not unusual when agencies (whether for motor cars or other commodities) are placed in the hands of Chinese importers.

#### OUTLOOK

With light carry-overs, difficulties in securing deliveries, improved silver exchange, and a generally better tone in the used car market, the outlook for new car sales during the coming quarter is, under normal conditions bright. The coupling up of existing highways, thus making for long distance traffic and renewed inquiries from interior bus lines should likewise stimulate the possibilities for motor truck sales.



The same trend in Central China is definitely upward and the motor trade outlook in that area for the coming months is good.

Despite tightness of money in Canton, prospects for the future are good and any slight improvement in general business is expected to bring out a greater number of new car buyers.

In Hongkong, the outlook for American automotive vehicles is however extremely gloomy. The South China market alone is not sufficiently attractive to dealers without the Crown Colony business. Dealers feel it necessary to be able to meet successfully the competition from Canada and the United Kingdom. With the return of prosperity the chief obstacle to the sale of American passenger cars for private use and motor trucks will be the Empire preference license fee levied in Hongkong. American cars are considered especially suitable for the hilly nature of this general region and their designs are well regarded by many of the local British as well as the Chinese. The close of 1933 did not unfortunately show any real signs of returning prosperity, although throughout most of the year confidence in the future was shown through extensive construction work in business, manufacturing and residential areas of the colony.

At Shanghai, which is the chief import center of China proper, the outlook for American cars is distinctly better than a year ago. This encouraging feature is wholly attributable to the fact that Chinese silver currency has a greater purchasing power in relation to United States currency than it has had for upwards of



some three years past. The future prospects for American cars in China proper will continue to depend upon the price factor, more than any other influence. Chinese buyers while to some extent being attracted to American cars for their outward style, lay great stress upon the low initial cost of a vehicle. The effects of the world depression has recently brought a new influence to bear in that perhaps for the first time, Chinese buyers are giving more serious consideration to the low operation costs of motor vehicles. It is felt that the chief demand of this market will for many years continue to be for low priced passenger car models and low capacity trucks.

#### PASSENGER CARS

Passenger car sales throughout 1932 and up to June, 1933 were dominated largely by the advantage which British and European manufacturers had over American makes by virtue of the exchange position of the English pound and the American dollar. The reduction in American list prices in May, and the going off of the gold standard, thereby strengthening the purchasing power of the Chinese silver dollar, had a marked effect upon sales of American cars in the China proper market during the remainder of the year. In all areas, with the exception of Hongkong, the American car regained its former dominant position in the trade. There was a time when some were inclined to feel that the purchase of British models by the public during these depressed times would mean a permanent conversion of taste for British low fuel consumption cars, but this feeling has not



been borne out by subsequent events. So soon as the improvement in exchange again placed American cars within a favorable purchasing position, the reaction of buyers to American cars was very marked.

The market continues to be primarily confined to low-priced models, though improved exchange has permitted the movement of medium and high priced models during the last quarter, lines which have been stagnant for the past two years. The Sedan, four door type, continues to be the most popular style. A remarkable change in this respect is noted in Canton where up to two years ago 90% of the cars imported were touring cars; during 1933 over 90% of the cars imported have been sedans. There is now virtually no market for touring cars in Canton.

Present position of all makes of cars in Canton is approximately 80% American, 15% British, 5% others.

The life of a new passenger car in China varies from 3 years to 8 years, with a general mean of 5 years. In Kwangtung and Kwangsi Province it is reported that the life of a new car from its purchase to the scrap heap is from three to four years. During this time they travel approximately 100,000 miles and receive scandalously little attention and extremely rough usage. The life of a car in Shanghai has heretofore ranged from seven to eight years due to the lack of highways radiating from this city which has confined traffic to city driving on good paved streets. The opening up of new low surfaced type highways from this city to points in nearby provinces last year, has furnished severe tests for ancient vintages formerly considered



sufficient for city purposes. An improvement in economic conditions will undoubtedly result in greater new car sales because of the opening up of these roads, but immediate sales will for some time be restricted by depressed business conditions.

#### Hongkong:

Passenger car imports into Hongkong in 1933 decreased almost 33 per cent in comparison with 1932. The larger part of the imports are for use in the colony and not for re-export. In 1932 only about one third of the passenger cars were sent out again. In 1933 43% were exported, a special effort having been made to find in South China and elsewhere a market for stocks of American and other foreign cars not made in the British Empire. In 1932 the United States furnished 45% of total passenger car imports, while in 1933 imports from this country into Hongkong had dropped to 8% of the total. In contrast, favored by Empire preference, imports from Canada increased by almost 152 per cent and those from the United Kingdom by 37%. Possibly as time goes on American manufacturers and Hongkong dealers will succeed better than they did in 1933 in meeting the situation. The ordinance makes possible several schemes to get around it to a slight extent. Parts and accessories are not subject to the license fee. The 20 per cent tax is on the landed price of the vehicle, not the local selling price. In prosperous times a more rapid turnover might be possible through lowering commissions.



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Low fuel consumption, low initial cost and low upkeep are now important considerations in the purchase of new cars in Hongkong and most sales are now being reported for British-made midget cars and cheaper cars made in Canada and England. Gasolene costs (US\$0.38 per gallon in December) is an important item to be taken into consideration because of the steep gradients of most streets and roads in Hongkong.

Much economy is being practised and persons who would ordinarily own at least a midget car or a second hand one are now utilizing public conveyances, regarding any kind of a car as a luxury rather than as a necessity.

Older cars are being forced to give longer service and are not being traded to any great extent in part payment of new cars.

#### Used Cars:

A general reduction of used car stocks has resulted in Shanghai, a concerted effort having been made by dealers during the last half of the year to reduce their holdings.

Used cars in good condition have found a good market in Hankow. Four door sedan types are prime requisite with Chinese buyers in this area.

Until two years ago about 75% of the cars imported into Canton were second hand cars from Hongkong, Singapore and Shanghai. During 1933 the number of second hand cars imported into this city is estimated at not more than 10% of the total. This is partly due to the fact that there is now a very large stock of second hand cars in



Saloons are satisfactory on the level streets of Kowloon on the

in increasing numbers. Small cabs like 10 h.p. Hillman "Tank"

Canton which can be bought at extremely cheap prices. Furthermore, Chinese buyers are showing a preference for new cars.

Sales of new cars in the Amoy district were handicapped by importation of second hand motor cars from the Straits Settlements. Of 55 used cars imported, 48 were of American manufacture.

Used cars, especially American cars, are no longer imported into Hongkong from Singapore in any important quantities. There is no market for them in the Crown Colony, and they are less easy to sell nowadays in South China. Used car stocks are accumulating in Hongkong due to cars being turned in by persons who feel that they can no longer afford to keep a car.

#### TAXI CABS

Additional new equipment has been added to several hire car fleets in Shanghai. Thirty Ford Sedans of British Four type were recently installed by the Yellow Taxicab Company. The Johnson Garage has within recent months added 150 new American-made (Chevrolets, Fords and Buicks) passenger cars to its fleet. The Ford Hire Service, the oldest hire car company in Shanghai has just moved into new headquarters. They operate a fleet of 230 cars. In 1933 this firm carried 4,680,000 passengers, an average of 13,000 per day, contrasted to their first years operation in 1919 when only 400 passengers per day were carried.

In Hongkong taxi cabs and hire cars do not fall under the regulations of November 19, 1927, but in practice American made cars are not likely to find a sale for such uses. Both cheap and expensive cars made by American factories in Canada and England are being used



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Chinese buyers are showing a preference for new cars. Sales of new cars in the Amoy district were handicapped in increasing numbers. Small cabs like 10 h.p. Hillman "Minx" saloons are satisfactory on the level streets of Kowloon on the mainland but higher powered cars are needed for hill climbing on the island of Hongkong. The increase of taxi cabs may unfavorably affect the market for private passenger cars, as taxis are readily available at all times and fares reasonably low. In fact, there is now almost no difference between a taxicab fare and the combined rickshaw, chair and funicular tram fares in going from the water front up to the higher levels of the island.

#### MOTOR TRUCKS

Motor truck imports into China proper advanced 45% during the first eleven months of 1933 over the total imports for 1932, 1786 trucks having come in during the former year against 1227 during the latter period. America continued to lead the trade with 1561 trucks, against 156 from Great Britain, her nearest competitor.

Truck sales have been accelerated by military requirements, renewed activity amongst interior bus lines for replacements and for new highway services.

Effective January 1, 1934, the Chinese Maritime Customs requires that all motor trucks used for transporting cargo from wharves to private and public bonded godowns in Shanghai situated at a distance from the waterfront and for those used for transporting cargo shipped in bond, must be so fitted that they can be effectively sealed by the Customs.



Imports of motor trucks into Hong Kong in 1933 were the same as in 1932. Empire Preference played no part in the case of complete trucks. In fact, one less truck was imported from the United Kingdom in 1933, and there were no imports from Canada. Complete trucks are usually re-exported to South China and elsewhere and do not ordinarily remain in the Colony. Exports of complete trucks in 1933 were almost exactly the same as imports, and in 1932 they were even larger than imports, because trucks imported first in chassis form were re-exported with bodies built in Hong Kong factories. The United States continue to lead as a supplier of complete motor trucks in 1933, but its position was closely challenged by Japan, a new entrant into the market.

Motor truck chassis imported into Hong Kong are used in both freight-carrying vehicles and busses. Imports were greatly affected by Empire preference. Imports from the United States fell from 105 in 1932 to 66 in 1933. Yet total imports increased from 152 in 1932 to 202 in 1933. Both the United Kingdom and Canada shared in this increase. Imports from the United Kingdom rose from 17 in 1932 to 73 in 1933 and those from Canada, amounting to only 2 in 1932, rose to 45 in 1933. On the other hand, imports of chassis, largely second hand American, from Singapore dropped from 27 in 1932 to none in 1933.

The construction of new factories and the new vehicular ferry in the Colony and some new roads in parts of South China are encouraging factors in the development of the motor truck chassis market. Unfortu-



nately, in the crown colony of Hongkong at least, because of Empire preference, chassis made in the United States, as distinguished from chassis made by American factories in Canada and England, cannot expect to share in the increased trade.

### MOTOR BUSES

Long distance motor bus routes have shown renewed activity during 1933 as evidenced by the increase in the importation of motor trucks. The majority of motor busses operating in China proper consist of imported motor truck chassis upon which has been built locally constructed bodies.

New Bus routes were opened at the end of the year in Shanghai to connect the city with the new Chinese Civic Center at Kiangwan to whence the City Government of Greater Shanghai has removed. Twelve busses of the Chapei Omnibus Company will operate on these lines.

Motor bus routes have been extended in many places in China throughout the year. The service from Canton proper to Honam island has brought prosperity to the latter which was once a quiet precinct with a few motor roads and no vehicular traffic. Eight busses are now maintaining a regular service. Through bus traffic from Hangchow to Nanking was put into operation during the year, German diesel busses being used, which has made it possible to compete with third class railway traffic.

#### Hongkong:

As far back as 1927 under regulations issued on November 19 of that year, the sale of American chassis for busses was being



interfered with. At the present time there is no market whatsoever for bus chassis in the colony itself and the only possible trade is for re-export.

On January 13, 1933, the Hongkong Government granted bus monopolies to two companies, the China Motor Bus Company for the island of Hongkong and the Kowloon Bus Company, Limited, for Kowloon and the mainland. Some five or six companies had previously been operating. There are indications that both of the owners of these monopolies will favor essentially British bus chassis, such as Thornycroft, Morris and Leyland, and not busses made by American factories in Canada or England.

A hotel company which is still allowed to operate busses to Repulse Bay and which once used American busses also is now using British busses.

#### MOTOR CYCLES

Motor cycle trade remained quiet throughout the year, the chief business being done with governmental departments for military and police requirements. An American agency (Indian) was during the fall effected with the Hartzzenbusch Motors Company at Shanghai which will give to this account more effective distribution than in the past. Statistics are not yet available as to the imports of motor cycles during 1933. Generally speaking Great Britain has dominated the trade in this line.



Hongkong:

Motor cycle trade in and through Hongkong is relatively unimportant. The mountainous nature of Hongkong island, the mainland part of the colony and large parts of southern China and the careless crowds in the city streets discourage interest.

In 1933 only 23 motor cycles were imported into Hongkong, 17 being British. Exports amounted to 11. Five of the motor cycles imported were American but in view of the disadvantages of Empire preference all are believed to have been for re-shipment out of the Colony. 1932 imports amounts to 28 (27 being British) and exports, to 13.

Canton:

Motor cycles are little used outside of the city of Canton due probably to inexperience and reluctance to experiment with a two-wheeled vehicle by people not generally familiar with the balance principle of the bicycle.

REPLACEMENT PARTS, GARAGE AND SERVICE EQUIPMENT AND ACCESSORIES:

Imports of parts and accessories into China proper for the first eleven months of 1933 decreased 19% contrasted with the same period in 1932. America though leading in the trade, suffered a corresponding decrease.



	<u>Eleven Months 1933</u>	<u>Eleven Months 1932</u>
	<u>Value in Gold Units</u>	<u>Value in Gold Units</u>
<u>TOTAL IMPORTS</u>	761,620	950,113
From		
U.S.A.	542,523	722,640
Great Britain	88,863	120,200
Japan	46,102	67,293
France	40,796	48,005
Germany	30,338	34,029

IMPORTS INTO PORT OF SHANGHAI

<u>TOTAL</u>	412,027
From	
U.S.A.	265,110
Great Britain	74,936

Stocks of replacement parts in Canton, and in fact many other ports, held by agents for various American motor cars, are barely sufficient to cover their day to day needs and should be increased if they are to function with full efficiency.

The Yellow Taxicab Company operating a fleet of hire cars in Shanghai is planning to install the taxi-meter system in the near future. Taxi-meters were discarded in Shanghai about 20 years ago, disappearing when the councils banned cruising taxis and taxi stands. Although no change in the policy of the municipal authorities has occurred, the advantages of taxi meters has been widely discussed on and off. The Yellow Taxicab management after a due investigation of the question, have come to the conclusion that taxi meters are entirely practical for Shanghai under present conditions.



The Public Works Department of the Shanghai Municipal Council during December called for tenders for the supply and installation of a Hydraulic Automobile Lift. Tenders closed on December 14, at 11 a.m. Awards have so far not been published.

There has been some movement in garage equipment during the past quarter in Shanghai, but the outlet for such machinery is at the present time very restricted.

Hongkong:

Imports of motor accessories and parts into Hongkong in 1933 fell off about one third in comparison with 1932, American imports decreasing by approximately the same proportion. The United States remained far in the lead of any other single country and in contrast to gains in some of the automotive vehicle trade, both the United Kingdom and Canada lost in 1933 a greater percentage of the accessory trade than the United States. Automotive accessories and parts are not given Empire preference by the Hongkong ordinance and the United States may thus be able to continue its leadership, especially as a rather large part of the imports is always re-exported to South China and neighboring regions.

There is no good market in the colony for garage equipment. Many of the garages now being built for rent in Hongkong are merely of the lock-up type and even the public garages with attendants usually offer few conveniences. Service appliances are rare in any of the garages except some owned by firms selling both motor cars and accessories.



H O N G K O N G  
REPORTS OF PASSENGER MOTOR CARS

<u>January to October, 1932</u>			<u>January to October, 1933.</u>	
<u>Countries</u>	<u>No.</u>	<u>Value HK\$</u>	<u>No.</u>	<u>Value HK\$</u>
United Kingdom	195	453,664	267	685,293
Canada	29	119,341	73	173,589
Straits & F.M.S.	84	76,851	33	29,598
France	4	12,800	4	6,000
Germany	28	60,904	6	28,387
U. S. A.	310	931,244	38	105,457
Italy	22	46,060	24	36,130
North China	4	19,450	5	21,000
Middle China	1	500	-	-
South China	1	1,200	-	-
Neth. East Indies	3	3,150	-	-
Japan	2	5,440	3	8,097
French Indo China	1	2,500	-	-
Kwongchow Wan	4	6,900	1	2,600
Burma	-	-	1	7,000
South Africa	-	-	1	700
Mayala (British)	-	-	4	2,080
Macao	-	-	1	1,000
TOTAL	688	HK\$1,740,004 © Ex.0.233 US\$ 405,521	461	HK\$1,106,931 © Ex.0.273 US\$ 302,192



IMPORTS OF MOTOR CARS, CHASSIS ONLY

<u>January to October, 1932</u>			<u>January to October, 1933.</u>		
<u>Countries</u>	<u>No.</u>	<u>Value HK\$</u>	<u>No.</u>	<u>VALUE HK\$</u>	
United Kingdom	11	42,585	11	60,416	
Canada			3	4,677	
U.S.A.			6	7,920	
TOTAL	11	HK\$42,585 © Ex. 0.233 US\$ 9,922	20	HK\$73,013 © Ex. 0.273 US\$19,932	

EXPORTS OF PASSENGER MOTOR CARS

North China	8	15,576	15	35,018
Middle China	16	54,100	26	72,700
South China	151	250,695	87	166,605
French Indo China	1	1,600	2	6,031
Kwongchow Wan	42	73,035	21	35,700
Macao	11	32,174	17	23,843
Philippines	3	6,850	27	62,690
Japan	1	1,000	1	1,800
British N. Borneo	-	-	1	4,000
Siam	-	-	1	3,500
Central America	-	-	1	2,438
TOTAL	233	HK\$435,030 © Ex. 0.233 US\$101,362	199	HK\$414,325 © Ex. 0.273 US\$113,111

No. - 33.8% of Imports

Value - 25% " "

No. - 43% of Imports

Value - 37% of Imports.



Exports of Motor Cars, Chassis Only.

January to October, 1932.

January to October, 1933.

<u>Countries</u>	<u>No.</u>	<u>Value HK\$</u>	<u>No.</u>	<u>Value HK\$</u>
Kwongchow Wan	6	9,900	-	-
North China	-	-	2	2,912
South China	-	-	4	27,827
<hr/>				
TOTAL	6	HK\$9,900 © Ex.0233 US\$2,307	6	HK\$30,739 © Ex.0.273 US\$8,392

No. - 54.5% of Imports

No. - 30% of Imports

Value - 23.2% of Imports

Value - 42% of Imports

IMPORTS OF MOTOR LORRIES

January to October, 1932

January to October, 1933

<u>Countries</u>	<u>No.</u>	<u>Value HK\$</u>	<u>No.</u>	<u>Value HK\$</u>
United Kingdom	4	11,082	3	12,816
Canada	7	18,000	-	-
Straits & F.M.S.	3	2,458	1	400
U.S.A.	53	165,779	34	87,343
Japan	-	-	24	61,600
Macao	-	-	5	7,000
North China	-	-	1	2,485
Philippines	-	-	1	2,089
<hr/>				
TOTAL	67	HK\$197,319 © Ex. 0.233 US\$ 45,975	67	HK\$173,733 © Ex.0.273 US\$ 47,429



IMPORTS OF MOTOR LORRIES, CHASSIS ONLY

<u>January to October, 1932</u>			<u>January To October, 1933</u>		
<u>Countries</u>	<u>No.</u>	<u>Value HK\$</u>	<u>No.</u>	<u>Value HK\$</u>	
United Kingdom	17	56,288	73	186,344	
U.S.A.	105	255,666	66	158,419	
Canada	2	7,124	45	101,423	
Straits & F.M.S.	27	64,600	-	-	
Germany	-	-	1	8,765	
North China	-	-	14	41,185	
France	-	-	1	2,500	
Holland	-	-	2	5,500	
<b>TOTAL</b>	<b>151</b>	<b>HK\$383,678</b>	<b>202</b>	<b>HK\$504,136</b>	
<b>TOTAL</b>		<b>© Ex. 0.233</b>		<b>© Ex. 0.273</b>	
		<b>US\$ 89,397</b>		<b>US\$ 137,629</b>	

EXPORTS OF MOTOR LORRIES

<u>January to October, 1932</u>			<u>January to October, 1933</u>		
<u>Countries</u>	<u>No.</u>	<u>Value HK\$</u>	<u>No.</u>	<u>Value HK\$</u>	
North China	5	25,000	9	26,732	
Middle China	1	500	4	13,400	
South China	71	170,515	44	93,437	
Kwongchow Wan	4	8,230	2	1,690	
Macao	-	-	7	14,237	
<b>TOTAL</b>	<b>81</b>	<b>HK\$204,245</b>	<b>66</b>	<b>HK\$149,496</b>	
		<b>© Ex. 0.233</b>		<b>© Ex. 0.273</b>	
		<b>US\$ 47,589</b>		<b>US\$ 40,812</b>	

No. - 20.5% of Imports

No. - 75% of Imports

Value - 20.7% of Imports

Value - 83% of Imports



IMPORTS OF MOTOR LORRIES, CHASSIS ONLY

<u>January to October, 1932.</u>			<u>January to October, 1933.</u>		
<u>Countries</u>	<u>No.</u>	<u>Value HK\$</u>	<u>No.</u>	<u>Value HK\$</u>	
Middle China	3	7,500	1	7,500	
South China	22	55,400	113	316,210	
Macao	6	16,850	2	6,600	
French Indo China	-	-	8	25,665	
Kwongchow Wan	-	-	28	63,055	
<hr/>					
TOTAL	31	HK\$79,750 © Ex.0.233 US\$ 18,582	152	HK\$419,030 © Ex. 0.273. US\$114,395	

No. - 20.5% of Imports

No. - 75% of Imports

Value - 20.7% of Imports

Value - 83% of Imports

IMPORTS OF MOTOR CYCLES

<u>January to October, 1932.</u>			<u>January to October, 1933.</u>		
<u>Countries</u>	<u>No.</u>	<u>Value HK\$</u>	<u>No.</u>	<u>VALUE HK\$</u>	
United Kingdom	27	19,082	17	9,943	
Australia	1	300	-	-	
U. S. A.	-	-	5	4,500	
Straits & F.M.S.	-	-	1	120	
<hr/>					
TOTAL	28	HK\$19,382 © Ex.0.233 US\$ 4,516	23	HK\$14,563 © Ex.0.273 US\$ 3,976	



EXPORTS OF MOTOR CYCLES

<u>January to October, 1932.</u>			<u>January to October, 1933.</u>		
<u>Countries</u>	<u>No.</u>	<u>Value HK\$</u>	<u>No.</u>	<u>VALUE HK\$</u>	
South China	12	6,729	6	1,780	
Middle China	-	-	2	1,186	
Macao	1	470	2	2,500	
French Indo China	-	-	1	850	
<hr/>			<hr/>		
TOTAL	13	HK\$ 7,199 © Ex.0.233 US\$ 1,677	11	HK\$ 6,316 © Ex.0.273 US\$ 1,724	

No. - 46.4% of Imports  
 Value - 37.1% of Imports

No. - 47% of Imports.  
 Value - 43% of Imports

I M P O R T S

MOTOR ACCESSORIES INTO HONGKONG

<u>Countries</u>	<u>Jan-Oct.1932</u> <u>Value HK\$</u>	<u>Jan.-Oct.1933</u> <u>Value HK\$</u>
United Kingdom	196,461	97,061
Canada	1,704	149
Germany	17,933	16,522
Italy	1,086	3,462
United States	416,138	281,729
Holland	596	1,755
Sweden	150	500
France	1,777	
Belgium	197	
Philippine Islands	1,931	15,099



Value HK\$  
Jan.-Oct. 1932Value HK\$  
Jan.-Oct. 1933

Countries

<u>Countries</u>	Jan.-Oct. 1932 Value HK\$	Jan.-Oct. 1933 Value HK\$
Japan	3,768	5,534
Straits and F.M.S.	3,281	7,754
North China	5,030	2,068
South China	4,245	2,410
Kwongchowan	800	1,267
Macao	65	652
Malaya (British)		3,129
South Africa		500
Siam		1,763
French Indo China		67
Switzerland		1,450
Australia		700
Middle China		279
<b>TOTAL</b>	<b>HK\$654,566</b> © Ex. Hk\$1.00 Equals US\$0.233 US\$152,514	<b>HK\$443,950</b> © Ex. Hk\$1.00 equals US\$0.273 US\$121,198

EXPORTSMOTOR ACCESSORIES FROM HONGKONG

<u>Countries</u>	Jan.-Oct. 1932 Value HK\$	Jan.-Oct. 1933 Value HK\$
North China	9,568	11,749
Middle China	47,689	27,933
SOUTH China	147,035	150,424
Wongchowan	24,484	35,714

(Cont'd Over)



Countries

	Jan.-to Oct.1932 Value HK\$	Jan.-Oct.1933. Value HK\$
Macao	22,146	23,098
Philippine Islands	1,124	428
Neth. East Indies	176	
Siam	299	220
British N. Borneo	120	680
Denmark	850	
United Kingdom	1,501	450
French Indo-China		1,319
India		921
Japan		326
Malaya (British)		261
Other Countries	153	246
	<u>HK\$255,145</u>	<u>HK\$263,769</u>
	Exchange HK\$1.00 equals	
	US\$0.233 US\$59,449	US\$0.273 US\$72,009.

38.9% of Imports

59.4% Imports

IMPORTS INTO CHINA PROPER DURING ELEVEN MONTHS  
1933 COMPARED WITH THE SAME PERIOD IN 1932.

	Eleven Months 1933		Eleven Months 1932	
	Pieces	Value G.U.	Pieces	Value G.U.
<u>MOTOR TRUCKS</u>				
Total Imports	1,786	2,209,095	1,147	1,692,211
From				
U.S.A.	1,561	1,740,379	956	1,365,299
Japan	42	85,881	30	42,910
Great Britain	156	283,816	112	194,000

(Cont'd over)



Bureau of Finance estimates that the total amount of imports for 1933 will amount to Yuan \$85,144 (about U.S. \$2,287,000) for 1932.

	Eleven Months 1933		Eleven Months 1932	
	Pieces	Value Gold Units	Pieces	Value G.U.
<u>MOTOR CARS</u>				
Total Imports	2,522	3,149,673	2,680	4,351,072
<u>From</u>				
U.S.A.	1,649	2,006,453	1,699	2,595,576
Japan	51	69,409	39	66,801
Great Britain	620	783,952	695	1,369,504
Italy	96	124,930	45	66,363
France	71	104,280	78	153,089
Germany	85	160,606	86	133,496

Japan's portion in the above trade can be regarded as American assembled cars in that country, while to some extent the same can be said of Great Britain and of Germany.

Amoy:

TAXATION

A monthly fee of \$30. local currency is assessed on each assessed \$30. per quarter. Motor trucks operated by transportation companies pay a quarterly fee of \$120. local currency (one dollar, local currency approximately \$0.33 U.S. currency), while privately owned trucks are assessed \$90. per quarter. Fees for motor busses were assessed during the first eleven months of 1933 by the Amoy Road Office. During the first six months of 1933 they remained the same as for previous years \$108, local currency, per month per bus. However, on the first of July 1933, this fee was reduced to \$80. Motor cycles used for business purposes are assessed a monthly fee of \$6. local currency, while those privately owned pay \$24. per year.

From December 1, 1933, all of the above fees were collected by the Finance Office of the Amoy City Government.



Tsingtao:

Tsingtao Bureau of Finance estimates that the total automotive taxes for 1933 will amount to Yuan \$83,144 (about U.S. \$27,715) which compares with Yuan \$108,710 (U.S. \$22,829) for 1932.

Shanghai:

A new scale calculated to produce a more equitable basis, the cars being classified in more detail according to their weights, was put into effect on January 1, 1934, by the Bureau of Public Utilities and Bureau of Finance of the City Government of Greater Shanghai (Chinese controlled area). Under the new scale, passenger cars are classified into 16 grades while trucks are placed in 22 grades. Because of a finer classification, the comparison of new rates with old rates is somewhat difficult, but in general the heavier cars will stand a higher fee than the lighter models, while new classifications have been made which will benefit some of the medium weight models. Motor cycles remain unchanged. License fees are payable quarterly in advance.

MOTOR CARSNEW RATES

Grade	Weight	Private		Public	
		Chinese Dollars.		Chinese Dollars.	
1	Under 450 k.g.	\$ 11.		\$ 16.50	
2	451 - 675	12.		18.-	
3	676 - 900	13.		19.50	
4	901 - 1010	14.		21.-	
5	1011 - 1120	15.		22.50	
6	1121 - 1235	16.		24.-	
7	1236 - 1350	17.		25.50	
8	1351 - 1575	25.		37.50	
9	1576 - 1800	30.		45.-	
10	1801 - 2025	35.		52.50	
11	2026 - 2250	40.		60.-	
12	2251 - 2475	45.		67.50	
13	2476 - 2700	50.		75.-	
14	2701 - 2925	55.		82.50	
15	2926 - 3150	60.		90.-	
16	3151 - 3600	70.		100.50	

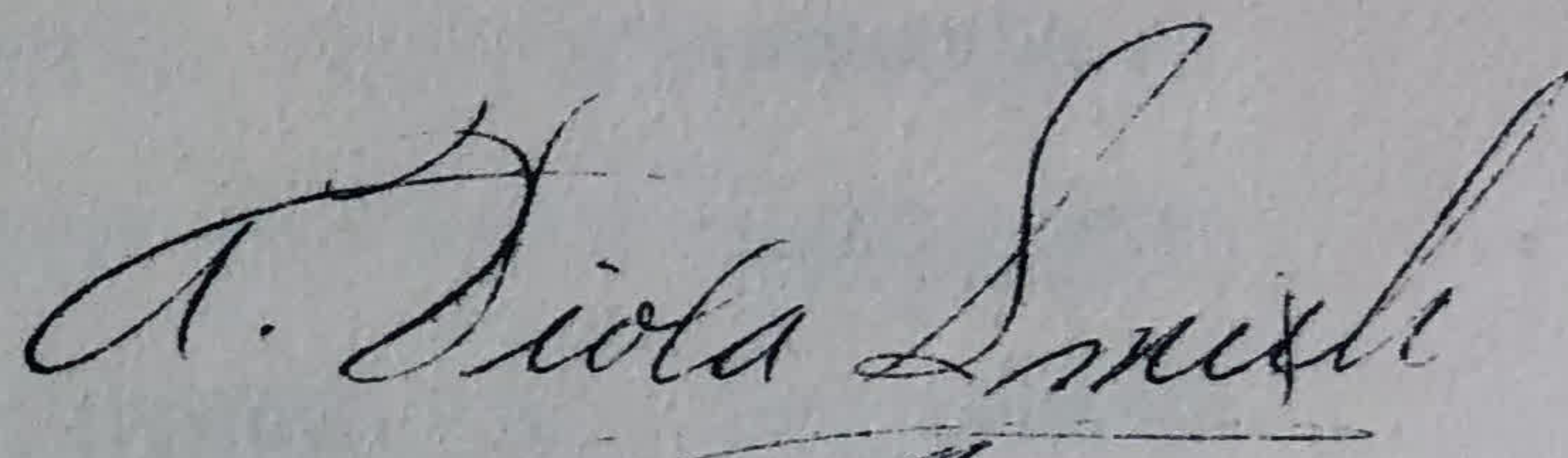


Sources of Information

MOTOR TRUCKS

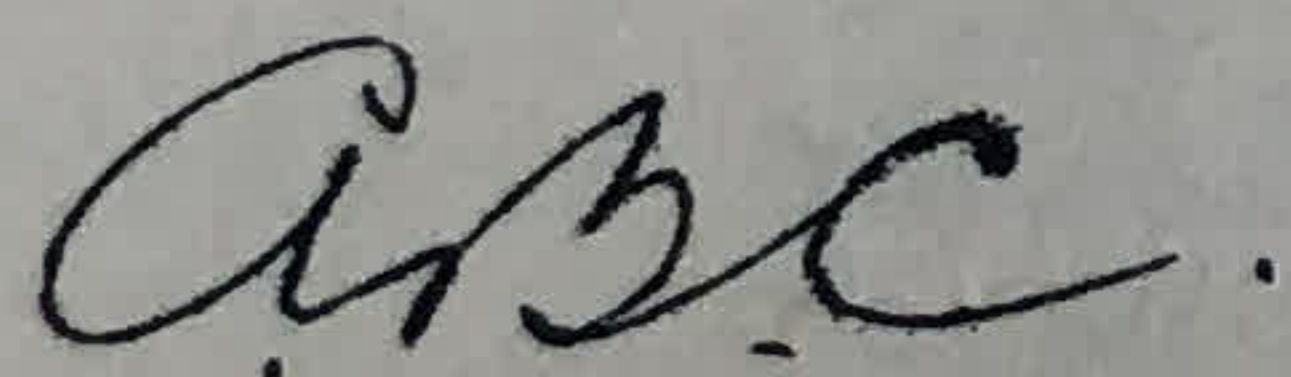
NEW RATES

Grade	Weight	NEW RATES	
		Private Chinese	Public Dollars.
1	Under 1800 k.g.	\$ 16.	\$ 24.-
2	1801 - 2250	18.	27.
3	2251 - 2700	20	30.
4	2701 - 3150	22.	33.
5	3151 - 3600	24.	36.
6	3601 - 4050	26.	39.
7	4051 - 4500	28.	42.
8	4501 - 4900	30.	45.
9	4901 - 5400	32.	48.
10	5401 - 5850	34.	51.
11	5851 - 6300	36.	54.
12	6301 - 6750	38.	57.
13	6751 - 7200	40.	60.
14	7201 - 7650	42.	63.
15	7651 - 8100	44.	66.
16	8101 - 8550	46.	69.
17	8551 - 9000	48.	72.
18	9001 - 9450	52.	78.
19	9451 - 9900	56.	84.
20	9901 - 10350	60.	90.
21	10351 - 10800	64.	96.
22	10800 - Upward	80.	120.



A. Viola Smith,  
Trade Commissioner

Approved for Transmission:



A. Bland Calder,  
Assistant Commercial Attache.



Sources of Information

Consul General J. W. Ballantine, Canton, China.

Consul Lynn W. Franklin, Amoy, China.

Consul David C. Berger, Tsingtao, China.

Consul L. H. Gourley, Hongkong.

Consul Walter A. Adams, Hankow, China.

Chinese Maritime Customs Returns of Trade

Interviews with Automotive importers and dealers, Shanghai, China.

Newspaper and periodical reports.

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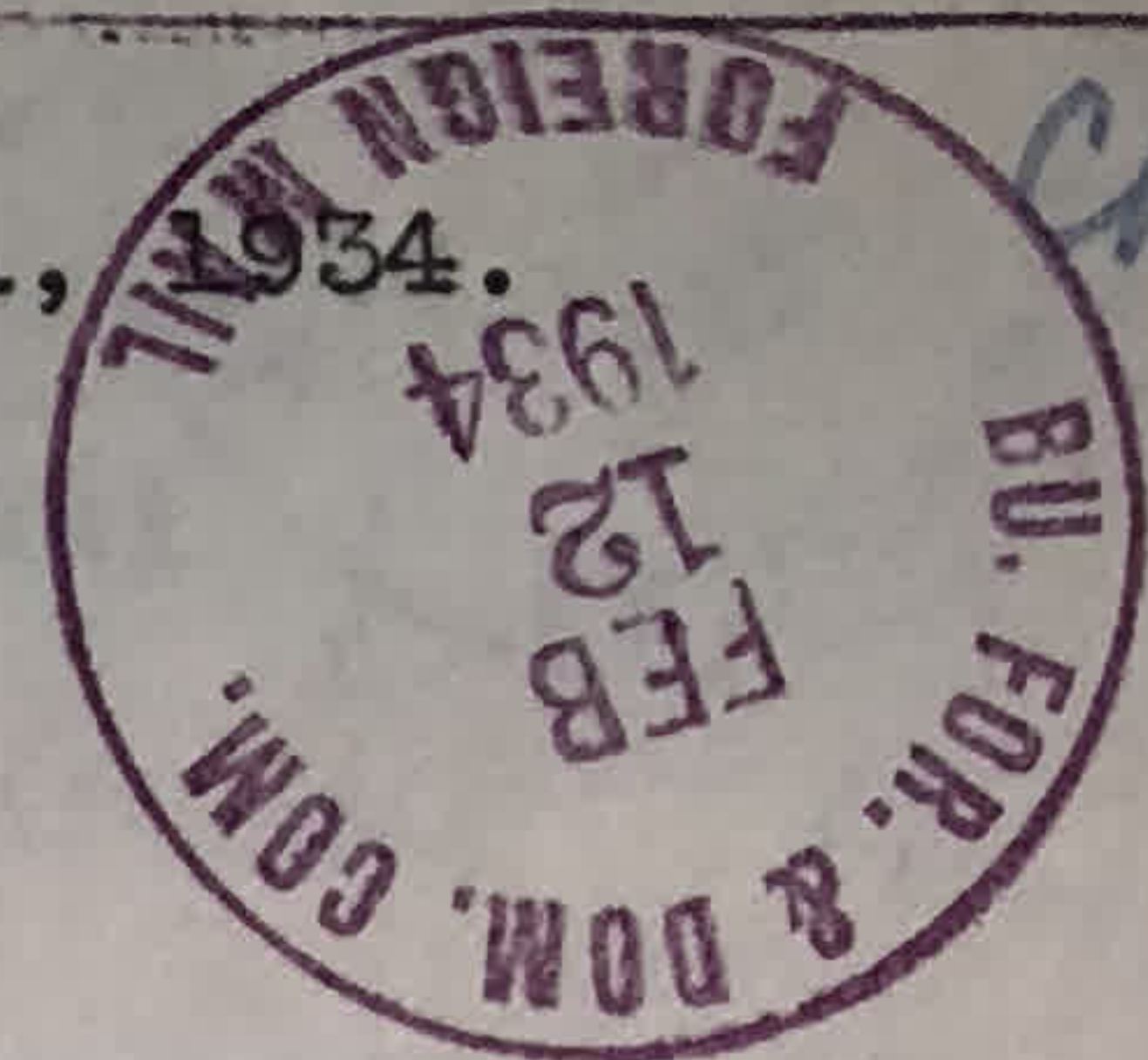
UNITED STATES  
DEPARTMENT OF COMMERCE  
BUREAU OF FOREIGN AND DOMESTIC COMMERCE

OFFICE OF COMMERCIAL ATTACHÉ  
3 CANTON ROAD  
SHANGHAI, CHINA

BUREAU OF FOREIGN AND  
DOMESTIC COMMERCE  
INDEXED 531  
FILE No.

SHANGHAI

January 11, 1934.



92-1924

*mn*

To: Automotive-Aeronautics Trade Division.  
From: Shanghai Office.  
Subject: "Automotive Survey", Questionnaire 321.

We are sending you herewith our "Automotive Survey" for the period ending December 31, 1933, in compliance with your Questionnaire 321. We would draw attention to the fact that this report does not aim to cover the Manchurian territory. Although we despatched copies of the questionnaire to the Consuls in Manchuria asking for data, we have not to date received replies. We therefore have not wished to further postpone the transmittal of this report, hence are sending it forth, disregarding the Manchurian territory. Our reason for doing so is predicated upon a letter recently received from the Director of the Bureau indicating that in the future we need not consider that we were responsible for the actual covering of Manchuria. The Bureau recognizes that it is difficult for us to keep up with that territory, and in the future will rely primarily upon the consuls for information from that region.

I should be glad if you would let me know what the Automotive Division desires in this respect for the next quarter. We will continue to send our periodic questionnaires to the Consuls in Manchuria in the hopes of securing data from them, but it may be that they are considering recent instructions in the light of the Director's comment to mean that such report is to be transmitted direct to Washington. We may or we may not be favored with a copy of their report.

*A. Viola Smith*  
A. Viola Smith,  
Trade Commissioner.

Approved for Transmission:

*ase*  
A. Bland Calder,  
Assistant Commercial Attache.

Inclosure No. 95085.

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