

# Confidence In China's Exports Established By Testing Bureau

## High Standard Enforced By National Inspection Agency

Bureau For The Inspection And Testing Of Commercial Commodities Sees To Qualities Of Cotton, Silk, Tea, Oil, Bees, Other Products

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BECAUSE of keen competition in world's market, every nation which desires a place therein, has to send forth products of the most desirable qualities. This can be done only where government inspection is in force. According to the general rules and regulations governing various inspections, products not conforming to certain prescribed standards are to be prohibited from exportation. In case there is no such provision, few merchants will pay attention to the quality of his products so long as he can dispose of them with profit. To maintain credit and confidence of the world market in its products it is therefore for the exporting country to see to it that the commercial commodities it exports to a foreign country not only meet with the legal requirements of that country, but also conform to the taste, likes, and practices of the buyers there. Such practice will, in the long run, elevate the standards of exports products and native industries.

The practice of government inspection of exports was started first in France in 1664. Regulations governing the standards of export commodities and methods of manufacture covered a list of 150 articles. Inspection offices were established in different ports which allowed only qualified commodities to pass the customs for export. In the United States, owing to exclusion by the European countries of American meat products an act providing for the inspection of salted pork and bacon was passed by the Congress on August 30, 1890. However, the act was not effective until another act was passed in March 3rd, 1893, which provided for ante-mortem and post-mortem examinations of all cattle, sheep, and hogs for export. In Japan, owing to the shaking of confidence in Japanese products abroad, the Japanese Government enacted a law in 1896 providing for inspection of meats and other export products were enacted successively. Conditioning houses with the finest modern equipments were established in commercial ports.

**Development Of Inspection**  
The history of commodity inspection service in China is short, yet it can be divided into two periods by the date March 1, 1929. Prior to that date, inspection institutions lacked the unification of organization and system. They were established and administered under various forms of organizations, such as, the late Ministry of Commerce, Industry and Labor, of the National Government, the Chekiang provincial government, the combined effort of Chinese and foreign merchants in Shanghai, and some special organization of foreign business concerns. Under such state of confusion, no good results were achieved.

It was on March 1, 1929, that inspection service became well-organized and systematic when it was instituted by the National Government with the promulgation of regulations by the Ministry of Commerce, Industry and Labor, governing the inspection of exports. Five bureaus were successively organized in Shanghai in March, 1929, in Hankow in April, the same year, in Tientsin and Tsingtao in July, the same year respectively, and in Canton in June, the following year.

**Exports Inspected**  
Exports inspected during the first period include cotton, casings, ham, lard and raw silk:—

(1) Cotton. The evil practice of cotton adulteration was a long story. An institution for the inspection of the moisture content of

cotton was first established in Shanghai in 1901, under the management of foreign merchants here. It was reorganized as the Shanghai Cotton Testing House the following year. Changes took place very frequently until the cotton department of the Shanghai Bureau of Inspection & Testing of Commercial Commodities was established.

In Ningpo, a cotton inspection institution was organized in 1921. In 1929 it became the Ningpo branch of Shanghai Bureau.

**Cotton Testing In Tientsin**  
The inspection of cotton in Tientsin was started in 1912 by some foreign merchants. The institution terminated its function when the Tientsin Bureau of Inspection & Testing of Commercial Commodities came into existence in September, 1929.

When the American Government exercised its power to prohibit the import of animal products not certified by the government of the export country, the late Ministry of Commerce, Industry and Labor promulgated rules and regulations for the inspection of animal products, upon the requests of merchants, in order to maintain this trade in Tientsin, Shanghai and Hankow. Soon an institution was organized in Tientsin, but only casings were inspected. The institution was transferred to the Tientsin Bureau of Inspection & Testing of Commercial Commodities in 1929.

**Casing Inspection**  
In Shanghai, the inspection of casings was started in spite of opposition from merchants. The institution was also transferred to the Shanghai Bureau of Inspection & Testing of Commercial Commodities in 1929.

Hams and lard are largely exported to Philippine Islands. The inspection of these products was usually done by Mr. Evangelista, a veterinarian, in name of Kiangsu Provincial Government until the establishment of Shanghai Bureau when the Bureau undertook the work.

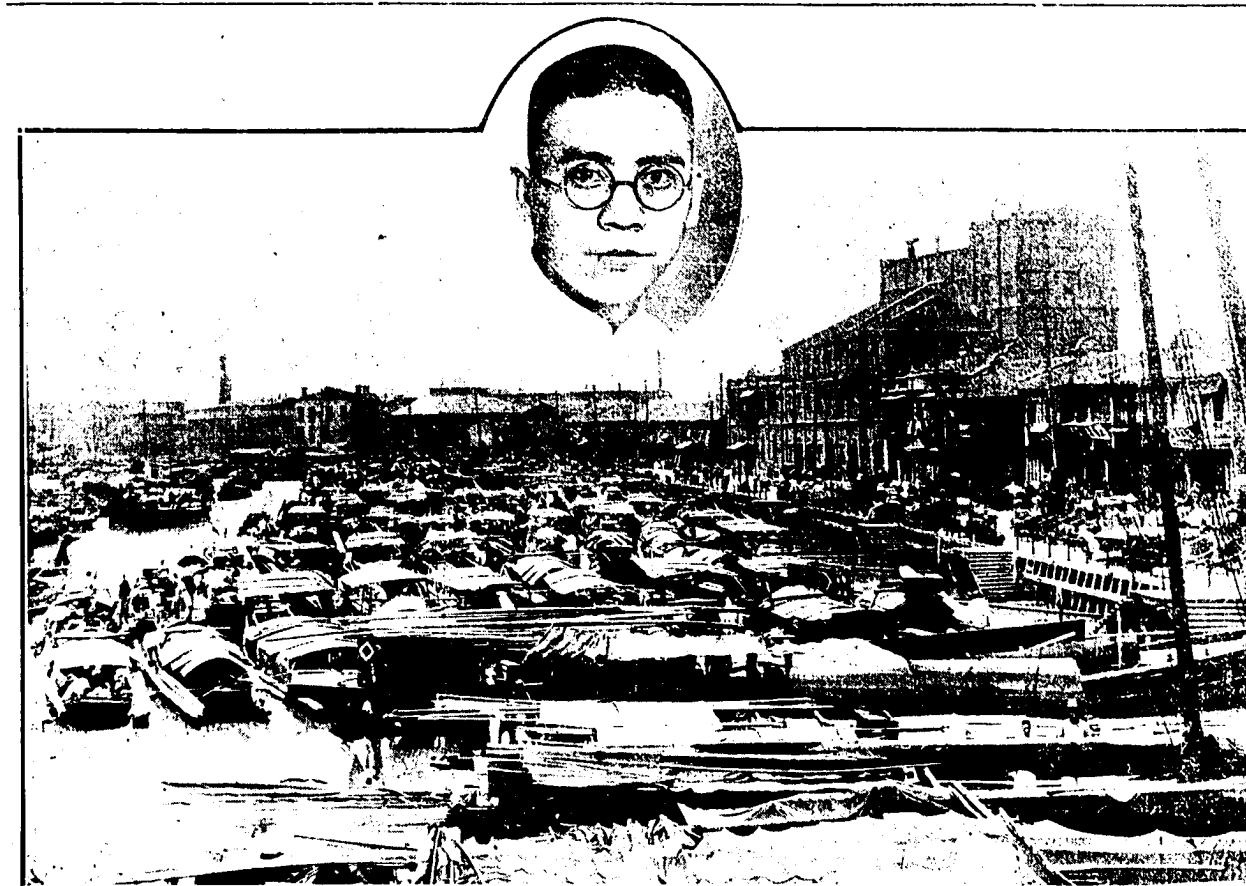
The first organization exercising raw silk inspection was the Shanghai International Testing House which was established in 1922 by the combined efforts of the American Silk Association and the Kiangsu, Chekiang, and Anhwei Steam Filatures and Cocoon Merchants Guild. It was in 1929, when the House was taken over by the Shanghai Bureau.

**Unified Organization**  
The significance of the second period is found in the unification of organization and system in the above-mentioned Bureaus, all of which are under the administration of the Ministry of Industries. Moreover, all inspection institutions in other ports have also become the branches of their adjacent bureau. The branches of the respective bureau are as follows:

**Bureau**  
Shanghai Bureau  
Canton Bureau  
Hankow Bureau.  
Tsingtao Bureau  
**Branches**  
Ningpo, Nanking,  
Nogchow, Kiangmen, Swatow,  
Fochow, Amoy, Hongkong,  
Su-Zi,  
Chi-nan.

After this great change good results have been achieved by the inspection of our exports. This means that the export products which were certified by these inspection bureaus have gained further credit and confidence in foreign markets.

**Under Inspection**  
The commodities under inspection at present are raw silk, cotton, tea, animals and animal products,



From river marts such as that pictured above, the bureaus for the inspection and testing of commercial commodities see to the produce of China to see that its quality meets a high standard as a requirement for the maintenance of confidence in the exports of the nation. The inset is of Mr. P. W. Tsou, director of the Shanghai bureau.

and Tung oil for export and sugar, fertilizers, and bees imported. Each bureau deals with different commodities as shown in the following table:

Shanghai Bureau—	Silk, cotton, tung oil, animal product, sugar, fertilizer, bees, and silk worm eggs.
Tientsin bureau—	Cotton, animal and animal products, fertilizers, and bees.
Tsinetao bureau—	Cotton, animal and animal product, oils, beans, bees and sugar.
Hankow bureau—	Cotton, animal and animal product and tung oil.
Canton bureau—	Animal and animal products, sea product, tobacco, cinnamon, fruits and fertilizers.

**Policy Of Shanghai Bureau**  
Shanghai Bureau is the earliest of all Bureaus established and the most efficiently equipped. It has four testing departments, namely: the raw silk testing department; the animal products testing department; the farm crops testing department; and the department of chemistry.

Although newly organized, the raw silk testing department possesses every possible modern equipment to guarantee scientific inspection of raw silk. The testing of raw silk consists of two main items, the quality and quantity tests. The quality tests are now offered free of charge to silk filatures with a view of encouraging them to adopt modern scientific methods. Disputes on quality of raw silks delivered to exporters are settled with our tests as basis. Information on foreign market conditions, is gathered and given to the trade. On account of its excessively changeable nature in moisture content, due to climatic changes, conditioned weight is the fair and accurate weight for raw silk, and since the establishment of the department the conditioned weight system has been enforced.

**Silk Egg Inspection**  
Silk worm egg inspection is another phase of the department's work, eggs imported into this country are subject to scientific examination to see whether the percentage permitted is not allowed to be imported. Those from this

country are treated on the same ported through the port of Shanghai must be inspected, before they are first, eggs and egg products are inspected mainly on three lines, basis.

The inspection work of the animal products testing department is conducted mainly on three lines. First, eggs and egg products exported through the port of Shanghai must be inspected, before they are certified for exportation. Second; casings and hides; Casings are subjected to ante-mortem and post-mortem examinations before being certified. Hides are inspected to ascertain whether they contain anthrax spores, virus of foot and mouth disease and rinderpest. Hides from areas, infected from above-mentioned diseases must be disinfected before they are allowed to pass the Customs for export.

Third; Meats and Lard. Meats used for food purposes and lard found to have been derived from healthy animals with bacteriological and veterinary examinations, are certified and allowed to pass the Customs. The inspection includes the determination of their origin. In-

spection of the factories, inspection of final products and packing.

The chief emphasis of the farm crops testing department: is to improve the cotton trade by prohibiting the watering of cotton. Annually the department lowers the moisture content by one per cent, it is now 13 per cent. This bureau also prohibits other forms of adulteration. Inspection of teas will be commenced within six months, with the standard as a basis.

**Chemistry Department**  
One of the functions of the department of chemistry is to analyze tung oil or Chinese wood oil, and miscellaneous commercial products. The tung oil is being carefully inspected to find out whether it is adulterated, if so it will not be certified for export. Recently, the department was authorized to inspect imported goods such as sugar and fertilizers, in order to protect our Chinese consumers and see that the goods are not under the required standard. It might be of interest to note that the inspection of imported goods is also in compliance with Dr. H. H. Kung's

remark that: "We should establish the request, standards and institute a system of thorough inspection of imported goods with a view to exercising our rights of suppression of all goods that are below the standards set or goods that by their very nature demand strict prohibition."

By the way I like to state briefly the policy of this bureau. The main reason for the establishment of the bureau, as mentioned above, is to elevate the standard of Chinese products and second, to enter the markets for the goods in foreign lands. In order to realize these two aims, first, inspection alone is by no means sufficient. In addition, a research program has been organized. A research committee composed of the technical experts of the bureau is organized to supervise the work.

It is beyond doubt that export inspection is essential to the promotion of foreign trade of each nation. The service is indispensable especially when the export trade of the nation is in a declining state. Being gifted with rich natural resources China ought to be the leader in the world commerce. But what has become of her? She has every year an unfavorable balance of trade, which is increasing in figure. Her unfavorable balance of last year amounts to \$400,000,000. If no effective means are employed, the condition will turn from bad to worse. For instance, silk, cotton and tea have been our principal exports for years until recently when the amount of these exports has been steadily reduced. If we look into the matter carefully we can easily see that the cause of such decline are but inferior quality caused by poor methods of production and fraudulent practices in marketing. Therefore, the decline is only an outcome of keen competition or natural selection.

In order to get rid of the defect and danger from our foreign trade, we have tried every means to improve the poor method of production and to eliminate the fraudulent practice in selling. The most effective one is surely the export inspection which prohibits the exports of inferior products and thus elevate the standard of our exports and extends the market for our goods in foreign land. At this juncture we cannot but believe that government inspection is the sole means to elevate China's foreign trade.