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## Alarm rung on Red menace

The potential threat of Russian shipping to Hongkong's exports was raised by Mr John Bremridge.

He said it is essential to understand it is possible for the Russians for their own purposes to drive competing Western shipping from cross seas trades "until and unless Western governments recognise the menace for what it is.

"Let no one talk of Russian goodwill, for it does not exist," Mr Bremridge warned.

"We cannot accept a Siberian thumb on our jugular."

Mr Bremridge stressed that Hongkong depends on its export trade and the majority of our exports will "now and for ever more" be carried by international shipping.

He said such competition in the shipping world must exist and should be welcomed, to the extent the competition is fair.

No one could or should object to fair competition.

But the Russians, characteristically, do not compete fairly, he said.

"There is also clearly the over-riding consideration that there is a point beyond which no community can allow a vital interest to be heavily influenced by those it does not trust," he said.

While merchants must welcome to some extent the cost cutting tactics of the

Russians, it would be foolish to let this get out of hand.

"The reasons are clear," Mr Bremridge said.

"They could at any time withdraw in an effort to put various types of pressure on us, and they certainly would withdraw in any sort of major emergency - and no doubt take our cargo with them," he said.

"I have figures on Hongkong's major and vital export routes to Europe and the United States west coast," he said.

"To Europe via the Trans-Siberian Railway last year the Russians lifted about 134,000 tons of Hongkong cargo, which is about 7.6 per cent of the total movement.

"To the west coast of the U.S. they lifted 104,000 tons, which was about 8.2 per cent of the total.

"There are other incursions - to Australia.

"These figures to Europe and the U.S. seem to me to be nudging on the tolerable limits, and while there is as yet no cause for undue alarm I must suggest that the Government should now begin to consider administrative measures to ensure that the Russians do not increase their carrying.

"All know that Russian shipping operates with crews that are paid well below normal standards.

"In fact compared with more than HK\$2,000 a month for a Hongkong seaman, the Russian figure is about HK\$450 a month.

"Their ships generally speaking are repaired and dry-docked in Russia, are victualled with Russian food, and to a considerable extent are bunkered with Russian fuel.

"Their depreciation policy is quite enigmatic, as are calculations of building cost and overall profit.

"Let them carry a fair share of their own imports and exports, but in cross trades these built in factors must surely require an imposed discipline.

"Unless wisdom prevails - which seems unlikely - or unless otherwise checked the Russians could in theory continue to expand almost to the extinction of Western shipping by their present policy of undercutting tariffs by about 25 per cent," Mr Bremridge said.