

His Excellency the Commander-in-Chief in India also expressed his appreciation of the thoroughness with which Lieutenant Hall carried out this operation.

Moreover the troops in occupation had to be constantly prepared to meet advances of organized robbers from outside the Great Wall, who continually approached in bands of from 500 upwards.

5. The Provisional Government of Tientsin, which had administered that district since the capture of Tientsin city on July 13, 1900, was dissolved on August 15, 1902, and the city and district made over to the Chinese.

6. In the face of many difficulties I venture to say that no similarly constituted international administration of an entirely ephemeral nature, always in ignorance of the duration of its existence, could have governed a district more equitably and successfully and have carried on in such a short time and under such unfavourable conditions, the great public works and sanitary improvements, which have been executed by the Tientsin Provisional Government, with employes drawn from all classes and all nations, whose zeal, owing to the uncertainty of their employment, could scarcely be expected to be up to the standard of men permanently engaged and with a hope of making an assured career for themselves. Not only in the execution of important public works, but also in the maintenance of law and order in the district, and in grappling with and overcoming a serious cholera epidemic, the Tientsin Provisional Government has done good work, and been an object-lesson in good government to the Chinese, a proof of which is that the Chinese Viceroy, Yuan Shih-k'ai has agreed to take over *en bloc* their Chinese Police, Treasury, Public Works and Sanitary Establishments, and announces that he will continue them on the same lines. It may, therefore, I think, be assumed that China will derive permanent good from the the works of this Government, which has, moreover, given security and freedom from insult to the foreign population such, as many admit, they have not enjoyed before. In addition, I may add that the Tientsin Provisional Government, on the failure to do so of the Chinese, undertook to carry out the destruction of the forts between Peking and the sea, in accordance with protocol of September, 1901. These forts were in the possession of troops of all nations, which rendered the work difficult, and required much tact in the officer in charge, Captain Rolland, Royal Engineers, who carried it out most successfully, and without accident or controversy. Altogether 18 large forts and 53 camps were razed.

8. The Government also suppressed piracy on the Pei Ho River, which had been from time immemorial a standing hindrance to trade. Major Ducat, Poona Horse, is to be mainly credited for this good work, which is appreciated by every merchant in Chih-li. It was a most arduous and dangerous work well carried out.

9. The next important work, and almost entirely a British one, is the administration of the Peking-Tientsin-T'angku-Shan-hai-Kuan railway line, which has continued most satisfactorily during this period. Heavy troop traffic, due to the evacuation last Autumn, was worked without a hitch, and the requirements of all the Allies were met.

At first large portions of railway lands were in occupation of the various contingents, but these have gradually been vacated until the only lands left occupied now are comparatively small portions at Tientsin (under adjudication), T'angku and Shan-hai Kuan (under adjudication).

10. Throughout, the relations between the railway and all contingents have been uniformly of a most cordial nature, due to a large extent to the hearty co-operation of the German and Japanese Deputy Directors, Captains Hörne and Yamakoshi. Friendly relations have also been maintained with the two foreign railways which connect with the Peking-Shan-hai-Kuan line, viz., the Belgian line on the one side, and the Manchurian line, under the Russians, on the other.

11. All the most serious damage caused by the Boxers, including the destruction of rolling stock, has been made good, while several new works have been carried out, the most important of which are the 6-mile extension to the Legation Quarter, now known as the Ch'ien Men Station, the 13-mile extension to T'ung Chou, and various sidings, aggregating 15 miles, and 4 crossing stations to meet the increased traffic.

12. There have been no serious attempts to wreck the line, there being no opportunity for such, owing to the extreme vigilance of our patrols, which has to be unceasingly exercised, as the Chinese steal the smallest articles from the track itself, such as spikes and fish-bolts.

The line has, however, been singularly free from accidents, and in no case since I assumed command has there been a serious one, or one attended with the death of a passenger on the train.

In addition to the military, the railway has had to meet a very heavy civil traffic. In 1898 it was estimated that the railway earnings between Peking and Shan-hai Kuan would average \$211,000 a month, and the working expenses \$150,000. Since July, 1901, the earnings have averaged \$308,000, and the working expenses \$128,000—the latter in spite of the fact that repairs have been exceptionally heavy, and that the salaries of all the entire military staff, which it was necessary to employ, owing to increased foreign passenger traffic, have been included in the working expenses. The revenue of the line has not only paid the working expenses, but it has paid \$500,000 towards repairing Boxer damage, has expended \$1,200,000 on new works, and has paid the bondholders interest amounting to £115,000.

Among minor improvements, it may be remarked that on the 31st March last, for the first time in the history of the line, trains ran through between Peking and Shan-hai-Kuan in one day.

I hope your Lordship will concur in thinking with me that the above results are highly creditable to the British railway administration.

13. The Engineer, Transport and Supply, Post Office, Army Veterinary Department, and Ordnance Departments have all worked well. The force being, however, confined to the railway, most of these departments have not had as much heavy work as they would have otherwise had.

As Garrison Engineer, Tientsin, Captain Picton, Royal Engineers, has however had much hard work in dealing with landowners, householders, merchants, and allied officers, and has done it well.

Similarly Captain Woods, S.O.O., has had much hard work in improving mounted infantry equipment and in unforeseen repairs. He has had in fact to turn his ordnance dépôt into a small field service gun carriage factory to meet sudden requirements, and he has done it well. His services have been invaluable.

14. The Intelligence Branch under Major Wingate has worked well and unceasingly, and collected and collaborated many valuable maps and much valuable information. Major Wingate has been in China since 1897, and has a very