

HONGKONG LEGISLATIVE COUNCIL.

4TH DECEMBER, 1893.

PRESENT:—

His Excellency the Governor, Sir WILLIAM ROBINSON, K.C.M.G.

Hon. G. T.M. O'BRIEN, C.M.G., Colonial Secretary.

Hon. W. M. GOODMAN, Attorney-General.

Hon. A. M. THOMSON, Acting Registrar-General.

Hon. N. G. MITCHELL-INNES, Colonial Treasurer.

Hon. R. M. RUMSEY, R.N., Harbour Master.

Hon. E. BOWDLER.

Hon. C. P. CHATER.

Hon. Ho KAI.

Hon. J. J. KESWICK.

Hon. E. R. BELLIOS.

Mr. A. Seth, Clerk of Councils.

MINUTES.

The minutes of the last meeting were read and confirmed.

NEW MEMBER.

His EXCELLENCY—Mr. E. Bowdler having been appointed an acting member of the Legislative Council in the absence of Mr. Cooper, he will now take the necessary oath..

Hon. E. Bowdler was then sworn in, and took his seat.

THE GOVERNOR'S SPEECH.

His EXCELLENCY, who was greeted with applause, addressed the Council as follows:—

Honourable gentlemen of the Legislative Council,—
In meeting you again for the resumption of our legislative duties, I am not in a position to announce to you any very marked improvement in the financial condition of the Colony. In November last year I expressed a hope that there might be a revival of prosperity in the fortunes of Hongkong during 1893, but although there are not wanting unmistakable signs of better times in the future, that hope has not been realised to the extent that I anticipated. The Indian Silver Act and the proceedings of the United States Senate in reference to the Sherman Act have naturally affected the

business of this community, as well as the business of the entire East. The dollar has fallen to an unprecedentedly low value, and the loss by exchange in many of the transactions of this Government has of course been considerable. Recently we have certainly not been troubled by many fluctuations in the rate of exchange, and with the dollar at 2s. 4d. or thereabouts, as it has been for the last three or four months, we may hope that silver has "touched bottom," and that a permanent rise in value may be the next change. But with the uncertainty that still surrounds this intricate and difficult question, we cannot look for any early influx of capital into the Colony, or for any great increase in business unless some fixed international ratio should be established. As the President of the United States recently observed, "What we want is good, sound, and stable money, and a condition of confidence which will keep it in use." As the standard of value is silver in one portion of the world, and gold in another, commerce requires a steady par of exchange between the two. There is, however, one point in connection with this subject, to which I would call particular attention, and that is, that the fall of silver and the action of the Indian Government in regard to it, besides having improved the position of the tea grower and exporter, has put new ventures, and profitable ones, within the reach of capitalists in China and Japan, as well as in this Colony. The Chinese are slow to begin anything new, but if the present state of affairs continues they will be compelled to produce and export many articles which they have hitherto imported from European and other countries. The Japanese are quite alive to the situation, so far as it concerns them, and are not only erecting new cotton mills, it is said to the number of twenty, but are about to take the import duty off raw cotton. It is possible, therefore, that we may soon see Japan, for a time, supplying China with goods which she formerly obtained from Europe or India. It seems anomalous that whilst England should be striving to ex-

tend her commerce and commercial relations in China on the one hand, she should on the other be countenancing measures which apparently have the effect of creating competition against herself and her own productions in the Far East. Under these circumstances, the attention of the community should be directed to the desirability of establishing cotton mills in Hongkong. The Government is in possession of several eligible sites, and if only capitalists, either European or Chinese, will come forward and invest their capital in such enterprises, I will endeavour that so far as the acquisition of land is concerned they shall be treated with exceptional liberality. The success which has attended other efforts of this nature in Hongkong ought, under these favourable circumstances, to lead to the introduction of additional local industries, such as cotton spinning and weaving; and no more fitting time than the present seems likely to occur. This matter is worthy therefore of the earnest consideration not only of this community but of capitalists in the neighbouring provinces of China. In connection with the fall of silver and the scarcity of the circulating medium, in Hongkong and elsewhere in the East, it is probable, unless the Japanese yen is made legal tender, that action will shortly be taken in the direction of the coinage of a British dollar. I understand that some of the Banks are in favour of this step, and that they have arrived at their conclusion in consequence of the lengthened period during which the Mexican exchange has been unable to adapt itself to the fall in the price of silver. Should any application be received by the Government from any of the Banks in Hongkong, urging the coinage and introduction into the Colony of a British dollar, I will use all my influence with the home Government in support of that request. I now lay upon the table the estimates for 1894, and will briefly refer to their leading features. The estimated revenue for 1893 was \$1,906,396, the estimated ordinary expenditure \$1,899,375, leaving a surplus of only \$7,021. So far as can be judged the revenue for 1893 will be about \$2,050,000 and the expenditure, exclusive of extraordinary expenditure chargeable against the Loan, will be about \$1,940,000. It will be seen that the revenue of 1893 will probably be about \$110,000 in excess of the ordinary expenditure, and consequently about \$140,000 in excess of the estimate. This surplus is nearly accounted for by an increase in the amount of fees received for the examination of emigrants and the profit on an increased import of subsidiary coins, which profit was \$56,000 over the estimate. Ample supplies of these coins will be ordered as required, but absolute reliance cannot, of course, be placed on them as a source of steady revenue. The estimated revenue for 1894 is \$2,007,210, and the estimated ordinary expenditure \$1,982,745. To this expenditure must, however, be added \$16,000 expended on roads in Kowloon and new streets in Kennedytown, which is chargeable against current revenue, bringing the total

expenditure up to \$1,998,745. These estimates have been framed with the greatest possible caution, and show a probable surplus of revenue over expenditure at the end of 1894 of \$8,465. As in 1893 it may perhaps be found that the revenue has been under-estimated, but it would not be safe to count upon such a contingency. On an examination of the estimates you will observe that the increased expenditure of 1894 over that of 1893 is principally accounted for by the following items:— Public Debt, \$30,236, Military, \$37,647; Post Office, \$15,880, Pensions, \$6,860; Police, \$6,992; making a total of \$97,615. Owing to the fall in exchange the provision for the Military Contribution alone in 1894 exceeds that of 1893 by \$37,647. In 1891 the Colony found \$228,572 for that purpose; it has now to find \$320,000. It is in a measure satisfactory that the Colony has not yet been, and I trust will not be hereafter, called upon to raise additional taxation to meet the many additional charges imposed upon it by the falling value of silver. When the Appropriation Bill is moved the public officers specially concerned therewith will, doubtless, give you fuller information in regard to these items if you should desire it. At the close of last session the vexed question of gaol extension was happily settled. I take this opportunity of repeating that the Government as well as the taxpayers are indebted to the Unofficial Committee appointed by me for their assistance in this matter, which enabled a fair and reasonable compromise to be effected. In November, 1892, when it was stated that the work would probably cost \$250,000, it ought to have been explained that this was simply a rough estimate. The amount which was ultimately voted was based on carefully prepared specifications and estimates. But the difference between the two amounts. I should add in justice to our able Director of Public Works, was largely due to the Secretary of State having on my recommendation reduced his original requirements between November, 1892, and the date on which the final vote was taken. The returns respecting the trade and shipping of this port will, when completed and published, be found exceedingly interesting, not to say remarkable. During the ten months ending the 31st October last there arrived in and sailed from Hongkong 7,243 European constructed vessels measuring 8,733,823 tons and 47,525 junks measuring 3,191,868 tons, making a total of 54,768 vessels and 11,924,891 tons of cargo (discharged, shipped, and in transit). These vessels carried 6,307,000 tons and no less than 1,551,833 passengers. The figures for the same period in 1892 were 59,380 vessels, and 11,703,851 tons. The large number of vessels with a lesser amount of tonnage was mainly due to the employment of numerous small junks in the local

trade connected with the Praya Reclamation. The returns for 1893 up to date show an increase of 109,000 tons in British ships and of 87,000 tons in foreign ships of European construction. They also exhibit an increase in the foreign junk trade of 290,000 tons. During the past ten months, *i.e.*, from the 1st January to 31st October, emigration has considerably improved. The number of emigrants has been 73,265 as against 43,024 during the same period in 1892. I am, as you are probably aware, anxious that a well-organised system of emigration to certain countries friendly with England should be adopted. Such a scheme would be of great advantage not merely to this colony but to thousands of industrious persons in China, who have now but little opportunity of making a living, or of even obtaining the barest necessities of life. It is unfortunate that the Chinese Government do not seem to view the matter in this light, and, no doubt, recent events in a neighbouring colony will tend to confirm them in the opinions they are believed to entertain on this subject. The revenue collected by the Harbour Department up to the 31st October was \$164,231, showing an increase of \$13,970 over the sum collected for the same period in the previous year. With reference to crime, I may mention that the number of cases tried in the Supreme Court this year was a little above the average of the two preceding years. In 1891 there were 32 cases, in 1892 only 30 cases, the lowest record during the past 10 years. Up to Sept. 30th last there were 32 cases sent for trial. Two of these were especially serious, *viz.*, that of Alves for the Treasury defalcations, in which the sentence passed was six years' imprisonment with hard labour, and a murder case, in which the sentence of death was passed and carried out. Until this penalty was exacted there had been no execution within the colony for upwards of 10 years. Amongst the 32 cases there was also one of wounding with intent to murder and three of robbery with violence. Out of these 32 charges, however, there was a verdict of acquittal, or no information, or *nolle prosequi* in 14 instances, and out of the 47 prisoners brought up for trial 21 were discharged. During 1893 as in 1892 there was an absence of charges involving offences of a piratical character, which is an encouraging feature in the criminal statistics. You will be pleased to be assured that owing to past legislation and the efforts of the police public gambling in the colony has practically ceased to exist. There has also been a great falling off in the number of cases of kidnapping of women and robbery with violence. So far as the Magistrates are able to judge they are of opinion that the Government is to be felicitated on the conspicuous absence of serious crime in Hongkong. On the other hand I regret to say that during the last few months there has been an unusual number of larcenies of money and valuables by servants from their masters' houses. This I attribute in a great measure to losses sustained by servants in the gambling houses at Samshuipo and Kowloon City. I

have addressed the Viceroy of Canton several times on the subject without much effect, and am at this moment in correspondence with H.M. Minister at Peking in regard to it. If the Chinese Government refuses to act, this Government will be bound to consider whether some restrictions should not be placed on the owners of launches who are known to carry hundreds of gamblers daily between this city and the opposite coast. I should hope that the community in general would thoroughly support the Government if such a step should be decided upon. With regard to education I have to inform you that in addition to the ten Government schools which were closed owing to insufficient attendance at the beginning of this year, two other Government schools have been closed for the same reason. Seven of the less expensive and more popular grant-in-aid schools have taken the place of the schools thus closed. Special attention has been bestowed on the educational needs of the boat population. For long years this class has been somewhat neglected. The extent of the school accommodation for them is now ample. It consists of 38 private and 8 public schools in working order. The total number of scholars is 1,578. Aberdeen has been supplied with a grant-in-aid school. I have recently appointed a Chinese school attendance officer with a view to stimulating the attendance at the schools of the boat children in particular and the Chinese children in general. In the matter of additional accommodation local school managers have of late been particularly active. The Berlin Foundling House, the Roman Catholic Mission at Shaukiwan, and the Basil Mission at Tok-wa-wan have this year provided new and suitable school buildings for the Chinese poor. The code of regulations for educational grants-in-aid have been revised with the aim of raising the standard of education. Arrangements have been made by the Government to bring the West Point Reformatory under the provisions of Ordinance 19 of 1886 as a certified reformatory school for the reception of juvenile offenders. I trust that this will have the effect of reducing the gaol population and of preventing the contamination of the young which is certain to occur when they are brought into contact with the old offenders. For the benefit of the Government Central School for Girls a member of this Council has erected a handsome three-storied building which will soon be handed over to the Government. Physical drill, which was introduced a short time since in 11 schools, has during this year been carried a step further by the superaddition of a cadet corps subject to inspection by the military authorities. This corps is popular and in many ways, and especially so far as physique and discipline are concerned, will prove of great benefit to those who may hereafter join

it. The need of a fixed standard of Chinese orthography in connection with local examinations has long been recognised. At the suggestion of the Government it has at last been supplied by the Rev. Dr. Chalmers, whose work in this as in other cases is admitted by those who are capable of judging to be a monument of learning and industry. Examinations have been held for the diploma of the College of Preceptors and for London matriculation purposes. In addition to the Oxford local examinations provision has been made for the reintroduction into Hongkong of Cambridge local examinations. These facts indicate not only progressive movement, but prove that as far as circumstances will admit local education is being assimilated to the system in force in the educational institutions of the mother country. I referred just now to the cadet corps, and some mention of the Volunteer force should not be omitted. It numbers about 90 members, and every effort has been made to increase its numbers, but without much result. It can therefore only be said that while it forms a most valuable nucleus, its practical utility depends upon its further expansion. The officers, and especially the commandant, have done all in their power to ensure its being a success, and active preparations are being made for its taking part in the mobilization of the Garrison next January. The new headquarters are nearing completion and will be a great convenience to members of the force. I much wish that the Volunteer movement was looked on with greater favour and received greater support from the community generally than it appears to do at present. There is every probability of Hongkong being shortly put into telegraphic communication with the outer world, independently of connection with any foreign territory. This is a subject of congratulation. So far as I am aware it will not be necessary to trouble you with legislation of any importance in the near future, so that we may anticipate an unusually short session. I am in communication with the Viceroy of Canton and H.M. Plenipotentiary in Peking in reference to the opening up of the West River to foreign trade, and also in regard to the question of preferential duties granted on junk-carried tea, to the detriment of foreign shipping. These are two weighty matters affecting existing trade and its possible extension. A favourable solution of them would be hailed with great satisfaction by me in consequence of the undoubted benefits which would accrue therefrom to the mercantile community of Hongkong. And here, gentlemen, it is not inappropriate for me to refer to the happy relations which for the last two years have existed be-

tween the Government and the Chamber of Commerce, and which it will always be my endeavour to maintain unimpaired. We have to be thankful for exemption from serious epidemic or destructive storms in 1893. In the late typhoon it is true that Gap Rock light was considerably injured and that costly repairs will have to be effected, but otherwise—thanks to the timely warnings issued from the Observatory—the damage done to property was infinitesimal and little or no loss of life occurred. The general behaviour of the Chinese during the past year has been most exemplary, and the criminal class has largely decreased. In conclusion, gentlemen, I shall not lay myself open to the charge of being over-sanguine when I assert that there is distinct evidence that the condition of the Chinese community is improving, that business is more settled, and that the prospects are better than they have been at any time during the past three years. It is my earnest desire, in which you will cordially join, that still brighter and happier times may be at no distant date in store for all classes of residents in this important and progressive colony. (Loud applause.)

SUPREME COURT RULES.

The COLONIAL SECRETARY—I beg to lay on the table a set of rules made by the Chief Justice for taxing costs in the Summary Court, and I give notice that at the next meeting of the Council I shall move that the rules be approved.

THE APPROPRIATION BILL, 1894.

The COLONIAL SECRETARY—I also beg to give notice that I shall at the next meeting of Council move the first reading of the Appropriation Bill for 1893.

THE SUPPLEMENTARY APPROPRIATION BILL,
1892.

The COLONIAL TREASURER—I beg to give notice that at the next meeting of Council I shall bring up for the first reading the Supplementary Appropriation Bill for 1892.

ADJOURNMENT.

Hon. C. P. CHATER—I have listened with very great interest, as I am sure my colleagues also have, to the long and able speech delivered by your Excellency. According to the usual custom on such occasions I will not offer any remark or suggestion on the many points you have been pleased to touch upon, but doubtless occasions will arise for us to do so during debate when we have digested your Excellency's remarks.

His EXCELLENCY—I propose that we should meet again to-morrow afternoon at 3 o'clock.

The Council adjourned.