

17TH DECEMBER, 1894.

PRESENT:—

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

Hon. J. H. STEWART LOCKHART, Acting Colonial Secretary.

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

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

Hon. F. A. COOPER, Director of Public Works.

Hon. R. M. RUMSEY, Harbour Master.

Hon. C. P. CHATER.

Hon. HO KAI.

Hon. J. J. KESWICK.

Hon. E. R. BELLIOS, C.M.G.

Hon. A. McCONACHIE.

Mr. J. G. T. BUCKLE, Acting Clerk of Councils.

THE APPROPRIATION BILL, 1895.

The ACTING COLONIAL SECRETARY brought up the report of the Finance Committee and moved that it be adopted. With reference to the recommendations of the Committee regarding the estimates he said he would refer to them when the Council was in committee on the Appropriation Bill.

The report was accepted and the Council then went into committee on the Appropriation Bill. The various items were gone through and the recommendations of the Finance Committee were adopted, the only point on which any discussion arose being the Military Contribution.

The ACTING COLONIAL SECRETARY—With regard to the military expenditure, sir, the unofficial members unanimously opposed this vote when in Finance Committee, and I understand that to-day they wish to make some remarks in regard to it.

Hon. HO KAI—Sir, in the absence of the senior unofficial member—the Hon. C. P. Chater and Hon. J. J. Keswick were not present at the earlier part of the meeting—I beg to move that this vote be not passed, for the reasons that were stated by the senior unofficial member in Finance Committee. We are opposed to the vote because some time ago both the senior unofficial member and the Hon. Mr. Keswick asked your Excellency to be so good as to communicate with the Secretary of State recommending that the contribution should be taken at a fixed rate of so many dollars to the pound. On account of the decreased value of the dollar the colony has to pay a very great deal more in dollars for the same sum in sterling. In the estimates last year the dollar was taken at 2s. 6d. and now we have it down to 2s. and have to pay 6d. extra. I think the subject has received the due consideration of your Excellency, and I think also your Excellency has strongly recommended to the Secretary of State the adoption of the course desired by the unofficial members, and our reason for opposing this vote to-day is simply because the

Secretary of State, having our opinion on the matter before him, has not seen fit, though several months have elapsed, to give us an answer. For these reasons I opposed the vote in Finance Committee and I do so now.

Hon. E. R. BELLIOS seconded.

His EXCELLENCY—I think we will let this item stand over until the Hon. Mr. Keswick arrives. I understand he has some remarks to make on the subject.

On the arrival of the Hon. J. J. Keswick His EXCELLENCY explained to him what had transpired.

Hon. J. J. KESWICK—I must apologize to your Excellency for my absence in the earlier part of the meeting, which was due to the official notice stating the hour as three o'clock, and I had not observed the alteration in the time. The remarks which I would have made in reference to the Military Contribution would have been few, as it is a rather well worn question. Last year when the Appropriation Bill was before the Council I moved the rejection of this vote, which for two or three years has been challenged, unsuccessfully, by the unofficial members, although I am aware that since your Excellency's arrival in the colony you have made representations to the Secretary of State for the mitigation of this Military Contribution, which is gradually growing more and more onerous, in consequence of the steady and serious depreciation in exchange. It seems exceedingly probable that in a year or two, or in a few years at all events, the contribution which this colony will have to make in dollars for the payment of this sum in sterling will be very heavy indeed. I for one, do not see any good reason that can be brought forward in support of a possible advance in the value of silver; on the contrary. I should think it must be cheaper, and *ergo* exchange will further drop. Had I been present, sir, I would have proposed the rejection of this item, which has been done by my honourable friend opposite, doubtless with the support of all the unofficial members.

His EXCELLENCY—I am sorry to hear that the hon. member anticipates a further fall in the value of silver. It is certainly low enough at the present moment. I take the opportunity of repeating what has been said on the subject in another place, that is, that I have frequently, I think no less than four times, made representations to the Secretary of State on this subject. I think I may without breach of official etiquette say Lord Ripon has written to me, and has said in effect that he is doing all he can for the colony, but the decision does not rest entirely with him. He has to fight with the Chan-

cellor of the Exchequer—and we all know what Chancellors of the Exchequer and Treasurers are—and also the War Department, so it is two to one. I should be glad if the amount could be reduced, but I think this is rather an inopportune time to press the matter upon the home Government seeing the extraordinary measures that are being taken to protect British interests in the Far East. Perhaps the unofficial members are not aware of the amount of military expenditure in this colony. It amounted last year, that is in 1893, to £238,000. The pay of the men was £67,000, and provisions £27,300 (these are items spent in the colony, most of them), and it is anticipated that to erect a hospital above Bowen Road will cost £30,000, most of which will be spent in the colony; so if you deduct £40,000, the amount of our contribution, it leaves as the expenditure of the Imperial Government about £198,000 a year, and the contribution of £40,000 as compared with that of the Straits Settlements is not a very large one. I may say the last time I mentioned the matter to the Secretary of State was when I received the report of the Retrenchment Committee, and I then asked him to fix the amount at the rate of exchange which ruled when the additional £40,000 was first imposed. To that despatch I have not received any reply.

A vote was then taken, when the five unofficial members voted in favour of the Hon. Ho Kai's amendment that the item be struck out, and the officials, including His Excellency, against, the amendment therefore being lost by six to five.

Hon. C. P. CHATER—If I am not quite out of order I should like to make one remark in reference to a portion of your Excellency's remarks just now. It is true we only pay £40,000 towards this large expenditure of the home Government, but it must be remembered this £40,000 is one-fifth of our total revenue. Unless that point is brought forward prominently I am afraid they will take the view that £40,000 is a very small proportion.

HIS EXCELLENCY—I have pointed that out already.

The Council then resumed and the Bill was read a third time and passed.

THE STAMP ORDINANCE.

The ATTORNEY-GENERAL—I beg, sir, to move the second reading of a Bill entitled "An Ordinance to amend the Stamp Ordinance, 1886." This Bill proposes to make certain alterations in the Stamp Ordinance of 1886. The first alteration appears in section 2. For some time in England deductions were not allowed to be made on account of debts in valuing property for purposes of probate. Later on certain deductions were allowed to be made. The law which is in force in England is not in force in this colony, although the duties in this colony were much

smaller than in England. It is proposed by this section 2 to allow certain deductions on account of mortgage debts and so on from the valuation sent in for the purpose of paying duty. The next important alteration is with regard to powers of attorney appointing proxies for the purpose of voting at a meeting, which are charged with a duty of two cents, and a penalty is provided for voting under a letter or power of attorney not duly stamped. That is the law in England at the present time, and it is proposed to make it the law here, and I understand there is no objection to it. Under section 5 there is an alteration made in the schedule which deals with arbitration awards, and instead of the figure \$1 it is \$1 and \$2 and so on according to the amount claimed or involved in the award. Then article 7 is altered by striking out the words $\frac{2}{3}$ per cent. and making it 1 per cent. That is a very slight addition of $\frac{1}{3}$ per cent. in the duty on bank notes.

Then as regards article 14 "conveyance, &c.," we propose to strike out 30 cents and put in 50 cents. That is a very slight addition to the stamp duties in connection with conveyancing. Then as regards article 29 "Policy, &c." this Bill as it stands proposes to make this alteration in the law: where the amount insured does not exceed \$5,000, 25 cents, and where it exceeds \$5,000, for each \$1,000 or part thereof, 5 cents. The Government has had representations made to it that this course would be very undesirable; amongst other things it is said that the offices keep stamped forms, so that whenever it is necessary they can fill up the forms very rapidly, even when the Stamp Office is closed, and there are objections that would not strike a theoretical person in drawing up such a Bill. The Government desire to give effect to the representations made. I will not go into the details now, but will mention them in Committee. As regards article 31, Probate, the alteration proposed is that instead of 1 for every \$100 or part thereof there will be substituted: "where the net value of the estate does not exceed \$5,000 1 per cent., and where it exceeds \$5,000 2 per cent." That again is an alteration which will be made in Committee, and it is the result of representations made to the Government to the effect that it would be injudicious to make the scale progressive according to the amount of the estate. I may point out that in England since 1881 the law has enforced a progressive scale, the amount of duty payable altering with the value of the estate, but the views of some of the unofficial members very recently communicated to the Government have been fully considered, and when it comes to the Committee stage I will propose simply two charges, namely, one per cent. where the estate is under \$5,000, and 2 per cent. where it exceeds 5,000. Then as regards the 6th section, it is proposed to charge one dollar on affidavits and statutory declaration. On letters or powers of attorney appointing a proxy it is proposed to charge 2 cents, and that I may say is taken from the English law and a surrender of a lease is to involve the same duty as the lease itself.

The COLONIAL TREASURER—I beg, sir, to second the second reading of this Bill, and in doing so I wish to express my sense of obligation to those members of the community who are much better acquainted with the subject under consideration in its technical details than I can possibly be for the advice they have given me, and I am happy to say the Government has been able to adopt the suggestions made to it practically to the letter. In the case of insurance policies the present draft Ordinance will be altered in Committee by a proposal to charge 25 cents for every \$1,000 on life insurance, including interim receipts, and for all Hull Risks for time, whereas in all other insurances where the amount does not exceed \$1,000 we propose to charge ten cents, and where it exceeds that amount 25 cents. We understand that this, while benefiting the Government, will not interfere with the business of the Colony, which of course we wish to avoid. The only other change in the Bill is that explained by the Attorney-General with regard to probate. It is proposed to delete the 3 per cent. duty and leave 2 per cent. as the maximum with 1 per cent. for estates under \$5,000.

The Bill was read a second time, and the Council went into Committee upon it. The various alterations mentioned by the Attorney-General and the Colonial Treasurer were effected with the exception of that relating to the duty on policies of insurance. The Attorney-General not being ready with the exact wording proposed to be adopted in the section dealing with this matter the Bill was left in Committee.

SPIRIT LICENCES BILL.

The ATTORNEY-GENERAL—I have the honour to move the second reading of a Bill entitled "An Ordinance to amend the Spirit Licences Ordinance 1886." This Bill contains three sections each of which effects a small increase to the revenue and the fourth section is simply one striking out the part of the schedule to the present Spirits Ordinance which would be inappropriate if effect is given to the previous three-fourths of the Bill. When we go into Committee I propose to alter the first section, which applies to distilleries. It was proposed to apply the principle adopted in other colonies of making the charge vary according to the capacity of the still, but it seems on the whole perhaps injudicious that this alteration in its entirety should be carried out. I may say it is an exceedingly difficult thing to increase taxation. You may sit down and think the matter carefully out, but objections can be advanced against everything you say. In this instance, however, I think the objections reasonable. It is proposed therefore simply to substitute \$150 for \$120, making an increase of \$30 on the still licence. As regards section 2, it is proposed to make the charge for wholesale and grocers licences \$240 instead of \$120. The third section deals with Chinese spirit shops. The fee for the licence was ten dollars a month but that makes a great many payments into the Treasury, and the Retrenchment Committee recommended that quarterly payments should be made. It is proposed therefore to raise the amount of \$120, which is equal to the

12 monthly payments of \$10, to \$150 and make it payable quarterly.

The COLONIAL TREASURER seconded.

The Bill was read a second time and the Council then went into Committee. Section 1 was amended in accordance with the recommendation made by the Attorney-General.

The Bill was then read a third time and passed.

THE POST OFFICE BILL.

The ATTORNEY-GENERAL—I beg to recommend the second reading of a Bill entitled "An Ordinance to amend the Post Office Ordinance 1887." By the Vienna Postal Convention it was agreed that the parties to that Convention including Great Britain should take steps to punish the fraudulent use of stamps and stamps already used and also the sale or trade in counterfeited stamps. A circular was sent round to the Colonies and although I found the local Ordinances gave power to repress the fraudulent manufacture and sale of stamps there was not sufficient power given to punish the fraudulent use of stamps already used. This Ordinance gives that power to the Government. You will see that section 2 gives power to detain letters prepaid with stamps that have been used and they may be given up to the sender or be otherwise dealt with. If the Post Office receives a letter with a forged stamp on, it may not be the fault of the person to whom it is addressed, and it is important to find out who the sender is and to detain it until the sender's name is ascertained. Under the third section the Governor has power to make regulations preventing the conveyance of certain articles. That power already exists under the Treasury Warrants to the Post Office, but there seems great doubt whether it is in force here.

The ACTING COLONIAL SECRETARY seconded.

The Bill was read a second time and the Council went into Committee upon it.

Hon. HO KAI—I think in the third line of section 2 the words "contains or" might be struck out, and I move that they be so. It seems to me the object of this Ordinance is to prevent any false stamps being used and put on any letter for the purpose of cheating the Post Office, but it is beyond the province of the Government to inquire whether any letter contains forged stamps. The word "contains" is really of no use, and I move that it be struck out.

The ATTORNEY-GENERAL—This has received very careful consideration, and I have in my hand a general memorandum sent by the Post Office at home which specially recommends that the Bill should contain those words. That is drafted by the Post Office Counsel, no doubt, and

under these circumstances I cannot myself accept the amendment of the hon. member, and I do not see the use of it. If a letter containing a number of forged stamps is allowed to be sent through the Post Office facilities are afforded for their transfer. If it is brought to the attention of the Post Office that a letter containing a lot of forged stamps was being sent it would be a very advantageous thing to stop it.

The COLONIAL TREASURER—A well known philatelist in the colony was much exercised over this Bill, because certain stamps known to be forged pass from hand to hand and have a regular market as interesting forgeries, and as I could not see myself what the object to be attained was and cannot see it yet I think the amendment proposed by the hon. member might be accepted.

His EXCELLENCY—Do you second the hon. Ho Kai's amendment?

The COLONIAL TREASURER—I do not know whether it is a Government Bill or not. If it is not I should be very happy to second the amendment.

Hon. E. R. BELLIOS seconded.

A division was then taken, when three voted for the amendment, namely, the proposer and seconder and the Colonial Treasurer, and seven against. The amendment was therefore lost.

The Council having resumed, the Bill was read the third time and passed.

CATTLE DISEASES, SLAUGHTER HOUSES, AND
MARKETS ORDINANCE.

The ATTORNEY-GENERAL—I have the honour to move the second reading of a Bill entitled "An Ordinance to amend the Cattle Diseases, Slaughter Houses, and Markets Ordinance 1887." It is known to all members of the Council that the sheep and cattle that are brought to the Slaughter House to be slaughtered are inspected and a mark is put upon them to show that they have been inspected. Some time ago an ingenious gentleman practically forged that mark, that is, he put the mark on an animal that had not been inspected, and there did not happen to be a section of law which would precisely meet this offence. It was suggested by the Sanitary Board that there should be legislation effecting that. With that view this Bill proposes that any person who puts the broad arrow without proper authority on animals to be slaughtered shall be subject to a penalty. The other sections give power to make certain rules. The present section 15 gives power to make regulations for the control of slaughter houses; this gives something more: it gives power to make rules affecting the slaughter of animals therein, the removal of their carcasses therefrom, and the conveying of the same through the streets and so on. Questions arose as to providing suitable conveyance for carcasses being carried through the streets, and it was doubtful if there was any power to deal with that matter. Then again, with regard to section 27 we have precisely the same thing. The Governor has power to make by-laws to regulate the markets, but the law does not say "The sale of food and provisions therein;"

so to prevent any legal quibble of that kind, words have been added giving the Government power to make by-laws dealing with this subject.

The ACTING COLONIAL SECRETARY seconded.

The Bill was read a second time and the Council went into Committee upon it. In section 3 for the words "no animal" were substituted the words "No sheep or cattle" the Attorney-General explaining that he was informed it was sometimes impossible in the case of pigs to have any mark affixed.

On the Council resuming the Bill was read a third time and passed.

THE TELEGRAPHIC MESSAGES BILL.

The Council resumed Committee on this Bill.

The ATTORNEY-GENERAL—I have had the pleasure of communicating with the hon. member who introduced this bill (Hon. A. McConachie), and I am prepared to move certain amendments. On the last occasion the Bill was left in Committee to consider some of the clauses that were doubtful; since then I have had the opportunity of going through it with the hon. member and also another gentleman who is responsible for drafting the Bill, and I have two or three alterations to propose, which I think will improve the Bill.

Various alteration of a technical character were then made in the Bill.

Hon. Ho Kai proposed that in the section imposing penalties for forging telegrams the Supreme Court should be empowered to impose a fine of \$500 as an alternative to imprisonment.

The ATTORNEY-GENERAL said that this provision was copied from the English Act. If it was a small matter it would be disposed of by the Magistrate, who might impose a fine not exceeding \$50 if he found that would meet the case, but if he thought the fine would not meet it he would send the case to the Supreme Court, and as a rule persons who came before the Supreme Court charged with forgery did not have the option of a fine. He thought it would be better to leave it as it was.

Hon. C. P. CHATER seconded the amendment.

A division was then taken, when the amendment was lost by 7 to 3.

On the Council resuming Hon. McCONACHIE proposed a third reading of the Bill.

Hon. Ho Kai said that material alterations having been made in the Bill it would not be proper to take the third reading at this meeting.

The ATTORNEY-GENERAL acquiesced.

The third reading was therefore left over.

ADJOURNMENT.

His EXCELLENCY then adjourned the Council until Thursday at 3.30 p.m.