

30TH JULY, 1908

PRESENT.—

HIS EXCELLENCY THE GOVERNOR: — SIR FREDERICK JOHN DEALTRY LUGARD, K.C.M.G., C.B., D.S.O.

MAJOR - GENERAL BROADWOOD, (General Officer Commanding).

HON. MR. F. H. MAY, C.M.G. (Colonial Secretary).

HON. MR. W. REES DAVIES K.C., (Attorney-General).

HON. MR. L. A. M. JOHNSTON (Colonial Treasurer),

HON. MR. W. CHATHAM, C.M.G., (Director of Public Works).

HON. MR. E. A. IRVING (Registrar-General).

HON. COMMANDER BASIL R. H. TAYLOR, R.N. (Harbour Master).

HON. DR. HO KAI, M.B., C.M., C.M.G.

HON. MR. WEI YUK, C.M.G.

HON. MR. MURRAY STEWART.

HON. MR. H. A. W. SLADE.

HON. MR. W. J. GRESSON.

MR. C. CLEMENTI (Clerk of Councils).

Minutes.

The minutes of the previous meeting were read, and confirmed.

Financial Minutes.

THE COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table Financial minutes Nos. 39 and 41 and moved that they be referred to the Finance Committee.

THE COLONIAL TREASURER seconded, and the motion was agreed do.

Financial.

THE COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table the report of the Finance Committee (No. 13), and moved its adoption.

THE COLONIAL TREASURER seconded.

HON. MR. SLADE—Before this motion is put I should like to ask for information on one point. It is with reference to the vote of \$186,500 for the typhoon refuge for small craft. That, I understand, includes the cost of the dredger "st. Enoch," £15,000. I was not here at the last meeting, and did not hear the explanations given in Finance Committee, but since my return to the Colony I have seen a statement in a prominent position in one of the morning papers in which it is stated that the purchase of the "st. Enoch" for £15,000 has cost the taxpayers \$100,000 more than it might have done. I presume that means that the Government might have bought the dredger "canton River" at a cost of £5,000, which is the difference between the two amounts. I can hardly see how that is possible, because I happen to know myself about the cost of the "canton River" to the present owners, and I cannot conceive that they would be willing to part with the vessel at such a price. But the statement was given a very prominent position, and I think, Sir, that an explanation is due this Council before the report on the Finance Committee is adopted, as to how this statement could have been made. There are other points which are raised in that particular article with reference to the comparison and capabilities of the two dredgers. I am not an expert myself, and cannot comment no that, but I presume that the Government

must have thoroughly well satisfied themselves that the dredger which they were buying was in every way fitted for the purposes to which it is being put.

THE DIRECTOR OF PUBLIC WORKS—Sir, I welcome the opportunity which has been given me to contradict the gross misstatements which appeared in the article to which my hon. friend has alluded. The "Canton River," as it happens, was bought by the same firm from whom the Government purchased the "Saint Enoch." It was brought here in 1899, having been acquired as a second-hand vessel from one of the home ports to perform the work which ultimately devolved upon the "Saint Enoch." The firm in question paid some £6,000 to execute certain repairs and works to the vessel before she was sent to the East, and I think that in itself is a guarantee that she was not in the best condition when they purchased her. I am unable to give the relative dates of construction of these two vessels, but I don't think that any one could come to the conclusion that one is a more up-to-date vessel than the other. The "Canton River" was sunk in the typhoon of November, 1900, and she lay for eight months at the bottom of this harbour, a circumstance scarcely calculated to improve the condition of any vessel of that type. With regard to the question of price, Sir, I hope I am not revealing any secrets, but I have ascertained that at the present moment the "Canton River" is offered for sale at £22,000 as compared with £15,000 the amount for which the Government acquired the "Saint Enoch." That, Sir, is practically 50 per cent more instead of \$100,000 less. In regard to efficiency, Sir, it so happens that the vessels have conducted operations of an exactly similar kind in this harbour, and the result is that the "Saint Enoch" is found to perform three and a half trips during which she conveys 700 tons each time as compared with the "Canton River's" three trips with 400 tons each time; a total of 2,100 tons for the "Saint Enoch" as against 1,200 for the "Canton River." I think, Sir, it is almost unnecessary for me to dilate further on the relative merits of the two vessels, but some reference was made to their ability to dredge Causeway Bay. As regards that point, I may say that the "Saint Enoch" draws 13ft. 5in. when loaded and I believe the "Canton River" draws a foot less, so that in no case is either of the vessels capable of dredging Causeway Bay without

performing a vast amount of absolutely unnecessary work. Against that I may say that for dredging the harbour, which is really the most likely work for which the dredger would be required, the "Saint Enoch" is capable of dredging a depth of 48 feet as compared with the "Canton River's" 35 feet.

The Typhoon

HIS EXCELLENCY—Before we proceed to the business of the day, I think it will be fitting for me to say a few words regarding the terrible disaster which befel this Colony on the night of the 27th. I am told that the force of the wind in this last typhoon was very much greater than that in what is generally known as "the great typhoon" of September, 1906. But I am glad to say that so far as we are aware—with the one terrible exception of the loss of the "Yingking" a vessel which is said to have had on board from 300 to 400 persons of whom only about 50 were saved—I believe the loss of the life on this occasion in the harbour was much less than on the former occasion, and I hope that when all the reports are received we shall find it is comparatively small. But while the loss of life has not been so great we still have to deplore an enormous loss of property by sea. A very large number of junks and other vessels were driven ashore, wrecked or sunk, and in consequence the livelihood of a large number of Chinese has been taken from them. The loss on shore is, undoubtedly, very much greater than it was in September, 1906. I cannot now give the Council any accurate details, and I will not therefore attempt to give any details at all, because reports are still coming in and we do not yet know exactly what damage has been done. We know, however, there has been a very considerable loss of life on shore through the falling of Chinese houses in various quarters, but I hope that when we have the full reports we shall find that any anticipation of great loss of life will not be verified.

Though it is a terrible thing, gentlemen, to think of the numbers of people who are homeless and houseless, and of the numbers who have been killed, on most of these occasions, and I think prominently on this occasion, there is one relieving feature. We

hear on all sides of the gallant way in which all the community rose to the occasion and rendered help to those who needed it. The police in Hongkong have nobly maintained the reputation of which they are the proud possessors, for gallantry in such circumstances, and for devotion to duty. We heard too of the gallant rescue by one of the boats of the Royal Navy, and there are many, almost countless, instances, of individual gallantry by members of all classes of this community. I have received two telegrams so far. One which has been published in the local papers, from my predecessor, Sir Matthew Nathan, conveying his regret at the terrible news, and another received this morning from Admiral Lambton in the same sense. I have not received, so far, any telegram from the Secretary of State, because I telegraphed myself somewhat late, and only when I could send something like reliable news of what had happened. In all probability I will get a reply telegram before the day closes.

We have had reason to discuss the finances of the Colony very frequently of late and the present losses, which I anticipate, will reach somewhere about \$100,000, will be a considerable blow in the present state of our finances. My predecessor, when speaking in this Council room immediately after the typhoon of 1906, referred to the "set back" the Colony then received, and he expressed confidence that it would be met in an undaunted spirit. We have, on this occasion, larger material losses to regret than there were on that occasion, but I have no less confidence than he had that whatever necessity may arise for meeting these difficulties, the Colony will face it without flinching. I do not anticipate that it will be necessary to raise any fund for the relief of distress, as we have a balance in hand from the last fund, but at the same time I cannot speak absolutely, because, as I have said, I have not yet received full reports from the various districts. I am in hopes that throughout the greater part of the New Territory the paddy crops had already been harvested, and that any great loss of crops need not be anticipated.

HON. COMMANDER TAYLOR — Your Excellency, if I might be permitted to say a few words, I would mention that since I sent in my report of damage done in the harbour, I find there is one inaccuracy in it. That is, that No. 3 police launch, which was reported lost at Mirs Bay, is perfectly safe. When I put in the report yesterday I had not received any news regarding the

lighthouses, but now I find that no damage whatever has been done to any lighthouses in the Colony (Applause).

The Colonial Statutes Ordinance.

THE ATTORNEY -GENERAL—As regards the first order of the day, the second reading of the Bill entitled an Ordinance to amend the Evidence (Colonial Statutes) Ordinance 1908, I ask the permission of the Council to withdraw that order. I find, Sir, it would be necessary to make the ordinance amenable to the Imperial Act bearing on this subject. That being so, it means the recasting of the Ordinance, and I ask that the order be discharged.

Agreed to.

Widows' and Orphans Peseuion Fund

THE ATTORNEY -GENERAL moved that the Council go into Committee on the Bill entitled An Ordinance to provide for the Transfer to the Government of Hongkong of the Widows' and Orphans' Pension Fund and of the Management and Control of the Pensions of Widows and Orphans and to consolidate the laws in relation thereto.

THE COLONIAL SECRETARY seconded, and the motion was agreed to.

On Clause 7,

HON. MR. STEWART said that it did not seem equitable that officers on half pay should pay 4 per cent to the fund on their full salaries.

THE COLONIAL SECRETARY replied that the point had been raised before. People seemed to think that pensions grew out of the ground. Pension tables were calculated on the assumption that the contributors paid 4 per cent to the fund throughout the year, whether they were on full or half salaries. To adopt the amendment suggested by the hon. member, it would be necessary to recast the whole pension tables. They would either have to reduce the pension or increase the contribution, otherwise an extra burden would be imposed on the taxpayers now that the Fund had been taken over by the Government.

He had no doubt contributors would be delighted to have that amendment carried, but in the interests of taxpayers, for whom he was speaking, he could not advise it.

HIS EXCELLENCY—The point raised affects one of the fundamental principles of the Bill upon which the pension tables have been calculated, and since the Bill has passed its second reading, it is not now feasible to call those principles in question.

HON. MR. STEWART withdrew his amendment.

The HARBOUR MASTER pointed out that a bachelor received back half of his contributions and he did not see why a widower should not benefit in like manner.

THE COLONIAL SECRETARY explained that a bachelor imposed no risk on the fund and therefore he received back half of his contributions, but if he married he imposed a risk on the fund. He might predecease his wife, and responsibility would devolve thereby on the fund.

THE HARBOUR MASTER said the contributor before his marriage should get every advantage a bachelor received.

THE COLONIAL TREASURER pointed out that the man who had contributed to the fund for seven or eight years before he married received nearly double the pension of a married man who joined the service at the same date, so that his bachelor contributions did benefit him.

THE COLONIAL SECRETARY said this was another factor which had to be considered in calculating the pension tables, and if they pulled out one brick they would bring the whole fabric down about their ears. Instead of the taxpayers paying 6 per cent. they would be called upon to pay 6 1/2 or 6 1/4 per cent, and they must have regard to the taxpayer.

HIS EXCELLENCY—This again is a matter which affects the pension tables, and the actuaries can disclaim all responsibility if alterations are made in the bases upon which their calculations were framed.

The point was not pressed further.

THE REGISTRAR-GENERAL submitted on clause 14 there should be an appeal from the decision of the directors where they deprived a party of the privileges due under the funds.

THE COLONIAL SECRETARY admitted that the law was drastic, but pointed out that men might ruin the fund by false declarations as to the age of wives and other matters.

HON. MR. STEWART suggested that the words "subject to the approval of the Governor" be added.

This was agreed to.

On clause 15, Hon. Mr. STEWART took exception to section 2 which provided that no widow of an officer who died within a year from the date of his marriage shall be entitled to a pension under this ordinance unless a child is born of such marriage.

THE COLONIAL SECRETARY justified the clause by saying that it was conceivable that a lady marrying a man might make away with him to enjoy the pension (Laughter).

THE ATTORNEY -GENERAL — A very ingenious construction!

THE COLONIAL SECRETARY—It is all very well for you to laugh at it. When I was at the gaol I had a lady under my charge for doing away with her husband for a smaller motive.

H.E. THE GENERAL OFFICER COMMANDING pointed out that the provision protected the fund against death-bed marriages.

HIS EXCELLENCY—I am in sympathy with the principle that a person who is entitled to a pension as of right, should not be compelled to ask for it as an act of grace. At the same time it must be remembered that this clause is framed so as to exclude death-bed marriages. If a child is born of the marriage the widow is entitled because it is proof that the husband was not in *articulo mortis*. No doubt cases such as were alluded to by the Hon. Colonial Secretary, and also cases of death-bed marriages, do form an appreciable factor in the calculations of the actuaries who draw up the tables.

Ultimately the clause was reconstructed on the lines of the Singapore Ordinance and passed.

The Bill passed through committee.

The COLONIAL SECRETARY — The alterations to this Bill are purely verbal and with the consent of hon. members I move it be read a third time.

The ATTORNEY -GENERAL seconded.

On the question being put, Hon. Mr. Stewart was the only dissentient.

THE COLONIAL SECRETARY — Do you object to the third reading or to it being read now?

HON. MR. STEWART—Perhaps I had better explain. Some misunderstanding of the unofficial attitude towards this legislation seems to have arisen out of the circumstance that opposition was not pressed to a division upon the resolution in favour of the second reading. This was described in a local newspaper as having been carried unanimously, whereas there were at least three audible "noes" when the question was put. If I had foreseen the possibility of such a misunderstanding I would certainly have asked for a division, because I was not convinced by the arguments employed in defence of the action of the Home Authorities. I failed also to realise the adequacy of the reasons given by the Local Government for declining to consider the advisability of postponing legislation until after the promised valuation, which will cost as much, and be just as illuminating, whenever made. I do not propose to bring up those points again in discussion, but, as I endeavoured to make clear in my speech on the second reading, I object to the action of the Secretary of State in issuing categorical instructions to Your Excellency to pass this measure when the information was before him that the large majority of the contributors were opposed to the proposal, and also that the unofficial members supported that opposition. The fact that the majority of contributors have since then changed their opinions does not remove objection to the arbitrary nature of those instructions. It is still reasonable to object to the idea of the officials of this Colony being treated to a disciplinary measure in a matter of this kind; and also to the idea of this Council being used as medium for the enforcement of such a measure; so, by way of recording a

protest against this contemplated coercive settlement of a highly controversial and technical question, and, further, in order to make plain the fact that the Council is not unanimous, even now, in supporting the Bill, I intend to vote against the third reading.

HIS EXCELLENCY—I understand the hon. member does not object to the third reading being taken to-day?

HON. MR. STEWART—Certainly not; I merely want to record my protest.

HIS EXCELLENCY, on putting the question, declared "the ayes have it."

THE ATTORNEY -GENERAL—Unless the hon. member challenges a division the Bill passes unanimously.

HON. MR. STEWART challenged a division. He was the only dissentient and the third reading was carried.

HIS EXCELLENCY — The Council is adjourned until next Thursday.

FINANCE COMMITTEE.

A meeting of the Finance Committee was then held, the COLONIAL SECRETARY presiding. The following votes were passed:—

Taipo Staff Quarters.

The Governor recommended the Council to vote a sum of two thousand dollars (\$2,000) in aid of the vote, Public Works Extraordinary, Staff Quarters, Tai Po.

Personal Emoluments.

The Governor recommended the Council to vote a sum of four thousand one hundred and fifteen dollars and forty-six cents (\$4,115.46) in aid of the vote, Public Works Department, Personal Emoluments, for the following items:—

For 6 months from 1st July to 31st Dec., 1908.	
1 Drainage Surveyor.....	\$1,650.00
Do. Exchange Compensation	1,050.00
1 Foreman.....	420.00
Do. Exchange Compensation	305.46
1 Clerk.....	270.00
1 Clerk and Draughtsman.....	240.00
2 Foremen.....	180.00
Total.....	\$4,115.46