

15TH SEPTEMBER, 1910.

PRESENT:—

HIS EXCELLENCY THE OFFICER ADMINISTERING THE GOVERNMENT, HON. SIR F. H. MAY, K.C.M.G.

HIS EXCELLENCY MAJOR GENERAL BROADWOOD, C.B., A.D.C. (General Officer Commanding Troops).

HON. MR. A. M. THOMSON (Colonial Secretary).

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

HON. MR. C. M. I. MESSER (Colonial Treasurer).

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

HON. MR. F. J. BADELEY (Captain Superintendent of Police).

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

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

HON. MR. E. A. HEWETT.

HON. MR. MURRAY STEWART.

HON. MR. E. OSBORNE.

MR. C. CLEMENTI (Clerk of Councils).

Minutes

The minutes of the last meeting were read and confirmed.

Financial Minutes

THE COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table Financial Minutes (Nos. 73 to 76), and moved that they be referred to the Finance Committee.

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

Financial

THE COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table the report of the Finance Committee (No. 11), and moved its adoption.

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

The Typhoon Refuge

HON. MR. OSBORNE, pursuant to notice, asked the following questions:—

(1.) Will the Government state what is the total amount received up to 30th June, 1910, as additional dues on shipping towards construction of the new typhoon refuge?

(2.) Will the Government promise that the contract for the construction of the new typhoon refuge shall not be given to any tenderer who does not give ample security for completing the work within contract time?

THE COLONIAL SECRETARY replied as follows:

1.—\$139,248.

2.—Only contractors of good repute have been permitted to tender for the work. The amount of security the successful tenderer will be required to furnish is \$30,000. A sum of 10 per cent. on the payments made under the contract is to be retained until such sum amounts to \$25,000, after which payment will be made in full for the value of the work executed.

A clause is provided in the contract which enables the engineer to withhold payment at any time if the work is not progressing to his satisfaction.

The penalty for non-completion of the breakwater within the contract time is \$150 per day, and for the non-completion of certain reclamation work included in the contract \$50 per day.

Wireless Telegraphy

HON. MR. STEWART, pursuant to notice, asked:—

Has the Government any information as to whether the Chinese Authorities are moving in the matter of the proposal to erect a wireless telegraphy station on the Pratas Reef?

THE COLONIAL SECRETARY replied—This Government was informed by the Viceroy last month that the matter had been referred to the Deputy in charge of the Pratas Island for a report. No further communication on the subject has been received.

The Finest Site

HON. MR. STEWART asked—Will the Government inform the Council what steps, if any, have been taken

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promise, made last year, to clear the site to the north of the new Law Courts "as soon as possible"?

THE COLONIAL SECRETARY replied—Notice has been given to the occupier to vacate and hand the land in question over to Government in a clean, level and unobstructed condition on the 31st December next. (Hear, hear.)

A Liquor Question

HON. MR. STEWART asked—Will the Government inform the Council on what principle some beverages containing as little as 3 per cent of alcohol may be held to be dutiable, while others containing as much are treated as exempt?

THE COLONIAL SECRETARY replied — According to the Liquors Ordinance all liquors fit or intended for use as a beverage containing more than two per cent. of pure alcohol by weight are dutiable, unless the liquor contains such substance or substances as to make it exempt under the definition of denatured spirits.

The Estimates

THE COLONIAL SECRETARY moved the first reading of a Bill entitled, "An Ordinance to apply a sum not exceeding Six million and forty-two thousand five hundred and forty-three dollars to the Public Service of the year 1911."

In doing so he said—I beg to lay on the table the Estimates for 1911, together with the usual two minutes in connection there-with. I should like to ask hon. members if there are any points on which they wish further information, to let me have a note of them in good time before the Bill goes before the Finance Committee.

THE COLONIAL TREASURER seconded.

HIS EXCELLENCY — Gentlemen, the papers which have been laid on the table in connection with this Bill show that the revised Estimates for 1910 of ordinary and extraordinary revenue is expected to yield \$6,908,069, or \$728 less than was expected, while a saving of \$45,062 is expected on the total expenditure for the current year. These estimates, if realised, will result in a credit balance of \$1,589, which added to the balance of Assets accrued on 31st December, 1909, will give a balance of Assets on 31st December, 1910, of \$1,354,758.

FOR 1911.

The Estimates for 1911 as a whole show a deficit of \$298,937. Of this \$204,000 is due to the Mongkoktsui Harbour of Refuge, the expenditure on which in excess of special Light Dues is chargeable to surplus balances. It is anticipated that the Imperial Government will make a contribution, as it has promised to do in respect of the current year, towards the loss incurred by the Colony on the letting of the Opium Farm. This contribution should more than cover the deficit amounting to \$95,000, exclusive of the portion due to Mongkoktsui Harbour of Refuge. The Estimated Revenue for 1911 is \$7,086,383, or \$177,586 more than the approved estimate for 1910. The principal items of increase are \$125,000 under Liquor Duties, \$20,000 on Stamp Duties and \$87,000 in traffic receipts on the Railway. Decreases are under the Opium Farm, with the particulars of which you are familiar, and under Postage, \$68,900, which I shall presently explain. The Estimated Expenditure for 1911 is \$7,385,320, or \$433,778 more than the approved estimate for 1910. The increase in expenditure, exclusive of Public Works Extraordinary, is \$669,003, and in Public Works Extraordinary there is a decrease of \$235,225. Special Land Resumption is added to Public Works Extraordinary for 1910.

Items of Increase in Expenditure

The principal items of increase to which I need draw your attention are as follows:

Colonial Secretary's Office:—An increase of \$7,000 (in round figures, which are adopted all through) is principally due to the addition of two cadets.

Audit Department:—\$3,000, in round figures, is due to a re-organisation by which both revenue and expenditure will henceforth be audited in the Colony, instead of the revenue only. The Special Audit Staff will be drawn from the Colonial Audit Department of the Colonial Office and the Colony will still have to bear a share of the expenditure at headquarters, on account of general supervision.

Harbour Department: — Under Special Expenditure there is an item of \$10,000 for

installation of Mathews' Incandescent oil burners for lighthouses, by which a large economy, with increased efficiency, in consumption of oil is anticipated.

Miscellaneous Services:—An addition has been made of \$35,000 to the item Redemption of Subsidiary Coin. This item has been underestimated by that amount in the past. This item of increase is partly balanced by the disappearance of the item "Refunds of Revenue," which are now deducted from receipts.

Law Officers: — An increase of \$4,000 (exclusive of special expenditure of \$2,500), in round figures, is shown for the Crown Solicitor's office in consequence of the Secretary of State's decision to employ in future a Crown Solicitor without private practice.

Police Department: — An increase of \$9,000 is due principally to the addition of one Sergeant for detective work at Yaumati and to the larger number of language allowances earned by Indian Police.

Fire Brigade:—An addition of \$5,000 is made to provide for additional street fire alarms.

Medical Department:—The net increase of \$3,000 is principally due to the addition of a Second Assistant Analyst in connection with the Collection of Liquor Duties.

Sanitary Department:—A net increase in recurrent expenditure is shown of \$5,000 more, half of which is due to the additional staff required to take over the disposal by the Department of Refuse. This re-organisation entails a special expenditure of \$20,000. The details of the scheme are set out in the appendix. The scheme will, it is anticipated, prove more economical and more efficient than the system of letting the removal of the refuse out to contract.

Education Department:—A net increase of \$27,000 is shown. This is due partly to the re-organization on the Education Committee's report, which was laid on the table some time ago, whereby provision is made for three new schools (\$11,000) at which English will be taught, and the addition of about \$6,000 to grants to be made owing to increases in grants earned. There are also increases in the staff of the Belilios School, which, with other charges, account for the balance. It is to be remembered that since 1908 increases in school fees have produced \$20,000 additional annual revenue.

Volunteers:—An increase of \$7,000 under this heading is accounted for by the provision made for the

supply of rifles to the Volunteer Reserve.

Public Works Department:—A net increase of \$18,000 is shown, of which \$13,000 is due to new posts, as follows:—Two Surveyors \$8,000 and one Assistant Engineer \$4,000, with one or two minor changes. The latter is a temporary appointment to expedite works in hand.

Post Offices:—As the result of correspondence with the Imperial Government initiated by Sir F. Lugard it has been decided that the Imperial Post Office will take over the Postal Agencies in China hitherto managed by the Hongkong Post Office. (Applause.) The result will be a saving in Expenditure next year as follows:—Personal emoluments \$48,000, other charges \$9,000, stamps, loss on exchange, &c., \$6,000.

The net result of the change, however, in 1911 is a loss to the Colony, inasmuch as Transit Charges in arrears will have to be paid while no revenue can be expected.

The net results for 1911 and succeeding year may be shown as follows:—

Revenue from all sources	\$135,500
Expenditure, including Military Contribution and subsidy to P. & O. mail	227,500
Annual loss and therefore future saving	92,000
In 1911, however, Transit Charges will be	130,000

Against this must be set the Imperial Contribution of \$27,000 on account of 1910 as shown in the Estimates, and whatever sum may possibly be realised by the transfer of buildings in Shanghai and other property to the Imperial Government, say, about \$26,000, a matter still unsettled.

Canton-Kowloon Railway, British Section:—The cost of running this section is estimated for next year at \$183,000, of which \$81,000 is in accordance with the usual railway practice in the first year of open line, charged to capital. Interest on advances for construction amount to \$410,000. This is a new charge on Revenue Account, as such interest has hitherto been debited to Cost of Construction.

Charge on Account of Public Debt:—Another new sum of \$65,371 has been inserted under this head, being a half-year's payment of 1 per cent. to the Sinking Fund in respect of the Loan raised for advance to the Viceroy of Wuchang and for railway

purposes generally. The contribution is at the rate of 1 per cent. per annum and commences with the second half of 1911.

Pensions show an increase of \$26,000 (an increase arising generally from the growth of the Service) and Charitable Services of \$4,000, in round figures, due to grant to the new Chinese Hospital in Kowloon.

Public Works Extraordinary

The items which require special mention are—

Kennedy Town Staff Quarters:—It has been found necessary to provide for quarters for the European Staff with the consequent increase in the revised estimate of \$7,900.

The estimate of the Tsun Wan Police Station was made some years ago, and on revision an increase of \$5,500 has been found necessary.

The following new buildings have already been begun this year:—

Aberdeen Market and Slaughter House.

Workshop and Shed at the City Disinfecting Station, and Hospital at the Laichikok Quarantine Station, and Quarters for the Staff of the Imports and Exports Office. Lighthouse and Quarters at Capsing Island.

The following are in part provided for next year:—

The New Magistracy, which will supply a very long felt want.

Reconstruction of the old Western Market. This market is very dilapidated and its reconstruction will prove remunerative.

Stables at the Yaumati Disinfecting Station for bullocks used in traction.

Sanitary Inspector's Office and shed in the Wanchai District.

Additional storey for the Yaumati School to provide for an increase in the demand for accommodation.

Under the heading "Communications" a sum of \$60,000 for new roads in the New Territories has been provided. This sum should suffice for the completion of the road from Castle Peak to Shataukok.

Under "Drainage" \$25,000 has been provided for training nullahs, being \$10,000 in excess of the usual vote.

\$300,000 has been provided for the Mongkoktsui Typhoon Shelter. \$96,000 of this will be defrayed out of the Special Light Dues and \$204,000 from Surplus Balances.

Under heading "Miscellaneous" \$14,000 is provided for fencing the new garden in Royal Square, and \$30,000 for a pier in substitution of what is commonly known as Queen's Statue Pier.

Under heading "Waterworks" provision has been made to the extent of \$40,000 for the extension of the Shaukiwan Waterworks due to the large expansion in that district, and of \$30,000 for an additional reservoir at West Point, which will improve the distribution to that part of the town. (Applause.)

The motion was agreed to.

The Bill provides for the following expenditure:—

Expenditure

Governor	\$ 84,714
Colonial Secretary's Department and Legislature	76,199
Registrar-General's Department	44,546
Audit Department	31,623
Treasury	61,729
Harbour Master's Department	228,373
Steam Launches and Lighthouses— Special Expenditure	12,500
Observatory	22,951
Miscellaneous Services	152,407
Judicial and Legal Departments	245,717
Law Offices—Special Expenditure	2,543
Police and Prison Departments	750,489
Fire Brigade—Special Expenditure	5,000
Medical Departments	239,838
Sanitary Department	363,880
Sanitary Department — Special Expenditure	20,000
Botanical and Forestry Department	48,041
Education	264,337
Military Expenditure— Volunteers	49,810
Public Works— Public Works Department	352,455
Public Works, Recurrent	416,200
Public Works, Extraordinary	1,080,400
Post Office	456,897
Kowloon-Canton Railway	511,276
Charge on account of Public Debt	241,577
Pensions	254,709
Charitable Services	24,332
Total	\$ 6,042,543

Volunteer Reserve Ordinance

THE ATTORNEY-GENERAL moved the second reading of the Bill entitled, "An Ordinance to provide for the formation of a Volunteer Reserve." In doing so he said—Your Excellency, at the last meeting of the Council you very fully described the objects of the Bill, which was cordially supported by the hon. and gallant member opposite, and I could not add to what has already been said.

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

Council then went into committee to consider the Bill clause by clause.

HON. MR. STEWART asked if he were in order in moving that clause 15 be referred back to committee.

HIS EXCELLENCY—Yes.

HON. MR. STEWART — I thought of moving that after the words "Volunteer Force" be added the words "under their own officers."

HIS EXCELLENCY—One of the characteristics of the Volunteer Reserve is that it does not have its own officers.

HON. MR. STEWART — They might prefer to elect their own when called upon to serve.

HIS EXCELLENCY—I think it would be very much better for the Reserve to have officers from the regular force if they could be spared. The Volunteer Reserve Association has accepted the Bill as it stands.

THE COLONIAL SECRETARY — It will be impracticable in the circumstances.

HIS EXCELLENCY—This is a force of men who have joined merely to keep up their training previously acquired in the Volunteers or regular army. They don't undergo as much training as Volunteers, they don't go into camp. I don't see how they could train their officers sufficiently.

HON. MR. STEWART—What was in my mind was that some members might prefer not to serve under the officers of other Volunteer units. If the idea is to put them under regular officers I will not propose my amendment.

HON. MR. OSBORNE—Members of the Volunteer Reserve have already accepted these conditions.

HON. MR. STEWART — Under the circumstances I won't press it.

HIS EXCELLENCY—In the event of hostilities I think we may leave the matter to the Military Authorities.

HON. MR. STEWART — Some people might have an objection to being drafted in as ordinary members of the Volunteer Force.

HIS EXCELLENCY — The members of the Association have not raised the point.

Council then resumed.

HIS EXCELLENCY—Before I put the question, gentlemen, I wish on behalf of the Government to thank the gentlemen who in the past supported and encouraged the Volunteer Reserve Association by presenting cups for rifle competition and also by joining the Reserve and giving it their moral support although they had not time to take an active part in shooting at the range. That support has been very valuable and has induced many who would not otherwise have done so to join the Reserve. Among the donors of cups I would like to mention Sir Matthew Nathan, the "China Mail," Messrs. Turner, Orange, Gubbay, Gow, and at a later period Sir Henry Berkeley, Sir Paul Chater, Mr. H. P. White, who gave the Douglas Cup, and Mr. G. H. Medhurst, who gave the Medhurst Cup. These cups have been the means of inducing men who never handled a rifle before to train themselves in rifle shooting. I may say that the most valuable prizes have been carried off by men who had never handled a rifle before they joined the Association. I would also like to take this opportunity of making an appeal to all men in the Colony who under this Ordinance are eligible to join the Volunteer Reserve to so join it. The limit of age will, as heretofore, be thirty-five, unless a man has served ten years in any British Volunteer force or has served in His Majesty's regular forces. I don't think it is generally known, or perhaps I may say not generally appreciated,

that under the law every British subject is liable to be called upon to bear arms in case of emergency. That being so, I think that any man who is liable to that summons to bear arms and who does not learn how to bear arms—does not learn how to acquit himself properly when that summons comes—is wanting in patriotism. I think that every young Englishman in this Colony ought to join the Volunteers, and every Englishman who is no longer young ought to join the force which I hope will at once be enrolled when this Bill has been read a third time. (Applause.)

The Bill was then read a third time.

Pharmacy Amendment Ordinance

THE ATTORNEY-GENERAL moved the second reading of the Bill entitled, "An Ordinance to amend the Pharmacy Amendment Ordinance, 1910."

In doing so he said — The Pharmacy Amendment Ordinance passed this year authorises searches with warrants by police officers. This Bill proposes to include in the power of search revenue officers as constituted by the Liquors Ordinance of last year. Revenue officers are under section 27 of the Ordinance of last year granted warrants, and it is deemed desirable to give them the same power of search as is given to police officers under the Ordinance of the present year. The power to search cargo is what is chiefly aimed at, and it is desirable to give revenue officers in the discharge of their duties such necessary powers as is given to police officers.

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

Council then went into committee to consider the Bill clause by clause.

On resuming,

THE ATTORNEY - GENERAL moved the third reading.

HON. MR. STEWART objected, and the motion was not proceeded with.

Malicious Damage Amendment Ordinance

THE ATTORNEY - GENERAL moved the second reading of a Bill entitled, "An Ordinance to amend the Malicious Damage Amendment Ordinance, 1910." In doing so he said — The Malicious Damage

Amendment Ordinance was passed this year and gave certain powers to certain officials to hold what was described in the Ordinance as judicial inquiries. The Secretary of State considered that the words judicial inquiry were not sufficient. It is desirable to indicate the power given to these officials in this connection so as to enforce the attendance of witnesses, to examine them on oath, and to give the officials holding the inquiry the power of commissioners, as is given under the Commissioners Powers Ordinance, 1886.

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

Council then went into committee to consider the Bill clause by clause.

On resuming,

THE ATTORNEY - GENERAL moved the third reading of the Bill.

THE COLONIAL SECRETARY seconded, and the Bill was read a third time and passed.

Dangerous Goods Ordinance Amendment

THE ATTORNEY-GENERAL moved the second reading of the Bill entitled, "An Ordinance to further amend the law relating to dangerous goods." In doing so he said—This Bill amends the provisions of the Dangerous Goods Ordinance of 1873 by giving a more extended meaning to the word "keeping," and provides for the keeping of books being included in the conditions of licence to store dangerous goods. Section 10 of Ordinance 1 of 1873 reads: "Save as and herein mentioned dangerous goods to which this Ordinance applies shall not be kept except in pursuance of a licence granted by the Chief Superintendent of Police." Some difficulty has arisen over the word "keeping," which is regarded as unsatisfactory and somewhat ambiguous. Therefore it is proposed to substitute sub-section 1, which reads: "No person shall have in his possession, custody or power or in the possession, custody or power of any servant or agent of his dangerous goods to which this Ordinance applies except in pursuance of a licence granted by the Captain Superintendent of Police." Sub-section B. imposes on the licensee the condition of keeping books to show the amount of dangerous goods kept.

Sub-section C simply elaborates sub-section 5. It is important that precautionary measures should exist in the case of dynamite, and the existing Ordinance according to the representations made by the Captain Superintendent of Police is not regarded as satisfactory.

THE COLONIAL SECRETARY seconded.

HON. MR. STEWART—May I ask what the origin of this is?

HIS EXCELLENCY — It dates very many years back. It is impossible to properly control the possession of dynamite. The way dynamite is hauled in this Colony would make the hair stand on end of anybody who is aware of the restrictions imposed in a civilised country like the United Kingdom.

HON. MR. STEWART—If it is necessary, why was it not done before?

HIS EXCELLENCY — I made representations many years ago, but lawyers tell you they don't want the law altered. It is very complicated. An ordinary member of the public cannot understand it. No more can the ordinary policeman. It is simply a matter of making it quite clear.

THE ATTORNEY-GENERAL—The intention of the Ordinance is obvious. It is only to give real effect to the intentions of the law. The keeping of dynamite is made an offence, therefore the technical question is raised as to what is the meaning of "keeping." The Ordinance now in specific terms states what keeping is.

Council then went into committee to consider the Bill clause by clause.

On resuming,

THE ATTORNEY - GENERAL moved the third reading.

THE COLONIAL SECRETARY seconded, and the Bill was read a third time and passed.

Magistrates' (No. 2) Amendment Ordinance

The committee stage on the Bill entitled, "An Ordinance to amend the Magistrates' Amendment Ordinance, 1903," was resumed.

Council resumed without considering the Bill further, and

THE ATTORNEY - GENERAL moved the third reading.

THE COLONIAL SECRETARY seconded, and the Bill was read a third time and passed.

HIS EXCELLENCY — Council stands adjourned until this day fortnight.

FINANCE COMMITTEE

A meeting of the Finance Committee was held afterwards, the Colonial Secretary presiding. The following votes were passed:—

Harbour Master's Department

The Officer Administering the Government recommended the Council to vote a sum of Two hundred and eighty-eight Dollars (\$288) in aid of the vote Harbour Master's Department, *A.*—Harbour Office, Other Charges, Electric Fans and Light.

Public Works

The Officer Administering the Government recommended the Council to vote a sum of four thousand dollars (\$4,000) in aid of the vote Public Works, Recurrent, Miscellaneous, Typhoon and Rainstorm Damages.

Medical Department

The Officer Administering the Government recommended the Council to vote a sum of one hundred and forty-three dollars and seventy two cents (\$143.72) in aid of the vote Medical Departments *B.*—Hospital and Asylums, Other Charges, Civil Hospital, Incidental Expenses.

Quarters for Chinese Customs' Searchers

The Officer Administering the Government recommended the Council to vote a sum of Two thousand Dollars (\$2,000) in aid of the vote Public Works, Extraordinary, Buildings, Quarters for Chinese Searchers of the Imports and Exports Office.