

27TH OCTOBER, 1910.

**PRESENT:—**

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

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

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

HON. MR. C. McI. MESSER (Colonial Treasurer).

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

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

HON. MR. A. W. BREWIN (Registrar-General).

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

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.

**The Taikoktsui Refuge**

THE DIRECTOR OF PUBLIC WORKS—Sir, before proceeding with the order of the day, and in accordance with your Excellency's instructions, I beg to inform members of this hon. Council that a contract has been entered into with Messrs. Him Tai for the construction of the harbour of refuge at Mongkoktsui. The amount of the contract is \$2,018,002. The amount of Mr. Boulton's estimate, based upon the drawings finally prepared for inviting tenders, is \$1,765,407. The contract exceeds the estimate by \$252,595. This large excess is chiefly due to one item, namely, the rubble mound forming the breakwater. The contract rate for this item exceeds the rate estimated by Mr. Boulton by 36 cents per yard, and as there are over half a million cubic yards of material in it, it alone is responsible for nearly \$192,000 of the excess. The balance, amounting to about \$60,000, is distributed over a number of items in comparatively small amounts.

**Financial Minutes**

THE COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table Financial Minutes (Nos. 90 to 92), 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. 16), and moved its adoption.

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

**Restriction of Morphine**

HON. MR. STEWART—Your Excellency, I rise to move the resolution of which I have given notice. It obviously refers to a striking fact, disclosed in the answer made to the question which I asked at our last meeting. The disclosure that all the morphine, and one-third of the compounds of opium at present being imported into the Colony, comes from London, seem to me to call for an expression of opinion in this Council. Viewed in the light of recent local history the situation revealed is truly Gilbertian. The Imperial Parliament having decided that it is morally indefensible to sell opium, the British Government instruct this Government to legislate against the use of the drug. First we are told to close all the opium divans forthwith. To that the unofficial members of this Council demurred. We did not demur to the application to this Colony of the policy adopted by His Majesty's Government for the gradual suppression of the Indian export to China. We acquiesced in, and expressed approval of, the arrangements made by Sir Edward Grey to destroy in ten years by a process of gradual extinction the Indian export, merely pointing out that a principle held to be just when applied to our Great Dependency might with equal justice have been made to apply to this Colony. We pointed out that, if China keeps her part of the bargain, the evils complained of would

work themselves out completely during the decennial period in which the cultivation of the poppy is to cease, and that there was really no necessity for drastic repressive measures. Our representations were ignored in obedience to the demands made by the extreme section of the Anti-Opium agitators. In obedience to their demands a Bill was forced through this Council, closing all the divans in March last. It only had to be forced through, it only met with opposition because we were asked to accept a vague promise by way of compensation. The necessary legislation having thus been provided this Government has conscientiously administered the law. With what loyalty the Imperial mandate is being carried out is evident from the columns of the local Press, which contain frequent accounts of police raids on restaurants and tea shops, suspected of including in the price of a meal, or of a cup of tea, the cost of the coolies' "pipe of peace." The heaviness of the fines imposed bear eloquent testimony to the zeal displayed in carrying out the orders from Home. It is at least questionable whether to this zeal on the part of our police force is not attributable some part of that failure to perform its primary functions which has caused so much comment of late. While it remains unsafe for European ladies to walk alone, not in the heart of town, but on the higher levels in the outskirts, and while the houses of Europeans and Chinese are alike burgled with impunity because the Colony cannot afford a police force large enough effectively to patrol our roads, part of the strength of that already inadequate body is diverted from pursuit of the thief, the snatcher, and the disorderly drunkard to hunting the comparatively harmless opium smoker in his lair. Not only have we exposed the community to the dangers arising out of this drain upon the strength of our police force, we have been obliged to pass legislation which has changed the character of the port. We have been obliged to agree to some of the very things against which the unofficial members of this Council successfully fought at the time of the passing of the Liquors Ordinance. The fathership of that Ordinance was disclaimed on behalf of the Government by your Excellency at a recent meeting. Your Excellency's disclaimer corrects an error, which has stalked abroad beyond the limits of the Colony, throwing the whole responsibility for a step the wisdom of which, in the long run, remains to be proved, upon His Excellency Sir Frederick Lugard. He has been represented as the initiator of the idea. This, perhaps natural, error made a first appearance in a local paper, not long ago. I made a mental note of it at the time, just as any "watcher of the skies" might make a note when some new and unimportant comet "swims into his ken." I saw it sprout a tail, comet-fashion, in the English Press, not long after. A minor article appeared in the *Standard*,

telling the Home public that His Excellency Sir Frederick Lugard had sprung the measure upon Hongkong as a surprise to the inhabitants; the fact being that he had said in this Council, "The Bill before you is a sincere attempt to give effect to the wishes of the community as they are represented by the unofficial members of this Council." The community had volunteered through its unofficial members to submit to the imposition of an import duty instead of the increased licence fees proposed by the Government. They did so in the belief and on the express understanding that an import duty on foreign wines and spirits could be, and would be, worked through the Harbour Office, without entailing the establishment of a regular Custom House. They relied upon the fact that foreign wines and spirits must be declared on ships' manifests, in order to insure being stowed so as to avoid breakage. The Government's first attempt to draft a Bill carrying out the wishes of the community went far beyond them, providing, as it did, powers which, if exercised, would have changed completely the old free trade character of the port. The opposition which these provisions aroused led to the more objectionable being withdrawn. His Excellency Sir Frederick Lugard wisely met the wishes of the Colony, with the result that the Liquors Ordinance necessitated no change in the character of the port in respect of the fact that it did not entail search either of personal baggage or cargo. His Excellency must have experienced, therefore, some difficulty in recognising himself, in the Home Press, represented as the originator and founder of a regular Custom House.

THE ATTORNEY-GENERAL—I rise to a point of order, Sir. The resolution which the hon. member is moving requests the Secretary of State for the Colonies to lay

proposals before Parliament in regard to the morphine and compounds of opium exported from the United Kingdom here. The hon. member now is criticising some action which was adopted by His Excellency Sir Frederick Lugard in regard to the question of duties on liquor. I submit that is wholly out of order

HON. MR. STEWART—My intention was not to criticise the action of His Excellency Sir Frederick Lugard. I applaud the action of His Excellency, and I point out that because of his wise treatment of our difficulties with regard to the Liquors Ordinance the character of this port suffered little change by it. I wished to point out that owing to the further necessity of protecting ourselves against morphine the character of the port has had to be changed. If the Hon. Attorney-General had had the patience to listen to me for a few minutes longer, he would have realised that I was coming to this point, which, I think, is not out of order.

THE COLONIAL SECRETARY — In the meantime, Sir, the hon. member is introducing some debateable matter on which I could have contradicted him.

HIS EXCELLENCY—Perhaps the hon. member will get to the point now. I think some of the matter introduced is irrelevant.

HON. MR. STEWART—If, Sir, it is irrelevant to point out that the interests of this Colony are adversely affected by any extension of the need for searching cargo, then I have nothing more to say.

HIS EXCELLENCY—No, that is not irrelevant. If you show that has been done in the case of opium that is all right. If you continue your argument from that point that will meet the case.

HON. MR. STEWART—Yes, Sir, I will deal with that point. I was going to say that the *Standard* article to which I referred stated that contrary to the fears expressed by the residents of this Colony the port had prospered subsequently to the establishment of a regular Custom House, a suggestion put forward in such a way as to indicate that it was because of it. By parity of reasoning plague is good for the trade of the port. The port prospered while we had the plague; in spite of it, not because of it. Only so could the port prosper with a Custom House. The port of Hongkong is like a Pai'lou, one of those monumental arches familiar to travellers in China, erected over the road in an open place. If it is kept free from obstruction the

traffic will pass through it. If a toll bar is erected across it, traffic will adopt the simple expedient of going round. So will commerce avoid Hongkong if you take steps calculated to make through traffic difficult. Every additional step taken in the direction of the establishment of a Custom House inevitably handicaps the business of the Colony. Several such steps we have had to take in connection with the opium policy. Under instructions from Home we have lately been compelled to pass laws, aimed at restricting the import of morphine and compounds of opium, the habitual use of which is admittedly more injurious than opium smoking. This necessitated providing an extension of the machinery for searching cargo. A Bill providing additional powers of search has had to be passed in the last month. The Council may remember that I objected to the third reading. I did so because it occurred to me to wonder whether the alteration in the original Ordinance would have the effect of conferring the power to search cargo upon Chinese searchers. The undesirability of that must be apparent to anyone who reflects upon the possibilities. It turned out that this would have been the effect of this new Ordinance, as originally drafted. Of course this was an oversight on the part of the Government. The Hon. the Attorney-General told us so. You did not mean to use such a power. Of course not. You never do want to use objectionable powers for which you ask. You just want them to keep. You only wanted this one for European revenue officers. You altered the Ordinance accordingly, but, even as it stands, it is a most grudging concession to a principle dangerous to the life of this Colony. It is part of the sacrifice imposed upon us by a conscientious endeavour to carry out, to the letter, the spirit of the order of the British Government. In spite of this the British Government continues to allow manufacturing chemists in Great Britain freely to supply a demand which this Government has been instructed to discountenance and eventually destroy. In obedience to the Imperial fiat we have

changed the old free trade character of the port, more than we deem it to be desirable in the interests of the port, only to find that the people from whom it is most necessary to protect ourselves are our own people. If the Home authorities can be brought to realise this, surely they must feel bound to take appropriate measures for our relief? Surely it cannot be that they will say it is no good stopping the export, from England, of the means of gratifying the opium vice, in its worst form, on the ground that it would then come from some other country. That large and influential section of the British Public which has so recently gone to the extreme of advocating the immediate prohibition of opium in the Crown Colonies will surely not allow the British Government to proceed upon the theory that, as offences must needs be, England may as well commit them. That would be a strangely cynical attitude for the present British Government to adopt, particularly in view of the style of the admonitions addressed to us in the past by the Secretary of State. That it will be difficult for the Home Government to invent machinery for the purpose indicated is obvious. But our difficulties have not been allowed to stand in the way of the declared policy of the Home Government, and the Home Government cannot with credit permit their own. They cannot with credit refuse to consider the injustice of the position revealed by the facts of the case. No enlargement on these facts is necessary. They speak for themselves. It is too much to hope that they will speak loudly enough to reach the high altitudes from where eminent prelates and divines direct the anti-opium forces. But it is not beyond hope that they may set up vibrations in less rarified air, vibrations which may reach the precincts of the Colonial Office, and floating in at some open window find their way to the dusty pigeon-hole labelled "Hongkong," there to buzz gently, like a telephone bell, until the sound attracts the attention of our natural protectors, the permanent officials, to the insistent question, "Is it fair?" It is not fair! It is most unfair that the burden, the whole burden, of the business, the expensive business, of protecting our quays from the dumping of British-made poison, should be laid upon this Government. Believing that we are entitled to ask for the help of the Home authorities I move:—

That this Council desires respectfully to draw the attention of the Secretary of State for the Colonies to the port of origin of all the morphine, and one-third of the compounds of opium, entering this Colony, and humbly prays him to lay before Parliament the propriety of assisting this Government in its endeavours to discourage the opium vice in its most injurious form by restricting the export from England of the means of gratifying it.

HON. MR. OSBORNE—I beg to second the resolution.

HIS EXCELLENCY—Gentlemen, I cannot accept this resolution, which appears to involve certain criticism upon His Majesty's Government. The hon. member who moved it, has, I think, begged the question on more than one point. The principal point he made is, that whereas we have legislated to prohibit the export of morphine and compounds of opium to China and other countries which prohibit their import, the British Government has not yet seen fit to prohibit the export from Great Britain, and the hon. member insisted that our action was taken at the instance of His Majesty's Government. Now I beg leave to correct him on that point. The legislation to which I referred was undertaken by this Council on its own initiative, and in order to give effect to one of the resolutions at the International Conference on Opium held at Shanghai not long ago. The fact that morphine reaches this Colony for export from the Colony has been brought to the notice of His Majesty's Government by Sir Frederick Lugard many months ago. The question has received consideration from His Majesty's Government, and I imagine, though I have no authority for saying so, that probably the reason His Majesty's Government has not taken action to prohibit the export of morphine is that such isolated action would be futile. It is necessary for those countries which manufacture morphine to come to an agreement to co-operate with each other in order to make any action effective. Of course it is obvious that if the export of morphine from Great Britain to China, or to Hongkong, or to any Far Eastern country, was prohibited, the article would simply be exported to some European port and re-exported thence. Our own action that we have taken is equally obviously ineffective. We have done what we can, but there is no denying the fact that to prohibit the export from Hongkong to

China of morphine is ineffective unless you can get every country which can possibly export to also to agree to prohibit and prevent such export. Again, the hon. member insisted that the character of the port had been changed at the instance of His Majesty's Government. Well, that is hardly correct. It is true that we adopted a certain policy in connection with opium at the instance of His Majesty's Government, but we were left to devise our own means for supplementing our revenue. The Government, acting on the advice of the unofficial members, chose to raise that revenue by putting an import duty on liquor. The character of the port has been changed by that legislation, and also by the legislation to enable us to prevent, as far as we can, the re-export of morphine to countries that do not want it. But both those acts, I submit, were taken of our own initiative and of our own free will. I am glad the hon. member admits that the suggestion for increasing our revenue by the imposition of import duties on liquor emanated from unofficial members. My reference the other day to the subject was in order to remind unofficial members, who have been apt recently to somewhat grumble at the restrictions imposed by the Liquors Ordinance, that that mode of increasing our revenue was their own suggestion, and that therefore they ought not to grumble at certain inconveniences which must be imposed on those who deal in liquor. As I have said, I believe this question of controlling the export of morphine from the United Kingdom is under the consideration of His Majesty's Government. I would remind the hon. member that His Majesty's Government have already, some two years ago, taken the step of passing an Order-in-Council which prohibits any British subject in China from importing morphine into China or manufacturing that drug in that Empire. I shall have much pleasure in forwarding the hon. member's resolution to the Secretary of State, together with the address in which he moved it. But, as I have stated, the Government feels itself unable to accept the resolution, and will vote against it.

HON. MR. STEWART—Your Excellency, I should just like to point out in reply to the contention that the policy of the Home Government is not responsible for the need under which, in the original instance, we had most unwillingly to agree to change even by a little the old free trade character of the port, that in a speech made on behalf of the Government by the Hon. Attorney-General on the 19th September last year on the occasion of the second reading of the Liquors Ordinance, he said: "The necessity of discovering some other source of revenue I need not dwell upon. It is readily and generally recognised as a living necessity in view of the measures which this Colony has taken for the aid and assistance of China in suppressing

opium. . . . That has compelled those responsible for the finances of the Colony to look about for some source that will give the supply of ready money needed for carrying on the government of the Colony." Your Excellency has just stated that at any rate the legislation which we had agreed to in connection with the import of morphine was initiated by this Government, but surely, Sir, it was initiated by this Government because this Government knew that they would be carrying out the wishes of the Home Government dictated from Home, if not in direct terms, at least by the strongest hints. Your Excellency has, rather to my surprise, suggested that the answer to my argument is that it would be futile for England to deny herself the pecuniary benefit of exporting morphine, because in that case some other country would do it. That, Sir, is to discuss the matter from the ordinary point of view of every day politics, but this question has been raised altogether out of the sphere in which those arguments can be applied. Mr. Johnstone, the protagonist in the Home Parliament of the policy we are compelled to pursue, has pointed out that it is a question of righteousness, not of money, and the righteousness of sending to us poison in a form which we are almost simultaneously admonished to exclude is certainly of a very doubtful kind. I do not wish to weary the Council with any more remarks. Your reply, Sir, is simply another way of looking at the same facts. The facts as I see them are as I have stated them, and I therefore do not see my way to alter my position or withdraw my resolution.

HIS EXCELLENCY—My point is that although, of course, the imposition of import duties was the outcome of a certain policy of His Majesty's Government, it was at the option of the Government acting on

the advice of unofficial members. There were half a dozen other ways of raising revenue, in fact the Government itself proposed quite a different measure.

The vote was then taken, with the following result:

Ayes—Hon. Mr. Stewart, Hon. Mr. Osborne and Hon. Mr. Wei Yuk.

Noes—The Captain Superintendent of Police, the Registrar-General, the Colonial Treasurer, the Attorney-General, the Director of Public Works and the Colonial Secretary.

### **Railway Freight Charges.**

HON. MR. STEWART, pursuant to notice, asked the following question:—Has the Government distributed a translation in Chinese of the scale of railway freight charges on goods passing between the frontier and Kowloon? If not, will the Government cause such a translation to be made and distributed widely?

THE COLONIAL SECRETARY replied:—The answer to the first part of the question is, "not yet"; and to the second, "such a translation is already in course of preparation."

HON. MR. STEWART—Can the Government give the public any idea how long it will take to translate? It might have been thought it would be issued simultaneously with the schedule in English.

HIS EXCELLENCY—I cannot say exactly how long it will take, but the matter has been made urgent, and we will get the information out as soon as possible.

HON. MR. STEWART—The Chinese are asking for it.

### **Opium Amendment (No. 2) Ordinance.**

THE ATTORNEY-GENERAL moved the second reading of the Bill entitled, "An Ordinance to amend the Opium Ordinance, 1909." In doing so he said—This, Sir, is a further amendment in the Ordinance passed last year. Section 51 of the Ordinance authorised the Principal Civil Medical Officer of Health to grant licences for morphine, subject to such conditions as may be imposed by the Governor-in-Council. Section 53 of the Ordinance authorises the Superintendent of Imports and Exports to grant licences to import or export morphine and compounds of opium subject to such conditions as may be

imposed by the Governor-in-Council. Section 54 as it reads at present requires every licensee to make a declaration before the Superintendent as to the amount of morphine or compounds of opium contained in any importation. I propose to amend section 54 so as to make clear the meaning of the word licensee in the case of a limited company. The Bill will require a declaration as regards importation to be taken in the case of a limited company by the manager. It also makes failure to make such a declaration an offence against the Ordinance. The Ordinance as it at present reads merely provides the making of a false declaration an offence against the Ordinance. The Bill requires a declaration to be made, and failure to make it is an offence. The Bill also repeals the proviso of section 49 of the Ordinance, which is considered unnecessary, and is opposed to the intention of the Ordinance as a whole. The Government has good and sufficient grounds for introducing the amendment to the law in regard to the word "licensee," inasmuch as a recent case came up before a magistrate in which it was held there was no proof of the licensee in the case of a limited liability company. Therefore, to make the Ordinance more effective the manager of a limited company will be regarded as the licensee to make the necessary declaration.

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.

### **New Territories Administration Ordinance.**

THE ATTORNEY-GENERAL moved that the Council go into committee to further consider the Bill entitled, "An Ordinance

to consolidate and amend the laws relating to the administration and regulation of the New Territories."

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

On clause 58,

THE ATTORNEY-GENERAL moved an amendment to insert the following words:—"Provided that if both parties in any such action or matter shall agree, by a memorandum signed by them or duly authenticated by their marks, the Magistrate may, on satisfying himself that the effect of the memorandum is fully understood by the parties, exercise a like jurisdiction where the claim for debt or damages sought to be recovered does not exceed the sum of one thousand dollars. Provided always that the judgment of such magistrate shall not be evidence of title between the parties or their privies in any other action or matter in that Court, or in any other Court; and such consent shall not prejudice or affect any right of appeal of either of the parties." The object of this proviso, he said, was to give litigants in the New Territory the option with the consent of both parties to having any action where the claim did not exceed \$1,000 adjudicated on by a magistrate in the New Territory. Cases had been brought to the notice of the Government where a great deal of expense had been involved by litigants coming from the New Territory to have their cases decided on the Summary side of the Supreme Court. The amendment would save time and obviously save expense. The right of appeal was expressly reserved to both parties.

The amendment was agreed to.

On clause 21,

THE ATTORNEY-GENERAL moved to insert at the end of the section the following words:—"Neither shall anything in part III. of this Ordinance affect the right of appeal of either of the parties. Provided that the provisions of the Magistrates' Ordinance, 1890, with respect to appeals shall apply to the magistrate under Part III. of this Ordinance." The object was to provide that the appeals should follow the procedure laid down in the Magistrates' Ordinance rather than that of the Summary Jurisdiction of the Supreme Court. He thought it was more speedy and would probably be less expensive.

The amendment was agreed to, and Council resumed.

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

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

### **General Broadwood's Impending Departure**

HIS EXCELLENCY—Gentlemen, I am sorry Major-General Broadwood is not here, because as you well know he is leaving on Saturday and we shall not see him at this table again. I have no doubt that if he thought that I was going to say anything about him he would not be here, and that is probably why he is absent. (Laughter.) As you know, he is one of the most modest men in the world. Before he came to this Colony we knew him extremely well by reputation. It is said that South Africa is the grave of reputations. His is a brilliant exception to that fatal rule. The General like all men of action, is a man of few words. We have not heard his voice often at this Council, but those who belong to the Executive Council have heard him, and we have always found that if you want a sound opinion expressed in the briefest possible words you will get it by referring to Major-General Broadwood. I will not say anything about his social qualities. You are able to appreciate them as well as I am. I think we all regret that so able an officer, a man who has done so much in the field, and who has rendered this Colony no mean service, is leaving us. I am very glad before his departure that he has seen some accession to the Volunteers, both the main body and the new Reserve. He has taken a very keen interest in the Volunteers and has made valuable suggestions for their improvement and also for the formation of the Volunteer Reserve. I am sure you all join me in wishing Major-General Broadwood a happy return to his home, good health and long life. (Applause.)

HIS EXCELLENCY — Council stands adjourned *sine die*.

## FINANCE COMMITTEE.

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

**Public Works**

The Officer Administering the Government recommended the Council to vote a sum of Seven thousand nine hundred and sixty Dollars (\$7,960) in aid of the vote, Public Works, for the following items:

|  |         |
|--|---------|
| PUBLIC WORKS DEPARTMENT:<br>OTHER CHARGES.                       |         |
| Drawing Materials and Mounting Plans. ....                       | \$ 860  |
| PUBLIC WORKS, RECURRENT.   |         |
| Maintenance of Buildings in New Territories                      | 2,500   |
| Maintenance of Telegraph .....                                   | 500     |
| Gas Lighting, City of Victoria and Peak .....                    | 1,000   |
| Laying out Chinese Cemeteries and<br>trenching for burials ..... | 2,500   |
| PUBLIC WORKS EXTRAORDINARY.                                      |         |
| Extension of Lighting .....                                      | 600     |
| Total .....  | \$7,960 |

**Miscellaneous Services**

The Officer Administering the Government recommended the Council to vote a sum of five thousand dollars (\$5,000) in aid of the vote, Miscellaneous Services, Printing and Binding.

**Post Office**

The Officer Administering the Government recommended the Council to vote a sum of Forty thousand six hundred Dollars (\$40,600) in aid of the vote, Post Office, *A.*—Hongkong Post Office, Other Charges, for the following items:—

|                                 |          |
|---------------------------------|----------|
| Carriage of Mails:—             |          |
| Gratuities to Shipmasters ..... | \$ 3,000 |
| Transit Charges .....           | 35,000   |
| Lights .....                    | 100      |
| Stamps .....                    | 2,500    |
| Total .....                     | \$40,600 |

HON. MR. OSBORNE — We are now sending nearly all our mails *viâ* Siberia. Do we pay less to the Home Government?

THE CHAIRMAN — That matter has not been lost sight of by the Government. The whole thing will be fixed up definitely later on.

HON. MR. OSBORNE—Is the Home Government going to make a substantial contribution?

THE CHAIRMAN—To what?

HON. MR. OSBORNE—To the Colony, for having to pay towards the P. & O. contract when we send our mails *viâ* Siberia.

THE CHAIRMAN—We haven't got to unless we like That is the kind of matter in which the Imperial Government cannot dictate, as there is no moral question such as in the opium matter. When the new contract is entered into this Colony, I think, will not have to pay very much.

HON. MR. OSBORNE—Do we pay anything towards the French mail contract?

THE CHAIRMAN—We pay according to the Convention.

HON. MR. STEWART — According to the quantity of mail they carry?

THE CHAIRMAN—Yes.

HON. MR. OSBORNE—How much longer are we condemned to pay towards this antiquated route?

THE CHAIRMAN—Which antiquated route?

HON. MR. OSBORNE—*Viâ* Suez.

THE CHAIRMAN—About five years. Of course we will be relieved of a small part of our payment on account of handing over the Post Offices in China.