

27TH MAY, 1915.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR, SIR F. H. MAY, K.C.M.G.

HIS EXCELLENCY MAJOR-GENERAL F. H. KELLY, C.B. (General Officer Commanding Troops).

HON. MR. CLAUD SEVERN (Colonial Secretary).

HON. MR. J. H. KEMP (Attorney-General).

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

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

HON. MR. S. B. C. ROSS (Secretary for Chinese Affairs).

HON. MR. C. McI. MESSER (Captain Superintendent of Police).

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

HON. MR. E. A. HEWETT, C.M.G.

HON. MR. H. E. POLLOCK, K.C.

HON. MR. D. LANDALE.

HON. MR. E. SHELLIM.

HON. MR. LAU CHU PAK.

MR. A. G. M. FLETCHER (Clerk of Councils).

Minutes

The minutes of the previous meeting were confirmed.

Financial Minutes

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid on the table Financial Minutes Nos. 17 to 19, and moved that they be referred to the Finance Committee.

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

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid on the table the report of the Finance Committee held

on May 13th, and moved that it be adopted.

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

Papers

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid on the table the annual report of the Director of Education for 1914, and also the report on the Botanical and Forestry Department for the year 1914.

Appropriation for 1914

THE COLONIAL SECRETARY: I beg to report that the Bill intituled, "An Ordinance to authorize the appropriation of a supplementary sum of seven hundred and eighty-seven thousand, two hundred and fifty-two dollars and twenty-six cents. to defray the charges for the year 1914" was considered in the Finance Committee on the 13th May, and not amended, and I move that it be read a third time.

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

Gift of Aeroplanes

HIS EXCELLENCY — Members of the Council will be pleased to learn the purport of two telegrams received this morning. The first is from the Secretary of State for the Colonies, in which he says: — "His Majesty's Government greatly appreciate generous gift of aeroplanes." The second is from the Overseas Club, which says: — "Central Committee send grateful thanks on behalf of Army Council for Hongkong's magnificent donation to Royal Flying Corps. Arranging presentation ceremony. Will cable later." I have only to add that I think that the generous subscribers to the cost of these two aeroplanes will be very well satisfied at the very grateful manner in which they have been accepted by His Majesty's Government, and I would lay especial emphasis upon the fact that in this matter, as in many other matters, Hongkong has given a lead to other Colonies. (Applause.)

Dentistry Ordinance

THE ATTORNEY-GENERAL moved the second reading of a Bill intituled, "An Ordinance to amend the Dentistry Ordinance, 1914." In doing so he said— The schemes of the principal Ordinance was, shortly, to provide that only persons with certain qualifications should be allowed to practise dentistry and perform dental operations. It is known, of course, that in some parts, possibly not here, but certainly in other parts of the world, some dentists are accustomed to administer not only local anæsthetics, like cocaine, but general anæsthetics which produce unconsciousness. As the dentists who will appear in the register here will have qualifications varying greatly in degree, it was thought advisable that nothing should appear in the statute book which would encourage the administration of general anæsthetics by persons who have not the special qualifications necessary for the purpose. When the principal Ordinance was passed dental operations were defined as including the administration of general anæsthetics, the intention being no doubt to provide that the administration of general anæsthetics should be restricted, at all events, to persons who had some qualifications in dentistry, but it is feared that though the intention of the Ordinance was restrictive it might be interpreted in the opposite sense, and persons whose names appear in the register might consider themselves invited, even though they have no special qualifications, to administer such anæsthetics, and possibly the administration of general anæsthetics by unqualified persons would be not restricted by the law but encouraged. This Bill, Sir, proposes to delete the words, "the administration of any general or local anaesthetic," in the definition of the term "dental operation." The effect of the proposed amendment will be to assimilate the law of the Colony to the law at present in force in the United Kingdom on this point.

THE COLONIAL SECRETARY seconded.

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

The Bill passed through Committee without amendment, and

THE ATTORNEY-GENERAL moved that it be read a third time.

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

Estate Duty

THE ATTORNEY-GENERAL moved the second reading of a Bill intituled, "An Ordinance to provide for the levy of Estate Duty, payable in respect of the estates of deceased persons." In doing so he said—This Bill, Sir, contains a considerable amount of technical detail, and is somewhat long, but the objects, I think, fall easily into four classes. The objects are (1) to make it clear what property is liable to duty; (2) to improve the machinery for the collection of that duty; (3) to prevent the evasion of duty in a certain direction; and (4) in one section, to provide an easy method of procedure for securing that executors shall give an account of their executorship. The bulk of the Bill deals with the first two points, and the provisions for that part of the Bill are taken mainly from the provisions of the corresponding English Acts. It is true, I think, that these provisions will include certain property which at present is not liable to duty, but I think, Sir, the scheme of this part of the Bill is merely the working out of a policy which has already been approved by this Council by certain amendments made in the law in 1911. In that year the Stamp Ordinance and the Probates Ordinance were amended, and I think the intention of the amendments was to assimilate the law of Hongkong and of England in this respect, and to make property which would be liable in England to estate duty liable to probate duty here. But the amendments were made in a rather compendious manner, and left considerable doubt upon the effect of the changes, and did not define sufficiently clearly what property it was intended to be chargeable with duty. I think, Sir, the provisions of this particular part of the Bill are merely a working out of that principle which was approved four years ago. The Bill defines in great detail what property is chargeable to duty, and lays down a considerable number of provisions for the collection of this duty; how it is to be collected, by whom it is to be paid, and the time when it is payable.

It also provides for the repayment of duty paid in excess, the apportionment of duty amongst different beneficiaries of the estate, for appeals to the court on questions arising as to the amount of duty payable, and other details which the law at present does not provide for sufficiently. These clauses, Sir, cover the greater part of the Bill. Then there follow three clauses which are intended to prevent the evasion of duty. I might say that amongst the clauses dealing with machinery there is power given to the Commissioner, which the person who now collects the duty does not possess, to summon before him any person liable for that duty, any person administering the estate, and any person indebted to the estate, to give any information in his possession. Clauses 18, 19 and 20 are an attempt to prevent what in many cases must be deliberate attempts to avoid the payment of duty. One of the three sections, Section 19, appears more or less in the same form in the present Bill as in the existing law. It imposes a penalty on any person who administers the affairs of deceased persons without taking out Probate of Administration. That provision dates back in English law at least to the reign of George III., and has been in force here for some years. The other sections, 18 and 20, contain provisions that are introduced for the first time. Clause 18 provides that a schedule of the property of the deceased person must be annexed to the grant, and it is the duty of any person, before dealing with the property of a deceased person, to satisfy himself that the property with which he proposes to deal is included in the schedule. Any person dealing with property not in the schedule will be subject to a penalty of \$500. Clause 20 is directed at another point. I think it is a matter of common knowledge that the great leakage on probate duty occurs in connection with deposits or shares in shops, banks or other business undertakings. Attempts have been made under the present law to collect the duty on such property, but they have been largely unsuccessful. The persons entitled to the property at death seem unwilling to come forward and disclose it until some litigation arises which obliges them to do so, and that particular form of property, to a very large extent, escapes paying duty, which means that other property in the Colony has to pay. It seems grossly unfair that one particular form of property should escape a duty which is paid by other property. It should be borne by

all persons in the Colony alike. The provisions imposed by this clause are that in any case where a deceased person had, at his death, any interest either as partner, depositor, or creditor, in any bank or business, the person having the management of that business must disclose to the Commissioner the fact of that interest and the extent of it, and if he fails to do so a penalty of \$500 is to be recoverable from the owners of the shop or the firm, as the case might be, for failure to comply with this section. This is proposed, Sir, because all attempts to secure disclosure of the property by the persons interested have failed, and this is an attempt to throw the obligation on a party other than the beneficiaries, who must, in most cases, know of the existence of the interest, to disclose it at the earliest possible moment after the deceased person's death. The third last clause of the Bill deals with the fourth point that I referred to at the commencement and provides that it shall be lawful for the Commissioner to require an executor to lodge with him the accounts of his executorship. That seems very desirable, as the present procedure is rather cumbrous. I might add, Sir, that this Bill is somewhat different from the Bill which was originally introduced into this Council, and on three points the criticisms levelled at the original Bill have been considered by the Government and the provisions objected to have been dropped out of the present Bill. One change in this Bill from the original Bill is that no duty will be payable on any property outside the Colony. Another is that no property outside the Colony is aggregated for the purpose of determining the rate of duty. And the third, and, perhaps, the main difference, is that whereas the scale in the original Bill was an increase on the scale at present in force in the Colony, it is now proposed to make no increase in the scale of duty, but to re-enact the present existing scale. I beg to move the second reading.

THE HON. MR. HEWETT—As we all know, this is a very contentious matter, and I think I am right in speaking for the unofficial members when I say we are of opinion that there should be no probate duty in Hongkong for the very reason

which the Attorney-General gave just now. I think he said it was grossly unfair that a certain section of the community should pay probate while others escaped. This is one of the cases, Sir, I maintain, where it is very inadvisable to too closely follow English law, though I quite agree that English law should be followed in Hongkong as far as possible. The position of people who are residents and have businesses in the Colony and die here, and have property vested in the Colony, is very different from people living in Great Britain. Now we look very largely for our prosperity to our Chinese friends, most of whom are subjects or citizens of the Chinese Republic, and come down here for the purposes of trade. We welcome them, and are glad to see them make their residence here and invest money in the Colony, and anything which is calculated to decrease their confidence and drive their business and money away from here should be deprecated. The opinion of the unofficial members is that the Probate Bill is calculated to diminish their confidence in the Colony. We know perfectly well that any British subject, and others not of Asiatic birth, if they die here, their accounts will be promptly settled, but it is a different matter with the Chinese, many of whom have property entrusted to them by friends and relatives to bring down here for investment. It is very difficult, almost impossible, to collect property probate, even though it may be due. Therefore, we, on general principles, deprecate the charge of any probate duty at all. However, probate has been in force in this Colony for some time, and we have got to accept the situation. The Bill that the learned Attorney-General has put before us has, as he rightly pointed out, been altered in very many material points and we gladly welcome the alterations that have been made in the Bill now before us, because these alterations are very necessary for the prosperity of the Colony. But there are still further alterations we would ask the Government to accept. The original Bill was considered by the unofficial members in conjunction with certain Chinese residents here, but unofficial members have not had the opportunity of consulting these with regard to the amended Bill now put forward, and so, therefore, I am speaking not exactly with their permission. In sub-section of section 3 the words "or charge upon property situated in this Colony" appear. That was one of the things we

were going to ask your Excellency to deal with, but that has apparently been settled. There are one or two other points of minor detail which we can deal with in Committee. Coming now to Section 20, we think it is most undesirable that that section should stand, and we propose to ask your Excellency to delete it. Of course, we recognise it would practically mean the re-casting of the Bill, but we consider that it is not in the interests of the Colony that that Section should stand. I think, Sir, those are the main points that have occurred to me. I believe one or two of the unofficial members wish to make some remarks on the Bill before us.

THE HON. MR. POLLOCK — In supplementing the remarks of the hon. member opposite, I wish to address the Council shortly on Clause 20 of the Bill. This clause, Sir, I may mention, unlike all the other provisions of this Bill, is without precedent; that is, so far as I know. There is no precedent in Home legislation, or in any legislation in this Colony or in any legislation in the Straits Settlements, or any other Colony of a similar nature, for that which appears in Clause 20, and I think, Sir, the reason why we cannot find any precedents of similar legislation is obvious. It is because Clause 20 attempts to introduce an entirely new principle in regard to the administration of estates. Of course, we admit the principle that an executor or administrator has to report truly everything in his charge that he has to do under the law at present in force in this Colony, and it is quite reasonable, and no-one has any objection to the administrators or executors being asked to give an account of his stewardship so that duty might be properly paid—but Clause 20 introduces quite a novel principle. Under Clause 20, outside or third parties, who have nothing to do themselves with the administration of the estate of the deceased, whether as executors or administrators, are asked to come in and make a report. To show how sweeping this Clause is as at present drawn, it would come to this: Supposing I am the manager of a Chinese shop and an employee dies to whom the shop owes \$20 for wages, that has to be reported under a penalty of \$500 being incurred by the manager, because, Sir, as this clause reads, it says that a report has to be made

on any interest, which, of course, means any interest, however small in value, whether as partner, depositor, or creditor. Therefore, any interest, however small in value, has to be reported. It has to be reported whether the man is a partner, a depositor, or creditor of any description whatsoever, whether as an outside creditor with whom the firm is dealing or merely as a coolie or employee of the shop to whom a few dollars are due as wages. Therefore, Sir, I think it is quite clear that this provision, altogether without precedent as it is, is totally unreasonable. It is not fair, we submit, Sir. It is not fair, I submit, in the first place, that an outside person should be made a sort of inquisitor, and, secondly, it is wholly unfair that he should have to report all these details down to small amounts due to a deceased employee of a shop, bank, or other business undertaking. That is very strongly urged on behalf of the unofficial members, who very strongly feel that this clause should be omitted from the Bill. If it is found possible by the Government to bring forward a modified clause which is not open to the objection I have pointed out, then I would submit it would be quite easy for the Government to bring in their amending Bill, but I think, Sir, it is quite obvious, as this Bill at present stands, that it has a very wide mesh indeed and is altogether unreasonable. Another point in regard to this Clause which is objectionable is the last subsection of it. That is objectionable from two points of view. First of all, because it puts the onus on the person charged to show that he is not guilty, and, secondly, it is very difficult, indeed, to realise what the meaning of the amendment really is. Your Excellency is familiar with the legislation of this Colony and is familiar with clauses which say that a man shall be deemed to know certain things, or to have certain information in his possession with guilty knowledge unless he proves that such is not the case. But here, Sir, in this last subsection of Clause 20 of the Bill, we have a very vague and general statement in regard to the legal meaning of it, and there must be great uncertainty on the point. As my hon. friend opposite pointed out, unofficial members object to Clause 20 *in toto*, and when the time comes we shall move that Clause 20 be omitted altogether.

THE HON. MR. LANDALE—I should like to say that I quite agree with the hon. member

opposite that probate duty in this Colony is an unfair tax, and I go further and say that probate is an unsuitable tax on general principles. I think the State is only entitled to charge the estate of deceased persons a sum which would be sufficient to defray the cost of the machinery which insures that the money passed to the rightful owner, and, roughly speaking, that would be about 3 per cent. Any large charge, I think, is treating capital as income, and in my opinion it is not a correct thing to do. There is one other point that will be brought up in Committee that I would like to refer to now. That is, in Clause 9, section 3, where it says "No allowances shall be made for debts due from the deceased to persons resident out of the Colony unless contracted to be paid in the Colony." Supposing a man who expects to retire in the East buys a house at Home, or small property at Home, and borrows money, and not wishing to disturb his investments here he contracts this debt. And then he dies and the debt is not, by this Clause, allowed to be deducted from his estate. I think that would be very unfair to his heirs. On general principles, Sir, I am unable to support this Bill.

THE HON. MR. LAU CHU PAK—In connection with Section 20 of the Bill, to which my remarks will be confined, I would like to explain how the Chinese lend money to the shops and firms in this Colony or deposit money with them, in support of the contention that, although we have had many concessions, since the first reading, granted to us, there are still points very objectionable in business and also unworkable in every-day practice. It is becoming a rule amongst Chinese to lend money to shops or firms, or to deposit money with them in the names of their wives and sons, and sometimes in those of their relatives, and in many cases they use fictitious names. When they die their wives or sons, as the case may be, are paid the money at once on producing their receipts. In the case of relatives the same arrangement is made. As regards creditors, most of them are shops or firms in the mainland and in the case of private individuals they do not live in Hongkong. They might be scattered all over China. As a matter

of fact, in almost every case many of the depositors and creditors are not well known to the shops and firms to which they have lent money. I have had a case reported to me in which a Chinese military officer came to this Colony during the Revolution and deposited some money with a local Chinese bank. When he died, some men in this Colony knowing he had money with the bank, brought out a writ against him. When his wife came to the Colony and applied for the refundment of the money she was told that the money had been attached and subsequently removed by order of the Supreme Court. In that case the Bank did not know who the depositor was, and as a matter of fact they did not care who he was or where he came from. All this, Sir, goes to show that it is unfair, and it would be impracticable to make managers or partners of firms or shops responsible for the report of the death of any of their depositors or creditors, whose number may run up to one or two thousand, or a few thousand. There is another point, Sir, I should like to touch upon. That is, when the Chinese on the mainland know that they will be mulcted by law on their death they will think twice before they are prepared to lend money to Chinese shops or banks in this Colony.

THE ATTORNEY-GENERAL—I should like to reply shortly to one or two criticisms which have been made by hon. members with regard to the principle of the Bill. The hon. member who represents the Chamber of Commerce suggested that because estate duty is not fair in its incidence it ought to be abolished altogether. Well, this Bill, Sir, is an attempt, which we hope will be successful, to make incidence of estate duty fairer than it has been in the past, and to provide that property which has frequently escaped in the past shall not escape in the future. With regard to the points raised by the hon. member who represents the Justices of the Peace, it is quite true that Clause 20 cannot be found in any existing legislation, so far as I know, but it is not entirely without precedent in its underlying principles. He said that it was unfair that a third party, who had no beneficial interest in the estate of the deceased, should be called upon to disclose or to report what he knew about it, but, Sir, there already is a similar obligation in existence both in this Colony and in England on persons who are not themselves

receiving benefit from the estate, and the obligation is not to administer or part with, or pay away any part of the estate of the deceased without ascertaining that administration has been taken out. The obligation imposed by this clause is, to my mind, an obligation of the same nature except that it endeavours to oblige the third party to act at an earlier date. The old obligation, which still exists in section 19, is that the third party shall not deal with the estate without seeing that probate duty has been paid. The obligation in this provision is that the third party shall not wait for payment of the beneficiaries before taking action, but shall immediately, on the death of the deceased person, disclose to the Commissioner the fact of the interest in the shop, bank, or other business. As regards the last sub-clause of that clause, Sir, that is not without precedent either, because there is a similar procedure under the Ordinance, which I think was passed in 1875, for the recovery of Crown rent and other debts due to the Crown. The Colonial Treasurer, on being satisfied on the question of the liability to pay the Crown rent, prepares a schedule and signs it, and that schedule prepared by him is *prima facie* evidence of liability, and the onus is then upon the defendant to show that he is not liable for the rent claimed. Well, this Bill, Sir, with the proposed amendments, shown in italics, provides a similar procedure for the recovery of the \$500 penalty, which is to be recoverable in the same way as Crown rents are recoverable. It is not to be supposed that the Colonial Treasurer will be prepared to sign a schedule under this clause unless he is satisfied that there is a *prima facie* case for suing for it. It will then lie upon the defendant to show such facts as may establish that he is not liable for the penalty. I do not think it is necessary for me to discuss the general question of the desirability of an estate paying duty above what is necessary to provide machinery for securing that it shall pass to the proper persons, because I think that must be assumed. With regard to what the hon. member who spoke last said, it is quite true in many cases, no doubt, that the manager of a shop does not know the individual

to whom a share belongs. He may not know him by appearance, and he may not be sure of the exact amount for which the shop is liable to that person, but at all events, he can give the Commissioner what information he has. He must know from the books that some person did deposit a sum of money or has some claim against the shop, and he can give the Commissioner every information he has in his power. Of course no legislation can oblige a man to give information which he has not got, and if he has no information of course he will not be liable to any penalty.

HIS EXCELLENCY — Gentlemen, I am afraid that I cannot accept the suggestion that we should delete the most contentious clause in the Bill, Clause 20. If we were to eliminate that clause we should emasculate the whole measure. It would be simply a work of supererogation to pass the remaining clauses. Now the arguments which have been adduced against the clause clearly prove that it is necessary. We are told that it will deter the Chinese from coming to the Colony and investing their money here. There could be no greater admission that they do not pay probate duty. If they paid probate duty this clause would have no terrors for them at all. Everybody objects to paying taxes, and it has been suggested that we should abolish the probate duty. Last year we received from it \$208,000 odd, and in the year of the unfortunate demise of Sir Robert Jardine and the demise of Mr. Granville Sharp, and of various Chinese property owners, we benefitted to a very much larger extent. Therefore, if we were to abolish the probate duty we should have to substitute something else. It appears to me that the probate duty is a good duty. We have had many instances here in which men have grown very rich, not so much by their individual effort as by the appreciation of property due to the progress of the Colony, to which the whole community contributes, and it seems to me right that the whole community, as represented by the taxpayers, should benefit on the demise of such a person, who has during his life not paid more taxes than they, but whose estate is mulct in a certain proportion of the large inheritance which he leaves behind him. We have done our best to provide some means by which the leakage of Chinese properties which have been revealed to us from time to time by actions in

the Supreme Court might be stopped. Well, those in the Government service who know most on the subject have come to the conclusion that there is no other means than that embodied in this Bill. It is a drastic clause, but a drastic measure is needed; just as, when you mend a net, there is no other way of doing it than by making the hole in the net of as close a mesh as that with which the hole is surrounded. These are the facts, and I think the Government is in a strong position. Therefore, I am sorry to say we cannot meet unofficial members of the Council by any further concessions.

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

The amendments printed in italics in the reprint of the Bill were approved.

On Clause 20,

THE HON. MR. HEWETT—I beg to move, Sir, that this clause be deleted absolutely. We have listened with very great interest to what you have said on the subject, and quite realise that by deleting this clause it would be likely to interfere with the whole of the Bill. But we still believe, after very careful consideration of the facts, that the benefit to the Colony by encouraging Chinese capital to be invested here would be greater than it would be by imposing a probate duty of this character.

THE HON. MR. POLLOCK seconded.

HIS EXCELLENCY—I would only point out that Chinese money comes to the Colony for one reason, and one reason only; to increase and multiply under our protection, and all we ask is for some return for the protection we are giving. My own opinion is that if you pass this you will find that the attraction of the Colony and the good security it offers, and the increased security it offers over what you can get in the mainland, will still prove so strong that the terrors that hon. members seem to see will prove but mere shadows.

THE HON. MR. HEWETT—If this Bill becomes law I trust your Excellency will prove a true prophet on this occasion. We still contend that we shall benefit by the Chinese property in this Colony greater than by the adoption of this clause. I ask that the question be put to the vote.

The matter was then put to the vote, the voting being as follow:—

For the deletion—Hon. Mr. Lau Chu Pak, Hon. Mr. D. Landale, Hon. Mr. E. Shellim, Hon. Mr. Pollock, Hon. Mr. Hewett, and Hon. Mr. Wei Yuk.

Against—All the official members.

The motion for the deletion of the clause was rejected by a majority of one.

THE HON. MR. POLLOCK—I have certain amendments to move in the early part of the clause. In line 2, after the words "any interests," the insertion of the words "exceeding with the profits or income thereof \$2,000 in value." The reason for suggesting this amendment is that it is obviously absurd that small debts such as I mentioned just now, coolies' wages, etc., should be reported. It seems to me that this sum of \$2,000 would, at all events, be a sum of some substance. Otherwise, every shop would have to report every little sum, and would always have to be looking up their books to see if a customer had died for fear of a penalty of \$500.

THE COLONIAL TREASURER—Not at all.

THE HON. MR. POLLOCK also moved the substitution of the words "as partner" for the words "whether as partner, depositor or creditor." Another point I should like to make is that I think it is very unreasonable that the period for report should be one month. If there is to be any apportionment at all there should be reasonable time to go into the figures afterwards, and I think the time should be six months. I move that.

THE COLONIAL TREASURER—They can report in a very short time. Six months is absurd, Sir, from the date of receiving of knowledge. Why not make it ten years?

THE HON. MR. POLLOCK also moved the omission of the last sub-clause of the clause.

THE ATTORNEY-GENERAL—With regard to the proposal of \$2,000, I think that would be far too high a figure in the first place, and, in the second place, if any figure were inserted, any minimum inserted, I think it would tend to encourage evasion. I think it would defeat the object of the Bill if any minimum were inserted. It will often be difficult to ascertain the exact amount of the interest, with profits, and my fear is that the person liable to give the information might shelter himself behind the nominal value of the share or deposit, which might be much below its real value. If any hardship is found to be caused, or any undue inconvenience, by the absence of a minimum, I am sure the Government would consider the question. With regard to the proposal to omit the depositor and creditor, I think that would very largely defeat the object of the clause. I think one month is sufficient time to allow for the giving of information. A person is only expected to give the information he can at the time, and the full information can be given later.

THE HON. MR. HEWETT—I think the suggestion of my hon. friend opposite of \$2,000 is rather too high, but I think a limit should be made.

THE ATTORNEY-GENERAL—The danger is that if a minimum is inserted evasion will be facilitated.

HIS EXCELLENCY—We have very carefully considered this Bill and this particular clause, and I am prepared to allow it to stand and work, and if it is found to be unworkable, or found to impose undue or unreasonable hardship, alteration can be made. Our own opinion is that it won't. I cannot possibly agree to the abolition of depositors and creditors, or the extension over a month, and as regards the question of limit, I think the objection of the Attorney-General to this suggestion is very sound.

THE HON. MR. HEWETT seconded the Hon. Mr. Pollock's amendments which were rejected, the voting being the same as in the case of the previous motion by the Hon. Mr. Hewett.

The Bill passed through Committee with its printed amendments, and

THE ATTORNEY-GENERAL moved that it be read a third time.

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

HIS EXCELLENCY — Council stands adjourned *sine die*.

FINANCE COMMITTEE.

A meeting of the Finance Committee followed, the Colonial Secretary presiding.

Public Works

The Governor recommended the Council to vote a sum of twenty-two thousand eight hundred dollars in aid of the vote

Public Works, Recurrent, Hongkong, Miscellaneous, upkeep of plant, repairs to dredger *St. Enoch*.

This was agreed to.

Pumping Station to Post Office

The Governor recommended the Council to vote a sum of one thousand five hundred dollars in aid of the vote Public Works, Extraordinary, Conversion of Old Pumping Station at Yaumati into a Branch Post Office.

This was agreed to.

The Late Sir Kai Ho Kai

The Governor recommended the Council to vote a sum of one thousand three hundred and fifty dollars in aid of the vote Charitable Services, Education of certain members of the family of the late Sir Kai Ho Kai.

This was agreed to.