

7TH JUNE, 1917.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR SIR FRANCIS HENRY MAY, K.C.M.G.

HIS EXCELLENCY MAJOR-GENERAL F. VENTRIS (General Officer Commanding Troops in China).

HON. MR. A. G. M. FLETCHER (Colonial Secretary).

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

HON. MR. E. D. C. WOLFE (Colonial Treasurer).

HON. MR. E. R. HALLIFAX (Secretary for Chinese Affairs).

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

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

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

HON. MR. LAU CHU PAK.

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

HON. MR. R. G. SHEWAN.

HON. MR. P. H. HOLYOAK.

HON. MR. C. E. ANTON.

HON. MR. S. H. DODWELL.

MR. J. A. E. BULLOCK (Clerk of Councils).

Minutes

The minutes of the last meeting were confirmed.

New Member

THE HON. MR. S. H. DODWELL took the oath upon becoming a member of the Council during the absence on leave of the Hon. Mr. P. H. Holyoak.

Papers

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid on the table copy of by-laws made under Section 16 of the Public Health and Buildings Ordinance, 1903 (Ordinance No. 1 of 1903).

By command of H. E. the Governor, the Colonial Secretary laid on the table annual reports of the Assessment for the year 1917-18, and the report of the Superintendent of the Prison for the year 1916.

Finance

By command of H.E. the Governor, the COLONIAL SECRETARY laid on the table report of proceedings of the Finance Committee, No. 5, and moved that they be adopted.

THE COLONIAL TREASURER seconded, and this was agreed to.

By command of H.E. the Governor, the Colonial Secretary laid on the table Financial Minutes Nos. 15 to 19, and moved that they be referred to the Finance Committee.

THE COLONIAL TREASURER seconded, and this was agreed to.

Questions by the Hon. Mr. H. E. Pollock

THE HON. MR. H. E. POLLOCK asked the following questions:—

Is the Government taking any, and, if so, what steps to provide the public with bathing facilities at North Point and West Point as in previous years?

- (1.)—Did the Government from the year 1914 till the beginning of the year 1917, or during some other and, if so, what period, reserve a certain site at Samshuipo as the site of the Samshuipo market?
- (2.)—Has the Government recently, and, if so, when, changed the site of such market to a new site?
- (3.)—From what person did the Government obtain such new site and was such new site obtained by the Government giving the former site of the market in exchange to such person? Is such person the owner of several, and, if so, how many lots facing such new site? What are the Lot Numbers and areas of such Lots? Do not such Lots practically surround such new site on three sides thereof?

THE COLONIAL SECRETARY replied as follows:—

The usual facilities are being provided at Kennedy Town, as in recent years. Facilities at North Point, with the exception of a temporary pier from which diving could be performed at certain states of the tide, have hitherto been provided by the Hongkong Tramway Company. The Company have found that the facilities were utilised to so small an extent that they have decided not to make any such provision this year. In the light of the Tramway Company's experience, it is proposed to take no further action towards providing bathing facilities in this locality.

1.—Yes, a certain area was marked on a plan showing the proposed development of the district, and enquirers were informed that this area was reserved with a view to the erection of a market thereon. The site was so reserved because there was no more suitable area of Crown Land available in the immediate vicinity at the time. No guarantee was given that a market would, in fact, be erected thereon.

2.—In September last the Government were approached regarding the provision of an alternative site, upon land in private ownership, being 210 yards from the centre of the original site to the centre of the new site nearer the existing village of Sham Shui Po. In January last the question of the site was referred to the Head of the Sanitary Department, who reported that the original site was too far from the village of Sham Shui Po, and that the alternative site was too small. The matter was considered by the Sanitary Board on the 9th January and they unanimously adopted the following resolution:—"That the plan as laid on the table be approved by the Board except that the question of the site be left over until the decision of the Government regarding the offer of an alternative site be known."

The Government being anxious to remove the site of the proposed market from a position fronting on what will at some future period be the main road to Tsun Wan, Castle Peak and beyond especially in view of the increase of motor traffic, pursued further negotiations regarding an alternative site, and eventually succeeded in getting an offer of the site, cross-hatched in blue on the plan laid herewith. The centre of this site is 127 yards from the centre of the original site.

The Government then referred the matter again to the Sanitary Board, who on the 19th April

unanimously adopted the further resolution—"That the site cross-hatched blue on the attached plan for the Sham Shui Po Market be approved."

3.—The new site was obtained from Mr. Li Ping, who accepted the original site in exchange for the new one. The areas dealt with for purposes of exchange were exactly equal, premium and additional Crown rent being charged in respect of an excess in the area of the original site over that of the new site. Mr. Li Ping is the Crown lessee of 14 lots in the vicinity of the market, two of which face the new market site. The numbers and areas of the two lots facing the new market site are:—

	<i>Area</i> sq.ft.
New Kowloon Inland Lot 43	19,840
New Kowloon Inland Lot 158	8,775

The new market site is surrounded on all four sides by public roads. The lots on the opposite side of two of such roads belong to Mr. Li Ping, whilst those on the opposite side of the two remaining roads belong to other parties.

Beautifying Fanling Golf Course

His EXCELLENCY—Hon. members are asked to vote, in financial minute 19, a sum of \$2,550 for improvements in and adjoining Fanling Golf Course. The Fanling Golf course is in a somewhat peculiar position. The actual course over which we play golf is leased to the Royal Hongkong Golf Club, but there is Crown land really within the course, and Crown land adjoins it. The golf course is a great source of attraction not only to residents of the Colony but to visitors, and I hope it will be in the future a still greater attraction to visitors. Railway companies at home, as perhaps you are aware, lay out golf courses in order to increase their traffic receipts. In his Colony the Government, that is to say, the taxpayers, have benefitted in no small degree from the golf course. A sum of about \$100,000 has been spent upon the golf links by the golf club, and in the first year the links were opened, in 1913, the traffic receipts

from people using and visiting the course amounted to over \$10,000. Although times have been very bad since then, the receipts last year showed a valuable increase; they amounted to \$12,800. I have taken no small amount of interest in this golf course and its surroundings, as I recognise that this affords an unique opportunity for what I may all landscape gardening. You can make an extremely beautiful spot out of the surroundings, and I hope that in years to come the amenities of the place will attract visitors from the Straits Settlements, the Malay States, and perhaps Ceylon, and other places, Borneo and the Philippines, where they do not get such a good climate as we do in the winter, and where they have not such an excellent course with such beautiful surroundings as we have. Therefore, I think that it is legitimate that we should do something out of public funds to assist the golf club in their endeavours to make this course a really first-class course. I recognise that it is not possible for an individual Club to do all the work that is absolutely necessary. The vote before you is to defray expenditure for improving the land immediately adjoining the course, which will absorb a sum of \$1,000, and the other \$1,500 will be expended on actual work on the course, in providing what is very essential, namely, a top dressing. I have been assured by the Superintendent of the Botanical and Forestry Department that this is absolutely necessary to make the course a first-class course. There are precedents in the Colony, of course, for devoting public money to various private clubs for recreation purposes. I would point out the laying down of the pitch for the Cricket Club, the money spent on the lying out of the general of the Chinese recreation club, and also the money spent on recreation ground at Kowloon, expenditure which was all considered justifiable. I think that this also is justifiable expenditure, and I intend to include in the annual estimates in the future an annual sum for the improvement of the golf course. It has already attracted visitors from outside to the Colony, and it will do so in the future. I hope hon. members will pass the vote in Committee.

The Late Dr. Atkinson

His EXCELLENCY—Before proceeding with the business on the agenda, I would like to ask you to record our appreciation of the services of a former

member of this Council, who, as you will have learned from the public press, died recently in London. I refer to the late Dr. Atkinson, who for many years occupied the post of Principal Civil Medical Officer of this Colony. He was associated with the Colony during years in which large advances were made in medical and sanitary science, and he contributed in no small degree to those advances. To him we owe that very excellently equipped and managed hospital in the centre of the town, the Government Civil hospital, and, through his instrumentality, the system of having trained nursing sisters from London sent out here, which has been an inestimable boon to the people who unfortunately have to have recourse to the hospital. He was also associated intimately with the establishment of the Victoria Hospital in Barker Road, which has also proved a great boon to the poorer sections of this large community. The late Dr. Atkinson was very wellknown to a great many here present, and you will bear witness with me that he was one of those who never spared himself. He loved his work, and I might say that he lived for his work. After he had concluded his work here he devoted himself to a private practice in London, and since the war began he has been in the Army Medical Department in charge of a large military hospital, and from what I have learned his energy and enthusiasm for that work contributed to his untimely decease. He leaves behind him a widow and two young sons who are just entering on their career as men, and I know that they will appreciate it if we remember them in their sorrow. Therefore, I beg to move the following resolution:—

The Legislative Council of Hongkong desires to record its appreciation of the valuable services rendered to the Colony of Hongkong by the late Dr. John Mitford Atkinson and to convey to his widow and sons its deep sympathy with them in their bereavement.

HON. MR. POLLOCK—Sir, on behalf of the unofficial members of this Council, I beg leave to second the resolution which has just been proposed by your Excellency. I also desire, on their behalf, to associate ourselves with the message of condolence and sympathy which your Excellency has just expressed.

New Committee Members

HIS EXCELLENCY—It is necessary to make appointments to the Public Works Committee in the places of the Hon. Mr. Shellim and the Hon. Mr. Holyoak, who are absent from the Colony. I therefore nominate the Hon. Mr. Shewan and the Hon. Mr. Dodwell to serve in their places.

Police Reserve Discipline

THE ATTORNEY-GENERAL moved the first reading of a Bill intituled, "An Ordinance to amend the Special Police Reserve Ordinance, 1914, and to remove doubts as to the effect of proclamations made under section 10 of the said Ordinance."

The Objects and Reasons state:—The objects of this Bill are as follows:—

- (a.)—To alter the technical title of the Special Police Reserve force to the title which is in general use, *i.e.*, the Hongkong Police Reserve.
- (b.)—To provide for the punishment of minor breaches of discipline by members of the Hongkong Police Reserve in a way which will not involve the publicity of proceedings before a magistrate and which will be more in accordance with the procedure in the case of other police and military organisations.
- (c.)—To give the Captain Superintendent of Police powers with the approval of the Governor in Council to make regulations for the government and discipline of the force.
- (d.)—To remove doubts as to the effect of proclamations under section 10 of the Special Police Reserve Ordinance, 1914.

Supplementary Vote

THE COLONIAL SECRETARY moved the second reading of the Bill intituled, "An Ordinance to authorise the Appropriation of a Supplementary sum of two hundred and ninety-one thousand two hundred and seventy-three dollars and ninety-seven cents to defray the charges of the year 1916." In doing so he said:— In asking Council to charge upon the revenue of the Colony the sum shown in this Bill it should be explained that the money is required rather for the purpose of adjusting the expenditure for the year 1916

than of supplementing it. It will be seen from the draft appropriation account that there was in fact a saving under every head except under the three heads shown in this Bill, and under military expenditure, which latter head is governed by a special Ordinance. The excess under the three heads in this Bill, with the excess of some \$72,000 under Military Expenditure added, amounts to \$363,650; but the saving under other heads totals \$1,149,296; with the result that there is a saving of nearly \$800,000 as the amount originally voted by the Council for the service of the year 1916. The sums shown in the Bill in respect of the Harbour Department and Public Works Recurrent hardly call for comment, as the money, and considerably more than the money, now asked for has already been provisionally voted by this Council. The sum of some \$250,000 shown in the Bill under Miscellaneous Services falls under a somewhat different category, as the excesses under this head have not yet been referred to this Council. The principal excesses are those shown under War Expenditure, other items of Expenditure and under other Miscellaneous Services. The War Expenditure comprises the following sums:—Fitting out vessels for conveyance of prisoners, \$16,500; passages for prisoners of war, \$175,000; Volunteer Salaries, \$39,000; Colonial Allowances, \$60,000. These Colonial allowances are the allowances paid to Civil Servants on active service in order to make up to them the difference between their pay received from the Navy or Army and their pay as Civil Servants. This Council has already voted the full pay for these officers in the various departments, and so they are now asked merely to sanction the transfer of the money from the departmental votes to War Expenditure, under which heading the expenditure properly falls. It should be explained that this considerable excess is due almost entirely to the expenditure on the prisoners of war; and the reason why the Government have not brought the matter before the Council at an earlier date lies in the fact that they were waiting for and proposed to add the account for the maintenance of the prisoners in Australian, which account was not, however, forthcoming by the end of the year. The excess of some \$250,000 in respect of Other Miscellaneous Services is due almost entirely to loss on exchange. The Government conducts, through the Crown Agents, considerable sterling transactions in the United Kingdom, as, for instance the purchase of supplies, payment of salaries and pensions,

charges on account of the public debt, and so on, and until recently large sums were being received from the sale of subsidiary coins withdrawn from circulation for the purpose of demonetisation. The Colony's accounts are kept in dollars, and each transaction is recorded in dollars in the Colony at the average rate of exchange for the month in which the transaction takes place, the balance being struck at the end of each half-year. At the end of June, 1916, the Colony had spent in London £234,150, and had been credited with £362,150, leaving a credit balance of £128,000. The sums received as entered, and expended, at varying rates of exchange during the course of the half-year, amounted to \$3,741,688, on the one hand, and \$2,376,632 on the other, the credit balance being \$1,365,056. We had therefore on June 30th a credit of £128,000 with the Crown Agents, and a credit in the books of the Colony of \$1,365,056. But when the books were closed on June 30th, with exchange risen to 2s. $\frac{3}{4}$ d., £128,000 was worth only \$1,193,019 instead of \$1,365,056, a difference of \$172,046, which amount is debited against the next half-year as loss in exchange. Similarly in the second half-year, a loss of some \$76,000 was incurred, making a total loss for the year in exchange of \$248,416. Supposing the account had been the other way and the Government had had a sterling debit instead of a credit, then there would have been a profit instead of a loss on exchange. It must be remembered, on the other hand, that these losses on exchange are more than counter-balanced by savings due to high exchange. A sum of \$287,000 was saved on the sum voted for salaries, a considerable part of it is due to the high exchange, and \$52,728 were saved upon pensions. There has also been a considerable reduction in the dollar prices of supplies, in the public debt, in the sterling mail subsidy, and in transit charges. I now beg to move the second reading.

THE COLONIAL TREASURER seconded, and the Bill was then read a second time and referred to the Finance Committee.

Enemy Trading

THE ATTORNEY-GENERAL moved the second reading of the Bill intituled, "An Ordinance to amend the law relating to trading with the enemy and the export of prohibited goods." In doing so he said:—The object of this Bill is to introduce here the provisions of sections 1 and 2 of the Trading with the Enemy and Export of Prohibited Goods Act, 1916, which has been passed by the Parliament of the United Kingdom. It provides penalties for the making of false statements, or furnishing false guarantees or

certificates in connection with the export of goods which require a licence. It also provides penalties for the mutilation or destruction of documents which might be useful as giving evidence of offences against the law relating to trading with the enemy.

THE COLONIAL SECRETARY seconded, and this was agreed to.

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

The following clause, numbered Clause 4, was added:—

4.—The penalties provided in this Ordinance shall be in addition to and not in substitution for those provided in any other enactment: Provided that no person shall thereby be fined or imprisoned more than once for the same offence.

On Council resuming,

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

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

North Borneo Extradition

THE ATTORNEY-GENERAL moved the second reading of the Bill intituled, "An Ordinance to repeal the North Borneo Extradition Ordinance, 1896." In doing so he said:—Recent Imperial Legislation brings North Borneo within the scope of the Fugitive Offenders Act, and, that being so, our local North Borneo Extradition Ordinance becomes unnecessary, and this Bill therefore proposes to repeal that Ordinance.

THE COLONIAL SECRETARY seconded and the Bill was read a second time.

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

There were no amendments, and on Council resuming,

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.

Hongkong's War Loan

THE ATTORNEY-GENERAL moved the second reading of the Bill intituled, "An Ordinance to amend further the War Loan Ordinance, 1916." In doing so he said:—It has been pointed out by the Crown Agents that the War Loan Ordinance, 1916, makes all interest cease on drawn bonds from the date of the drawing. The effect of this would be that a bond holder might not be able to claim his principal and interest so promptly as to avoid a certain loss of interest on the amount so claimed. It has therefore been decided to provide that at least fifteen days' notice of the numbers drawn shall be given before the date on which the interest ceases to run. The Bill also provides for the mode of drawing in more detail than the principal Ordinance. It was originally intended that these details should be directed by the Governor under section 11 of the principal Ordinance, but it seems convenient to include them in this bill. The provisions are based on the model of the General Loan and Inscribed Stock Ordinance which is used in the case of loans domiciled with the Crown Agents. The bill also corrects a discrepancy between the principal Ordinance and the prospectus of the loan as to the date of redemption for bonds not previously redeemed by drawing or purchase. The date adopted in the bill is the 1st November, 1928, which was the date specified in the prospectus. I beg to move the second reading.

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

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

There were no amendments, and, on Council resuming,

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

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

War Finance

THE ATTORNEY-GENERAL moved the second

reading of the Bill intituled, "An Ordinance to provide for a temporary increase in the rates for the special purpose of increasing the contributions of the Colony to His Majesty's Government towards the expenses of the present war." In doing so he said:— The object of this Bill, of course, it to impose a special war rate of seven per cent., in addition to the ordinary rates, for the purpose of making an additional contribution to be paid to His Majesty's Government towards the expenses of the War. This Bill is to be read with the principal Rating Ordinance, so that the usual provisions as to assessment and appeal will apply, with other details. There are a number of amendments which will be moved in Committee, and I think that I need not say any more as to the principle of the Bill. I beg to move the second reading.

THE COLONIAL SECRETARY seconded.

HON. MR. POLLOCK—Sir, it was a great disappointment to learn, at the last meeting of this Council, that the proposed voluntary contribution by the Chinese of this Colony to the Imperial War Funds had come to nothing, seeing that such a contribution had been so much talked about as to be regarded as practically settled. It may perhaps be permissible to express the hope that, at some future date, the difficulties to which your Excellency has referred may be surmounted and that the scheme for a voluntary gift by the Chinese Community may be revived. Turning now to the Bill before this Council, I should like to say a few words with reference to an amendment which I am going to move in clause 6 of the Bill to substitute the words "Legislative Council by resolution" for the words "Governor in Council." The point which I wish to make in this, namely, that there is far too much legislation in this Colony by the Governor in Council, that is to say, by the Executive Council—a body which sits and debates in secret, with the result that the public has no say whatever, through the Legislative Council, in regard to a number of important regulations made under Ordinances, which regulations are sometimes more important and far-reaching, than the Ordinance itself and have the same legal effect as if they were inserted in the body of the Ordinance. The consequence is that the public suddenly has important regulations sprung

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by a notification in the *Government Gazette*. Of course, one realizes that certain Orders in Council and Regulations in regard to the War and other special matters must necessarily be debated in secret and decided by the Executive Council, but, on the other hand, there are a large number of Regulations to be made under Ordinances which may with perfect propriety be discussed and enacted by the Legislative Council. What I would venture to suggest, as a first practical step, is this, that your Excellency should empower me to informally discuss instances of Legislation by Order of the Governor in Council with the Attorney-General, with a view to seeing whether it will not be practicable, in the case of some Ordinances, to transfer the power of making Regulations under those particular Ordinances from the Executive to the Legislative Council. This is the suggestion which I have to make and I hope that it will be acceded to.

HON. MR. SHEWAN—I have been asked to second the hon. member's proposal and I do so because it seems to me a fair and reasonable one. I do not wish to hamper the Government in any way, especially in these times, when every man should support the Government to the best of his ability and power. If secrecy is necessary or even desirable then secrecy should be observed. But publicity is always good, and it is preferable when it is possible. For these reasons I see no objection to Mr. Pollock having what he calls informal discussions with the Attorney-General on various points. With regard to the Bill, I do not think anyone would object to a Bill which laid the burden equally on the willing and the unwilling horse. As for myself, I cordially approve of it, and I am only sorry it was not brought in two years ago. But I think that it might be amended in one or two instances. I think you must exempt the poorer classes from the operation of the Bill. Of course the poorer people will pay the smaller part of the rates, but what is small to them is even smaller to the richer class who can well afford to pay. Rents in this Colony are notoriously high—they are outrageously high, I think. I do not know why they are, except that there seems to be very few building contractors who get rich very quickly. Certainly, the rents in this Colony form an enormous item in the budget of the poor man out of

all proportion to the other expenses of his family. I know of one case where a Chinese clerk earns \$160 per month, and his house rent has been raised to \$60 per month; no less than a third of his monthly income goes in rent. That seems outrageous. I know of another case where since the war there has been no butter in the house for many months. So you see it is the poorer classes who are suffering and who are making the sacrifices. Seven per cent. on the rent of the poor man is a good deal to him, but to the landlord and to corporations it is only an entry in their books. I am not attacking landlords, they have earned their money quite legitimately no doubt, but it cannot be denied that they have earned it very easily, and without any very great sacrifices on their part. Many of them are simply reaping the benefits of the foresight of their forefathers, who were shrewd enough to see how land in this Colony would become valuable, under good government. And having acquired wealth not entirely due to their own exertions, and under the protection of the British flag, surely they would be willing indeed to show gratitude to that flag and bear the burden for their poor tenants, many of whom are their own servants who have helped them to accumulate their wealth. If this rate were 25 per cent. it would be quite a poor sacrifice compared with the sacrifices which are being made at home. If it were 50 per cent., I do not think Hongkong would have done enough for the war. I am pleading with the Government—with your Excellency—for these poor people, for the small man, the badly paid clerk, the poor shop-keeper, the shroff, the Chinese "boy," and the coolie, upon whom such a rate will bear so hard, and I appeal to you to put it on the shoulders of those best able to bear it. Dr. Johnson defined patriotism as the last refuge of a scoundrel. We are not no bad as that I hope, but it is a poor patriotism that is sustained by grinding the face of the poor. Tax our rich men in this Colony by all means, but do not let us send the poor empty away.

HIS EXCELLENCY—With regard to the remarks made by the hon. member who represents the Justices of the Peace, I would say that I do not think any person in the Colony regrets more than the Chinese do themselves that they were not

able to devise a scheme for what really amounted to taxation of themselves. Then they appealed to me to see if I could find a solution, but, as I have already told the Council, the problem defeated me. I do not think I can hold out any hope that the proposition will be further considered. As regards the hon. member's remarks about legislation by order of the Governor-in-Council, we are prepared to accept his suggestion in regard to this particular Bill and to alter it. With regard to his general remarks on the subject, I want to say that when rules are considered which affect any particular interests in this Colony those interests are always consulted in the matter. However, we will take his suggestion into consideration, and see whether anything can be done in the direction which he and his colleague indicated. As regards the remarks made by Mr. Shewan, we find it impossible to alter this Bill so as to exempt what he classes as the poorer class. Properties are owned and leased in this Colony in such a manner that it would be impossible to do as he suggests without causing a greater part of the burden to fall on one class—the landlords—and that, again, would be unfair. I can only suggest to landlords that they should imitate the example which is going to be set by a Chinese gentleman here, Sir Robert Ho Tung. I have a letter from him in which he says that it is his intention to pay the 7 per cent. increase on behalf of all his tenants for the duration of the war. That is an extraordinarily generous offer, and the tenants of Sir Robert Ho Tung will be extraordinarily lucky. I only hope that many of them are of the class referred to by Mr. Shewan. There are many other landlords in the Colony and many landlords who are not of the Chinese race, and I hope that they will imitate the example of Sir Robert Ho Tung as far as their resources permit, waiving the liability of their tenants under this tax, either wholly or in part.

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

The following amendments were made:—

I.—(a) In clause 2 omit the word "current."

(b) Renumber clause 2 as clause 2 (1).

(c) Add the following sub-clause to clause 2:

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"(2) The said special war rate for any given quarter shall be calculated on the valuation in force for the purpose of the rates payable for that quarter under the principal Ordinance."

II.—In clause 6 substitute the words "Legislative Council by resolution" for the words "Governor-in-Council."

III.—Add the following clauses:—

9. (1.)—If any person who receives the rent of any tenement or part of a tenement demands from his tenant, under colour of collecting the said special war rate, an amount which exceeds the amount paid by such person as special war rate in respect of such tenement or part of a tenement, he shall be liable upon summary conviction to a fine not exceeding five hundred dollars.

(2.)—No person shall be convicted under this section of demanding an excessive amount from the tenant of a part of any tenement if he proves (a) that the total amount collected by him as special war rate in respect of such tenement is equal to or less than the amount paid by him as special war rate in respect of such tenement and (b) that the demand of an excessive amount from the tenant of such part of such tenement was due to a *bonâ fide* mistake.

(3.)—If in any proceedings any question arises as to what amount of special war rate is attributable to any part of any tenement the certificate of the Assessor shall be admissible as evidence of such amount.

Additional Clause:—

10. (1.)—Any person in the service of the Crown who satisfies the Treasurer that he has paid income tax in the United Kingdom or in any British Possession on his official pay for any period in respect of which he has also paid the special war rate payable under this Ordinance shall be entitled to a refund of such special war rate not exceeding the amount of such income tax.

(2.)—For the purpose of the said refund such income tax shall be converted into dollars at the demand rate on the first day of the quarter in respect of which such special war rate was paid.

(3.)—No refund shall be payable in respect of any quarter to any person who has not paid within the first month of the quarter all the rates payable by him in respect of that quarter.

(4.)—For the purpose of this section a person shall be deemed to have paid the special war rate although he may have paid such rate through the landlord, hotel-keeper, or boarding-house-keeper upon whose premises he resides and not direct to the Treasurer: Provided that in such case the Treasurer shall decide what amount of special war rate has been so paid.

An amendment by Hon. Mr. SHEWAN that the tax should be increased to 10 per cent. and that all persons paying rents under \$90 per month should be exempted, was not accepted by the Governor.

THE ATTORNEY-GENERAL remarked that houses rented at over \$90 per month are often let out in floors, which are again sub-let in cubicles and bed spaces.

HIS EXCELLENCY remarked that if a tribunal could be formed to fix rents it would remove some of the difficulties.

HON. MR. SHEWAN—I think the present feeling in the Colony is that the landlords would be afraid to have that sort of thing.

The Bill passed through Committee with the above amendments, and, on Council resuming,

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.

FINANCE COMMITTEE.

A meeting of the Finance Committee followed, the COLONIAL SECRETARY presiding.

Education

The Governor recommended the Council to vote a sum of five hundred and seventy-seven dollars and seventy-four cents (\$577.74) in aid of the following votes:—

Education, A.—Department of Director of Education, Other Charges, Incidental Expenses.....	\$500.00
Education, A.—Department of Director of Education, Other Charges, Transport	77.74
Total.....	\$577.74

The vote was agreed to.

Quarry Apparatus

The Governor recommended the Council to vote a sum of two thousand six hundred and fifty dollars (\$2,650), in aid of the vote Public Works Extraordinary, Hongkong Miscellaneous, Miscellaneous Works—Apparatus for Government Quarry.

The vote was agreed to.

Electric Lighting

The Governor recommended the Council to vote a sum of one thousand dollars (\$1,000) in aid of the following votes:—

Public Works, Recurrent, 31.— Electric Lighting, Kowloon	\$ 500
Public Works, Recurrent, 45.— Electric Lighting, Shamshuipo	500
Total.....	\$1,000

The vote was agreed to.

Water Works Maintenance

The Governor recommended the Council to vote a sum of two thousand three hundred dollars (\$2,300) in aid of the vote Public Works Recurrent, 49, New Territories, Water Works, Maintenance of Lai Chi Kok.

The vote was agreed to.

Beautifying Fanling

The Governor recommended the Council to vote a sum of two thousand three hundred and fifty dollars (\$2,350) in aid of the vote Botanical and Forestry Department, Forestry (New Territories), Other Charges, Maintenance of Gardens and Grounds,—Improvements in and adjoining the Fanling Golf Course.

The vote was agreed to.

The Supplementary Vote

When the Supplementary Vote came up in Committee, the Chairman announced that he had received several questions from the Hon. Mr. Pollock. With regard to the Harbour Department he asked what

was spent in the years 1915 and 1916, for the acquisition and re-arrangement of moorings in Victoria Harbour. The answer was, \$89,295 and \$167,561.35. In the same years the amounts spent on the raising, repair and renewal of moorings and buoys was \$4,262.74 and \$16,002.20. The revenue received in respect of moorings for the same periods was \$6,632.73 and \$50,722.00. With regard to his questions in connection with the dredger *St. Enoch* he would ask the Director of Public Works to explain.

THE DIRECTOR OF PUBLIC WORKS said that the dredger was purchased in 1908 for £15,000, which was then equivalent to \$167,442, and \$108,000 had been spent on the vessel since she was purchased on repairs, renewals, overhauls, docking, etc.; \$32,442 had been written off the value of the vessel since she was bought by Government. With regard to the damage to the junk, in endeavouring to avoid one junk the dredger backed into another, which was sunk. The Harbour Master had decided that the master of the dredger was not to blame, but this had not relieved the Government from responsibility, and they had had to pay.

HON. MR. POLLOCK—The vessel has been a somewhat expensive item for the Government, I think,

sir.

THE CHAIRMAN—These dredgers are very expensive vessels, especially in a harbour like ours, where they often come across stone-laden junks which have been sunk in typhoons. Still, they are very useful, and the *St. Enoch* has done a great deal of useful work, especially at Kowloon Point. The vessel is well worth the money spent on her.

The Bill passed through the Committee without amendment.

Council Resumes

THE COLONIAL SECRETARY reported to the Governor that the appropriation Bill had passed through Committee without amendment, and also proposed its third reading.

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

HIS EXCELLENCY—Council is adjourned *sine die*.