

14TH NOVEMBER, 1921.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR, SIR REGINALD EDWARD STUBBS, K.C.M.G.

HON. THE OFFICER COMMANDING THE TROOPS, COLONEL C. W. DAVY, C.M.G.

HON. MR. CLAUD SEVERN, C.M.G. (Colonial Secretary).

HON. MR. J. H. KEMP, C.B.E., K.C. (Attorney-General).

HON. MR. C. MCL. MESSER, O.B.E. (Colonial Treasurer).

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

HON. MR. E. A. IRVING (Director of Education).

HON. MR. T. L. PERKINS (Director of Public Works).

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

HON. MR. LAU CHU PAK.

HON. MR. HO FOOK.

HON. MR. H. W. BIRD.

HON. MR. A. G. STEPHEN.

HON. MR. A. O. LANG.

MR. S. B. B. McELDERRY (Clerk of Councils).

New Members

Col. C. W. DAVY, C.M.G., took the oath and his seat as a member of the Council in the temporary absence of Lieut.-General Sir G. M. KIRKPATRICK, K.C.B., K.C.S.I.; and the Hon. Mr. A. O. LANG took the oath and his seat as the representative of the Hongkong General Chamber of Commerce in the absence of the Hon. Mr. P. H. HOLYOAK.

Minutes

The minutes of the last meeting of the Council were approved and signed by the President.

Finance

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid on the table Financial Minutes Nos. 115 to 121, 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 (No. 13), 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 an Order made by the Governor in Council under section 9 of the Post Office Ordinance 1900, and the Report of the Committee appointed by H.E. the Governor for the purpose of considering what measures can best be taken (i.) To facilitate the prompt acquisition by applicants of sites which they require; (ii.) To facilitate the prompt passing of building plans.

Questions

HON. MR. POLLOCK, K.C., pursuant to notice asked:—

1.—When does the Government intend to publish the Report of the Committee appointed by H.E. the Governor for the purpose of considering what measures can best be taken

(i) To facilitate the prompt acquisition by applicants of sites which they require:

(ii.) To facilitate the prompt passing of building plans?

2.—What measures does the Government propose to take for the purpose of carrying out the recommendations made in the Report of the Commission on Child Labour?

THE COLONIAL SECRETARY replied—

1. — The Report has been laid before Council to-day.

2.—The Government is giving the report and recommendations of the Commission its careful consideration but is not yet in a position to state what measures it proposes to adopt.

The Treaty of Peace (Hungary) Order, 1921

THE ATTORNEY-GENERAL—Sir,—I beg to move the first reading of a Bill intituled, An Ordinance to modify certain provisions of the Treaty of Peace (Hungary) Order, 1921, for the purpose of adapting the provisions of the Order to provisions of the Treaty of the Peace (Hunkong. The various Orders in Council made in England for the purpose of applying and enforcing in H.M. Dominions the various treaties of peace all require modification for the purpose of application to the Colony of Hongkong. Already Ordinances have been passed modifying several of the past Orders in Council, and this Bill proposes to make the necessary modifications in the Treaty of Peace Order which relates to the Treaty of Peace with Hungary.

THE COLONIAL SECRETARY seconded, and the motion was carried.

The Bill was accordingly read a first time.

The "Objects and Reasons," state:—

1. The object of this bill is to adapt the Treaty of Peace (Hungary) Order, 1921, to the circumstances of this Colony. The order was published in the *Hongkong Gazette* of the 7th October, 1921.

2. The method followed is the same as that adopted in Ordinance No. 3 of 1920 and other Treaty of Peace Order Ordinances.

The Budget Debate

THE COLONIAL SECRETARY—I beg to move the second reading of the Bill intituled, An Ordinance to apply a sum not exceeding \$16,450,131 to the public service of the year 1922 and in doing so I have to point out for the information of hon. members that two numerical errors have been discovered in the draft estimates which will affect the figures in the Bill. The first occurs on page 65 of the draft estimates in the Education Department under the sub-head "other charges" where the figure in the second column opposite the sub-head "Students in training, Hongkong University; maintenance" should be \$8,680 instead of \$18,680. This mistake, I understand, arose from the fact that in the manuscript draft of the page there was a badly written figure in the line above. That will lead to certain consequential amendments and certain totals will have to be amended. The second error is on page 85 under "Kowloon-Canton Railway." The total on the right hand column should be \$64,230, instead of \$63,230. This mistake was due to an error in addition. It will involve certain changes in the totals on pages 86-92. In consequence of these errors it has been necessary to amend the Abstract of Expenditure which was laid on the table at the last meeting. I think members have before them the amended Abstract which shows the alterations. The general result is that the total estimate of the expenditure for 1922 is \$20,198,980 instead of \$20,207,980, I will move the necessary amendments in committee.

THE COLONIAL TREASURER—I beg to second.

HON. MR. H. E. POLLOCK, K.C.—Sir,—I am expressing, in the first part of my speech, the united views of my unofficial colleagues as well as of myself. Later on, I shall be adding some personal remarks of my own and my colleagues who follow me will do likewise.

Whilst the unofficial members are in general agreement with the Budget as a whole, they desire to offer certain criticisms and to put certain questions. In regard to the form of presenting the draft estimates we desire to offer the following observations. We think that it would have been better (at pages 6-12)

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additional column had been inserted headed "Revised Estimate, 1921." We also think that it is advisable, in dealing with Public Works Extraordinary, that there should be an additional column, headed "Estimated expenditure to complete work," because, in the absence of such a column, it is in many cases difficult to make out whether the sum voted for 1922 completes the work in question or not. Furthermore, it is a matter of interest, in regard to the Finance of future years, to know how much prospective expenditure we shall have to incur in future years in connection with works now in hand or being begun.

As regards the University, we should like to know why the sum of \$600,000 does not appear as a liability in the statement of liabilities and assets of the Colony; and, while on this subject, we would express our earnest hope that, in future, no additional financial assistance from the revenue of the Colony, beyond that already agreed upon, will be required by the University.

In regard to item 4 on page 12, "conservancy contracts," we should like to know how it comes about that the estimate for 1922, \$62,700 so much exceeds the approved estimate of \$14,600 for 1921.

THE WANCHAI GAP TRAMWAY

As regards the projected tramway to Wanchai Gap, the unofficial members would suggest that the question be gone into as to whether it would not be preferable to carry up such tramway (a little to the East of Wanchai Gap) almost up to the top of Mount Cameron, as it would seem possible that, with branch roads (rick-sha roads) at intervals from the stations on such tramway, an increase could be made in sites available for building at different levels on Mount Cameron, the first station from the bottom being on Black's Link, the second and third at different levels above that, and the fourth station being at the top of the Tramway. It may also be pointed out, if it be suggested that the time is hardly ripe for such a tramway, that the tramway would take some time to construct and furthermore that, when the present Peak Tramway was opened in May, 1888, there were then only about a dozen houses in the Peak District and half a dozen houses in the Magazine Gap District. Moreover a tram is obviously the only feasible means of approach enabling those of moderate means to reside in the Mount Cameron District and is also indispensable for the transport of provisions

and other necessities.

In regard to Public Works recurrent, we concur in the remarks which will presently be made by the Senior Chinese Unofficial Member on the subject of levelling the road from No. 7 Police Station to the back of the Gas Works and also as to the desirability, from the point of view of the safety of the motoring public, of the Government resuming the Pavilion at the junction of Park Road and Bonham Road West.

Dealing now with Public Works Extraordinary, seriatim, we have the following remarks to make:—

(i.)—Re item 4, "Victoria Hospital Maternity Block," we should like some explanation as to how it comes about that the revised Estimate so far exceeds the original Estimate.

(ii.)—Re items 5 and 16, namely new Offices for the Public Works Department and proposed Volunteer Rifle Range, we should like the Government to make it a matter of special urgency to push on with these Works, and also with item 57, the Kowloon Hospital, the commencement of work on which has been very much delayed. In fact when the speaker was recently over in Kowloon the site was absolutely untouched by the hand of man.

(iii.)—As regards item 21 (o) "Road from Wanchai to Magazine Gap" we should like some explanation as to why the original estimate for this item was increased from \$20,000 to \$76,000.

(iv.)—As regards item 25, "Construction of new Queen's Statue Pier," this is another of the Works which we would suggest ought to be pressed on, in the interests of the public. We understand that the \$97,000 mentioned is the total contract price for completion, and we would ask what is the contract date for completion.

(v.)—As regards the Praya East Reclamation Scheme, we regret to learn that the contract time for the completion of this work is 6 years, and we would inquire what steps the contractor has undertaken to adopt *re* locomotive trucks, etc., for the hastening on of the work.

(vi.)—As regards item 74 (e) "Extending Coronation Road northwards through hill (formerly K.F.L. II.)," we regret to see that less progress than had been anticipated

is being made this year and we would inquire whether the estimated sum of \$12,000 for 1922 will complete the work.

(vii.) — Re item 96 "Diaphone fog signalling installaton, Waglan," we should like to know what is the contract date for completion.

(viii.) — Re item 107 "Refuse dump, Cheungshawan," we should like some information as to the nature and purpose of this work, and as to why the estimated expenditure of \$40,000 in 1921 has dwindled down to \$5,000.

With regard to the item \$5,000 for Local Public Works in the Northern District of New Territories on page 35, we would suggest that a similar sum in lieu of the suggested sum of \$500 be handed over to the District Officer South for expenditure in the Island of Cheung Chau, where the residents spend a certain amount of their own money in what would normally be regarded as public purposes.

A question has been raised as to whether the Government is now deriving as much pecuniary benefit as it ought—reasonably might—do from the running of the Ferries to Samshuipo and Yaumati, and the Unofficial Members would be glad if that question could be carefully inquired into before the present period of licence or extension of licence expires, especially in view of the recent considerable decrease in the price of coal.

News has been received here from time to time to the effect that Hongkong is to be included in the Imperial Wireless chain and the Unofficials would be glad to learn what information the Government can give them on the subject.

Another subject, as to the progress of which we should also like to be informed is one which has frequently been mentioned in this Council, namely, the prospect of the Kowloon-Canton Railway being linked up with the Canton-Hankow Railway.

PRODUCE EXCHANGES

In conclusion of their joint remarks, the Unofficial Members would strongly urge upon the Government the imperative necessity for discouraging the formation of Produce Exchanges in this Colony. Such Exchanges come into existence for the mere

purpose of gambling and are not intended to meet the legitimate requirements of trade and have been most strongly condemned at the recent meeting of the British Associated Chambers of Commerce at Shanghai, the following resolution having been passed in regard to them:—

"The Conference views with serious concern the establishment of a large number of produce and stock exchanges in Shanghai. It has reason to believe that the majority are not founded to meet the legitimate requirements of Foreign and Chinese merchants engaged in trade in Shanghai, but are enterprises of a speculative and gambling nature, and as such are a standing menace to the financial stability of Shanghai. The Conference urges the Consular Body to co-operate with the Chinese Government by supporting the Municipal Council in any steps taken for the licensing, registration and control of these Exchanges."

PERSONAL OPINIONS.

Those, Sir, are the general remarks of the unofficial members and myself upon the Budget:—I will now proceed to make a few remarks of my own on various subjects:—

1. The first remark which I have to make is that I hope that the Government will most vigorously press on the settlement of the terms of agreement for the transfer of the Military Establishments to the mainland, and thus give the Colony greater room for expansion on this side.

2. My second point is in connection with the opening up of King's Park for building sites. Some two or three years ago the unofficial members of this Council went most carefully into this matter with the late Director of Public Works, Mr. Chatham, and recommended that, apart from the golf links, the whole of King's Park, including the Rifle Range, should be thrown open for bulding purposes. In fact at that time all manner of schemes were being suggested by local architects for utilizing the available area to the best advantage, but the whole question seems to have been allowed to lapse.

3. My third point is to suggest a query as to whether the Government is wise in spreading out its expenditure over so

many items, for it must be remembered that, on uncompleted items of work, whether they be Government buildings, or Quarters for Officers, or even motor roads, the particular work, whilst still in an uncompleted state is of no worth or utility whatever, and merely represents a loss of so much interest on the money expended on it. This point seems to me to be specially worthy of consideration, in view of the stupendous programme of Public Works for 1922 — a programme which, although it looks well on paper, admittedly is not likely to be carried out in anything like its entirety.

In connection with delay in completion, the new quarters for Government Servants now approaching completion on the Severn Road are a most glaring instance of delayed completion, and I should like to be informed:

—(1) When work was first begun on the sites for these houses; and (2) What is the total amount expended to date on these three houses?; (3) What is the total amount expended to date on the three tennis courts appertaining to these three houses? (4) What was the contract date for the completion of these three houses and tennis court, and whether there was any penalty clause in such contracts and whether it was enforced; and if not, why it was not enforced? (5) I should also like to ask why it was considered necessary to have a separate tennis court for each of those houses. Such a procedure savours of absolutely wasteful squandering of public money,—I refer to the tennis courts.

4. The question of the expensiveness of the Official Quarters on Severn Road naturally leads me to remark upon the very large sums which the Government is expending for the housing of its Officers at the Peak and at Leighton Hill. From items 1 and 3 (on page 76 of the Estimates for 1922) it will be seen that the estimated total expenditure on such Quarters for 1921 is \$636,000 and that the estimated expenditure for such Quarters in 1922 is \$590,000, roughly speaking, six lakhs of dollars for each of the years 1921 and 1922.

For my own part, I regard such expenditure as being very extravagant from the Colony's point of view, having regard to the present

high cost of building and to the fact that officers not entitled to free quarters, who occupy quarters supplied by the Government, only pay rent for such quarters at the rate of 6 per cent. upon salary and not at the rate of 6 per cent. upon the cost of the building.

Speaking for myself, I think that this system of expensive housing ought not to extend beyond the completion or erection of the Officers' Quarters, of which the Public Works Committee have already had notice.

In this connection I consider that the Public Works Department are very much to blame for setting up a very expensive standard of Officers' Quarters, both as regards number and size of rooms and the provision of tennis courts.

The average Peak resident in this Colony lives in a five-roomed house without any tennis court, but the Government Servant, who has taken his chance of housing with the average resident for many years past, is apparently to be placed in a much better position than the average resident.

Sir, I am not making these remarks in any niggardly spirit.—In fact a few moments reflection will suffice to show that the Unofficial members of this Council are disposed to treat the Civil Servants in a very liberal spirit. Only a few years ago a system was brought in by which Government Servants could enjoy, when on leave, a much longer period of full pay than formerly. Then a payment of return passages scheme was made generally applicable, involving the Colony in considerable expenditure. Then a considerable percentage was added to the salaries of Civil Servants, in pursuance of the reports of a Commission, to make up for the increased cost of living. Next there is the payment of Government Servants at the very favourable rate of 12 dollars to the £, when the dollar is at 2s. 6d. or under, and although it may be that the sliding scale is not much more favourable than the old rate of four-fifths at 1s. 9d. and one-fifth at the rate of the day, it is more favourable than 10 dollars to the £ inserted in mercantile agreements. If, on the top of that, we are to house all our officers in superfine houses at vast expense,

and at a very inadequate rental in return, I think, Sir, that that would prove to be too heavy a charge upon our future revenue. That is the point at which I think we must draw the line as regards committing ourselves further, most especially as, with lower exchange, the charge for Personal Emoluments of Government servants will fall heavily upon our Revenue.

5. The last point which I shall criticize on my own behalf is in connection with the following remarks of Your Excellency in introducing the Budget. You then said:—

"Under 'communications' the first five items are for works already in progress, and it is expected that all except the first item will prove remunerative undertakings. I may mention that one piece of land opened up by the new road to the Peak sold a few days ago for \$80,000, which is exactly the estimated cost of completing the road to Victoria Gap."

I regret, Sir, that I must criticize these remarks because I think they have been made under a misapprehension of my personal position in this matter. I was in favour of a road being carried up to the Peak, as far as Wanchai Gap, because I was under the impression that in connection with it, and, as a most important feature of that road and something absolutely necessary for the development of the Mount Cameron district, that a tramway should be run up the Wanchai Gap. I have been a consistent opponent of the tram being carried from Wanchai Gap up towards the Peak.

H.E. THE GOVERNOR—The road?

HON. MR. POLLOCK—I mean the road from Wanchai Gap to the Peak. The cost of carrying on a road from Wanchai Gap to the Peak comes to a sum of roughly \$275,000—slightly more, and I may remind you in connection with that, that the estimated cost of a tramway from Queen's Road East to Wanchai Gap was \$150,000 only—in fact from the report of the Director of Public Works for 1920 recently laid on the table, page 47, item 101, we see that a survey and longitudinal section were made and also the

necessary working drawings for the track formation, and the 1920 estimate was \$150,000. Therefore, it was not altogether a rough estimate by the Public Works Department. They had the necessary working drawings to go upon. Well, Sir, continuing with my criticisms of Your Excellency's remarks I want further to point out that the extension of the motor roads eastwards from Wanchai Gap to Victoria Gap is not likely to cause any houses to be built which would not be built otherwise, with the exception possibly of a house for the Captain-Superintendent of Police on Mount Gough Hill. With regard to your remark that there was a piece of land sold for \$80,000 on the road to the Peak, that piece of land was to the eastward of the Wanchai Gap. It was on the lower part of the road, not on the road to the Peak proper, which I have always objected to.

With regard to the possibility of the further addition to the road between Wanchai Gap and Victoria Gap which is now contemplated, that is to say from "The Mount" down to Victoria Gap, I would point out that it is impossible to conceive that that will open up any fresh building sites having regard to the fact that that piece of road is in the Pokfulum drainage area, and, therefore, buildings would not be allowed to be erected on that road. I thought I had better make these remarks in order to make my personal position clear upon the question, and so that it may not be imagined that I am in any way departing from my previous position or compelled to depart from it, which is that the road ought not to have gone east of Wanchai Gap. As regards the piece of road at the back of Stewart Terrace and above the Peak Church, I think everybody will agree that the road will have the greatest difficulty in forcing its way through there and that it certainly will not open up any new sites. With these remarks I beg to express my agreement with my unofficial colleagues.

HON. MR. LAU CHU-PAK—Sir,—In supporting the remarks which my hon. friend opposite has made on behalf of the unofficial members, may I add a few words in reference to some other subjects which affect the Chinese? Plenty of capital would be forthcoming from private sources for the development of the waste

land from Un Long to Fanling and Taipo for the purpose of farming, building and industrial enterprises, if greater facilities and encouragement were given to intending investors.

A scheme which my Chinese colleagues and I and several friends, — by way of encouragement to new comers — have promised to support financially, is one for reclaiming a large tract of submerged and partially submerged land in a certain part of the New Territories for the purpose of growing paddy. This should suffice to meet all local demands for five or six months a year, thus rendering Hongkong less dependent on outside sources for the supply of rice. The scheme has been under the consideration of the Government for several years. More than twelve months ago, we were led to expect that a lease would be granted, but we have been waiting for this elusive lease up to this very moment. Unless radical improvement is introduced in dealing with applications for land in the New Territories, I fear that the development of the place will be slow, indeed. The scheme I have mentioned should do much towards the prosperity of the locality, in that ricemills, vegetable-farms, fish-ponds, and even village cottages for settlers coming from across the border, would spring up in a short space of time.

While on this subject, Sir, I should like to mention that certain natives of the New Territories, who owned land and houses at the time when the area was taken over by Great Britain, and who still own such land and houses, have been much perturbed by certain rumours, which may or may not be true, that the Government would shortly enforce in the villages in the Territories certain sections of the Public Health and Building Ordinance requiring the employment of qualified architects and the submission of plans to the Public Works Department for approval, before any old houses could be reconstructed or new houses built. Most of the people in the villages work from hand to mouth, and cannot afford to pay for what, in the circumstances, I make bold to call such luxuries. Under the present law, they can build a small house for a few hundred dollars; but if they were compelled to comply with the requirements of the Ordinance, they

would never be able to re-construct their present houses, much less to build new ones. I recollect that shortly after the New Territories were taken over a special type of house suitable for the needs of the natives was devised in order to save them unnecessary expenses, while enabling them to comply with the law of sanitation. Why not resuscitate this design from the pigeon-hole of the Building Authority's Office, and see whether it could now be introduced? Those who can afford to build mansions, and such new settlers as prefer European building, could be made to comply with the Ordinance; but I respectfully submit that the poor villagers, who constitute the majority of the population, should be left with as few legal encumbrances as possible.

LAND RESUMPTION

There is another matter about which the people of the New Territories have recently spoken to me, and that is that they would not in future be allowed to sell any land without having first obtained the consent of the Government. They cannot understand this proposed law. They say that for certain land, which has been resumed by the Government, they received only one cent. a square foot, while the land could have fetched 5 to 10 cents a square foot, if sold to private individuals. I do not know whether this is true or not, but if it is, the owners have certainly been unfairly treated. They connect the rumour about the proposed law with this matter of resumption and this attitude of mind is not conducive to the contentment of the people. If there is no foundation in the rumour, I hope that a contradiction will be made as soon as possible.

THE MORTUARY AT SHEK-TONG-TSUI

I would now deal with the public mortuary at Shek-tong-tsui. For years the inhabitants of the neighbourhood, on account of the unpleasant odour and depressing sights, have repeatedly asked the Government to have it removed. The last announcement made by the Government was that it was difficult to find a suitable site to remove it to, and that as the cost of removal and rebuilding would be rather heavy, the applicants

should bear a share of it. Since then many more Chinese buildings have been erected in the neighbourhood, and I submit that, if for no other reason than that of public health alone, the mortuary should no longer be allowed to remain where it is. The site, when sold, should sufficiently compensate for the expenses involved, as the value of land in that locality has risen to more than \$2 a foot as compared with about (at most) \$1 when the last official announcement concerning the site was made. Suitable sites are, I think, available in more isolated places, such as along the Pokfulum and Jubilee Roads, or somewhere in the neighbourhood of the Kennedy Town Hospital.

ROAD IMPROVEMENTS

I would bring to the notice of the Hon. Director of Public Works the gradient of that part of Queen's Road West between the No. 7 Police Station and the Gas Works, which renders motor traffic difficult and dangerous. The corner of Pokfulum Road and Queen's Road West immediately in front of that Station should be rounded off for the same reason. There is at present a private pavilion standing in the junction of Bonham Road and Park Road, which is a source of danger to the public. The site is somewhat in the shape of a triangle, with a very sharp corner on the west side. To make the place worse for traffic, the point is further sharpened by a rockery. The walls and the building on the site obscure the view of people or vehicles going up or down Park Road. Accidents, more or less serious, have already taken place at that spot, and they were entirely due to the existence of this pavilion. Park Road is very much used in going up to Robinson Road and from there down to Bonham Road. I strongly urge that the place should be at once resumed by the Government, or if that could not be done (though I do not see why), a considerable portion of it should be sliced off. It is not a question whether or not the traffic in that locality is such as will justify the cost of the resumption; it is a matter of public danger which will grow in the near future, when the new St. Stephen's Girls' College has been built in the immediate neighbourhood.

DEPORTATION ORDINANCE

I take this opportunity to say a few words in connection with the Deportation Ordinance, recently introduced and passed. Many Chinese view with alarm the possibilities of such an enactment. Under it, any one, whether he is a British subject or not, is liable to deportation by the mandate of the Executive. I do not say that the law would be enforced arbitrarily, but when it exists, it affords a chance—however remote—for its being so exercised. The law, as it now stands, affects certain sections of the Chinese more than it does any other people, more than even the English, for they can return to their native land, whereas the native of Hongkong and of the New Territories have their permanent homes in these two places only, and would have nowhere else to go to, if forced out of the Colony. I submit this point for the favourable consideration of the Executive so that the liberty and livelihood of the nativeborn of this Colony may be better assured.

EDUCATION

In conclusion, Sir, I may mention that the Chinese are now very keen on opening more vernacular schools for the poorer class of Chinese children. Since the opening of the Man Mo Temple school by Your Excellency many more schools have been founded all over the Colony but their number is still inadequate to meet the needs of the people. The grant for such schools is bound to increase in future years.

HON. MR. HO FOOK—Sir, I desire to endorse the remarks of my Chinese colleague in so far as they relate to the advisability of giving facilities for the development of the New Territories, removing the Mortuary, and exercising great caution in the banishment of a certain class of British subjects. It will be gratifying to the Chinese community to know that provision has been made in the Estimates for an increase of \$58,000 in subsidies to the elementary vernacular schools. Situated, as the Colony is, within a stone's throw of the mainland, compulsory education seems to me to be out of question unless it is enforced simultaneously in China, but I would

respectfully submit that it is the duty of the Government gradually to increase the vote for education from year to year until there will be enough schools for all the children whose parents desire to give them some education.

HON. MR. H. W. BIRD—Sir,—I wish to associate myself fully with the words which have fallen from my colleagues and to join in the congratulations to the Government on the Budget which is now before us. I propose to make a few further remarks which may or may not have the approval of the other unofficial members on matters which I consider of importance.

THE GOVERNMENT CIVIL HOSPITAL

I regret to see that further money is to be spent on the Government Civil Hospital,—a building which is a standing disgrace to the Colony. It has been said by Government Officials when the question of its removal has been mooted—"We can't find a site." I suggest, Sir, that a portion of Morrison Hill when cut down be utilized for the purpose and that an area sufficient to accommodate the Hospital and Lunatic Asylum be left so that the buildings when completed would be slightly above the others in the neighbourhood.

NEEDS OF CHILDREN

I hope the Government will make a new garden for the Peak children as soon as the new motor road is completed, their principal play ground having been destroyed.

Will the Government consider the advisability of providing seats in Statue Square so that the children who are so frequently seen in that neighbourhood need not have to sit in the gutters? A policeman might well be stationed there to prevent the seats being occupied by coolies.

KING'S PARK RIFLE RANGE

The question of the removal of the King's Park Rifle Range should be considered immediately, or failing its entire removal some alteration in the layout of the ranges should be made. Stray bullets, probably ricochets, have been found from time to time in the walls of the Kwong Wah Hospital, and the Steam Laundry, and I have with me a bullet that went through a window in the

latter building a few days ago at a height of 5ft. 6in. from the ground—about the height of a man's head. A coolie working on the roads in Yaumati was actually struck by a bullet recently and was luckily not seriously injured. It would seem to be possible to alter the direction of the ranges by placing them E. & W. instead of N. & S. as at present. Some change in the layout of the Kowloon Golf Course would probably be necessary.

INTERNATIONAL RACE COURSE SCHEME

It is to be hoped that the Government will give a sympathetic consideration to the scheme for an International Race Course and Recreation Ground at Little Hongkong. A track $\frac{1}{2}$ miles round could be laid out here with ample room for stands and stabling; the inside of the track could be utilized for football, cricket and baseball grounds. The recreation grounds of the Colony are at present taxed to their utmost and some fresh outlet is urgently needed.

LAND SALES

With regard to Land Sales, the Government was asked to dispose of land by private treaty in non-urban districts and we were told that the Government could not see their way to do so; they wanted to obtain the full value of the site—so I venture to make a further suggestion which is that the original applicant for the land should have the option of purchasing the site lot at the price at which it is eventually knocked down. I believe that this system obtains in Macao.

HOUSING PROBLEM

With reference to the Housing Problem, I would ask the Government to give more assistance to the prospective householder. At the close of your speech, Sir, when introducing this Budget and touching on the Housing Problem you remarked: "wide roads, good drainage, an adequate water supply, and cheap and efficient means of transport are some of the ends in view." The road programme in this year's Budget is a fine one, and I admit that roads are the first consideration, but I am afraid the Government does not always behave sympathetically or cooperatively with regard to the other items viz.: drainage, water-supply and transport. For instance, the Government will

sell a site and make a stipulation about the water supply that either damns the whole scheme or else it causes intense irritation to the building owner. I quite understand that the Government cannot be expected to carry a water or drainage service to every isolated spot on which some individual may choose to build, but I can quote a case in a district which the Government is fully aware is going to be built over to a large extent, and where they have undertaken to lay on a supply when they consider a sufficient number of houses are erected—yet they make the owners spend over a thousand dollars in taking his own pipe there to provide water. They have promised to provide the waters so why not do so at once? Whilst speaking on the subject of water supply, I suggest to the Government the laying of a pipe across the harbour at the earliest possible moment to bring water from the mainland. Only this year, in spite of the fact that we have had 16 inches rainfall above the average, the D.P.W., at one time seriously contemplated putting certain districts on the rider mains. The supply of water from the mainland is, I believe, inexhaustible, so the sooner we bring it across the harbour the better.

Another grievance against the Government on behalf of the prospective house owner is the upset price of land in outlying districts—that is to say for pioneers. The first lot sold in Taipo was sold at \$100 per acre, and that is a reasonable rate. No sooner was that lot disposed of than the price was immediately raised to 3 cents per sq. ft., with the result that no further land has been sold there since. It would appear, Sir, that the Government is afraid lest anybody should make any money out of these transactions. Pioneers in a district must have preferential treatment to compensate them for the risk that they run in investing their money in a locality which may turn out to be unsuitable.

COST OF BUILDING

The present cost of building is a subject which deserves more than a passing consideration, and I believe the Government could do something to help the public in this matter. There was a Societies Ordinance which prohibited the formation of trade societies without permission. That Ordinance was repealed, I understand, some time last year, and since then any number of societies have been formed in the building trade, all of which tend to increase the price of building and to keep new workmen from settling down in the Colony.

To give an example, I am credibly informed that any scaffold builder arriving in the Colony has to join the bamboo workers' guild, and has to pay an entrance fee of \$30. Now it will be readily understood that few men in that station of life have \$30 to spend in joining a guild; consequently new scaffold workers do not arrive, and this applies to other trades as well. I would ask the Government to replace the Societies Ordinance on the Statute Book

DUMPS FOR BUILDING MATERIALS

I was glad to see in the estimates a sum provided for a landing stage opposite Wing Wo Road, which is designed to be used as a temporary dump for building materials on landing. This will be welcomed by the contractors for they were always being harried by the police and fined for dumping materials on the Praya when landed from junks. One may be sure that the contractor takes this into account when making his tender and it is one of the items that go towards increasing the cost of building.

Another item which often is costly to the building owner is the disposal of surplus spoil during the formation of a site, and I would ask the Government to give more assistance in this matter and not impose such drastic conditions when any permit is granted. It is to be noticed when the Government builds a road the spoil is allowed to be dumped over the side apparently without let or hindrance—any private owner doing so is immediately mulcted in a fine. The matters I have mentioned if sympathetically dealt with would go far to help to reduce the cost of building in the Colony.

THE NEEDS OF THE SMALL SALARIED MAN.

Reverting once more to the Housing Problem it would seem that the most urgent need at the moment is to provide accommodation for the small salaried man, that is to say, small houses with gardens easily accessible are required at a rental of from \$50 to \$60 a month, including taxes; and I still maintain that the removal of the Dairy Farm is the solution of the problem. The tramway to Wanchai Gap will not help matters because the cost of building at that level is too high; also the sites (save a very

few) would not be ready-made and access to same would be costly. I would be the last person in the Colony to wish to interfere with the Dairy Farm Company's activities or to stunt its growth in any way, because I fully realize what a tremendous asset it is to the Colony, but I cannot and will not believe that it would fail to flourish elsewhere. It will take time and trouble but I feel sure that sooner or later its removal must come about. The Government Servants are now being provided with good houses at low rentals, and, as the Senior Unofficial Member said, it is to be hoped that the present programme will complete the supply as far as the Peak is concerned. Many of the firms have purchased houses for their staff and are letting them at reasonable rents, but apparently no provision is being made for the men to whom reference has been made, and whilst it would seem that accommodation on this side is preferable on account of accessibility, if the ground is not available we must look to Kowloon. The railway there from Hung Hom to the Tunnel mouth might be lined with small houses of the nature suggested—later on the foot hills around King's Park will doubtless be made accessible by means of roads. In this connection I would ask that the site suggested for the New Kowloon Cemetery be not adopted. Some day that valley will be required for a recreation ground and the hill and slopes surrounding it will be covered with houses. I agree with you, Sir, that we should take a long view of the future position both as regards the island and the mainland. The census shows a continued increase in the European and Chinese population, and it seems incredible that Hongkong should stand still. I may be accused of being over optimistic, but no pessimist I ever met was endowed with anything that seemed to encourage him to look upwards and enjoy the heights.

Both the uplooker and the down looker, Sir, may be apt to bump into the lamp-posts of reality, but I believe more good is done in the world by optimism than by the reverse.

HON. MR. A. G. STEPHEN—The senior unofficial member and my two unofficial colleagues have dealt so ably and in such detail with the various items of the Budget that I do not propose to do more than invite

your consideration to a few of the wider aspects of the finances of the Colony. Although this is considered generally to be a lightly taxed community, living expenses have increased enormously during the last fifteen years. Men of the Foreign Community of moderate means find it difficult to live decently and provide for the education of their families at home, while the labouring classes, although their wages have increased, seem no better off than they formerly were. Various factors account for this: since the war the value of money has decreased all over the world, but I think the principal reason here is the great increase in rents which has affected all classes, and I hope the Government will very seriously consider the remarks which have been made by Mr. Bird. The Government dealt with this question last summer—reluctantly I am sure, as it is, as a rule, not good policy to interfere with the ordinary law of supply and demand. But I think the root of the trouble should be sought for. It is a matter of common gossip that there is a ring of contractors here in combination which has forced up the cost of building beyond all reason. The price of one service to the community reacts on the price of everything else, and, until housing accommodation is available for all classes at a moderate rate, Hongkong can never regain its old reputation as a cheap port.

LIVING FROM HAND TO MOUTH

It appears to me that the Budget has hitherto been framed with almost sole regard to the amount of money which the P.W.D. can expend. Some months ago you raised the rates and when, in the course of a few weeks you found the P.W.D. were not likely to spend so much as was expected, you lowered them again. If you increase that establishment so that the Public Works in hand can be more expeditiously proceeded with, you will, following the precedent of recent years, have to increase your taxation to keep pace with their activities. I think that principle is entirely wrong; the Government is creating what will be an enormously valuable property in Kowloon and on this island by its various schemes of road-making and reclamation, and it is at the same time living from hand to mouth. No Municipality and no

Government I have ever heard of have attempted Extraordinary Public Works to the extent you do here and try to meet the cost out of current revenue.

SCIENTIFIC TOWN PLANNING

Hongkong is now, perhaps, the most important port, politically and otherwise, in the British Empire. It is the foundation of our foothold, of our influence in the Northern Pacific. It has grown out of all knowledge during the last 30 years, and if anything can be certain, it is that the progress of Hongkong must continue at a much greater rate in the future than in the past. Taking a large view, I think it is high time that the Government took in hand a scheme of scientific town planning. I have no doubt that the excellent but overworked officials of the P.W.D. have planned ahead considerably. Town planning is a special art, and they cannot be expected to devote enough time to this, even if any of them had the necessary experience. I would suggest, therefore, that a town planning expert should be engaged to draw up a scheme to provide for the expansion of the Colony for the next fifty years. Expenditure on Public Works could be regulated according to this plan, and it could then be decided what would be a fair proportion of the cost that the present generation should bear.

The Colony has no debt to speak of and assets of enormous potential value; so it is in a fine position and its credit stands very high, and if borrowing were found to be necessary, which it would not be for some years at least, it could secure money on most favourable terms.

LACK OF FORESIGHT

All the great British ports of Asia are suffering from the lack of foresight of past generations. Shanghai is in the same case, and enormously expensive resumptions of land have to be made to provide for increases in traffic. Our predecessors built as if they expected no development to speak of. The Dutch, on the other hand, had wider views; the Stadthouse in Batavia built 250 years ago is still efficient for the purpose for which it was built, and the town of Batavia and the other cities in Java are so planned that no expensive resumptions of land for street widening purposes are ever necessary. One of

the first things Americans did when they occupied the Philippines 20 years ago was to engage the great town planner, Burnham, to lay out Manila City, which is growing up on the lines laid down by him which provided for expansion for centuries to come. I think the time has come for us to follow their example and discontinue this hand-to-mouth policy. It will very likely be found that if we abandon the policy of scrambling to overtake the expenditure of the P.W.D., it may be possible in time to remit a considerable percentage of the present taxation.

HON. MR. A. O. LANG—Sir, Following the remarks of my Unofficial colleagues regarding the various questions raised in connection with the Finance Bill, I desire, in the first place, to record my appreciation of what has been achieved by the Public Works Department under very trying circumstances and with a depleted staff. The programme arranged for that Department, as set out in the Estimates now under discussion, is an unusually heavy one, and in my opinion, Sir, there is no reason why the present generation should bear the entire burden of this outlay. In spite of arguments to the contrary, I am by no means convinced that loans in respect of such undertakings are impossible, and I would request the Government to carefully consider that method of finance with a view to its adoption.

With reference to the Observatory, Sir, the Chamber of Commerce, and the Shipping and General community have a strong feeling that this Institution needs expansion, and would welcome some arrangement which would enable the Director to issue more frequent weather reports, particularly in the Typhoon Season, on the lines of those issued by the Manila and Siccawei Observatories. The two neighbouring Observatories frequently furnish information regarding typhoons ahead of the Hongkong Observatory, and this even in the case of conditions which more closely affect Hongkong. It is recognised, Sir, that with the institution of the new system of signals more elaborate daily weather reports have been given, but there have often been occasions when the community would have welcomed weather reports or signals from Kowloon out of the ordinary

when typhoon weather has been threatened in the China Seas and indications thereof have been received from Manila and Siccawei. The time has been reached, Sir, when the Observatory should give more frequent weather reports, and if the present state of affairs is due to deficiencies of plant, or funds with which to increase the service of telegrams, I would urge that a grant be made sufficient to provide for such equipment, etc., as is usually associated with modern Observatories.

I would renew, Sir, the representations to the Government on the matter of penalties to which Shipping is liable in the event of smuggling operations taking place on board vessels. It has lately been recognized by the Chinese Maritime Customs that they will not take advantage of the regulations which have permitted them in the past to levy fines on ships involved in smuggling cases. I would urge, as already represented by the Chamber of Commerce, that this Government should adopt a similar attitude, and where it is shewn that due measures have been taken by the Master, or his Officers, to check attempts at smuggling special consideration should be given to that circumstance, and fines not levied.

I maintain, Sir, in view of the fact that Alcohol is more or less a necessity for Europeans residing in the Tropics that the tax on Foreign Liquors is excessive, and I would, therefore, press for an immediate reduction. I am also of the opinion that the duty on Tobacco, which is more than ordinary creature comfort in this trying climate, might likewise be reconsidered, and, if taxation in substitution thereof is absolutely necessary, the Stamp Duty on Agreements for Sale of Property might easily be increased without unduly penalising the parties concerned in such transaction.

I should like, Sir, to take the opportunity of congratulating the Captain-Superintendent of Police on recent improvements in the Control of Traffic, which have added considerably to public safety; but further improvement is necessary in training men for that particular work. I would recommend that expert tuition in the regulation of traffic be arranged for at the Police Training School, and that the more efficient members of the Force be retained for duty in the busy centres of the City. I fully

realise that the Police alone cannot make a success of traffic control, and I would make an appeal to the general public, both Europeans and Chinese, to co-operate with the Authorities in this somewhat difficult task. There is one point on which I would like to lay stress, though it might not be considered to come within the strict definition of traffic work, viz., the inadequate provision of Police officials at theatres, cinemas and other places of public entertainment, and I would suggest, Sir, that the defect be remedied without delay.

The Harbour Police was the subject of a discussion at a recent meeting of the Committee of the Hongkong Chamber of Commerce, at which the Captain-Superintendent of Police, who kindly attended, outlined a scheme, which, if brought into effect, will result in increased police supervision and consequent reduction in pilferage from ships and lighters. It is satisfactory to note that provision has been made by the Government for two fast and up-to-date launches to facilitate this Harbour work, and I trust the combined efforts of the Police and the Shipping and Wharf Companies will prove successful in eradicating an evil which has become notorious in recent years.

Improvements in the Fire Brigade are also a source of satisfaction, and, with the completion of the New Station, with its up-to-date appliances and additional personnel, the service will be more in keeping with the requirements of a large city. I understand, Sir, that, in addition to the equipment already on order in England, the Superintendent in his report has recommended the purchase of a further motor-pump and a second turnable ladder, and, while I am fully aware that appliances of the nature indicated are expensive, it is imperative in a densely-populated place like Hongkong that safety should be the first consideration. It would appear that the water pressure in certain districts of Hongkong and Kowloon is totally inadequate, and this is a matter which should receive the immediate consideration of the Government, for without a suitable supply of water an up-to-date Fire Brigade is a mere waste of money. In view of the proposed expenditure on the Fire Brigade, I hardly feel justified in recommending

any further increase, but sooner or later the question of adding to the Fire fighting equipment afloat will have to be seriously considered. Negotiations are, I believe, at present proceeding with private concerns owning tugs, fitted with fire-pumps, etc., whereby the same will be available in case of any serious out-break on the Harbour, and while such an arrangement may be satisfactory as a temporary measure the acquisition of a modern motor fire-boat should not be lost sight of.

With regard to the Saiyangpun School, Sir, I shall be glad if the Hon. Director of Public Works will furnish us with definite information as to when a commencement will be made with the new building. I understand a pledge has given on two different occasions that this work would be put in hand without delay, but so far nothing has been done. It is stated that the School is now so hopelessly overcrowded that immediate action is necessary, and I would, therefore urge, Sir, that operations be started as soon as possible.

I understand that it has been customary for some years past for the Government to assist the "Alice Memorial" Hospital with an annual donation of \$300, but in view of the excellent and ever-increasing work carried out by that Institution. I would recommend that not less than \$1,000 per annum be voted in future.

In these times of unexampled commercial difficulties I congratulate the Government on being able to lay so satisfactory a Budget before the Council, covering, as it does, so many works and so much progressive development for the future good of the Colony. At the same time I cannot refrain from remarking that the degree of taxation is much heavier than in the past, and I venture to repeat the warning already submitted by the Chamber of Commerce that a halt should be called in the levy of increased taxation.

THE DIRECTOR OF PUBLIC WORKS said—There have been so many questions put this afternoon that I must ask hon. members to excuse me if I am not able to deal with them as fully and completely as I should like. Reference has been made to the very heavy programme of the P.W.D., and it has been said that we shall not be able to carry it out,

—that a good deal will be left over. I think that is likely to prove a very fallacious idea. This year, nearly every work that is shown in the budget is more or less in course of materialisation, and I do not think the hon. and learned member will have to complain next year that we are not asking for enough money. The tramway to Wanchai Gap may be extremely desirable and it has been pointed out that before the Peak tramway was opened only twelve sites on the Peak and six at Magazine Gap were occupied. There are none at Wanchai Gap, neither will the tramway open up a single site along this road. This scheme may very well stand over for a year or two more. The Road from No. 7 Police Station to the Gas Works, which has been referred to would hardly come under the head of "Public Works Recurrent." A scheme was evolved two years ago, but it awaits development of the land on one side of the road. To do anything before then would be too expensive. As to the Victoria Hospital Maternity Block, the amount, \$135,000, should not have been in the original estimate; it was intended to cover only that year's expenditure. The expenditure this year is \$286,000, of which the Maternity Block represents \$177,000. It is also proposed to remodel the hospital and staff quarters, which has not yet been commenced.

The traffic road from Wanchai Gap to Magazine Gap was put down at \$20,000 and was corrected in last year to \$76,000. I do not know why the \$20,000 was inserted. It does not approach the probable cost. There is a thousand feet of retaining wall with an average height of 15ft. and a maximum of 35ft. so that the estimates of \$76,000 which appears in this year's estimates is not an unduly high figure. The amount put in the estimates for Queen's Statue Wharf was \$96,000. This is the amount which it is anticipated will be spent this year; it does not include anything for the superstructure. The Government has proceeded with the piling while the drawings for the superstructure are being prepared. As to the Praya East reclamation scheme, the contractor has ordered Decauville wagons and rails and the requisite length and weight of rails for locomotives. Tenders for locomotive

wheels and axles are at present being considered by the contractors, and it is anticipated that orders for them will be placed this month, the whole to be delivered in four months' time. Meanwhile the Decauville wagons will be worked by manual power. The contract time of six years hardly seems too long for the scope of the work, although a great deal of the area will be brought into use before that time. As regards Coronation Road, the sum of \$12,000 will finish the work and it is anticipated that it will be finished by March next. With regard to the diaphone fog signalling installation at Waglan, only a small amount of building work is being done. The chief expenditure is in plant; therefore, no contract has been invited for the building. It is being done under the annual contract for small works and will be ready when the machinery arrives about the end of the year. As to the refuse dump at Cheung Sha Wan, instead of the total amount of \$40,000 only \$5,000, the amount which it is proposed to spend this year, is given.

With regard to the houses on Severn Road and the tennis courts there, this work was begun in November, 1919. The total expenditure to date is \$138,867, of which the tennis courts cost approximately \$17,000. As to the question "Why separate tennis courts?" it was considered that houses of this character should have a tennis court; moreover, we had to get filling for the road and this undoubtedly had an influence in arriving at a decision. There is a penalty clause of \$50 a week but it is not proposed to inflict the penalty as the delay in completing is not due to the fault of the contractor, but to nonarrival of stores from England. Moreover, it has only been a short delay. One house will probably be completed two months ahead of time, and two houses about a month behind time. The total cost is something under \$60,000, which I think members will agree is very reasonable for the character and quality of the houses erected there, and compares very favourably with other work of similar character. It has been said that it is inadvisable to spread money over so many items, but the number of contracts in the *Gazette* of the last few months shows how much work is unavoidable. It is not a case of a stupendous programme which has no chance of being finished in its entirety. Of course, several jobs will continue

into another year at least, but a great deal of the work in the programme will be completed.

As to the necessity of building houses for Government servants, I might mention that a man arrived a couple of days ago and there was no accommodation for him; he is living at the Hongkong Hotel at daily rates. We have been told that the Public Works Department sets up a high standard in regard to this accommodation. I do not think the buildings are any better than they should be, and there are no "frills." As to the report on the tramway to Wanchai Gap this related to levels and formation drawings, but did not refer to the equipment which would very likely be two or three times the estimate for the rails. With regard to the Un Long scheme referred to by the Hon. Mr. Lau Chu Pak, that has been receiving a great deal of consideration. Mr. Carpenter, the Assistant Director of Public Works, has been to several public meetings of the people interested but it is a big scheme and will take some time to bring into operation. It provides for bunding in a great deal of land and making it available for cultivation. One of the points that makes it difficult is that all the gentlemen in the district are not quite in agreement with Mr. Lau's scheme and they do not like it. It is taking a little time to persuade them which scheme to support. There is no question of enforcing the Building Ordinance all over the New Territory, but there are one or two places in which it would be better if it were enforced more than it is. Un Long, one of our biggest towns, is one of those places. A good deal of gambling and speculation goes on in the hope that Government will have to resume the land, and immediately it becomes known outside the office that a scheme of development is on hand, land seems suddenly to acquire more value. I understand that some of the poor villagers are buying land at \$300 an acre.

As to the mortuary at Sheklongtsui, this was, at first, more or less hidden away in the country. Then three or

not a case of a mortuary being set out down amongst houses; the houses came to the mortuary. The Government agreed to pay half the cost of removing it if the people interested would pay the remainder, and I note that one of the people concerned is now building close to the mortuary at Kowloon, and he told me last week that he is sending in a proposal asking the Government to remove that mortuary. Park Road, which has been referred to, is certainly narrow, and I think it is a pity that the site to which Mr. Lau referred was sold some years ago, but there are not many motor cars using the road.

As to land sales by private treaty, I am afraid the suggestion made by Mr. Bird would give an opening to a good deal of collusion. The suggestion as to Kowloon cemetery is receiving consideration and sketches for dealing with it are being prepared. With regard to the water supply a water pipe across the harbour is a thing that may possibly have to come in the future. The matter of scaffolding workers seems to be a real grievance at the present time. The prices being paid and the wages they are demanding certainly seem to me excessive.

As to dumping conveniences, provision is made in the Estimates, and it will mean practically doubling the Praya at certain points. The Government have given other facilities in the last or three years and we are getting a rather valuable reclamation at West Point by reason of it.

With regard to the Hon. Mr. Stephen's remarks about town planning, I would like to point out that the Government have not gone on the hand-to-mouth way that the hon. member suggested. There has been very complete town planning for Kowloon for many years, and I myself laid out a system of monuments indicating streets—some of them at that time in the sea—on the lines of the work I did at Brooklyn in the United States on a town planning scheme there. When you build a town like Victoria on the sheer side of a precipice I do not think English town planners would do very much better than we have done. As to resumptions, the number that we deal with for streets widening is insignificant. The Kowloon Town Development Scheme is a case in which land is privately owned by small persons and has to be resumed in order to be parcelled out

again under a town planning scheme. These are the resumptions which are bought up by speculators as soon as it is known the Government is coming in. As to water pressure as soon as the demolition work has been completed a big main will be brought down from the Reservoir into Kowloon and this will increase the pressure throughout the whole district. As to the Saiyingpun School I am hoping that an exchange of land will be arrived at within the next month.

THE COLONIAL TREASURER explained, in reply to the Hon. Mr. Pollock, why the sum of \$600,000 for the University did not appear as a liability in the statement of the liabilities and assets of the Colony. In regard to the question of loans he thought the best answer to the Hon. Mr. Stephen's remarks was that the Colony had no need of loans.

THE COLONIAL SECRETARY—At the opening of his speech the Hon. and learned member representing the Justices of the Peace referred to the form of the Estimates, especially as regards the abstract on pages 5 to 12, and asked that an extra column should be put in showing the revised estimate for the current year.

H.E. THE GOVERNOR—Page 5 contains information which the hon. member desires. The only question is whether it is worth while extending the system to pages 6 to 12. I am rather doubtful whether it will be so.

THE COLONIAL SECRETARY—The second suggestion that was that a column showing the estimated cost of works should be placed under "Public Works Extraordinary." It is sometimes possible to put in the estimated cost of works and sometimes it is not, and to put in an estimate which is quite inaccurate would probably be more misleading than having no estimate at all. The matter will be re-considered and it may be possible to put in a number of total estimates. Coming to the hon. member's remarks on the Wanchai tramway project and on the continuation of the road from Wanchai Gap to Victoria Gap, I would like to say, in the first place, that I suggested the making of the tramway to Wanchai Gap and had had it in mind for years before making the suggestion. I realised then that it probably

would not pay: it might prove an expense and would certainly yield no return on capital expenditure for a number of years. It would, however, be so useful in developing the district by carrying building material up to the surrounding area and would also be of use to a large number of passengers who would use it for getting to such a central point as Wanchai Gap and by visitors to the Colony that I now think we should get quite a good return from the beginning, and as development proceeded we should get some return on capital and be able to regulate the fares in the public interest. I realised that no private Company could be expected to embark upon such a venture, which would probably cost about four lakhs, and that therefore it should be done by the Government. I put the project forward and it has got to the length of the routes having been surveyed and certain plans for its construction having been prepared. Although at the Finance Committee it was omitted from the Estimates for next year it may be possible to finish the plans and to arrive at some estimate of the total cost. With regard to the Peak Road I can say that I personally had nothing to do with it. It was a project that never appealed to me, and I was with the hon. member in thinking it was wholly unnecessary. But I have become entirely converted, and I consider the road to the Peak and as far as Victoria Gap, and possibly in the future much farther than that, is an absolute necessity. I will refer to an answer given to the hon. member by the Colonial Secretary on April 14th. The hon. member asked whether the Government would take a vote of residents as to whether the road was required, and he also wanted to know what was the estimated cost of making the road when such estimate was obtained. The answer given was that "the Government is not prepared to take such a referendum as is suggested because the construction of the road has been approved by the Legislative Council. The road will be of the greatest value not only as a means of access to all parts of the Peak eventually by motor vehicles, but also it will reduce the cost of carriage of road and building materials to at least one-half the present price." I would ask the hon. member to note that "It may also have the desirable result of lessening considerably the employment of women and children in carrying burdens to the Hill district. The new alignment of the road will make it possible to construct branch roads connecting other portions of the Hill district with the lower levels." It was further stated that the Public Works Committee of the Council at a meeting held on October 8th, 1920, unanimously

recommended the construction of this road at an estimated cost of \$86,250. At a further meeting of the Committee held on January 13th, 1921, a change in the route was recommended at a revised estimate of \$118,000. Since then the unofficial members of the Council have considered most carefully the continuation of the road to Victoria Gap and have approved that being done. I consider it is essential that we should have this road, not only for the reasons already given in that answer but for other reasons. There is the question of access to the Peak during hours the Peak Tram is not running, urgent cases in which doctors are required, and the tremendous help it would be in removing baggage up and down the Peak at a very much lower rate than at the present time. I consider that in view of the Report on Child Labour, recently presented, that the removal of building material to the Peak at a very low rate and getting rid of the child labour used for its transportation is one of the chief reasons why this road is going to be of very great public benefit. Every day shows it is going to be a far more valuable asset to the Colony than it was ever thought or suggested it would be.

CHEUNG CHAU

The hon. member referred to the vote of \$500 for District Officer South and suggested it should be increased to \$5,000 for expenditure in the island of Cheung Chau. The \$500 is of similar character to the vote for the District Officer North for helping to carry into effect small public works such as small bridges and paths. It is a vote of a very special kind, and is doled out in quite small amounts. It is of great help to the people of the district when small work has to be done with their own labour and not under supervision. As regards Cheung Chau I appreciate very much what has been done by the few foreign residents there in the making of paths and improving the portion of the island in which they live, and if it should appear necessary to use public funds to supplement their efforts that can be considered and a special vote taken for the amount required.

YAUMATI FERRIES

The next question the hon. member referred to was the running of the ferries to Shamshuipo and Yaumati, and he wanted to know whether the Government was getting enough from those ferries. The sum they pay is a very considerable one, but before the period of the present lease expires, which will be fourteen months hence, the whole question will have to be very carefully considered. When the ferry was started quite a short lease was granted in order that the Government might have a free hand when the experiment had shown what was necessary in the future.

BUILDING OVER KING'S PARK

The hon. member mentioned the opening up of King's Park for building sites. Hon. members will remember the project we had for building about 40 houses but the project had to be dropped owing to the larger question of the transfer of military establishments, and the uncertainty as to what areas would be required.

As regards the large sum spent on providing quarters for Government I cannot quite follow the hon. member either in his statement or in his request to the Government at the end of it. The houses that are being built are expensive, they are being very well built because it has undoubtedly been proved that to build houses of good material, which will require only a very small outlay annually in repairs, is a far better policy than to put up houses which will always be a heavy expense. Some of the houses we have put up may be considered rather too large, and in some cases I think that is so, but I consider it not a bad thing to err a little on the side of being too large rather than too small. Besides, they are built in situations and in such a manner as to ensure the health of public officers and that possibly will make it unnecessary for officers to take leave as frequently as they have owing to reasons of health. As regards the Government building quarters not already projected, I can give no guarantee because there are a good many officers who have no quarters at the present time. The policy of building quarters was started on the suggestion of the Secretary of State for the Colonies, and we embarked upon it, and with the housing difficulty arising since I do not think there is any question if sites are available that we shall go on building quarters for public officers until we have housed the whole Service. I do not follow the hon.

member's argument at all.

HON. MR. POLLOCK — May I have an opportunity of answering that?

H.E. THE GOVERNOR—You will be out of order.

THE COLONIAL SECRETARY—In regard to buildings in the New Territories referred to by the hon. member on my left (Hon. Mr. Lau Chu Pak) very simple regulations have been drawn up. The last thing we desire to do is to harrass the people there, but if a man builds a house more than two storeys high we have some duty to those who live in the house to see that it does not fall down upon them. One point which the Hon. Mr. Bird referred to related to the water supply and the necessity of bringing a pipe across the harbour. The time may come when that may arise. I hope the hon. member does not suggest that because the Director of Public Works had thought it might be necessary to make use of the rider mains system in the Western district, that it was due to any shortage of water supply. We have an abundant water supply, but there happened to be a difficulty—a shortage of pipe. The means of getting water to that particular district when it was wanted were lacking. The question of bringing water from the mainland may have to be considered in a few years, as His Excellency stated in his speech on the Estimates.

The removal of the Dairy Farm is, I think, not a practical possibility. There are many reasons why it is inadvisable to remove the Dairy Farm from the island where there is such a vast population and where it has been carried on so satisfactorily. We may, however, get considerable areas at Pokfulum for building without injuring the work of the Dairy Farm in any way.

With regard to the proposal to build houses along the railway from Hunghom to the mouth of the tunnel, the Kowloon Tong scheme will provide for building houses at a low rent. Those who build there are to have the land prepared for them, and they will get it under certain restrictions.

The question of removing the site of Kowloon cemetery will be enquired into.

The hon. member representing the Chamber of Commerce referred to the possible increase of the Government contribution to the Alice Memorial and Affiliated Hospitals. That will be considered. It will probably be better if the Hospital makes an application if supported.

The question of an international recreation club at Little Hongkong is being dealt with very fully by the Government. The promoters of the enterprise have got all the information before them and it is now for them to say whether they will go on with it or not. I think it will be an excellent plan, but it will require considerable expenditure which I do not think was contemplated when they formulated the scheme.

COLONEL DAVY—The Hon. Mr. Bird has drawn attention to the danger of using the Kowloon Rifle Range and has given instances of certain narrow escapes. It may be, perhaps, a relief to those concerned to know that a few days ago the General Officer Commanding gave orders that as far as the regular troops in his Command were concerned no firing should take place on the range. Of course, if the Colonial Volunteer troops continue to use the range it will be on their own responsibility. As regards Mr. Bird's suggestion, it might be possible to divert the range to eliminate this element of danger. The project has not really been considered from that point of view, but I know the locality pretty well and I think I am right in saying that that suggestion is impracticable. The fact is that a rifle range in King's Park now is tantamount to a rifle range in Regent's Park, London. It is quite out of place. The fact that no actual fatalities have occurred is due to the fact that until quite recently the area behind the butts has been sparsely inhabited, but recent developments in that area have created a situation which was not contemplated before.

H.E. THE GOVERNOR — After the full discussion which has taken place, it may perhaps be unnecessary for me to deal very fully with any of the questions, but there are one or two points upon which I should like to make a few remarks. With regard to the statement read by the Hon. Mr. Pollock for himself and his colleagues as to inserting an additional column added "estimated expenditure to complete work" it seems to me that the Colonial Secretary rather misunderstood what was proposed. It looks to

me, I confess, as if that page would be somewhat overloaded if we were to insert that column. I think, on reflection, the hon. member will agree it is not necessary. The page already contains a column for revised estimates and also a column for the total estimated expenditure to the 31st December, 1921, and a column for the estimated expenditure for 1922. A very short exercise in the two primary rules of arithmetic will enable hon. members to discover whether the sums in the last two columns are greater or less than, or equal to, the sums in the column of revised estimates.

HON. MR. POLLOCK—That is so where the revised estimates are given.

H.E. THE GOVERNOR—I was just coming to that. It is perfectly true, as the hon. member has rightly observed, forestalling me, that on page 81 the revised estimate is blank throughout. That can be accounted for in one of two ways. Either the revised estimate is the same as the original estimate in which case it is unnecessary or it is impossible to give accurate figures. In that case it will be equally impossible to give a satisfactory figure in the additional column the hon. member requests. I think, therefore, that in order not to overload the page it will be better to leave the matter as it is.

The next paragraph deals with the question of the University. The Hon. Colonial Treasurer has dealt with the \$600,000, but I should like to refer to the matter again and to express my hearty support of the hope that no further additional financial assistance from the revenue of the Colony will be required by the University. I confess that I fear that during the next few years we shall be asked to expend further sums for the University, but at the present time I should be reluctant to recommend a further large expenditure from the public funds until the community have shown more generosity than they have so far. The University is for the interest of the community as a whole, and is a proper object for generosity on the part of wealthy men. I acknowledge with gratitude some considerable donations from members of the community, but I think the sums that we have received are a very small proportion of the sums we have a right to expect.

The question of linking up the Kowloon-Canton and the Canton-Hankow Railway has again been raised. I fear the position is exactly what it has been during the last few years. Until the disturbances in this district of China have been ended and until there is some prospect of getting a Government both able and willing to decide things for the good of China, as a whole, I fear the matter will probably remain in abeyance. I need hardly say that this Government attaches the greatest importance to the linking up of these two lines, but I feel that at the present moment the prospects of it happening in the near future are small.

With regard to the imperial wireless chain, hon. members were consulted in the matter some months ago in respect of certain financial proposals. We were asked, if I am not mistaken, whether we were prepared to guarantee any part of the expenditure and after consulting the Council we replied. We have not heard anything about it since.

The last paragraph of the joint remarks of the hon. members raises a matter of very considerable difficulty, and that is the question of Produce Exchanges which has occupied the mind of the Government already. It is, I think, impossible to exaggerate the evil which is likely to result from the reckless establishment of exchanges which are merely used for gambling and manipulating margins, and not for purposes of honest trade. Certain exchanges have been opened already in this Colony. I do not for a moment suggest that the remarks I have made necessarily apply to these, but it will be the duty of this Government to look very closely into the operations of any Exchange which either has started or is proposed to be started, and if I see reason to suppose that they are not being used for legitimate trade purposes but simply encouraging reckless gambling, such as you will see in Shanghai, I shall have no hesitation in asking the Council to give me any powers necessary to shut them down without regard to loss of capital by the persons who started business of this kind. I shall deal with them in exactly the same way as ordinary gambling houses.

The hon. member went on to make a few remarks of his own. The transfer of military establishment, as the hon. member is well aware, is a matter engaging our attention very fully. The hon. member quoted a remark of mine with regard to the sale of land on the road to Wanchai Gap. I said: "I may mention that one

piece of land opened up by the new road to the Peak sold a few days ago for \$80,000, which is exactly the estimated cost of completing the road to Victoria Gap." I think the hon. member rather misunderstood my meaning. The concluding words were used as an illustration rather than as an argument. I was not thinking that the land in question was on the Victoria Gap side of the road, but, looking at the road as a whole, I thought it was a curious and interesting coincidence that the amount obtained by the sale of land on that section of the road was equivalent to the estimated cost of completing it. I hope I did not really mislead the hon. member. He knows perfectly well my own views on the road and I am interested at last to find somebody who champions it. I am still waiting to find somebody who will admit that he started the idea.—(Laughter).

With regard to the quarters for Government officers, I am sure the hon. member did not wish his remarks to be taken as suggesting that Government servants in the Colony were overpaid either in actual cash or in passage money and provision of houses. If he thought so I can assure him he is wrong. The community in this Colony is extremely fortunate in obtaining the services of the officers for the salaries it pays them. There is probably not a single man in the Service who could not make twice as much money outside with no more exertion of time and brain.

The question of building houses is one to which I personally attach great importance for two reasons. The one was hinted at by the Colonial Secretary, and that was that if you want an officer to preserve his health it is desirable he should have a healthy house to live in. The salaries which are paid to officers in this Colony do not enable them to pay the rent charged for houses on the Peak, and if we charged rents for the houses which we are building commensurate with the reasonable return on the capital actually expended the same situation would arise. A commercial rent on any of the houses built would, in my opinion be more than any officer could afford, and I think, therefore, that the principle of making the officer pay a reasonable

amount for his accommodation — a system which is employed in most other colonies where Government houses are being built—is sound. If we did not, the only result would be you would have to raise officers' salaries in order to enable them to pay an adequate return on capital, and I would point out that would be objectionable even if the whole rent came back to the Government. As twenty per cent. of such additional return would be handed over automatically to the military authorities, I think you will agree with me that it would not be sound finance—(Laughter.)

The Hon. Senior Chinese Member raised one point which has not been dealt with, and that is the question of the recent amendment to the Deportation Ordinance. I understand there is a feeling among a section of the Chinese community that it was aimed at them. Of course, the first answer is that a man who is not a criminal has nothing to fear, and that if he is in doubt whether the action he is committing, or contemplates committing, will render him liable to deportation his wisest course obviously is to refrain from committing it. At the same time. I may say it is not intended really to deal primarily with Chinese. The world is in a disturbed state at the moment, and it is absolutely necessary that we should have the power to get rid of the presence in this Colony of Bolsheviks and revolutionaries of various kinds, whatever their nationality may be. I need hardly say that the question of banishing a man whose only home is here will not be approached without the greatest hesitation. If a man is only technically a British subject it will rest with him to prove by his good behaviour that he is worthy of being regarded as such. The Ordinance will certainly be used against him with the greatest care.

The Hon. Mr. Stephen raised the question of town planning to which the Director of Public Works has already replied. I must say I should hesitate gravely to employ the services of a town planning expert who has probably been only used to planning towns on the flat, and has never seen conditions such as we have in Hongkong, and would have to reside in Hongkong for some years at considerable expense before his advice would be of any use. If the idea is to lay out plans in advance the phenomenon already referred to by the Director of Public Works of the marvellous increase in the value of land along contemplated roads would make any system of development in the

future prohibitive in cost.

Reference was made to the old question of loans. I do not consider that the majority of these public works could properly be dealt with by loans. Although they are not recurrent, they are more or less of a recurrent character. There are some of them I would have no hesitation to meet by means of loans if it were necessary, but when we have balances I submit it is not sound finance to raise money in a market where everybody is bidding for money, and we shall do better to see how far the balances will carry us before we resort to loans. Of course, the question of harbour development will come on shortly, and that will cost a sum beyond any balances we may have. I think that is all the remarks I have to make. I have to express my thanks for the kindly and exhaustive criticisms you have made.

The Bill was then read a second time, and Council went into Committee to consider the Bill. The amendments indicated by the Colonial Secretary were made, and on the Council resuming the Bill was read a third time.

Indemnity Ordinance

With the consent of the Council, the second reading of the Bill intituled, An Ordinance to restrict the taking of legal proceedings in respect of certain acts and matters done during the war and to provide in certain cases remedies in substitution therefor was postponed to the next meeting of the Council.

The Adjournment

H.E. THE GOVERNOR—It is a little uncertain as whether there will be sufficient material for another meeting shortly, and I therefore propose that we adjourn *sine die*. Before doing so, however, I desire to draw the attention of hon. members to the fact that the Hon. Mr. Ho Fook, to my regret, has decided, that his private affairs will not permit him any longer to remain a member of the Council. I had received intimation of Mr. Ho Fook's decision some days ago and I was successful in inducing him to delay his resignation in order to be present at this meeting, for which I tender

him my thanks. I beg to thank him on behalf of the Council for the way he has assisted in past years in our deliberations, and express the regret of us all that he has found it necessary to withdraw himself from us in future.

HON. MR. POLLOCK—I should like to associate myself, Sir, with your remarks. The unofficial members have received very great assistance in the past from the Hon. Mr. Ho Fook who has done much useful work in the Council.

HON. MR. LAU CHU-PAK—In supporting your remarks, Sir, and those of the Hon. Mr. Pollock, I should like to say that by the retirement of the Hon. Mr. Ho Fook I shall lose a conscientious, capable and sympathetic helper. I never thought that he would retire before the expiration of his term of office, but it is some consolation to know that he retires with his vigour unimpaired to enjoy the rest that he deserves after so many years of strenuous work in public affairs.

HON. MR. HO FOOK—Sir, I am so deeply touched by the kind words which you have used in speaking of my retirement, that I do not really know how to express my thanks. Although I have had the honour of serving on this Council for only four years and a few weeks, it is now more than thirty years since I began to interest myself in public affairs of the Colony, and I feel that the time has come for me to retire and make room for a better man. I am ever grateful to you, Sir, and to my honourable colleagues for the kindness and courtesy which have always been shown to me, and it is with much regret that I am taking leave of the Council. I desire also to thank the Honourable Senior Unofficial Member and my Chinese colleague for their kind remarks which are more than I deserve. In conclusion, I should like to mention that both my Chinese colleague and I have learnt from experience that, in all Governmental matters affecting the Chinese community, the interests of that community would be best served by the two Chinese members approaching the officials quietly and tactfully instead of asking questions or proposing resolutions in the Council. Once more I think you, Sir, for your generous remarks.

FINANCE COMMITTEE

A meeting of the Finance Committee followed, the COLONIAL SECRETARY

presiding.

A Government House Vote

The Governor recommended the Council to vote a sum of \$1,100 in aid of the following votes:—

Governor, Other Charges:—

Furniture.....	\$ 600.00
Incidental expenses.....	500.00

Total.....	\$ 1,100.00

THE CHAIRMAN—This minute I held over at the last meeting. The expenditure has been very carefully gone into. These amounts will be sufficient to the end of the year.

Approved.

Praya East Reclamation Scheme

The Governor recommended the Council to vote a sum of \$27,465 on account of Public Works, Extraordinary, Hongkong, Praya East Reclamation Scheme.

THE CHAIRMAN—This minute was held over from the last meeting in order that the members of the Finance Committee might consider the policy to be adopted in this matter. It was a case of paying certain holders of marine rights. I think hon. members agree that the course proposed is the more practicable way.

Approved.

Motor Cars for Use of Officers

The Governor recommended the Council to vote a sum of \$8,000 on account of Miscellaneous Services, Purchase of two motor cars for use of Departments in Kowloon and New Territory.

THE CHAIRMAN—This has been considered and approved by members of the Finance Committee. The motor cars are for general use in Kowloon and the New Territories by the P.W.D., the Botanical and Forestry Department, the Education Department, and to some extent the Medical Department.

Approved.

Wireless at Gap Rock

The Governor recommended the Council to vote a sum of \$14,000 on account of Public Works, Extraordinary, Hongkong, Miscellaneous, Erection of Wireless Installation at Gap Rock.

THE CHAIRMAN—The cost of wireless installation at Gap Rock and the erection of the mast is represented by this item.

Approved.

Exhumations at Kai Lung Wan Cemetery

The Governor recommended the Council to vote a sum of \$425 in aid of the vote Sanitary Department, Special Expenditure, Exhumation at Kai Lung Wan Cemetery.

THE CHAIRMAN—This sum is required owing to an unexpectedly heavy bill from the Tung Wah Hospital for exhumations at Kai Lung Wan Cemetery.

Approved.

Crown Solicitor's Office

The Governor recommended the Council to vote a sum of \$4,100 in aid of the vote Crown

Solicitor's Office, Personal Emoluments.

THE CHAIRMAN—This sum is required owing to salaries in the Crown Solicitor's Office having been increased. The salaries for November and December 1920, were paid this year out of the current year's vote for personal emoluments. The revised exchange rates payable came in since and the general revision of salaries for subordinates reduced the balance under the vote from \$4,500 to \$435. There is a saving of \$1,350 out of \$3,000 for legal expenses.

Approved.

Motor Car Running Expenses

The Governor recommended the Council to vote a sum of \$500 on account of Miscellaneous Services, Motor Cars, Running Expenses.

THE CHAIRMAN—This vote of \$500 is the proportionate amount required during the year for running the two motor cars which are going to be purchased. It is estimated that \$5,000 will be required for a year and this is required for the remaining six weeks of this year.

Approved.