

22ND OCTOBER, 1925.

PRESENT:—

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

HON. COLONEL C. RUSSELL-BROWN, D.S.O. (Commanding Troops in China).

THE COLONIAL SECRETARY (HON. SIR CLAUD SEVERN, K.B.E., C.M.G.).

THE ATTORNEY-GENERAL (HON. SIR HENRY POLLOCK, K.C.).

THE COLONIAL TREASURER (HON. MR. C. McI. MESSER, O.B.E.).

HON. MR. H. T. CREASY (Director of Public Works).

HON. MR. D. W. TRATMAN (Secretary for Chinese Affairs).

HON. DR. J. B. ADDISON, M.B.E. (Principal Civil Medical Officer).

HON. MR. P. H. HOLYOAK.

HON. MR. A. O. LANG.

HON. MR. CHOW SHOU-SON.

HON. MR. H. W. BIRD.

HON. MR. R. H. KOTEWALL.

HON. MR. C. G. ALABASTER, K.C., O.B.E.

MR. A. G. M. FLETCHER, C.M.G., C.B.E. (Clerk of Councils).

New Member

Colonel C. RUSSELL-BROWN, D.S.O., took the oath, as a member of Council in place of H.E. The General Officer Commanding the Troops (Major-General C. C. LUARD, C.B., C.M.G.) on leave.

Minutes

The minutes of the previous meeting were confirmed.

Papers

THE COLONIAL SECRETARY — By command of H.E. The Governor, I lay upon the table the Report of the Superintendent of Prisons for 1924, and Sessional paper No. 16, Report of the Stocks and Shares Commission.

THE COLONIAL SECRETARY — By command of H.E. The Governor, I lay upon the table By-laws relating to Aerated Water Manufactories and move that they be approved.

THE COLONIAL TREASURER seconded, and this was agreed to.

Financial Minutes

THE COLONIAL SECRETARY — By command of H.E. The Governor, I lay upon the table Financial Minutes Nos. 80 to 87 and move that they be referred to the Finance Committee.

THE COLONIAL TREASURER seconded, and this was agreed to.

Finance Committee

THE COLONIAL SECRETARY — By command of H.E. The Governor, I lay upon the table report of Finance Committee No. 12 and move that it be adopted.

THE COLONIAL TREASURER seconded, and this was agreed to.

Aplichau Rates

THE COLONIAL SECRETARY—I beg to move the following resolution: "Resolved by the Legislative Council that the percentage on the valuation of tenements payable as rates for tenements in Aplichau shall be 7 per cent. as from the date fixed by His Excellency The Governor for the coming

into effect of this resolution, that is to say the 1st day of July, 1925." In moving the resolution I would remind hon. members that on May 14th last this Council passed a resolution fixing the assessment for tenements in Aplichau at 12 per cent. and H.E. The Governor fixed July 1st as the date for the coming into effect of that resolution. It was subsequently discovered that this rate was too high. There is no Government water supply in Aplichau, and owing to the delay in the arrival of the cable it was impossible to apply for lighting in Aplichau from July 1st, so that the fraction of the rating that could be charged for lighting could not be effective. Also the small fraction of $\frac{3}{4}$ % for fire should not be applied, because there is no water except that which can be taken from the sea and no Fire Brigade. The result of all this is that the assessment of 12 per cent. should only be 7 per cent. as from July 1st until the end of this year. I beg to move the resolution.

THE COLONIAL TREASURER seconded, and the resolution was passed.

Retaining Walls

HON. MR. P. H. HOLYOAK—Will the Government state what steps have been taken since the Po Hing Fong Disaster to provide for the regular inspection of old retaining wall? and

Will the Government indicate the expenditure, if any, necessary or contemplated in respect of retaining walls on unleased Crown Land?

THE COLONIAL SECRETARY — A systematic inspection of old retaining walls has been commenced. All the walls in the Taiping Shan District, together with many others situated on the lower and middle levels, have been already carefully surveyed; measurements and all other relevant data have been collected and conveniently tabulated for future reference and comparison. In several instances walls have been plumbed at intervals and diagramatic profiles plotted for further investigation. A similar inspection of walls in other districts of the city is at present in progress, and reports will be prepared as the necessary data are collected. Some of the walls already inspected are of

very poor construction—considerably more so than the wall South of In Mi Lane, which collapsed in July—and in certain instances the Public Works Department has already communicated with the owners—under powers bestowed by the Public Health and Buildings Ordinance—in reference to work which should be undertaken. No inspection, however careful, can of course provide against accident arising from distintegration below the foundations due to undetected subterranean water. After the completion of the systematic inspection now in hand, arrangements will be made for a quarterly return to be kept, giving particulars of any changes that may occur.

As regards retaining walls to Government works:—The vote for maintenance of public works covers expenditure on such retaining walls: no abnormal expenditure is contemplated.

As regards retaining walls in respect of which there is or may be a right to support for adjacent lots:—The Government is under no obligation to incur expenditure on repairs: the owners of such lots, if they consider repairs to be necessary, should apply for permission to carry out the works they propose at their own expense.

As regards retaining walls supporting the hillside:—In certain cases the Government may see fit to repair or reinstate such walls at the expense of the public funds although under no obligation to do so: contemplated expenditure of this nature has been provided for in the Estimates for 1926 under item Public Works Extraordinary 15.

Budget Debate

THE COLONIAL SECRETARY—I beg to move the second reading of the Bill intituled, An Ordinance to apply a sum not exceeding \$18,767,777 to the Public Service of the year 1926.

THE COLONIAL TREASURER seconded.

HON. MR. P. H. HOLYOAK—Your Excellency, it will perhaps be useful in discussing the Draft Estimates of Revenue and Expenditure for 1926, if in the first place I deal with Your Excellency's speech introducing the Budget before discussing

in detail such points as appear to us to call for further explanation or special reference. To commence with, we should like to congratulate you, Sir, on the extremely able and comprehensive survey of the past year and the present situation, as well as upon the statesmanlike budgetting which we have learned from successive budgets, to expect from you. Whilst sympathising with the difficulties of attempting any accurate forecast for the coming year, it has naturally been a relief to hear that "for the present, at any rate, the right course is to reduce expenditure rather than to increase income" and that, therefore, you do not think it necessary to provide for additional direct taxation for the present." We were glad to hear from Your Excellency that the Colony's revenue is already showing signs of improvement.

We most fully endorse Your Excellency's statement that "you cannot believe that the intelligent people of Kwangtung—a race which has been famous for centuries for commercial ability and practical sense—can be content much longer to put up with the oppression of a regime imposed from outside and supported by mercenaries from other provinces," and we too, believe that the traditional sound common sense of the people of Kwangtung, as well as the old-time, deeply sincere friendship between the Cantonese officials and people and the British Government and its citizens residing in Hongkong and China must before long reassert themselves, and conditions become once more normal for them and us. It is perhaps fitting at this stage to express the fervent hope that the Conferences about to commence in Peking will materially assist in reinstating normal relations with China.

BUDGET DETAILS

Turning now to the details of the Budget, we note for the first time that all junior clerks now come under the definite heading of "Junior Clerical Service." Whilst appreciating the explanation that this has been done for the sake of economy in time and labour, we are not fully satisfied that it is not preferable to debit these salaries to the various departments concerned, that we may arrive at definite knowledge of the cost of running each department.

TRADE STATISTICS

We note that a substantial saving, estimated at \$44,000, is to be made by the abandonment of the Statistical Department of the Imports & Exports Office, and I have been asked to make representations that this would be a very retrogressive step and that it should be avoided if at all possible. Personally speaking, I cannot imagine why this particular department has proved so expensive to run hitherto, and possibly upon reconsidering the matter, it may be found that it can still be carried on though at a far lower cost.

POLICE FORCE

We most cordially endorse your high appreciation of the zealous services of the Police Force during the trying period through which we have passed and would associate with them, both the Police Reserve and the Volunteers, not forgetting the wonderful voluntary service rendered by a very large section of the entire community, Chinese and Foreign alike, to maintain the essential services and normal life of the Colony. Indeed, thanks to the united efforts of all, so normal have things been kept to the casual eye that visitors arriving in the Colony have failed to realise, at first, that there was anything abnormal. Nor would I pass from this subject without a sincere and cordial tribute to the magnificent and heroic services rendered by the Fire Brigade and the Police, as well as by the St. John's Ambulance Brigade during the horrors of the recent Po Hing Fong collapse.

PUBLIC WORKS

We regret the necessary postponement of the work on the new prison on the Kowloon side and hope in the meantime that the noticeable reduction in crime and therefore the strain upon the accommodation of our present prison will continue to be experienced. In this connection there can be little doubt that the recent house to house visitations of the Police and Military have had a most salutary and wholesome effect, and we suggest that these might be, with advantage, still carried on, from time to time. It is welcome news that the new Kowloon Hospital is to be opened at last and that the

equally delayed Saiyungpun School is within sight of being opened. With regard to the postponement of some portion of the public works which it was intended to carry on, and more especially road improvements and developments, whilst fully appreciating the wisdom of "going slow" for the time being, it is our opinion that too drastic cuts are not advisable or necessary and that sufficient work should anyhow be continued to justify the carrying on of your present staffs, unless there are clear indications of Departments being seriously over-staffed. Whilst upon this subject I may add that we are in agreement with the principle of staff reductions where possible, but not at the expense of sending Home qualified Staff Officers, who, within 12 months, might have to be indented for again, and we are sufficiently optimistic of the future of this Colony to believe that you are justified in taking a risk in this connection. We should like to be assured that the water schemes in view will be pressed forward and especially that the mechanical filters at Bowen Road will not be dropped but installed at the earliest possible moment, in order that we may have the benefit of proved experience similar to that already gained in the Taikoo Sugar Refinery. And we shall be glad to know whether they have been definitely ordered and, if so, what system has been adopted.

MILITARY ESTABLISHMENTS

We have noted both from the estimates and from your own speech, Sir, that no provision has been made in connection with reprovisioning the Military Establishments and that you have reluctantly been obliged to notify the Secretary of State for the Colonies that we cannot take any further steps in the matter. We presume from this that the "Oakley Award" was not definitely accepted by the War Office and that there is, therefore, no obligation upon the Colony. Certainly, in view of the tremendous fall in land value, should the necessity arise at a later period, we may be able to come to more satisfactory terms than were possible at the time of Sir John Oakley's visit which coincided with the biggest land boom the Colony has ever known.

PORT DEVELOPMENT

We have been impressed with the heavy cost of the "Port Development Department" in comparison with the amount of work to be carried out, but it is the unanimous opinion of my colleagues that it would be an economy again to merge this Department with General Public Works Department, with the Director of Public Works in charge. We should further be interested in hearing whether the Government has yet formed any clear opinion as to a definite scheme for port development.

QUESTION OF LOANS

We are glad to find that Your Excellency is so whole-heartedly in favour of financing Public Works Extraordinary by separate short term loans — a policy which has been consistently advocated by Unofficial Members of this Council, especially by myself, for several years past. Nevertheless we agree with you, Sir, that the times are not propitious for raising money for Port Development or for Public Works Extraordinary by loans at the present time, but this should certainly be kept in mind.

It is fitting I should here refer to the generous and prompt response of His Majesty's Government to the appeal for financial assistance by this Colony, and to the very excellent effect it immediately had in restoring confidence and further our high appreciation of the neighbourly assistance offered by the Straits Government in this connection, which has profoundly impressed the entire community of this Colony.

HAWKERS' LICENCES

I pass now to more detailed reference and discussion of the "Draft Estimates" and in the first place I note that Hawkers' Licences have been reduced by \$10,000—and trust that this does not mean that fewer licences are being issued, more especially in view of the services which hawkers rendered to us during the earlier days of the strike. If a policy of reduction has been adopted I take this opportunity of placing on record the disagreement of the Unofficial Members.

FOOT NOTES

On page 11 there are large increases in rents of Government property, which are entirely unexplained by foot-notes. I may add that throughout the estimates this year there is, in relation to large sums budgetted for, a want of foot-notes, which in the past have been freely given.

REFUSE DESTRUCTORS

Under the heading of "Sanitary Department" Page 32, there is an item for an additional "refuse barge" at a cost of \$10,000. We have before this, and on more than one occasion, advocated employment of refuse destructors. The experience of the last few months has confirmed the opinion which we have advocated formerly, and we are unanimously of the opinion that *three* refuse destructors should be ordered, one for use at each end of the town and one for Kowloon. With regard to the removal of nightsoil, we would draw attention to the complaints which have been made from Wanchai and enquire how much longer the disturbed conditions of the Praya Road are likely to continue and whether temporary arrangements cannot be improved, so that sanitary work may be carried on without causing a serious nuisance. On Page 79, under the Public Works Department the item of \$222,411—showing an increase of \$44,311—for "total other charges" seems to call for some further explanation, and is another instance of want of sufficient foot-notes.

UPKEEP OF CARS

We should also like to know why the upkeep of motor lorries and cars has increased from \$11,000 to \$25,000 and at the same time we would enquire whether in view of the number of motor cars and transport lorries now being used by the Government Departments, there is, in the employ of the Government, a qualified Garage Manager and Mechanic who is responsible for overseeing this work, and whether the Government has considered an organised repair shop in view of the large capital sums now invested in these vehicles and the Fire Department.

I notice that on Page 83, under the heading of "Public Works Extraordinary" no revised estimated figures for 1925 are given, either on that page or succeeding pages, making any

criticisms of comparative figures impossible, and difficult as I can understand it is to estimate at present, it occurs to me that some fairly reliable figures could and should have been put in for guidance.

CHARITABLE SERVICES

Under the head of "Charitable Services" and the sub-head "Grants in aid of Charitable Institutions," Page 107, my colleagues and I are unanimously of the opinion that a supplementary vote of \$3,000—increasing it from \$2,000 to \$5,000—annually, might fittingly be made to the "Alice Memorial and its Affiliated Hospitals," which are doing, as your Excellency well knows, magnificent work amongst the poorer Chinese, and have done for many years past, and more especially do I venture to appeal for this because this Hospital has been more seriously hit than many other institutions by the financial conditions in the Colony and the unfortunate death of our lamented colleague Mr. Chau Siu Ki, who was one of its most ardent and generous supporters. I understand it was the intention of the hospital to increase its accommodation to cope with the growing need for additional beds but this has had to be abandoned for the present. I need scarcely remind you, Sir, that the institution provides an excellent training school for midwives for Government purposes. As Chairman of the Hospital for many years I can assure you that the unanimous recommendations of my colleagues are worthy of the Government's support.

We congratulate you on the very satisfactory arrangements made in connection with the John G. Kerr Hospital, Canton, for the treatment of mental cases. The fine work of this institution is unanimously and highly appreciated by us all and for many years past has been of immense service to this Government.

PREVENTION OF PIRACY

Whilst regretting it has been necessary to abandon the four armed "Patrol launches" which were manned by the Navy, we realise the necessity for this and have always considered that this protection should have been afforded by and is rightly chargeable to
t h e A d m i r a l t y .

We therefore hope your appeal to the Secretary of State that the heavy sums expended on these launches, by the Colony, should be repaid to us by the Admiralty since they were incurred in connection with the suppression and prevention of piracy which is and always has been considered essentially the work of the Navy.

THE FUTURE

I am one of those, Sir, who have absolute faith, that, notwithstanding temporary set backs, this Colony has a far greater future ahead of it than anything it has known in the past. Your whole administration here proves that you too have held that view and you have impressed us all by your wide views of the future and liberal preparation therefor. Someday we hope Lady Stubbs and you will be able to re-visit Hongkong and see the realised plans and visions of to-day.

HON. MR. CHOW SHOU-SON—Sir,—My honourable senior colleague has fully and ably represented the collective views of the unofficial members on the Budget, and it now remains for me to touch upon a few points affecting the Chinese alone.

HAWKERS' LICENCES

My Chinese colleague and I strongly urge that the number of hawkers' licences should not be further reduced. Last year I drew the attention of the Government to the matter, and I then said that in view of the urban area having recently been greatly extended, the number of licences might safely be somewhat increased. I also said that one effect of too drastic a restriction was to lead boys to break the law by hawking without a licence, as they must support themselves or assist their parents; and another effect—a much worse one—was to drive such boys into the streets, to get into mischief soon or late. We hope that the reduction in the estimates by \$10,000 is due to causes other than the intended reduction of these licences.

POLICE FORCE

I desire, on behalf of the Chinese community, to associate ourselves with Your Excellency's commendation of the splendid

work of our Police Force. They must have passed through very difficult times, and they have discharged their arduous duties with tact and efficiency. The work of our Volunteers and Police Reserves was also valuable, and has been much appreciated by the community.

VERNACULAR EDUCATION

I understand that while I was in England the Hon. Mr. R. H. Kotewall took up with the Government the question of improving our system of vernacular education; and it is a great satisfaction to me to see that provision has been made in these estimates for the establishment of a Vernacular Middle School at Saiyingpun. It is the opinion of many Chinese who have made some study of the subject, that there should be a graduated system of schools reaching up from the vernacular school to the Chinese middle school, and on to an enlarged and improved department of Chinese study in the University. In such a system great stress should, we think, be laid on the ethics of Confucianism which are in China, the greatest force for good. Any money which the Government may spend in this direction would in our opinion be money well spent, and also constitute social insurance of the best kind.

THE COLONY'S VITALITY

In presenting the Budget, Your Excellency asked for the support of the unofficial members for your policy of economy. I need hardly say that my Chinese colleague and I support Your Excellency most heartily. Last year, when the estimates were before this Council, we urged that strict economy should be exercised in all directions, so that, as I said at the time, when the rainy day came, as it was bound to come soon or late, we might be able to face the financial situation with equanimity. But our advocacy of thrift does not mean that we have lost faith in the Colony. Like our English colleagues, the Hon. Mr. Kotewall and I are firm believers in the Colony's vitality and its future. We believe that the cloud which is temporarily darkening our sky will, and must, one day roll away, when the sun will again smile upon a happy day.

In conclusion, I should like to congratulate Your Excellency upon the very able manner in which you have presented to us what must be one of the most difficult Budgets that a Governor of this Colony has been called upon to prepare. I sincerely hope that you will soon have the gratification and pleasure of seeing that your policy in regard to our finances has been completely justified by results. As this will be the last occasion on which the Hon. Colonial Secretary will be associated with our Budget, I should also like to take this opportunity to express appreciation of the courtesy and ability with which he, both as Colonial Secretary and as Officer Administering the Government, always participated in the discussions in connection with the subject.

HON. MR. H. W. BIRD—Sir,—I wish to endorse fully the remarks that have fallen from the Acting Senior Unofficial Member who has dealt with the larger matters at issue. As regards my further comments they represent my personal views which may or may not have the approval of my colleagues.

LICENCES

Under the heading of Licences, I suggest that the Government should bring pressure to bear so that the ferry service to Kowloon, Yaumati, and Sham Sui Po, is run considerably later at night. The Chinese are notorious for keeping late hours, and one of their reasons for not residing in the suburbs is the difficulty of transport. These remarks apply equally to the low level tramway; if the trams and ferries were arranged to run up till 2 o'clock in the morning I feel sure the strain on the housing accommodation in the centre of the City would be found to be considerably relieved. One cannot expect people to live in the outlying districts unless transportation is made easy for them.

LAND SALES

Regarding the Building Covenants with respect to Land Sales which may be falling due for fulfilment, I would suggest that in view of the tightness of money at the moment, owners should be dealt with leniently and extended time given for completion. It seems to me a wiser policy to have the Building

Covenant carried out even at a somewhat later date than to re-enter on the land.

FIRE BRIGADE

In infer, Sir, from your remarks in your speech that you consider the personnel of the Fire Brigade to be sufficient. In view of the fact that the work of the Brigade is practically divided in two by the Harbour, and that fires afloat have also to be dealt with, I regret that my views do not coincide with your Excellency's. One Superintendent and two Station Officers are estimated for, presumably one for Hongkong and one for Kowloon; besides these there are 10 Sub-Officers who, I understand, are not Europeans. Should the Station Officer be sick the control of a fire must be taken over by one of these Sub-officers.

POLICE

Under this Section there appears to be no item of expenditure in connection with the upkeep of the "essential services" register. May be it is covered by some other charges. If this is not the case I would urgently request that this register be kept continually up to date, and I feel sure that in view of the crisis through which we have passed employers of labour will gladly afford all the assistance possible by supplying the information required. Nothing can be truer than the adage "to be prepared for war is the best security for peace," and I know from personal experience what an asset that register was of late, and if continually kept up to date it can be even more so should circumstances require its use again in the future. Whilst on this subject may I specially endorse my honourable Colleague's remarks on the good work lately performed by all the volunteer workers—Military, Police and Civilian alike.

MISCELLANEOUS SERVICES

Under Miscellaneous Services are to be found various sums allocated for a number of highly useful purposes and I would suggest
t h a t t h e G o v e r n m e n t

renders assistance—not necessarily monetary—but by free grants of land in the New Territory for experimental farming—cattle, chicken and vegetable in order that we as a Colony may be more self contained and less dependent on others for our fresh food supply. There are thousands of acres of suitable land there which could be utilized for this purpose, and I believe if the Government were to shew its sympathy in such enterprise the pioneers would be forthcoming.

PUBLIC WORKS DEPARTMENT

Last year I drew attention to the entire lack of any attempt to indicate clearly the names of our streets. When later on I was asked to inspect some sample labels I had hope that action was about to be taken. On enquiry as to why nothing further had been done, information is given me that this very necessary work has now been cancelled, or at any rate postponed. It is inconceivable that the few thousand dollars involved would embarrass the Government, and I would ask that this work be proceeded with. Perhaps the twelve thousand dollars to be spent on the Geological Survey could be utilized for this purpose.

It is satisfactory to note that money is to be spent on more efficient lighting throughout the Colony, and it is to be hoped this work will be carried out without delay. Whilst on the subject of lighting may I suggest that the big banyan trees in Nathan Road be removed and replaced by small and more suitable trees. The cutting down of any trees is to be deprecated unless absolutely necessary, but these banyan trees, fine though they are in themselves, are unsuitable for lining roads. They grow too quickly and their roots spread too widely. The trees in question have grown to such an extent that they meet in the middle and entirely hide some of the street lamps. Moreover, they encroach to a considerable extent on the roadway.

No item appears to be allotted to the improvement of the road to Taipo, where there are several bridges which are positively dangerous to motor traffic. Let us hope no serious accident occurs before these bridges are widened and the approaches improved.

SANITARY DEPARTMENT

On many occasions the Unofficials of this Council have urged the adoption of refuse destructors, and I am glad to hear my honourable Colleagues pressing the matter again. We have been told in the past that these contrivances are not suitable for Hongkong. You will pardon me, Sir, if I say that answer does not satisfy me. I have it on good authority that these destructors are used to very good purpose elsewhere, and we should give them a trial. Mechanical contrivances of all description should be employed where possible so as to eliminate the human element as much as possible.

I am afraid, Sir, that none of my remarks suggest retrenchment, my excuse being that I cannot see that the financial situation is such as to necessitate applying the axe to works which are urgently required. In your Budget speech last year, Sir, you stated that you saw no necessity to maintain our balance at a higher figure than five million dollars. Our estimated balance at the end of this year is five million three hundred and fifty-five thousand. The maxim of cutting ones coat according to the cloth in hand is sound provided there is no more cloth available. This, however, does not appear to me to be the case. It is my opinion that the new assessment of the Colony, if efficiently carried out, will produce a bigger increase than has been allowed for. "Land sales" is admittedly a difficult item to estimate, but with trade resumed I believe there will be fresh application for land coming in almost immediately. This Colony has been foully struck below the belt, but we have not been "knocked out" or even nearly so, and therefore, it would seem there is no reason to display ourselves in garments too small for us.

THE ATTORNEY-GENERAL—Sir, I should like to make a few remarks on the subject of education in this Council. Perhaps in the recent Bolshevik campaign, which has been engineered from

Canton, and perhaps it would be more accurate to say from Moscow, nothing has more annoyed old residents, who have a real affection for this Colony and a firm belief in British fairplay, than the lying campaign of calumny which has misrepresented the British officials and the British business men of this Colony as riding rough shod over the rights of the Chinese and brutally, or imperialistically,—for that is the favourite word used—riding roughshod also over the rights of the Chinese here. Nothing could possibly be further from the truth. On the contrary the record of this Colony is one of sympathetic Government by three generations of hardworking officials of the highest integrity, and of friendly intercourse of three generations of British business firms with the Chinese in this Colony.

SANCTUARY FOR CHINESE

The wonderful prosperity which this Colony has attained and the manner in which Chinese have flocked here to do business, is a sufficient refutation of the gross slanders to which I have referred. Some years ago a former Land Officer of this Colony estimated that the Chinese owned fifteen-sixteenths of the landed property in this Colony, and it is a well known fact that their large land-owning still continues and also that they are the owners of a large proportion of the shares in our public companies. We have also the curious fact that the wives and families of some of the officials in Canton, who are now working against us, are actually receiving sanctuary here in our midst in this so-called imperialistic British Colony.

STRIKING COMPARISONS

I have in my hand a despatch of a former Governor, Sir William Des Voeux, dated October 31st, 1889, reporting to the then Secretary of State for the Colonies, on the condition and prospects of Hongkong, and in that despatch he points out with pride that our revenue for 1888—one and a half million dollars—was larger than in any former year. In 1924 our revenue was about 24 million dollars. Another item which Governor Des Voeux mentions is land sale receipts which amounted to \$160,000 as against nearly three million dollars received in 1923, a bumper

year. The population for 1888 he mentions as 160,000. Before the commencement of the recent unrest it was probably about 800,000.

A WONDERFUL TRANSFORMATION

In the concluding paragraph of his despatch, Sir William Des Voeux pointed out the wonderful transformation since we took over in 1840 of Hongkong from "a bare rock, with a fisherman's hut here and there" to a wonderful and busy and prosperous shipping port. In the last paragraph of his despatch he says as follows:—

"Hongkong has indeed changed its aspect; and when it is remembered that all this has been affected in Her Majesty's reign and indeed during a space of less than fifty years on ground in immediate contact with the most populous Empire in the world, by a comparatively infinitesimal number of an entirely alien race separated from their Homes by nearly the whole earth, and, unlike their countrymen in Australia and Canada, living in an enervating and trying climate; and when it is further remembered that the Chinese, whose labour and enterprise under British auspices have largely assisted in this development, have been under no compulsion, but have come here as free men, attracted by liberal institutions, equitable treatment, and the justice of our rule; and when all this is taken into account, it may be doubted whether the evidence of material and moral achievement, presented as it were in a focus, make anywhere a more forcible appeal to eye and imagination, and whether any other spot on the earth is thus more likely to excite, or more fully justifies pride in the name of Englishman."

THE TASK FOR THE SCHOOLS

The point that I wish to make now is that the Hongkong Government ought to make it its business to teach in its schools and in the University, the wonderful growth and prosperity of this Colony, owing to its liberal institutions, its equitable treatment of, and justice to, all races, and, starting onward from Governor Des Voeux's despatch to the

present day, to show how that same fair treatment of the Chinese has resulted in the immensely greater proofs of prosperity which are now before us to-day and which are the result of the cordial cooperation which has for so long existed and still exists between the British and Chinese in this Colony.— (Applause.)

THE DIRECTOR OF PUBLIC WORKS—
Sir, In reply to the speech of the Hon. the Senior Unofficial Member, it is much to be regretted that the work of strengthening main roads has had to be postponed and in some cases the maintenance votes have had to be reduced. It will be readily understood that such postponement and reductions in regard to the upkeep of Main Roads cannot be permitted for any length of time without serious deterioration and the ultimate heavy expenditure that will be required to bring them back to the present standard.

Provision has been made for the continuance of work on all items of the Shing Mun Valley Scheme (part 1) estimated to cost \$3,500,000 and everything will be done to expedite this scheme, until the completion of which it will not be possible to do without the restriction of the water supply both at Hongkong and Kowloon during periods in which there is an unequally distributed rainfall.

FILTER BEDS

The Contract for the Bowen Road Fast Gravity Filtration Plant has been let to Messrs. Patterson Engineering Co. The contract price including shipment and erection is £8,700. Reinforced concrete work and foundations will be extra. Drawings have not yet been received so that the cost for this work is not known. The contract is to be completed in 9 months. The capacity of the plant is three million gallons per day as compared with the output of the existing Bowen Road filter beds of $\frac{1}{4}$ million.

The Eastern filter beds are nearing completion. The total number of these beds is 11, all of which have been constructed. Five are at present in use as filter beds giving approximately an output of $1\frac{1}{2}$ million

gallons; 2 are being used as balance tanks and the remaining 4 are not yet in use. All the beds cannot be utilised as filter beds until the 5 million gallon Service Reservoir now in progress is completed.

PRAYA ROAD EAST

Mention has been made of the disturbed conditions of the Praya Road at Wanchai. Unfortunately the raising of all drains and sewers necessitated by the Praya East Reclamation has caused an upheaval of the roads in this District which has been complicated by the necessary removal of water mains, gas pipes, cables, etc. which had to be dealt with at the same time. As far as possible this unavoidable inconvenience to the public will be reduced to the minimum. The large open sewer running parallel with the old Praya wall is responsible for many of the complaints received but this matter has now been referred to the Port Development Department and it is hoped the contractor responsible will be able to keep this drain in a more sanitary condition in future.

MOTOR LORRIES AND CARS

The increase referred to on page 79 showing an excess of estimated expenditure of \$44,311 for 1926 under the head of Other Charges over that of 1925 is chiefly accounted for by the four items:

Incidental expenses quarries.....	\$7,600
Upkeep of motor lorries and cars	14,000
Upkeep of quarry plants.....	11,500
Electric lights and fans.....	5,000

The two increased items for Incidental Expenses for Quarries and upkeep of Quarry Plant amounting to \$19,000 were inserted to meet expenditure at the New Quarry at Tai Kok Tsui which was required for supplying materials for the strengthening of the Kowloon Roads, but since the strengthening of these roads has been postponed the Quarry will not now be required and there will be a saving of this amount.

With regard to the item for Upkeep of Motor Lorries and Cars, the increase is provided to meet the upkeep of additional Lorries, etc., which are now more than double the number on hand at the commencement of this year. The remaining increase of \$5,000 is t o m e e t t h e

upkeep of the increased number of fans and lights principally in New Buildings such as the Fire Station, Saiyingpun School, Sisters' Quarters, etc., which are nearing completion.

Provision has been made under Item P.W.E. 14 for converting an open ironshed at Wanchai Depot into a temporary workshop for carrying out repairs to lorries and cars, and a mechanical engineer has arrived, and will be put in charge of this workshop. It is hoped that in the near future, this Department will have a large general workshop with a fully qualified mechanical engineer in charge, but at present only small repairs can be undertaken at the Wanchai Workshop.

REVISED EXPENDITURE FOR 1925

The estimated revised expenditure for 1925 was not inserted in the Draft Estimates for 1926 because of the difficulty of arriving at the amount with any degree of accuracy in consequence of:—(a) Labour troubles; (b) The necessity for economy; (c) Ascertaining what claims would have to be faced from contractors if contracts were to be interfered with. An approximate estimate has now been made of the amounts that will be expended during 1925 on such works as appear in the 1926 estimates and these figures will be included in the final print of the estimates for 1926.

These figures could not be made available in time for Hon. Members' reference when considering the Draft Estimates for 1926.

STREET NAMES

In reply to the Hon. Mr. Bird's remarks I would state: With regard to Street Name Plates, this work had to be postponed. The design of these name plates was decided upon in consultation with the Hon. Mr. H. W. Bird and approved by Government in April last, and 89 Street Name plates (50 in Kowloon and 39 in Hongkong) would have been completed during this year. The preliminary work was in hand when the Strike prevented further progress. Since then, owing to retrenchment, all works not considered essential, and such works as could be cancelled without involving claims, have been stopped.

TAIPO ROAD

With regard to the dangerous bridges on the Taipo Road referred to, an item was tentatively proposed to be included in the estimates for 1926 for this work, but, owing to retrenchment, it had to be postponed. The necessity of improving these bridges is considered most essential together with the widening and improving of the approaches to them. The widening of all of the bridges between Castle Peak and Taipo Market has been taken in hand and should be completed by the early part of next year.

THE COLONIAL SECRETARY—Before I proceed to reply in any way to the comments on the estimates made by the Unofficial Members of Council, I would like to thank them, and especially the Senior Chinese member, for the personal references to myself in connection with Budget debates and estimates. I think this is the twelfth debate on the Budget of this Colony with which I have been associated, and I had the honour of introducing the estimates for the years 1914, 1919 and 1923. The progress and development of the revenue of the Colony, and the Colony's general prosperity during the nearly fourteen years since I came here has, of course, been extraordinarily gratifying to me and to the whole community. I have watched the progress of this Colony with the very greatest possible interest and although there is what I am sure we all feel to be a purely temporary slackening of that development, I am satisfied that if I am able to return to this Colony, even within a comparatively short time, I shall find all the big works under contemplation, in full swing again and an ample revenue to make provision for them. (Applause.)

JUNIOR CLERICAL SERVICE

I will now turn to the remarks of the Senior Unofficial member which have, so far, not been replied to. With regard to the transfer of the amounts for the Junior Clerical Service from the different departments to the end of the Estimates, this was done, as pointed out by Your Excellency when addressing the Council, as it meant a great convenience when clerks are moved from one department to another. It also gives the total cost of

that clerical service in a way which is desirable. We now know how much that service is costing us. Last year it was proposed to make this change shortly before the introduction of the Estimates, but I resisted it because I did not see how, in the short period available, it could possibly be done although I realised it was a move in the right direction. I do not think there is any great magic in knowing how much the clerks in one department cost in any one year, because you may have clerks in lower grades one year and in higher grades the next. A clerk may grow up in a department and reach his highest grade, but his successor may only be a third class clerk although suitable for the position. The same work would then be done at a lower rate. You cannot say that the clerical service of one department is going to cost so many thousand dollars and that it is necessary to spend that amount of money to get the work done efficiently. If you get a clerk who is particularly good, he may work up from \$1,200 a year to \$3,000. He goes on doing the same work because his knowledge is essential to that department. But, later on, when he is re-placed on retirement probably by someone else in the same department, the whole cost is altered without necessarily any reduction in efficiency.

TRADE STATISTICS

It is a matter of regret that the statistical department of the Imports and Exports Office has been for the time being abandoned. I may say—and I think the hon. Senior Unofficial member knows—that there was no great enthusiasm shown by those for whom the returns were particularly drawn up. If you enquire from the Superintendent he will tell you that they were not regarded as of very great value, and although we obtained annual results showing the trade of the Colony it is doubtful whether these results were really correct. They were based on information supplied by shippers. They looked very nice and those persons who like to see everything organised to this extent will, perhaps, think it a great loss that these returns are not now available. The work to be done necessitated the employment of a great many clerks at comparatively low salaries. It was practically a mechanical process and could not be done with less clerks than those employed. You

either had to have all of them or none at all.

LABOUR REGISTER

With regard to the register, of the value of which hon. members have had practical experience, that will, of course, be maintained by the Police but it is not necessary to show any special sub-department for this work. An adequate staff will keep that register up-to-date because the Government and the community realise it is an extremely valuable one, and experience has shown in what way it can be enlarged so as to add to its use.

REDUCTION OF STAFF

It has been necessary, of course, in view of the economies which we hope to effect, to reduce to some extent the staff of senior officers, particularly in the Public Works Department, but great care has been taken not to terminate the employment of any officers whose services may be required in the event of certain works being resumed. We have been particularly careful of that. It is extremely difficult to get sufficient officers for certain work and, therefore, when we have them after long waiting it is disappointing to have to get rid of them. I can assure hon. members that great care has been taken in going through the establishment and we have not terminated the employment of any senior officer or European overseer unless it would be absolute waste of money to continue his services. We have really strained the question to some extent and have retained some officers whose services will only be required if work is resumed which at present does not appear in the estimates.

HAWKERS' LICENCES

As regards the Hawkers' licences to which members have referred, I think it is realised that we have to maintain some proportion between the number actually required or who get some sort of livelihood from hawking and the block in the streets caused by hawkers' stalls in crowded parts of the city. I have resisted attempts by the Captain Superintendent of Police to reduce the

n u m b e r

below certain figures, and I have gone carefully into his arguments on this question of obstruction. The Senior Member of Council and the Chinese members can rest assured that this matter of Hawkers' licences will not be lost sight of. Unless there is real reason for reducing the licences, either owing to obstruction or to the fact that certain classes of hawkers are unnecessary, the number will not be reduced.

REFUSE DESTRUCTORS

The Senior Unofficial member and his colleague referred to the question of refuse destructors, and I may say at once that when I came to this Colony I came with knowledge of refuse destructors in the Straits Settlements and Malay States which made me think they were wonderful things to perform two offices—that of destroying refuse and supplying a very good class of manure. I tried to impress my views upon Sir Henry May and found him entirely unsympathetic. I considered I was in the right and thought they should be erected in this Colony. Since then we have called for reports from various places, and hon. members will remember that the Acting Colonial Secretary, Mr. Fletcher, in the debate on the Budget in 1923 referred to this matter. I am going to read you his remarks because they converted me to the opinion that refuse destructors here are unnecessary. Dealing with the matter Mr. Fletcher said:

"It was asked that we should have an incinerator for the destruction of rubbish. That question has been gone into exhaustively on three occasions, first in 1901, and again in 1906, when reports were laid on the table in this Council, and again in 1921. On each occasion we asked particulars of Singapore, Penang, Kuala Lumpur, and other towns and the replies were most discouraging because of the enormous expense. The capital cost of building runs as high as six and a half dollars per ton of rubbish consumed annually, against our cost of eighty cents for all our plant and material. The rubbish is largely of a light vegetable nature and it requires a third of its weight in fuel to consume and leaves a third in slag to be got rid of. The destructor requires complete renewal once every ten years.

The question of the disposal of the slag is also a matter of great difficulty. At Home it is very much used for road repairs, but here we have a much better and entirely accessible material in granite. Therefore, this slag would have to be carted away. It could be used in reclamation but it would have to be taken there. The nuisance of these collecting stations on the Praya would not necessarily be done away with. The town is very narrow and the destructor would have to be at one end or the other and all refuse would have to be taken along the streets as now. An incinerator must be more or less a nuisance to people in the neighbourhood, and I think it would cause much more trouble than the finding of an occasional cabbage leaf on a bathing beach now does."

That statement to my mind is convincing.

LATER TRAMS AND FERRIES

With regard to the question the hon. member has raised concerning late hours for the ferry service and trams, the Western ferry service is run under contract and I am perfectly certain that if the successful tenderer for that service considered it would pay to run to a later hour he would do it at once. Even if he would not do it merely for the comfort and convenience of those who liked to stay up very late at night, no doubt special fares could be arranged. Two o'clock in the morning was given as a suitable hour, but I really think that people who can afford habitually to stay out until that time for reasons of their own might be expected to be able to afford a motor boat. Trams stop at an early hour. I do not know and have never known the reasons. But the same remark applies to those people on the island who wish to remain up to such late hours for reasons into which we need not enquire—they might be expected to pay for a motor car. However, the companies might be approached to see if they would run later services. The ferry runs until one o'clock but that is only for Kowloon. The Peak trams run until 12 o'clock and it is always possible to arrange for a late car. Only the low level trams, therefore, have to

be considered. I am surprised that they stop at some extraordinary early hour—10.30 I think. That is a matter for negotiation with the Company.

LAND SALES

As regards land sales and the Building Covenant the Government recognises the difficult circumstances and wherever a man is obviously trying to carry out his covenant he will be treated leniently. Circumstances differ in different cases and it is sometimes difficult to know how to deal with these matters. Every case is considered very carefully and certainly there is no intention of imposing heavy fines and penalties at present unless there is an absolute disregard of the building covenant altogether.

FIRE BRIGADE

The personnel of the Fire Brigade is certainly rather a serious thing. The present remuneration does not appear to attract and it has been decided to raise it with a view to bringing up the Asiatic portion of the staff. Whether it will be necessary to increase that of the European officers has to be seen. The question of station officers has been gone into very carefully and it was not considered necessary to increase the number. The only reason given for an increase of station officers is that one might fall sick. But the senior Chinese members of the staff are very efficient and have shown themselves so on many occasions.

BANYAN TREES

It is very sad to think that these banyan trees in Nathan Road will have to go sometime. It is recognised that they will have to go when the service of 'buses is started. They have been carefully counted by the Superintendent of the Botanical and Forestry Department and they will have to come down. They were planted when the full width of the road was not required and their roots are now all over the place. No one dislikes seeing trees removed more than I do but these trees constitute a danger. If the branches are lopped on one side and not on the other it makes them unstable and it might mean an accident. There are 200 of them and they will have to go, but not at present. Their time will come

when we start strengthening the road and the 'bus service commences. I thank hon. members for their comments on the estimates. I am speaking for the last time in a Budget debate. We are all more or less in unity as regards the future prosperity of the Colony. (Applause.)

H.E. THE GOVERNOR—Gentlemen, the Director of Public Works and the Colonial Secretary, in a speech which may be described as his swan song, have dealt with most of the points raised. There are, however, one or two on which I should like to say a few words, prefacing them with the observation that if I had realised earlier that this was the last occasion on which the Colonial Secretary would probably attend a meeting of the Council I should have forestalled the remarks of the senior Chinese member. I did not realise that the Council would probably not meet again between my departure and that of the Colonial Secretary, and I should like at this point to take the opportunity of thanking him for the highly efficient manner in which he has served as Colonial Secretary for some 14 years in this Colony and for the entirely adequate way in which he has taken the place of Governors during temporary absences.

JUNIOR CLERICAL SERVICE

To come to more immediate points. The hon. Senior Unofficial Member referred to the question of classifying the junior Clerical service separately. The Colonial Secretary dealt with one point of view. Mr. Holyoak's point was that under the old system you could see the exact cost of a department. The answer is that you could not. At whatever figure the cost came out it was not the figure of the estimates because the cost of the clerks was bound to change in two or three months. If you will take the figure under a department in the estimates and add to it the figure given in the appendix, you will get a very much nearer approximation of the truth. But the truth in these cases lies at the bottom of a deep well. The clerical service grouped together saves considerable expenditure of time and stationery in the Treasurer's office and I confidently assure members that this change, for which I take entire responsibility, is a salutary and useful one.

The hon. member also mentioned the question of the abolition of the statistical department. I, like the hon. member and everybody else, am entirely unable to understand the enormous cost of this department, but it is perfectly obvious that the cost was far more than we were justified in paying for statistics which apparently were not required for the commercial community who took no interest in them, and whose accuracy could not be guaranteed in any way whatever. It may be possible, I understand, through a semi-official agency to provide statistics equally valuable at a reasonable rate, and that question will be gone into. At the same time there is a matter in connection with this subject to which I am sorry to have to refer. There is no question that the necessity of providing these statistics gave rise to a great amount of abuse. In connection with these statistics, permits were required for exports, and I have it on evidence I cannot reject that the necessity of applying for these permits was used by clerks of that department for purposes of obtaining what is known as "squeeze." Had I known of this matter before I should have had an investigation made at once, and I shall certainly not consent to the reconstruction of this department without that matter being investigated. I appeal to our Chinese colleagues to urge their countrymen to bring such cases to the notice of the Government. I am constantly receiving complaints of "squeeze" in the Government service, but no one will ever come forward and actually sign his name to a complaint. I cannot believe that these numerous complaints have no justification, but it is impossible for the Government to take action unless we can obtain clear evidence. I would ask the Chinese members to ask the Chinese Chamber of Commerce to report any such cases at once.

MILITARY LANDS

The hon. member referred to the unfortunate postponement or cancellation of the military lands arrangement. The Oakley award was merely a statement of the amount of money which was to be paid if certain lands in the occupation and possession of the military were taken from them. There was no obligation upon us to take these lands and no obligation on the military to leave them. The only point Sir John Oakley was asked to

decide was, in the event of our taking the land from the military what was a fair price to pay. If we do not take the land the question drops at once.

PORT DEVELOPMENT

The hon. member referred to the heavy cost of the Port Development Department. I think that the figures in the estimates do not quite indicate the exact facts of the case, because the heavy personal emoluments and other charges which amount to over \$100,000 look high in comparison with the actual expenditure on port works of \$605,000. I must point out that the work of the Department includes the whole of the Praya East reclamation. There is only a very small proportion of the total cost that is the Government contribution included in the estimates, and if the whole cost of these works were included it would reduce the ratio of personal emoluments to the expenditure of the department to a very low figure. Then you also have to take into account work in connection with the reclamation at North Point. I should strongly deprecate any suggestion of replacing this department under the Director of Public Works because it would not effect any economy. We are paying the Port Engineer precisely the salary that we should pay him as an assistant Director of Public Works and the staff of clerks and accountants would have to remain the same. I would remind hon. members that the main reason for the establishment of this Port Development Department was not that we had any doubt of the ability of the Director of Public Works to construct any works on the earth or in the water but simply because his time is employed so much on other matters that we thought we were not taking full advantage of his experience and abilities if he was tied down to work which might be done by other people. By relieving the Director of Public Works of the Port Development Department he is left at liberty to take more direct control over other matters. I think it would be a retrograde step to abolish the Port Development Department.

FIRE BRIGADE

The Hon. Mr. Bird's remarks about the Fire Brigade have been dealt with

by the Colonial Secretary. Mr. Bird said that if such and such was the case—I regret I did not take a full note of his remarks—our views did not coincide. Well, I am afraid our views do not coincide. (Laughter.)

NEW TERRITORIES

With regard to the question of farms in the New Territories I am not less pleased than surprised to hear that there are thousands of acres in the New Territories suitable for extensive cultivation. I can assure the honourable member that if he can find those thousands of acres which are not being put to the best possible use he will have accomplished a feat which the geological survey was not able to accomplish. I entirely agree with him as to the desirability of encouraging the inhabitants to grow fruit, vegetables, and so on. Not long ago, being in the village of Kam Tin, I endeavoured to interest the Elders in these matters, and urged them to endeavour to develop their district so as to supply pigs and chickens especially for this Colony. I said the Government would be happy to consider any proposals or suggestions which they had to put forward. The Elders listened to me with the customary politeness of Chinese Elders, and since then I have heard no more. I can assure the hon. member that the Government will take a sympathetic view of any practical scheme. Owing to the smallness of the area it is not possible to do much, but I have had one or two instances before me in the last few weeks which suggest that something might be done. For instance Mr. Soares interested me particularly in an excellent banana he is growing successfully at Un Long and Mr. Alves has established a flourishing ginger plantation in the same neighbourhood. Now that the attention of the public is being gradually turned to the New Territories we may see some development. If we do no one will be more pleased than I.

STREET NAMES

With regard to the question of street names I think last year I encouraged the hon. member to the extent of agreeing that the provision of street names would be useful, but I do not think we could possibly regard the placing of street names at all corners of

streets as a necessity. After all this is not such a very large place and even at times when the trams cease running I think most people know the street they are in. (Laughter.) The exact connection between street names and a geological survey escapes me. I deprecate any suggestion that the money provided for the geological survey should be used for any other purposes.

TREES IN NATHAN ROAD

With regard to the trees in Nathan Road, referred to by the Colonial Secretary, I quite agree with the hon. member that the banyan trees are most unsuitable and I shall be glad to see them removed. At present they do not appear to be doing any particular harm, and if we remove them now we shall have to spend a fairly considerable sum in replacing the road where the trees have been and generally making things tidy. It would be a mistake to put this work in hand considering that in a year or two we shall be improving and strengthening the roads. When the proper time comes I hope the D.P.W. will consider the advantage of planting *artocarpus integrifolia*.

With regard to motor traffic and the desirability of widening the bridges on the Taipo Road, I deprecate the idea that every road in this Colony should be of such a width as to encourage people to drive down them at the greatest possible speed. I suggest that a narrow bridge is only a danger if two people, driving at excessive speed, try to cross at the same time in opposite directions or the same direction. If drivers would exercise a reasonable amount of intelligence and forethought they would slow down naturally until one person had crossed the bridge. The practice of widening and improving the roads of the Colony just for the sake of trying out the powers of motor cars is not one with which I am personally in sympathy.

A SUITABLE RESERVE

The hon. member went on to suggest that economies could be carried too far, and said that in his opinion the financial situation was not such as to necessitate applying the axe to works urgently required and remarked that I s u g g e s t e d

last year \$5,000,000 as a suitable figure for a reserve. Speaking under the same conditions as last year I should repeat that, but speaking under the conditions as they exist I am by no means sure that I should. Five million dollars is a nice sum to have in hand for a rainy day when everything is going satisfactorily, and revenue meets expenditure but if your revenue for reasons beyond your control is extremely uncertain and may very likely come very far short of balancing your expenditure, I think it is desirable to keep your reserve as high as you can by cutting out all work not absolutely necessary. I trust and believe that in a few months, or a year's time at the latest, the Colony will be able to bring forward a supplementary list of works which will enable the hon. member to see the streets properly named and the other things he has suggested carried out, but at the present time I deprecate taking a too optimistic view of the situation which cannot be said to be entirely satisfactory.

EDUCATION

I have left to the last the question of education, which was raised by the Attorney-General, and by the senior Chinese member. I am afraid I was so wrapt up in the wonderful construction of my predecessor's last paragraph that I rather missed the exact meaning of the Attorney-General's remarks. I think, however, it must be admitted that something has gone wrong with education as applied to the Chinese from Western quarters, and that the part taken in recent events by students, who should be supposed to have acquired an intelligence beyond that of their uneducated countrymen, has shown that they possess less than the beasts which perish. I am inclined to agree with what I know is the view of the Director of Education. Our mistake has been in attaching too much importance to Western education, from which if you come to examine the matter closely, it is not clear that all Occidentals benefit very greatly. It is certainly a mistake that we have not paid more attention to the vernacular education of Chinese. I may tell you that the Director of Education is devoting much time to the discussion of this subject with my entire sympathy and support, and I hope that in due course it will be possible to provide a chain of Chinese education from the

vernacular schools for Chinese to a Chinese faculty in the University. I think I have dealt with all the points raised, but if there are any other points on which hon. members desire me to dilate further I shall be prepared to do so. (Applause).

HON. MR. HOLYOAK—I wish to reply to some of the statements which have been made, but at the outset I should like to say that the Unofficial Members did not realise that this would be the last occasion on which the Colonial Secretary would be present at the meeting of Council. If we had realised this we should certainly had made some reference to it and should have associated ourselves with the remarks which have been made by you, Sir, and by the Senior Chinese Member. I anticipated that he would be present at a later meeting and that we should have an opportunity of taking an official farewell then.

WATER SCHEMES

With reference to the question of water schemes I am glad to have the assurance of the Director of Public Works that those schemes will be continued. I must confess, however, that I was somewhat surprised to hear that Mechanical Filtration system in Bowen Road had been definitely settled without reference to the Public Works Committee, for the simple reason that the Director of Public Works knows well that this Committee went to the trouble of inspecting the Bell's Filtration system in use at Taikoo Sugar Refinery, and from that time on no report or reference has been made to it in connection with the matter. I learn now for the first time that the Patterson system has been adopted. I happen to know that this system is not in general use in England compared with the system we advocated which has been almost universally adopted at home and has given universal satisfaction. I submit that under the circumstances the report of the Water Engineer sent home to investigate the matter should have been submitted to the Public Works Committee before this system was definitely embarked upon. The explanation of the Director of Public Works in connection with my remarks

o n " O t h e r

Charges" really bears on the general subject of putting in large sums of money without definite explanations. On more than one occasion we have had to refer, in Finance Committee, to votes which had to be passed without sufficient explanation and this is part and parcel of the same thing.

H.E. THE GOVERNOR—I rather think that there is some misunderstanding. The figure quoted on page 79 of the estimates is made up of a very large number of items which are explained both in the draft estimates and in the annexure explaining the differences in the estimates. The hon. member should appreciate that the total covers some 40 items.

HON. MR. HOLYOAK — It might be appreciated by an accountant, but I am not an accountant.

H.E. THE GOVERNOR—The word "total," Other Charges, would seem to indicate that it was a total even to one who is not an accountant.

HON. MR. HOLYOAK—On the question of Praya East drainage I could not help noting the remark of the Director of Public Works that he "hoped" the contractor responsible would improve the position. Surely it is for the Director of Public Works to insist upon the improvement.

REFUSE DESTRUCTORS

With regard to refuse destructors, notwithstanding the fact that the Colonial Secretary has re-read to us the statement made in previous discussions I would beg you to note it is the unanimous recommendation of the Unofficial Members that refuse destructors should be experimented with.

TRADE STATISTICS

I am glad to hear that some arrangement may be made for the continuance of the figures in connection with the Imports and Exports Department. I was asked to raise this question by interested merchants who are, perhaps, more interested than they appear to be. The real fact is that in almost every other port in the world you have Customs. In

Hongkong you have none. Whilst it is true that the Chinese Maritime Customs function they do not function fully as far as Hongkong returns are concerned. If it was desired to find out in two years time what effect the strike had had on Hongkong trade it would be impossible to get the necessary information without these figures. The argument that the Import and Export figures are not reliable is no argument against the need for keeping them but is rather an argument against the method of compiling them. Without such figures it is impossible to make a comparison between one year and another and what is more important there is no means of comparing the imports into this Colony of competitor countries. They are part of world trade statistics and Hongkong should not be lacking in that respect. We do feel that the cost of the Department is preposterous and that the cost ought to be very much lower than it has been.

THE COLONIAL SECRETARY — There are a tremendous number of items and it is purely physical work in recording them.

HON. MR. HOLYOAK—With reference to the Taipo Road bridges, I agree with Your Excellency's remarks as to speed, of course, but for a long time past the first section of the Taipo Road has been a menace to safety. From a motorist's point of view—and I speak as one who drives,—the bridges are a positive danger. They should have been one of the first improvements undertaken. A large sum of money has been spent in this Colony during the past twelve months on roads which should have been spent on the main road in the New Territories leading to Taipo. We submit that the improvement of the road ought now to be amongst the first of new works undertaken. The first three bridges are extremely dangerous and very narrow.

THE COLONIAL SECRETARY — The bridges between the Reservoir and Shatin?

HON. MR. HOLYOAK—Yes. They are very dangerous however carefully you drive.

The Bill was then read a second time.

Council went into Committee to consider details of the Bill. No changes were made in Committee, and upon Council resuming,

THE COLONIAL SECRETARY moved the third reading of the Bill.

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

Governor's Farewell to Council

H.E. THE GOVERNOR—Hon. members of the Legislative Council.—It only remains for me to perform a duty which I approach with a keen consciousness of my inability to do justice to the occasion, that is to take leave of this Council over which I have had the honour to preside for the last six years. You will I trust forgive me if I do not take the opportunity of laying before you a full account of my stewardship. I am, as you know, no friend to long speeches and I do not think that the present juncture, when we have been compelled to abandon for the time being many of the works which I had hoped to see begun during my term of office, is a suitable time for such a review.

I am sorry that no great work has been affected in the Colony which will serve to remind our successors of my Governorship. I had hoped to see the Praya East Reclamation practically finished, and I had almost hoped to see the Military Lands question settled, but unexpected delays in the former case and unforeseen events in the latter have resulted in disappointment. I can only claim that the six years contain a record of steady progress. The arrears due to the period of stagnation during the war have been made up; the development of the Colony has until the last few months been regular and continuous, and my successor will be able, as soon as the present period of depression is over, to proceed confidently with many works which I had hoped to see inaugurated in my time.

I leave the Colony to my great regret at a time of trouble and difficulty, but I am confident that this shadow will soon pass and that Hongkong will resume the path of progress which will lead it to a prosperity far surpassing anything that it has yet seen.

A REVISIT

Mr. Holyoak has kindly expressed the hope that my wife and I may some day revisit Hongkong. I am afraid that for the next few years I shall be at a distance which will render a casual visit impossible, but in some sixteen years' time Hongkong will be celebrating the centenary of its foundation.

May I express the hope that the Government of the day will then invite me—if I am still alive I shall be one of the oldest surviving Governors of Hongkong—to take part in the celebrations and to see for myself how far the reality corresponds with my expectations.

RELATIONS WITH COUNCIL

But I do not want to take up your time now by discussing the Colony and its future. I should wish on this occasion to deal only with my relations to this honourable Council. We have worked together, gentlemen, for more than six years, and while I cannot claim that we have always been in entire agreement I think I may justly claim that we have throughout worked in the completest harmony and that, where we have differed, you have realised as clearly as I have realised, that on both sides the only motive that has actuated us has been a desire to do what each has believed to be the best for the interests of the Colony. I have valued my association with you more than I can say and it will always be one of my proudest memories that you have unanimously and repeatedly shown your confidence in me by asking that my term of office should be extended. If your request had been granted I should have been happy to remain, but, as this has not been found possible, I can only express to you my heartfelt thanks for paying me so striking a compliment.

PUBLIC SERVICE

I have also to thank you gentlemen, one and all, for the invaluable help which you have given me during these years by your advice and criticisms. It has been a cause of admiration and wonder to me that in a Colony such as this, where there is no leisured class, it has always been possible to find able and hardworking men who will sacrifice their time to the gratuitous service of the State. Membership of this Council has been no sinecure, and the Colony has cause to be grateful to all of you and to those other former members of the Council, who have been taken from us—such men as my dear friend Alexander Stephen, Montague Ede, Arthur Lowe, Lau Chu-pak, Ng Hon-tsz and Chow Siu-ki.

EXECUTIVE COUNCIL

I owe a special debt of gratitude to those of you who have served on my Executive Council, for I fear that I have on many

occasions taxed your patience to an unprecedented extent by long sittings. I have often felt that, although you did not say so, you must have thought that I was wasting your time in long discussions and by bringing before you matters which there was no statutory obligation to refer to the Executive Council. If so I can only ask you to forgive me for taking advantage of your goodwill. My reason has been that I have always believed that it is better to discuss things before they are done rather than after, and whenever possible to make sure that all aspects of a question are considered before a decision is taken. I am not so vain as to believe that I have made no mistakes, but I do feel justified in claiming that I have avoided many by this policy and that those long meetings have served the public weal.

CHINESE COLLEAGUES

May I, in conclusion, address a few words specially to my Chinese colleagues? I have valued very highly the confidence and friendship which has been accorded to me by Mr. Chow Shou-son and Mr. Kotewall and their predecessors. They have always been ready to come to me when asked to give me their advice on matters affecting the Chinese community, and they have done great service both to that community and to me by bringing personally to my notice anything in which the Chinese were specially interested and on which it was important that I should know their views.

You Mr. Chow Shou-son and you, Mr. Kotewall have rendered invaluable service to the Colony during the troublous times of the last few months. I know, better than most, the difficulties with which you have had to contend and the tremendous amount of work which you have done, and I feel that I should be grievously lacking in gratitude if I did not, on the occasion of this my last appearance in Council, take the opportunity of publicly testifying to your services and expressing the thanks of the Colony to you.

GOOD-BYE

Now, gentlemen, I have nothing more to say than to bid you good-bye and to wish you the best of all wishes for your future and for that of this honourable Council. I need not, I am sure, solicit on behalf of my successor a continuance of the kindness with which you have treated me and of the assistance which has been so readily given to me during my tenure of office. Good-bye. (Applause.)

HON. MR. P. H. HOLYOAK — Sir, — On

behalf of the Unofficial Members of Council I desire to express our great regret that this is the last meeting at which you will be presiding over our deliberations which have been characterised throughout by the utmost harmony even during critical debates. There will shortly be a more suitable occasion for us to refer to your great services to this Colony and at the moment I am confining my remarks purely to our relationship upon the Council. You have now served for a little over six years in this Colony and we have learned to appreciate the fair and open mind which you have invariably brought to the consideration of the various problems with which this Colony has been faced during your time with us, as well as the tact and courtesy with which you have handled the debates upon them.

In your first address on landing here, you stated that you invited criticism and advice from every quarter and the record of your term of office here proves that you have not only sought such advice but that you have been at all times open to arguments and willing to change your mind as new factors were brought to your notice. We venture to think that this factor alone has played no small part in the remarkable success of your Administration here.

During the first part of your time you were fortunate in dealing with times when the prosperity and revenue of this Colony were steadily increasing and everybody appreciates the fact that instead of taking a well earned, much needed and overdue home leave you remained on here when adverse conditions came upon us and that we have had your guidance and counsel during the somewhat trying conditions of the past few months. It is common knowledge that we would have been well content if your term of office amongst us had been extended and on no less than three occasions strongly urged this, but the Secretary of State has disposed matters otherwise and it therefore now only remains for us to wish you every success and happiness in your new sphere of action in Jamaica and in any other sphere of service with which you may be entrusted by His Majesty the King. Needless to say we shall all follow your future career with the keenest personal interest.

HON. MR. CHOW SHOU-SON—Sir,—I most heartily and sincerely endorse every word that has fallen from the honourable senior unofficial member. It is with the greatest regret that my Chinese colleague

and I am now bidding Your Excellency farewell in this Council. You have always been kind and considerate to both of us, and have been a real friend to the Chinese. One of your traits of character that has most profoundly impressed my colleague and me, if we may say so, is Your Excellency's readiness to seek and hear advice, and when you are convinced of the reasonableness and honesty of such advice, to change your own view, if necessary. Apart from the numerous acts beneficial to the community that have characterised your administration, the great stroke of statesmanship which you have made in regard to the £3,000,000 loan has proved you to be one of the greatest benefactors of the Chinese, and will for ever endear you to them. The various services which you have rendered to the community in general and the Chinese in particular, will be referred to at the public reception to be held at the City Hall in your honour, and all that I will now to do is to wish Your Excellency success and prosperity in the new sphere of usefulness in which His Most Gracious Majesty the King has been pleased to place you. Your generous remarks in reference to my Chinese colleague and myself have deeply touched us. If we have been able to render some useful service to the Colony since our appointment on the Council, particularly during the last four and a half anxious months, it was because we have at all times received such kind encouragement and generous support from Your Excellency. In bidding you, sir, farewell, may I ask you to convey to Lady Stubbs the high esteem, regard and good wishes of the Chinese Community.

Council then adjourned *sine die*.

FINANCE COMMITTEE

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

Incidental Expenses

The Governor recommended the Council to vote a sum of \$1,400 in aid of the vote Public Works Department, Other Charges, Incidental Expenses, General.

THE CHAIRMAN—The amount provided in the estimates is \$6,000, but owing to the stationery not having arrived from the Crown Agents early in the year, it was necessary to make purchases locally. Also there were some heavy bills from the Crown Agents for advertising in connection with new appointments. Both these items were

unforeseen and the deficit is expected to be \$2,500. Of this \$1,100 can be met by transfer to the vote Miscellaneous Services, Stationery leaving a sum of \$1,400 to be provided.

Agreed.

Cost of a Safe

The Governor recommended the Council to vote a sum of \$201 on account of Public Works Department, Special Expenditure, Cost of one safe for General Works Office.

THE CHAIRMAN—Three safes were obtained from England to be kept in store until required. One of these was sent direct to the General Works Office and other two are in store. It is necessary, therefore, to pay for one safe, and the cost is \$201. That is one third of the bill of the Crown Agents.

Agreed.

Police

The Governor recommended the Council to vote a sum of \$16,650 in aid of the following votes:—

Police, Other Charges:—

Clothing and accoutrements .	\$12,000.00
Incidental expenses	1,500.00
Interpretation fees	150.00
Transport	3,000.00
Total	\$16,650.00

THE CHAIRMAN—This expenditure has already been approved by the Finance Committee.

Drainage Works

The Governor recommended the Council to vote a sum of \$40,000 in aid of the vote Public Works, Extraordinary, Kowloon, Drainage, 83, Miscellaneous Drainage Works, (b), Main Sewer from Fuk Tsun Heung to Kowloon Tong, East of Railway.

THE CHAIRMAN—This expenditure has already been approved.

New Territories

The Governor recommended the Council to vote a sum of \$23,530 in aid of the vote Public Works, Extraordinary, New Territories, Miscellaneous, 124, Compensation and Resumptions.

THE CHAIRMAN—This expenditure has already been approved.

Kowloon Sites

The Governor recommended the Council to vote a sum of \$4,903 in aid of the vote Public Works, Extraordinary, Kowloon, Miscellaneous, 90, Clearing and Forming Sites to the West of Kowloon City Road.

THE CHAIRMAN — In September the Assistant Director of Public Works in charge of Kowloon found that an amount of \$7,260,40 had been charged to the wrong vote—to main roads, Kowloon, instead of clearing and forming sites. The Assistant D.P.W. overlooked the fact that the whole sum, instead of a part only, should have been redistributed. It is therefore necessary now to ask for the balance of \$4,903.

Agreed.

Prison Department

The Governor recommended the Council to vote a sum of \$6,700 in aid of the following votes:—

Prison Department, Other Charges:—

Cleansing and sanitary material.....	\$1,000.00
Incidental expenses.....	300.00
Light.....	3,500.00
Photography.....	400.00
Materials for repairs and renewals.....	1,500.00
	<hr/>
Total.....	\$6,700.00

THE CHAIRMAN — The first item, cleansing and sanitary material, \$1,000, is to pay for materials required for washing at Tung Wah Hospital, the opening of new halls at Laichikok and for disinfectants provided by the Medical Officer at Laichikok owing to an epidemic of dysentery. The \$300 is to pay for the funeral expenses of an officer of the gaol who died suddenly. The \$3,500 is due to the opening of the new halls at Laichikok; \$400 is due to increase of prisoners, and \$1,500 for repairs and renewals at Laichikok.

Agreed.

Treasury

The Governor recommended the Council to vote a sum of \$1,760 in aid of the following votes:—

Treasury:—

Treasurer's Office, Other Charges:—

Incidental expenses.....	\$235.00
Transport.....	25.00
Stamp Office, Other Charges:—	
Stamp, &c.....	1,500.00
Total.....	\$1,760.00

THE CHAIRMAN — Bigger stocks of revenue stamps are now being maintained.

Agreed.