

June 28th, 1928.

PRESENT:—

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT (HON. MR. W. T. SOUTHORN, C.M.G.).

THE HON. THE OFFICER COMMANDING THE TROOPS (COLONEL R. B. SKINNER, O.B.E.).

THE COLONIAL SECRETARY (HON. MR. E. R. HALLIFAX, C.M.G., C.B.E.).

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

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

HON. MR. H. T. CREASY, C.B.E. (Director of Public Works).

HON. MR. E. D. C. WOLFE, C.M.G. (Captain Superintendent of Police).

HON. MR. R. A. C. NORTH (Secretary for Chinese Affairs).

HON. DR. R. H. KOTEWALL, C.M.G.

HON. MR. A. C. HYNES.

HON. MR. C. G. S. MACKIE.

HON. MR. B. D. F. BEITH.

MR. H. R. BUTTERS (Deputy Clerk of Councils).

ABSENT:—

HON. SIR SHOU-SON CHOW, K.T.

HON. MR. J. OWEN HUGHES.

MINUTES.

The minutes of the previous meeting of the Council were confirmed.

OATH.

The Hon. the Officer Commanding the Troops (Colonel ROBERT BRUCE SKINNER, O.B.E.), the Hon. the Attorney-General (Sir HENRY EDWARD POLLOCK, K.T., K.C.), the Hon. Mr. CHARLES GORDON STEWART MACKIE, and the Hon. Mr. BENJAMIN DAVID FLEMING BEITH took the oath of allegiance on taking their seats as Members of Council.

PAPERS.

THE COLONIAL SECRETARY, by command of H.E. the Officer Administering the Government, laid upon the table the following papers:—

Regulations under section 2 of the Plants Ordinance, 1920, on April 26th, 1928.

Order under section 13 of the Merchant Shipping Ordinance, 1899, on May 2nd, 1928.

Rescission of the Order declaring Sourabaya to be an infected place.

Rules under section 32 (2) of the Railways Ordinance, 1909, on May 5th, 1928.

Regulation under section 17 of the Police Force Ordinance, 1900, on May 9th, 1928.

Regulation under section 3 of the Licensing Ordinance, 1887, on May 3rd, 1928.

Merchant Shipping Passenger Steamer Certification.

Rule under section 44 (1) of the Asiatic Emigration Ordinance, 1915, on June 1st, 1928.

Power under section 14 of the University Ordinance, 1911, on June 15th, 1928.

Regulation under section 2 (1) of the Passports Ordinance, 1923, on June 19th, 1928.

Regulation under section 11 of the Volunteer Ordinance, 1920, on June 16th, 1928.

Financial Returns for the year 1927.

Report on the Assessment for the year 1928-1929.

Report on the Finances for the year 1927.

Report of the Director of Education for the year 1927.

Report of the General Post Office for 1927.

Report of the Superintendent of Imports and Exports for 1927.

Report on the Kowloon-Canton Railway for 1927.

Report on the New Territories for 1927.

Report of the Registrar of the Supreme Court for 1927.

Report of the Secretary for Chinese Affairs for 1927.

Water Supply, Hong Kong (Sessional Paper No. 4 of 1928).

REPORT OF THE FINANCE COMMITTEE.

THE COLONIAL SECRETARY, by command of H.E. the Officer Administering the Government, laid upon the table the report of Finance Committee No. 6 of 26th April, 1928, and moved that it be adopted.

THE COLONIAL TREASURER seconded, and this was agreed to.

RESOLUTION.

THE COLONIAL SECRETARY moved the following resolution:—

That whereas application has been duly made by the Sanitary Board to the Governor under section 167 of the Public Health and Buildings Ordinances, 1903-1923, for the erection of a Public Latrine at Shumshuipo on the area situated to the South-east of

New Kowloon Inland Lot No. 460 and facing South on Boundary Street and opposite Kowloon Inland Lots Nos. 2026 and 2027;

And whereas such application having been duly approved by the Governor and a notification of the intention to erect a Public Latrine at such site having been duly published in three successive numbers of the *Gazette*, a certain owner and occupier of the property in the vicinity has objected to such erection;

And whereas such objection has been duly considered;

It is hereby resolved by this Council that the above mentioned site and the erection thereon of a Public Latrine be and the same are hereby approved.

He said—A memorandum and a plan have been circulated to Hon. Members to put them in possession of all the details. It is only necessary to say that the matter was carefully considered by the Sanitary Board before their original recommendation was made and has been reconsidered by them since in the light of the petition. The Board did not feel justified in varying the original proposal and it remains for a resolution of the Legislative Council to establish the position and to enable the work to proceed.

THE ATTORNEY-GENERAL seconded, and the resolution was passed.

DISTRESS FOR RENT AMENDMENT ORDINANCE, 1928.

THE ATTORNEY-GENERAL moved the first reading of an Ordinance to amend the Distress for Rent Ordinance, 1883. He said—The object of clauses 2 and 3 of this Bill is to make the goods of a firm as well as the goods of a person liable to distress. It very frequently happens that premises are let to firms and that the landlords do not know the names of the partners. Therefore, it is desirable to effect the amendments which are comprised in clauses 2 and 3 of this Bill.

With regard to clause 4, it appears that the issue of a distress warrant relating to land is a proceeding within the meaning of the New Territories Regulation Ordinance, and by reason of the provisions of that Ordinance there are certain complications in the way of issuing a distress warrant for land in the New Territories. As regards land in New Kowloon, I think Hon. Members will agree that the conditions prevailing in New Kowloon are very similar to the conditions prevailing in Old Kowloon and the Island of Hong Kong, and it is therefore proposed by clause 4 of this Bill to make the provisions of the Distress for Rent Ordinance extend to New Kowloon notwithstanding anything to the contrary contained in the New Territories Regulation Ordinance, 1910.

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

OBJECTS AND REASONS.

The Objects and Reasons of the Bill state:—

1.—The power of seizure given by the Distress for Rent Ordinance, 1883, is a power to seize movable property found in the apparent possession of the "person" from whom the rent is claimed. The term "person" does not include a firm, and it is therefore not possible to issue a distress warrant against a firm in the firm name. This is inconvenient because premises are often let to firms and the landlords frequently do not know the names of the partners. Section 2 of this Ordinance therefore amends section 15 of the principal Ordinance so as to enable a distress warrant to be issued to seize the goods of a firm. Section 3 of this Ordinance makes a consequential amendment in section 16 of the principal Ordinance.

2.—Section 24 of the New Territories Regulation Ordinance, 1910, provides that except by way of appeal no proceeding relating to land in the New Territories shall be commenced in the Supreme Court unless the Crown is a party, or unless the Land Office shall certify that the capital value of the land affected exceeds \$5,000 or that the annual value thereof exceeds \$500. There is one exception to this provision, *i.e.*, when the land in question has been exempted from the Ordinance under section 13 (2). It would appear that the issue of a distress warrant is a proceeding relating to land, within the meaning of the above Ordinance, and that the issue of a distress warrant is a proceeding in the Supreme Court. It would therefore appear to be impossible to issue a distress warrant for any part of New Territories except in cases falling under 13 (2), or under the exceptions in section 24 of the New Territories Regulation Ordinance. This is inconvenient in the case of New Kowloon, where in many cases the conditions are more similar to those of the old Colony than to those of the New Territories. Accordingly, section 4 of this Ordinance provides that the provisions of the Distress for Rent Ordinance, 1883, shall extend to New Kowloon.

DENTISTRY AMENDMENT ORDINANCE, 1928.

THE ATTORNEY-GENERAL moved the first reading of an Ordinance to amend the Dentistry Ordinance, 1914. He said—The object of this Bill is to transfer, for the sake of convenience of administration, from the Colonial Secretary to the Director of Medical and Sanitary Services the custody of the Dental Register and also the duty of receiving applications for entry into the register and otherwise making necessary changes in the register from time to time.

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

OBJECTS AND REASONS.

The Objects and Reasons of the Bill state:—

The object of this Ordinance is to transfer, for the sake of convenience of administration, from the Colonial Secretary to the Director of Medical and Sanitary Services the custody of the Dental Register, *i.e.*, the register of dental surgeons entitled to practise in this Colony, together with the receipt of applications for registration therein, and the registration of changes therein, from time to time, whether by way of admission, removal or restoration of dental surgeons.

**REGISTRATION OF UNITED KINGDOM PATENTS (AMENDMENT)
ORDINANCE, 1928.**

THE ATTORNEY-GENERAL moved the first reading of an Ordinance to amend the Registration of United Kingdom Patents Ordinance, 1925, and to make certain provisions with regard to letters patent granted under the Patents Ordinance, 1892. He said—By clause 2 of this Bill section 3 of the Registration of United Kingdom Patents Ordinance, 1925, is repealed and a new section 3 is inserted. Under the section of that Ordinance which is now repealed it was provided that application for registration in Hong Kong must be made within three years from the date of the issue of the patent in the United Kingdom. One effect of that section of the Ordinance of 1925 was to make it impossible to register here patents which were issued in the United Kingdom more than three years before the commencement of the new Ordinance. The present amending Ordinance relieves this hardship by providing that the time limit for making applications in Hong Kong shall, in the case of patents granted in the United Kingdom before the 1st of January, 1926, run from the 31st of December, 1925, instead of from the date of the issue of the patent in the United Kingdom. The amending Ordinance also extends the time limit generally to five years instead of three years. Thus in the case of old patents the parties applying will have up to the 31st December, 1930, which I hope Hon. Members of the Council will consider a reasonable period in which to make application for the registration of old patents. Clause 3 of the Bill is inserted by way of greater caution because notwithstanding the provisions of section 12 of the Interpretation Ordinance, 1911, some doubts have been expressed as to the continuance of rights acquired under the Patents Ordinance, 1892, which was repealed by Ordinance No. 13 of 1925. In particular some doubts have been expressed as to whether the right to register assignments, conferred by section 8 of Ordinance No. 2 of 1892 still subsists. To remove these doubts clause 3 of this Bill has been inserted.

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

OBJECTS AND REASONS.

The Objects and Reasons of the Bill state:—

1.—The Registration of United Kingdom Patents Ordinance, Ordinance No. 13 of 1925, was introduced on the instructions of the Secretary of State in order to carry out the recommendations of the British Empire Patent Conference, 1922, and of the Imperial Economic Conference, 1923. It provided *inter alia* that applications for registration in Hong Kong must be made within three years from the date of the issue of the patent in the United Kingdom. One effect of this is to make it impossible to register here patents which were issued in the United Kingdom more than three years before the commencement of the new Ordinance. The present amending Ordinance proposes to relieve this hardship by providing that the time limit for making applications in Hong Kong shall, in the case of patents granted in the United Kingdom before the 1st January, 1926, run from the 31st December, 1925, *i.e.*, the day before the commencement of Ordinance No. 13 of 1925, instead of from the date of the issue of the patent in the United Kingdom.

2.—The present amending Ordinance also extends the time limit generally to five years instead of three years.

3.—In spite of the provisions of section 12 of the Interpretation Ordinance, 1911, Ordinance No. 31 of 1911, some doubts have been expressed as to the continuance of rights acquired under the Patents Ordinance, 1892, Ordinance No. 2 of 1892, which was repealed by Ordinance No. 13 of 1925. In particular some doubts have been expressed as to whether the right to register assignments, conferred by section 8 of Ordinance No. 2 of 1892, still subsists. In order to allay these doubts section 3 of the present amending Ordinance has been inserted.

SUPPLEMENTARY EXPENDITURE IN 1927.

THE COLONIAL SECRETARY—By Your Excellency's command, I rise to move the first reading of a Bill to authorise the appropriation of a supplementary sum of \$387,599.33, to defray the charges of the year 1927. Financial minutes to cover the details of this sum have already in the course of 1927 received the approval of the Finance Committee and have been adopted by Legislative Council on report in the usual form. The Financial Minutes of the year are not confined to this total: a complete list is to be found in the column of the Draft Appropriation Account under the heading "Provisionally voted," but the sanction by Ordinance of a supplementary appropriation is required only for the sums by which each Head of Expenditure has been exceeded. Finance Committee is consulted and Financial Minutes prepared, for expenditure which can be met by transfers between the sub-heads under a Head of Expenditure but in these cases no further Legislative Authority is called for. Many Financial Minutes are therefore not included in the total now dealt

with. Further, as there may be savings under many heads, the Supplementary Appropriation Bill does not necessarily mean an addition to the originally estimated expenditure for the year, but may be only a re-arrangement of a part of the appropriation.

We are fortunate in being able to say that that is the position for 1927: and a reference to page 2 of the Treasurer's Report, circulated with the draft appropriation account will show the principal heads under which savings have been made, and that these savings more than balance the supplementary appropriation for which legislative sanction is now requested.

The Treasurer's Report gives the necessary detailed explanations connected with the revenue and expenditure, and I will not deal further with them: but I would draw your attention to the figures at the top of page 5 of the Report, which reveal the fact that in 1927 revenue for the first time since 1923 exceeded expenditure. The surplus-reached the total of \$499,471, whereas it was estimated at the beginning of 1927 that we should have to face a deficit of \$1,307,305 at the end of the year. The total revenue showed an increase over the estimate of \$337,139 only, but the expenditure was \$1,469,637 below the estimate, and economy was therefore the principal factor in the final surplus.

While great efforts were made to restore that political peace, which is essential to the trade and the financial prosperity of the Colony, a close watch was kept on expenditure to avoid any further encroachment on the Colony's surplus balances and the strictest economy was enforced so far as it did not involve loss of efficiency. There is in the draft appropriation account a list of public works which have not been carried out but they are not the urgent ones and can wait for better times. The list does not in any way mean that this hard worked Department has been idle: important work continually appears necessitating re-arrangement, and the final saving on public works extraordinary was \$739,873 on a total vote of \$3,706,264.

And even this saving is protected against the criticisms annually levelled at the Public Works Department for the items which are entered on the estimates at the beginning of a year and remain undone at the close: for in 1927 less than ever does the list of works left over represent a conservation of the time and energy of the Public Works Department staff. Urgent matters connected with the housing of the Shanghai Force more than took the place of the items postponed: and credit is due to the Department for the efficient manner in which it assisted in tackling this rush of extra work without too great an interference with its own more regular duties. Moreover, the work on the Shing Mun Valley Scheme did not stand still, but as you, Sir, explained last year, the expenditure is chargeable against the loan account and no longer appears as a charge against the ordinary revenue.

The Public Works Loan was duly floated last autumn and the sum sought, \$3,000,000, was very easily found: and the revenue is therefore relieved to this extent of expenditure for
t h e s p e c i a l o b j e c t s t o w h i c h

the loan is to be applied. But that is almost entirely a matter for 1928: 1927 was affected to the extent that the \$1,943,621.08 previously expended on the Shing Mun Scheme was not refunded to revenue from the loan as it might have been. The financial position made it possible for Government to delay demanding the refund: which was therefore also left over for consideration in 1928.

Towards the end of last year the tide began to turn towards better times, and the improved political conditions have continued to show a favourable effect on the Treasury Revenue ever since.

At the end of 1927 the surplus of assets over liabilities was \$3,985,761.57, as against \$3,486,290 at the beginning: and the liquid assets had increased by the same margin from \$1,400,000 approximately to \$1,900,000 approximately. Your statement, Sir, on the parallel occasion last year—that the Colony's position is sound, has therefore been further justified by the results of the working of 1927. The outlook is still more hopeful, and we have better grounds for looking with confidence to the future. But it still remains true that the most careful economy is essential and will be essential for some time to come. We are, however, making headway and are justified in the hope that the worst of the storm has been safely weathered. And the manner in which it has been weathered constitutes a tribute to Sir Cecil Clementi, to his continued efforts for the restoration of normal commercial relations and to his sound and economic administration of the Colony. I now formally move the first reading of the Bill.

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

Council adjourned until July 12th.

FINANCE COMMITTEE.

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

Items totalling \$244,450 in Message No. 7 to the Finance Committee from H.E. The Officer Administering the Government, were considered. All the items were approved.
