

23rd September, 1929.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR (SIR CECIL CLEMENTI, K.C.M.G.).

HIS EXCELLENCY THE GENERAL OFFICER COMMANDING THE TROOPS (MAJOR GENERAL J. W. SANDILANDS, C.B., C.M.G., D.S.O.).

THE COLONIAL SECRETARY (HON. MR. W. T. SOUTHORN, C.M.G.).

THE ATTORNEY GENERAL (HON. SIR JOSEPH KEMP, K.T., K.C., C.B.E.).

THE SECRETARY FOR CHINESE AFFAIRS (HON. MR. R. A. C. NORTH).

THE COLONIAL TREASURER (HON. MR. M. J. BREEN).

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

HON. COMMANDER G. F. HOLE, R.N. (Retired) (Harbour Master).

HON. DR. A. R. WELLINGTON (Director of Medical and Sanitary Services).

HON. MR. T. H. KING, (Captain Superintendent of Police).

HON. SIR HENRY POLLOCK, K.T., K.C.

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

HON. MR. R. H. KOTEWALL, C.M.G., LL.D.

HON. MR. A. C. HYNES.

HON. MR. W. E. L. SHENTON.

HON. MR. J. P. BRAGA.

HON. MR. S. W. TS'O, C.B.E., LL.D.

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

MR. E. I. WYNNE-JONES, (Deputy Clerk of Councils).

MINUTES.

The minutes of the previous meeting of Council were confirmed.

PAPERS.

THE COLONIAL SECRETARY, by command of H.E. The Governor, laid upon the table the following paper:—

Report of the Auditor, Hong Kong, on the Audit Office, 1928.

FINANCE COMMITTEE'S REPORT.

THE COLONIAL SECRETARY, by command of H.E. The Governor, laid upon the table the report of the Finance Committee, No. 12, of 19th September, 1929, and moved that it be adopted.

THE COLONIAL TREASURER seconded and this was agreed to.

DISTRESS FOR RENT AMENDMENT ORDINANCE, 1929.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend further the Distress for Rent Ordinance, 1883." He said: The first schedule to the principal Ordinance fixes at 50 cents a day the amount recoverable by the Government in respect of the services of watchmen employed on distrains. That amount is less than the amount which the Government nowadays has to pay to the watchmen. There is no power at present to amend the schedules, so this Bill proposes to amend the principal Ordinance so as to give the Governor in Council power to amend the schedules in any manner whatsoever. The schedules, besides providing for watchmen's fees, provide for the fees which are paid in respect of distrains, and prescribe forms. I beg to move the first reading.

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

Objects and Reasons.

The "Objects and Reasons" for the Bill were stated as follows:—

The First Schedule to the Distress for Rent Ordinance, 1883, Ordinance No. 1 of 1883, provides that where watchmen are kept in charge of property distrained 50 cents per day must be paid per man by the landlord. At the present day it is impossible to secure suitable watchmen for less than 60 cents a day. There is no power in the Ordinance to amend the Schedules. This Ordinance inserts in the principal Ordinance a section giving the Governor in Council power to alter either of the Schedules in any manner whatsoever.

POLICE FORCE AMENDMENT ORDINANCE, 1900.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the Police Force Ordinance 1900." He said: The titles of some of the superior officers of the police force are about to be changed. The head of the Force is to be called Inspector General of Police. A new deputy to the chief officer of the police force is to be appointed. Other titles are also to be changed. These alterations of title will require the amendment of various sections of the Police Force Ordinance, and sections

two, three, four, nine and thirteen of this Bill propose to effect the necessary changes. I may say that the name of the chief officer of the police force is to be changed not in order to give him a more high-sounding title but in order to secure uniformity of title with the title of other officers of similar standing in many other Crown Colonies. Instances of Colonies where the title "Inspector General of Police" is used are Ceylon, the Straits Settlements, Jamaica, Trinidad, Mauritius, the Gold Coast, Nigeria, Fiji, Barbadoes and British Guiana. Barbadoes has a police force of 400, about one-fifth of ours, and British Guiana a population of 300,000, say a third of ours. It is advisable for general reasons to maintain uniformity on this point. There is also a special reason connected with recruiting. When young men are joining a service they naturally think of the chances of ultimate promotion and very often they have to judge those chances on insufficient information. It would be very unfortunate if Police Cadets joining the police services of the Crown Colonies in England were to be misled by any inferior sounding title of the head of the Hong Kong police force and thereby be induced either to postpone Hong Kong to other Colonies or to refuse Hong Kong altogether. Those are the reasons why the title of the head of the force has been changed.

To return to the Bill. Clause 5 gives statutory recognition to the practice of having a probationary period for police recruits and provides that probationary officers may be discharged during that period if they prove unsatisfactory. I would draw the attention of hon. members to the fact that clause 5 has been altered since the Bill was circulated. The alteration is the insertion of certain words after the word "probationary period" in the proposed new subsection (2) which will now read "such period of engagement may include a probationary period which shall not exceed six months." That limitation has been proposed by the Captain Superintendent of Police in the interests of the men themselves, as he feels that the head of the police ought to be able to decide within six months whether a man will be a satisfactory recruit or not and ought not to keep him hanging on for nine months or a year.

I should also mention that in clause 3 a slight alteration has been made to correct a slip in the words proposed to be inserted in section 3 after the words "Superintendents," and before the words "probationers." The words "Assistant Superintendents" now appear.

Clause 6 of the Bill gives the Governor power to grant to the European police a free passage in special cases before the completion of the usual statutory period of service. There, again, there is an alteration in the Bill. The clause originally read, "It shall be lawful for the Governor to grant a passage before the completion of four and a half years resident service." That should be "four years resident service." The words "and a half" have been deleted.

Clause 8 of the Bill deals with the sections of the principal Ordinance which refer to the power of making regulations. They are unsatisfactory as is explained in the Objects and Reasons in detail. In future it is proposed that all the police regulations, which do not impose any obligation on the public at all but are purely matters for the force itself, shall be made by the head of the force, but all regulations made by him will be circulated to the members of the Executive Council and the Governor in Council will have power to amend them in any manner whatsoever or to rescind them. These regulations will, in future, not be gazetted because, as I say, they do not impose obligations on the public but only on the members of the force.

Clauses 10, 11 and 12 adopt recent provisions of the English statute law relating to bail, arrest, and the discharge by officers in charge of police stations on recognizances where the officer in charge considers that further enquiry is necessary and he cannot complete that enquiry forthwith. These are all provisions which appear now in the English statute law and we are adopting them here. I beg to move the first reading.

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

Objects and Reasons.

The "Objects and Reasons" for the Bill were stated as follows:—

1. The titles of the superior officers of the Police Force are about to be altered, and a new office of deputy to the chief officer of the force is about to be created. This will involve various amendments of the Police Force Ordinance, 1900, Ordinance No. 11 of 1900. The new titles will be Inspector General of Police, Deputy Inspector General of Police (the new post), and Divisional Superintendents. Sections 2, 3, 4, 9 and 13 of this Ordinance introduce the new titles into various sections of the principal Ordinance.

2. Section 5 gives statutory recognition to the practice of having a probationary period for police recruits, and provides that such probationary officers may be discharged during their probationary period if they prove unsatisfactory.

3. Section 6 of this Ordinance gives the Governor power to grant free passage in special cases before the completion of the ordinary statutory period of service.

4. Section 17 of the principal Ordinance gives the Governor in Council power to regulate the granting of pensions to members of the Police Force. By virtue of section 3 of the principal Ordinance the term "Police Force" includes, *inter alia*, the superior officers of the force. The pensions of these officers are in fact regulated by the general Pension Minutes, and not by any police pension regulations. The same remark applies to the civilian staff of the

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their case section 17A of the principal Ordinance expressly provides that they shall come under the general Pension Minutes. There is no such provision with regard to the superior officers of the force and there is no regulation on the subject of their pensions. It seems desirable to deal with their case in the same way as that of the civilian staff. Accordingly section 7 of this Ordinance includes in section 17A of the principal Ordinance reference to the superior officers of the force.

5. Section 8 of this Ordinance repeals the three sections of the principal Ordinance which deal with the making of regulations and departmental orders, and substitutes one simplified section. The existing sections distinguish, though not very clearly, between two kinds of rules, *i.e.*, regulations and departmental orders. Regulations are made by the Captain Superintendent of Police with the approval of the Governor in Council. Departmental orders are made by the Captain Superintendent of Police without reference to the Governor but subject to the Governor's subsequent disapproval. Regulations must be published in the Gazette in order to be valid. Departmental orders need not be published in the Gazette. The line of demarcation between regulations and departmental orders is not clear. Questions may therefore arise at any time as to the strict legal validity of such regulations and departmental orders. The proposed new section will give the entire power of making regulations to the Inspector General of Police, and all regulations will be of the one class. These regulations will not require to be published in the Gazette, but will appear in Police General Orders. As required by the new section, these regulations will be circulated to the members of the Executive Council, and the Governor in Council will have power to rescind such regulations or to amend them in any manner. It seems unnecessary to publish such regulations in the Gazette as very few of them affect the public. None of them will impose any obligation on the public. If any member of the public ever has occasion to inquire into the existence of any particular regulation he will always be able to make inquiry from the superior officers of the police force.

6. Section 10 of this Ordinance substitutes a new sub-section for sub-section (2) of section 26 of the principal Ordinance. That sub-section is open to certain minor objections. It deals with the question of taking bail by officers in charge of police stations. In the first place, on a strict reading, it enables the police officer to take bail only "if no magistrate is in attendance at his office." In the second place, it provides that the recognizance must require the attendance of the accused at "the earliest time then next after when a magistrate will be in attendance at his office." In the third place, the sub-section contains no provision to the effect that a prisoner who is not bailed out must be brought before a magistrate as soon as practicable. This last provision does occur in section 27 of the Magistrates Ordinance, 1890, Ordinance No. 3 of 1890, but it is convenient to have it in the Police Force Ordinance, in the section dealing with bail. The new sub-section

meets the above objections. It is practically a copy of section 22 of the Criminal Justice Administration Act, 1914, 4 and 5 Geo. 5, c 58.

7. Section 11 of this Ordinance adds to section 26 of the principal Ordinance a new sub-section which is taken from section 45 of the Criminal Justice Act, 1925, 15 and 16 Geo. c. 86. It provides that if a prisoner is brought to a police station, and the officer in charge considers that the inquiry into the case cannot be completed forthwith, that officer may discharge the prisoner upon his entering into a recognizance to appear at such police station and at such time as is named in the recognizance.

8. Section 12 of this Ordinance inserts in the principal Ordinance a new section 26A which is based on section 44 of the Criminal Justice Act, 1925. It provides that a warrant of arrest may be lawfully executed by any officer of police notwithstanding that the warrant is not in his possession at the time. This provision is not necessary in Hong Kong in the case of offences against Hong Kong law, because the police have a general power of arrest without warrant, but it may be useful in such cases as extradition and deportation.

9. Section 14 of this Ordinance is the usual section providing for the general substitution of "Inspector General of Police" for "Captain Superintendent of Police" in all enactments, contracts and other documents where such substitution is necessary in order to give effect thereto.

MAINTENANCE ORDERS (FACILITIES FOR ENFORCEMENT)

AMENDMENT ORDINANCE, 1929.

THE ATTORNEY GENERAL moved the second reading of the Bill intituled "An Ordinance to amend the Maintenance Orders (Facilities for Enforcement) Ordinance, 1921."

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

Council went into Committee to consider the Bill clause by clause. No amendment was made in Committee, and upon Council resuming,

THE ATTORNEY GENERAL moved the third reading.

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

THE BUDGET.

The Council resumed the debate on the Budget.

THE DIRECTOR OF MEDICAL AND SANITARY SERVICES.—

Sir,—With reference to the observations made by the honourable unofficial members in connexion with the Budget I have the honour to reply in so far as the Medical and Sanitary questions are concerned:

1. *The Government Civil Hospital.*

The shortcomings of the Government Civil Hospital and the need for a new Institution have not been overlooked, but pressure of other urgent matters have prevented my examining in detail all the many important factors which have a bearing on the subject and which must be considered before a final decision can be made. The P.W.D. and the Medical Department are working in close co-operation and there is every reason to believe that final recommendations will shortly be submitted.

2. With regard to the Medical Staff at the Government Civil Hospital there are now two Resident Medical Officers, one European and one Chinese. In addition there is one Chinese Medical Officer who is not resident.

3. *The Mental Hospital.*

With regard to the Mental Hospital this Institution is intended primarily as a place for temporary detention and observation and not as a permanent abode for the insane. Arrangements have been made with the Government of Canton for the reception and treatment of mental patients of Chinese nationality. European patients are sent to Europe at the earliest opportunity.

4. *Chinese Probationer Nurses.*

27 Chinese Probationer Nurses are now undergoing training at the Government Civil Hospital. A Nursing Sister who has knowledge of the Chinese language and experience in teaching Chinese nurses is at present in England undergoing a special course in order that she may fill the post of Tutor Sister. Provision has been made to add three more nurses to the establishment in 1930. It is proposed to further increase the number training when the Tutor Sister has returned and when house accommodation is available.

5. *Travelling Dispensaries.*

Travelling Dispensaries in the Federated Malay States fulfil a very useful purpose—and it is probable that one would be of value in the New Territory. This proposal will be considered by Government in connection with 1931 estimates.

6. *Venereal Clinics.*

A Venereal Clinic has been in existence at the Government Civil Hospital for more than a year. Experience has shown that

Veneral Clinics serve their purpose best when they are run in connection with hospitals or general dispensaries and not as separate units. It is hoped to make further provision for venereal treatment in the near future when more staff will be available.

7. *Government Dentist.*

It is intended that the Government Dentist shall devote his services primarily to those officers whose salaries are below £400 a year and who are entitled to free medical treatment. It is hoped it may be possible to arrange for attention being given to school children and to prisoners who require service which cannot be performed by the Gaol Medical Officer.

8. *Malaria.*

With regard to malaria prevention negotiations are proceeding for the transfer to this Colony from the Federated Malay States of an experienced Malariologist and a skilled assistant. These Officers will form the nucleus of an anti-malaria organisation which will be built up from local material and which will investigate, advise, and in some cases execute the measures necessary for anopheline eradication.

An anopheline survey has been completed at Stanley and an investigation is being conducted at Repulse Bay. The observations so far made appear to indicate that the problems here are very much the same as those in the Federated Malay States and there is every reason to believe that the measures which have proved effective there will be successful here.

9. *Training in Hygiene and Preventive Medicine.*

I entirely agree with the view that "the importance of adequate training in hygiene and preventive medicine can hardly be overstated." One of the greatest needs of the Colony in this line is a school for instruction of Sanitary Inspectors such as exists at Singapore. At present the Health Staff is insufficient to allow of the proper conduct of such an Institution, but with the advent of additional Health Officers this difficulty will disappear and it will then be possible to arrange for its establishment.

10. *Board of Health.*

With regard to the suggestion that a Board of Health be formed I have in my recommendations for re-organisation of the Medical and Sanitary Services included a proposal for the formation of a Public Health Advisory Board. This proposal is now under consideration by Government.

11. *Contribution to Schools of Research.*

With regard to the question of contributions to schools for research in tropical diseases—the subject should be examined under two headings *viz* pure research and applied research.

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can perhaps be more economically carried out in laboratories in Europe, but applied research—that is research applied to our own particular problems—can only be properly carried out here, and should form part of the duties of local laboratory workers.

12. Education of the Public in Matters of Hygiene.

On the subject of lectures in sanitation, hygiene and anti-malaria methods—it is hoped ultimately to establish a properly staffed propaganda section which will take the necessary action to spread instruction through lectures, posters, pamphlets, lantern and cinema shows and through the Press. The Sanitary Board has recently approved a proposal to issue pictorial posters showing the harm done by insanitary premises which posters were prepared at the suggestion of Dr. Fawcett, M.O.H.

13. Development of the Preventive Side of Medicine.

The honourable senior Chinese member, Sir Shou-son Chow in approving the development of the preventive side of the Medical Department expressed the wish that that policy may be carried out in a liberal and sympathetic spirit and with due regard to the susceptibilities of the people.

Recognising that the co-operation of the people is a factor of the utmost importance in matters of public health every endeavour will be made to secure the goodwill of the populace by respecting old customs and traditions provided they are not incompatible with the principles of public health.

When disease affects the individual only the choice of nursing and treatment lies with the patient or his guardian. Where the illness is of such an infectious nature that the case not only endangers the health and lives of those who approach near, but through them the health and lives of others more remote, I feel sure the honourable Chinese members will agree that the prejudices and wishes of the patient or his friends should not be allowed to outweigh unduly the risks to the community and the possibility of the establishment of an epidemic.

In order to stimulate the willing co-operation of all concerned and to ensure that the best possible advice shall be obtained and the best possible methods used, I have recommended the establishment of a Public Health Advisory Board composed of officials and unofficials, doctors and laymen whose duty it will be to examine and weigh up the factors connected with the various problems and to advise as to the action which should be adopted.

14. Wells.

Many chemical analyses and bacteriological counts have been made of water samples from wells sunk in populous areas. The results show that pollution is present in the majority of cases.

The policy of the Building Authority is to refuse sanction for the opening of wells in premises where a pipe supply is available except in cases where a guarantee is given that the well water will be used solely for the purposes of flushing or for watering gardens.

Wells are closed by order of the Sanitary Board only when it is proved to their satisfaction that the water is polluted and there is danger of it being used for potable purposes.

15. Nuisance from Market Gardens.

It is possible to grow vegetables without the creation of a nuisance and without danger to health, but in the area complained of the conditions prevailing make it almost impossible to economically carry on market gardening without nuisance.

It has been decided to cancel the permits of those who transgress the conditions of permit in respect of the use of manure.

16. Obstruction by Street Stalls.

The subject of the propriety of allowing food stalls in streets is one over which there has been much argument in many countries, and one which it is practically impossible to solve to the satisfaction of all parties.

Stalls are the shops of the poor and their abolition would in many cases be a hardship on that class of the community.

On the other hand it is very difficult indeed to control the quality of the food and to ensure freedom from contamination. It is also difficult to prevent obstruction and to provide for the proper disposal of waste products.

The question of the removal of the stalls complained of is receiving the attention of the Sanitary Board and the Public Works Department and it is hoped that a satisfactory solution will soon be found. (Applause).

THE HARBOUR MASTER.—Your Excellency,—In his speech on the Budget for 1930 the hon. senior unofficial member made various comments and asked certain questions in respect of matters connected with the administration of the harbour. I will deal with these in the order in which the hon. member mentioned them.

Port Facilities.

Government is keeping a watchful eye on the ever changing conditions of shipping visiting this port. The scheme for the accommodation of wharves for the largest type of ships as put forward by the Kowloon Wharf and Godown Company is now before Government and is receiving the most sympathetic consideration.

Admiralty concurrence has now been given to the construction of a wharf by the Hong Kong Wharf and Godown Company 120 feet from the Kowloon Naval Camber, subject to a guarantee being given by the Company that free space for manoeuvring lighters, etc. in and out of the Victualling Yard Camber will be maintained during construction of the wharf, and afterwards when ships are berthed alongside. Provision for the reorganisation of the buoys in the harbour to deal with the ever increasing size of ships is now before this Council and will be found under Head 13 Sub-Head 31 on page 27.

The question of building a protecting arm on the Western side of the Southern entrance to the Yaumati Typhoon Shelter in order to afford further protection to craft taking refuge in typhoon weather is also receiving Government's consideration.

The question of cutting a channel through the shoals between Green Island and Stonecutters Island to afford a Western Entrance and exit to ships of the largest size remains under consideration. The matter has been referred to the Consulting Engineers, who at present cannot feel assured that such a channel would maintain its depth of water without periodical dredging operations.

The explanation for the sudden appearance of the items on page 27 under Sub-Heads 19 and 20 is as follows:

Up to 1928 this vote was included in the Treasury vote but in that year it was considered that as the accounts were kept in the Harbour Office and the Harbour Master, who is also the Government Coaling Officer, was responsible for the administration, it would be more fitting to place this vote under the Harbour Department. Due to a misunderstanding this item was omitted from both the Treasury and Harbour Department estimates for 1929 and a supplementary vote was taken. This item now appears under Head 13 for the first time.

Rent, Light and Water Allowances for Slipway Staff.

This item in the past has also been included in a Treasury Vote "Head 34 Sub-Head 41," "Rent allowance for Asiatic Sub-ordinate Officers." As the Slipway Staff are under the Harbour Department it has been considered more appropriate to show it under Head 13.

Govt. Marine Surveyors Department.

The hon. senior unofficial member has pointed out in his speech that there are already four launches detailed for duty with the Government Marine Surveyors Department. He stated as follows:—"In view of the fact that every Shipyard of the Colony can now be reached by bus or tram with considerable saving of time over travelling by launch and also that the

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and his 13 Assistant Surveyors receive conveyance allowance the necessity for the use of launches by the G.M.S. Department is limited to the inspection of vessels lying afloat in the harbour which are not numerous enough to warrant an increase in the number allotted to the G.M.S. Office beyond the four completed launches above referred to."

I regret that I am unable to agree with the hon. member that every shipyard in this Colony can be reached by tram or bus with considerable saving of time over travelling by launch, nor can I agree that some of them can be reached at all by tram or bus without covering a considerable distance on foot.

Shipyards in this Colony are situated on the foreshore from Lai Chi Kok on the west to Lyemun Pass on the East, and are principally small Chinese yards several of which are a considerable distance from tram or bus routes. It may not be known to hon. members of this Council that surveyors proceeding out on survey work have to carry a considerable amount of gear with them and the average weight of such gear is approximately 20 lbs.

Surveyors employed on boiler or double bottom work have to change their clothes. These changes are carried out in the launches on their way to and from their work thus effecting an appreciable saving in time. They could hardly do this if travelling by tram or bus. Each morning in the G.M.S. Office the work of the day is allotted having due regard to the facilities available for transport, but with only two launches at disposal for ship work there are considerable delays despite the fact that the Surveyors' private cars are used as much as possible. It must not be overlooked however that:—

- (1) There will be normally 11 surveyors working in this port, the remaining 3 being on leave.
- (2) Approximately 70% of the survey work in this port is done afloat and only 30% in the Shipyards.

Of the four launches H.D. 3, 6, 7 and 8, at present allotted for service with the G.M.S. Department, H.D. 6 is detailed for work as a tender to the Yaumati Slipway which is a full time job and consists of carrying workmen between the Slipway and Government launches, under repair, and also doing all the fetch and carry work of a Dockyard tender.

H.D.3. is detailed for duty in surveys of launches other than Government launches. When it is realised that there is in this port between seven and eight hundred steam and motor launches the greater proportion of which are surveyed twice annually I do not think hon. members will be surprised to hear that she is running continuously all day long. This then
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the disposal of surveyors employed on ship work, and observing that 70% of this work is carried out afloat in ships at anchor or at buoys it will be seen that this number is entirely inadequate. At the present moment one Nautical Surveyor is already on his way out to the Colony and will be followed by another early in 1930. These Officers' duties will be principally out in the harbour inspecting the Life Saving appliances of vessels and for Emigration work. Their utility will be lost to the Colony unless launches are provided for their use.

The launch now under construction is intended to augment the transport facilities of Surveyors employed on ship work and the new launch asked for in the 1930 Budget for the G.M.S. Department is intended for the use of the two Nautical Surveyors.

The launches allocated to the Boarding Office and Junk Office are fully employed and cannot be spared for work with the G.M.S. Office.

New Launch for Carriage of Stores and Relief.

At present when stores arrive out from England there is no Government launch available for landing such stores and it becomes necessary to hire a launch for this purpose.

Government have normally a fleet of 38 craft each one of which is allocated for special duty, and in addition one launch is under construction.

When certain of these launches become due for overhaul or should they break down it becomes necessary to hire launches to take their place.

It is considered more economical to build a Government launch for these purposes of landing P.W.D. Stores and of Relief work, than to continue the hiring of outside launches—at an average tariff of \$25 per diem, coal, oil and stores being provided by Government.

It has been suggested by the hon. senior unofficial member that the *Kau Sing* could perform this duty. This would be most uneconomical. To keep the *Kau Sing* under steam at half an hour's notice during non-typhoon weather would cost approximately an additional \$30,000 per annum. If she was employed three days a week it would cost yet another \$20,000, or \$50,000 per annum in all. The estimated initial cost of the new launch asked for is \$40,000 and it is estimated that her fuel and stores, etc., will cost approximately \$5,000 per annum, so that the total cost for the first year would be \$45,000. From this hon members will see that to run the *Kau Sing* for this duty would cost more in one year than the initial cost of the proposed new launch plus one year's expenses for fuel and stores.

The hon. senior unofficial member stated in his speech:— "Incidentally we are informed that the Staff of the G.M.S. Department has grown to such dimensions that it seems doubtful whether there is sufficient shipbuilding and ship repair work now going on in the Colony to keep them all fully employed."

In 1927 at the instance of the Hong Kong and Whampoa Dock Co., Ltd., and other local firms, in order to obtain recognition by the Board of Trade for our 1. A. Foreign-Going Passenger Certificate, a matter of great importance to local shipbuilding interests, the Board of Trade were requested to send out to this Colony a representative to advise Government on the necessary steps to be taken before such recognition could be granted. It was laid down by the Board Trade vide Par 3 of Sessional Paper No. 5 of 1927 that they would require to be satisfied that:—

- (a) The Survey work at this port is carried out by Officers competent to do the work and under regulations of equivalent value to those in force in the United Kingdom.
- (b) The Staff is numerically adequate to deal efficiently with the total work of the port.

Mr. Wilton, the Board of Trade representative, arrived in the Colony in 1927 and shortly after his arrival proposals for the necessary additions to the G.M.S. Staff were put forward. At that time Mr. Wilton considered the proposals adequate and provision was made in the Estimates for 1928 to carry them into effect. After four months local experience however, Mr. Wilton informed me that he had underestimated the Survey work of the port and was of the opinion that the proposals as put forward and for which provision had already been made were the absolute minimum of Staff that was required to deal efficiently with the total work of the port. Since these proposals were adopted there has been no increase to the G.M.S. Staff. It is interesting to note that in the first eight months of the current year the Survey Staff has worked overtime on 38 days=15%.

Training Expenses for Marine Surveyors in England.

Government holds itself responsible for the cost of training Marine Surveyors in England as this follows the practice of the Board of Trade.

Candidates already trained are unobtainable.

The amount of \$7,200 for this purpose for 1929 was under-estimated and on 27th April, 1929, a Supplementary Vote of \$11,582 was taken, bringing the total of this Vote for 1929 up to \$18,782.

The sum of \$20,945 for 1930 is the amount considered necessary to defray the expenses of training during that year without having recourse to a Supplementary Vote.

This Vote will not be annually recurrent and will cease as soon as the training of the present Staff has been completed.

New candidates to fill vacancies caused by resignations, etc., however will require to be trained from time to time before coming out to the Colony.

Allowances to 17 Diesel Engineers at \$120 Each.

It has been found from practical experience since semi-Diesel engines were introduced into Government launches that as soon as an engineer had been trained into the working of these Engines he became dissatisfied with the Government rates of pay. Several such Engineers have already resigned from Government service in order to take up employment with private firms on higher rates of pay. The allowance as set forth is designed as an inducement to such Engineers to remain in Government Service.

S.D.3.

After the sinking of S.D.3. Government appointed a Committee consisting of the Treasurer, The Harbour Master, and The Colonial Auditor to consider what steps should be taken in order to prevent a similar occurrence in the future.

The recommendations of this Committee have been embodied in a General Order which it is hoped will have the desired effect. (Applause.)

THE ATTORNEY GENERAL.—The Hon. Mr. Shenton referred in his speech last Thursday to the subject of factory legislation. This question has for some time been under consideration by the Government. A bill to amend the Industrial Employment of Children Ordinance, 1922, Ordinance No. 22 of 1922, so as to extend its scope to women and young persons, and certain regulations proposed to be made under the Ordinance as so amended, have already been drafted, and are now under consideration by the Governor in Council. This proposed legislation is intended to be a further step in the improvement of factory conditions in the Colony. Such improvement must of necessity be slow and gradual, and it is very difficult in such matters to travel far ahead of neighbouring countries. It is intended to follow up this legislation with other measures.

THE COLONIAL TREASURER.—Sir,—I propose to deal with the observations made by hon. unofficial members on various financial

items in the Budget. I shall take the items in the order in which the observations were made.

The hon. senior unofficial member remarked on the apparent discrepancy in the Military Contribution figures shown on pages 12 and 100 of the Estimates.

The large discrepancy between the revised 1929 estimate and the approved estimate is due to the recovery during the current year of a sum of \$592,711 from the Military Authorities on account of an overpayment of Military Contribution made in 1917/1919.

Instructions from the Secretary of State to make this recovery were received early in the present year.

The sum of \$3,321,768 is what we expect to pay for Military Contribution in 1929.

It is customary to show revised estimates in the Abstract on page 12 only, and to insert the original unrevised figures in the body of the Estimates.

Military Contribution has hitherto been paid on any profits which may accrue as the result of appreciation in the sterling price of investments which we realise. We have not so far paid Military Contribution on any profits due to exchange as this question is under discussion with the Secretary of State.

The hon. senior unofficial member has asked for information regarding the amount of the arrears of premia due from the Kowloon Tong Estate and the Praya East Marine Lot Holders.

The position as regards Kowloon Tong Estate is as follows:—

The total premium originally stipulated was \$421,977, of which \$126,856.37 has been paid to Government. It is expected that the balance \$295,120.63 will be received when the houses are completed and the Crown leases issued.

With regard to the Praya East Reclamation Scheme there is still a sum of \$143,219.50 due to the Government from Marine Lot Holders by way of premia.

The item on page 6 of the Estimates "Carriage, Chair, etc., Licences" will be subdivided in future Estimates as the hon. senior unofficial member suggests and Motor Licences will be shewn separately. For the hon. member's information, I may add that the figure of \$230,000 in next year's Estimates is made up of

Rickshaw and Chair Licenses.....	\$ 95,000
Truck Licenses	20,000
Motor Vehicle Licenses.....	115,000

The hon. senior unofficial member remarked on the item "Message Fees" on page 9.

"Message Fees" signify wireless message fees together with a small amount collected for advices of vessels from lighthouses.

The Estimate for 1930 was based on the receipts for the period January/May 1929. This period showed a considerable set-back in traffic for the Philippine Islands, and the United States as compared with the same period in 1928, when the Estimate for 1929 was prepared. This set-back will probably be compensated to a considerable extent by increased traffic with China stations, *viz.* Canton and also Shanghai which started operations from 1st July last. But there were not sufficient grounds for anticipating a greater revenue in 1930 than that shown in the draft Estimate, *viz.* \$160,000.00.

With regard to the remarks of the senior Chinese unofficial member on the subject of Tobacco Duties, it is estimated that half the anticipated increase under that head in the 1930 Estimates will be due to the more efficient method of collection rendered possible by the Tobacco Amendment Ordinance of 1929, and the remainder will accrue from normal increase of consumption. Such estimated increase being only 10% in excess of the 1924 collection cannot be regarded as unduly optimistic.

The previous system of taxing tobacco on an *ad valorem* scale was found unsatisfactory and after due consideration superseded; and a uniform rate imposed in accordance with home practice. The Imports and Exports Department will welcome any suggestions that the Chinese Chamber of Commerce may put forward for combating smuggling, but the Government is satisfied that the new system of duties works satisfactorily.

The Hon. Mr. W. E. L. Shenton called attention to the position under the Widows' and Orphans' Pension Scheme.

On the 1st January, 1909, the Government under authority of Ordinance No. 15 of 1908 took over the Widows' and Orphans' Pensions Fund at \$371,500, which sum was credited to the General Revenue of the Colony. Since then all contributions have been credited to Revenue, and pensions to the widows and orphans of contributors are guaranteed by their being a charge on the Revenues of the Colony in accordance with the provisions of the Ordinance.

The fund referred to by the hon. member ceased in 1908 when Ordinance No. 15 of 1908 came into force.

It is the practice in many British Crown Colonies, including the Straits Settlements, Malaya and Ceylon, to embody Widows' and Orphans' contributions and the payment of pensions under the scheme in the general finances of the Colony. (Applause.)

THE COLONIAL SECRETARY.—My hon. friends the Director of Medical and Sanitary Services, the Harbour Master, the Attorney General and the Treasurer have dealt fully with certain aspects of the remarks of the unofficial members which particularly affect their departments. You, Sir, will I understand deal with some of the more important subjects under discussion and it remains for me to answer those criticisms which have not been covered by other speakers and will not be dealt with by Your Excellency. In the first place Sir, I should like to thank my unofficial colleagues for their very carefully reasoned criticism of the Budget and I think the impress left on the mind of any one who listened to their speeches was that the principles of the Budget are accepted and that only the details are subject to serious criticism. It seems to me that the forward policy of services is not in any way condemned, for the encouragement of aviation, the re-establishment of the Statistical Department and the forward move in matters of Health and Sanitation have all met with the approval of my honourable friends on the unofficial side. Their chief complaint, or so it seems to me, is that the Government has not at the same time been able to undertake some of the pressing needs of the Colony in the way of buildings, roads, recreation grounds and other material works.

Well, Sir, I may say at once that the Government fully shares their disappointment, but even the Government cannot make bricks without straw and the hardest part of a Budget framer's task is the endeavour to make the quart of the demands go into the pint pot of the revenue. There is hardly a work mentioned by our critics which has not received the most careful consideration of the Government and been finally ruled out in favour of works which seemed to the Government to merit prior performance. The work of administration has to be provided for before money can be found for public works, and in this connection I would refer to the remarks of the senior Chinese unofficial member on the rising cost of administration. The Government, Sir, admits that the cost of administration is rising and it must continue to rise so long as more and more is demanded of the Government. The largest increases in the present Budget are in answer to insistent public demand and have met with unofficial approval. So far as I can remember only one department is charged with being over-staffed, and the Harbour Master has, I think, made an effective reply to the charge.

As a matter of curiosity I have caused the expenditure on Personal Emoluments in Hong Kong to be compared, so far as information is available here, with the expenditure in neighbouring administrations, and we find the interesting result that the percentage of Personal Emoluments to Revenue in the present Budget, and in this connection it must not be forgotten that the same Personal Emoluments deal with an expenditure of nearly \$2,000,000 on loan works in addition to voted expenditure, is slightly less than the percentage shown by the 1927/1928 figures for Ceylon and the 1929 figures for the Straits Settlements, and much less

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figures for Shanghai. I therefore venture to doubt the justness of the charge that our Personal Emoluments absorb an unduly high proportion of our revenue, while the need for some improvement of salaries, especially in the lower grades of the service, has been shown by the report of the Salaries Commission.

I pass now, Sir, to some of the detailed criticisms and enquiries of my unofficial friends.

Taking first the remarks of the senior unofficial member, as regards the Gaol we all know that a new Gaol is required and that the work once commenced at Kai Tak was suspended owing to the financial difficulties of the year 1925. That site is no longer available, being required to be reserved for the development of the Aerodrome, and I have no doubt the foundations prepared for the Gaol will be found useful for future buildings. The question of accommodation in the prisons is receiving attention. A proposal has been made to transfer the female prisoners to Lai Chi Kok, where there is space available, and if the transfer can be effected the situation in Victoria Gaol will be considerably relieved. The present Government, while recognizing the need for a new Gaol, differs from its predecessors in thinking that a new Civil Hospital should have priority over a new Gaol, and we doubt if the finances of the Colony justify the undertaking of both of these costly works at once. It is for this reason that we thought it worth while to improve the printing shop in the Gaol as we believe it will prove an economical undertaking in the long run. We cannot vacate the present Gaol until the new Gaol is ready, and I venture to predict that ten years is a modest estimate for the life of the present Gaol. I might remind honourable members that the printing shop proposal was laid before them in the Budget for 1929 and a sum of \$41,000 was voted without demur. When the plans came to be worked out it was found that the proposed scheme would not provide all the accommodation required and an amended scheme costing \$100,000 has been prepared in its place. The Honourable Director of Public Works will be prepared to explain the details in Committee and I trust that Honourable members will agree with the Government that the scheme will prove to be an economy in the long run and will approve the expenditure asked for.

The important subject of Education has not unnaturally given rise to comment from more than one of my unofficial friends. The Government will take counsel with the Director of Education on the points raised by the senior unofficial member, but I would remind him that a good deal is already being done in the way of instruction in sanitation and hygiene in all schools and in elementary agricultural instruction in certain selected areas. The honourable member also asked whether school fees should not be reduced. The Government does not consider that the fees charged in Government schools are unduly high in view of the educational facilities provided and cannot see any adequate reason for reducing these fees.

The item under Education Department of \$60,000 for building grants is to meet the following demands:

La Salle College, Kowloon.....	\$50,000
St. Francis' School, Victoria.....	10,000

As regards the Central British School at Kowloon the sum provided is for site formation only. The Government is not in a position at present to provide funds to commence the buildings. The last of the honourable member's list of items is an appeal for a grant-in-aid on behalf of the Mung San College. The Director of Education has reported that this school has not yet reached the standard required for a Government grant, but it is hoped that if the management accepts the Director's advice it may in course of time reach grant standard. The honourable the senior Chinese unofficial member refers to the reduction in three educational subsidies. I can assure him that no abatement of the Government's interest in or encouragement of education is implied in these reductions. The amounts provided last year were greater than the amounts required by more than the reductions effected and it is believed that all legitimate demands are covered by the amounts now inserted in the Estimates.

The Government agrees with the honourable the senior unofficial member as to the importance of markets, and provision has been made for the continuance of the work on the Sai Ying Pun and Kowloon City markets. As regards the Kowloon Tong market which was referred to by the Hon. Mr. Braga as well as by the Senior unofficial member, provision was made in the Estimates for 1929 for a temporary market there, at a cost of \$1,500 and the proposal was accepted at the time without comment. The plans were ready in February and the work might have been completed by now but for the fact that demands have since been put forward out of all proportion to the sum provided. The revised plans and estimates were only received last month, too late for inclusion in the draft Estimates for 1930, and the justice or otherwise of these demands is at present under consideration, but as at present advised I am inclined to think that Kowloon Tong's demands in this matter are excessive. I do not understand the Hon. Mr. Braga's suggestion that the omission of the market from the Estimates for 1930 is a slight on the Sanitary Board. The suggestion appears to be entirely unjustified.

A good deal has been said by the honourable the senior unofficial member and his colleagues on the subject of Recreation Grounds, open spaces and children's playgrounds. The Government readily acknowledges the needs of the Colony in these respects, and as honourable members know a Committee has been appointed to go into the whole question. This Committee, of which I have the honour to be Chairman, had only just commenced work when I was obliged to take a short period of leave for reasons of health, and on my return everyone

was so fully occupied, first with the water crisis and then with the Budget, that it was found impossible to make progress. It is hoped that the Committee will resume its labours next month and will before long be able to make useful representations to Government on this important subject. Meanwhile the Government prefers not to anticipate the recommendations of the Committee but will await its report before putting forward specific proposals. I am, however, authorised to say that any practicable proposal for the establishment of a Chinese Golf Course will receive the sympathetic consideration of the Government. As regards the children's playgrounds in Kowloon to which special reference has been made, arrangements are now in hand to convert the triangle at the junction of Salisbury and Chatham Roads into a public garden and playground on the vote in the current year's Estimates. I might add that so far I have been able to ascertain no previous complaint has been received by the Government regarding the railings of the Chatham Road playground and enquiries will now be made in this matter.

The Government notes with satisfaction the unofficial approval of its attitude towards Aviation and while it can hold out no hope of an increased contribution from the Air Ministry towards the cost of Kai Tak Aerodrome it has every reason to hope that substantial help towards the cost of the development of the Air Port will be forthcoming from the Colonial Development Fund recently instituted by the Home Government.

In connection with Broadcasting the Government has made a small provision in the Estimates, and while it sympathises with the honourable member's desire for more extensive provision it feels that other demands have prior claims on the funds available.

Attention is drawn to the sums provided for afforestation in the North and South districts of the New Territories and it is suggested that they are inadequate. I should explain that these sums are for very minor schemes supervised by the District Officers and are adequate for their purpose. Large schemes of afforestation are more properly placed under the control of the Botanical and Forestry Department and adequate provision is made under Head 27.

The accommodation at the Post Office will receive consideration in consultation with the Post Master General. Office accommodation generally is becoming inadequate and the needs of the Government service as a whole are being considered by a small departmental committee.

The honourable member has referred to the appointment of an Inspection Officer for the Fire Brigade. This officer is required for the inspection of buildings in respect of their safety from risk of fire. On page 45 of the Administrative Report for 1928 of the Captain Superintendent of Police and the Chief Officer, Fire Brigade, will be found a report of the inspection work done during 1928. It involved the inspection of 982 buildings including 407

theatres and cinemas, 191 garages and 180 inflammable structures. The work is rapidly increasing as more and more attention is paid to this important matter, and the present Fire Brigade staff cannot cope with it except at the cost of other equally important duties.

The honourable the senior Chinese unofficial member took us to task over the form in which the Estimates are printed. I readily accept his suggestion that the totals of Personal Emoluments, Other Charges and Special Expenditure be shown separately in future, and have issued instructions accordingly. With all deference to his views I deprecate the reversion to the old practice of showing the clerical staff of each office separately under that office. It would be a retrograde step in so far as it introduces unnecessary complication, and I venture to hope that it will meet honourable members' requirements if we show the totals of the clerical staff, taken from the appendices, under each head and carry out a total for the whole of the expenditure under the head. I have duly noted the honourable member's criticism as regards the inadequacy of the notes in some departments and will endeavour to secure fuller notes in future years.

I now come to the remarks of the Hon. Mr. Shenton and desire to sympathize with him in the absence of his favourite schemes from the Budget. I am afraid his fears as regards the inadequacy of our financial resources are only too likely to be realised should we attempt to undertake most of the works he has mentioned. A new City Hall, desirable though it may be, must, as an item of Government expenditure, yield priority to many more urgent works.

The Vehicular Ferry is a project which the Government hopes to see undertaken by private enterprise. Various local business organisations have shown interest in the scheme and a call for tenders is only held up pending the final settlement of the designs to which the piers must conform.

The motor road to Canton is an undertaking for which this Government cannot accept liability. Our own motor roads already run close to the frontier and can be linked up with the Chinese road without much difficulty as soon as the latter is ready.

The Government feels that the provision of a Home for the Infirm is a subject for charitable rather than official enterprise. Much care is required in dealing with such a proposition lest we find ourselves asked to find asylum for all the infirm of Kwangtung.

As regards the Hon. Mr. Braga's remarks I have already referred to the Kowloon Tong market, the children's playgrounds and open spaces. The question of motor parking at Kowloon Point is mixed up with the very difficult question of the proper development of that area from a traffic point of view. Many schemes have been discussed and finality has not yet been reached, but it has been strongly borne in upon the Government that no permanent alleviation of the congestion is possible without the removal of unattended

motor-cars and motor-cycles from the area adjacent to the Star Ferry Pier.

As regards the disorderly houses mentioned by the honourable member the matter will be referred to the Captain Superintendent of Police who will be requested to take such steps as may be possible to abate any nuisance. The Captain Superintendent will be ready at any time to investigate any specific complaint which may be brought to his notice.

The question of clothing the nakedness of the Kowloon hills with trees is not a new one. It will be referred to the Botanical and Forestry Department but I am not very hopeful as to the result.

As regards band concerts in Kowloon, and for that matter in Victoria also, it was intended to provide a sum of \$1,200 in the Estimates but the item was inadvertently omitted from the print. The Government will be prepared to propose a special vote for this service early next year.

With your own remarks to follow, Sir, the ground of the unofficial members' criticisms will, I think, have been covered and I trust honourable members will be satisfied that the Government has recognized the seriousness of their criticisms and has answered them as fully as the short time available has permitted. We cannot all see eye to eye in matters of detail but we are at one in general principles and remembering that we are all united in our desires for the prosperity and well-being of Hong Kong, I hope that unofficial members will find themselves able to accept the Budget now presented. (Applause.)

H.E. THE GOVERNOR.—Gentlemen,—I am very grateful, both to the official and to the unofficial members of this Council, for the care and attention which has been given to the preparation and scrutiny of next year's budget. More especially I think my honourable friends, the Colonial Secretary and the senior unofficial member, upon whose shoulders has fallen the chief burden of debate. The criticisms made by the unofficial members have been most helpful; and, where any difference in opinion exists between the Government and the unofficials, it is at bottom usually a question of the priority to be accorded to various projects, which we all of us recognize as desirable in the interests of the Colony.

The Colonial Secretary and other members of the Government have already dealt with most of the matters, mentioned in speeches made by unofficial members at the last meeting of this Council; but there remain a few points on which I wish to address you myself.

First of all, and most important of all, is the subject of the water supply. The unofficial members have unanimously pressed upon my Government the importance of expediting the

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the dam in the Sheng-mum gorge, which, as the senior unofficial member well said, is the corner stone of the second section of the Sheng-mun scheme. I am as anxious as are the unofficial members to see this project pressed rapidly to a successful conclusion, and I can assure the Council that no pains will be spared to obviate any avoidable delay. Mr. Henderson, our waterworks engineer, has just returned to the Colony, and I have already impressed upon him and upon my honourable friend, the Director of Public Works, the necessity of preparing plans and estimates for the Sheng-mun gorge reservoir with the least possible delay. In my opinion, there is no one in the Colony who can do this work better than Mr. Henderson himself. Unfortunately, Mr. Henderson's hands are already very full with the construction of the harbour pipe-line, which he hopes to complete in January next, the construction of the Kowloon byewash reservoir, which is now in progress, and the commencement of the construction of the Aberdeen waterworks scheme, for which tenders have now been received. I am happy to know that Mr. Henderson has the skilled assistance of Mr. Purves, a very experienced waterworks engineer, who has just declined an offer of promotion to the Gold Coast, in order to remain in this Colony, where the value of his services to the Hong Kong Government is fully recognized. By their joint efforts, I have no doubt that Mr. Henderson and Mr. Purves will before long place before us detailed plans and estimates for the construction of the second section of the Sheng-mun scheme; and, as I have already told the Council, directly reliable plans and estimates for this scheme are in my possession I shall submit the matter for your consideration and ask for the approval of the Secretary of State.

The senior unofficial member criticized, as I think somewhat unfairly, the delay in constructing the harbour pipe-line, and the pointed out that the unofficial members of this Council had in November, 1926, urged the Government to bring the pipe-line across the harbour. In this matter the unofficial members appear to have overlooked the fact that it would have been useless to construct the harbour pipe-line until water could be supplied to it from the Sheng-mun valley, and that even to-day the land pipe-line has not yet reached Kowloon Point. I informed the Council in my address of the 5th September that we still have to construct 3,300 feet of pipe-line at Sham-shui-po and 450 feet across the railway terminus before it will be possible to deliver Sheng-mun water at Kowloon Point. I also explained to the Council on that occasion how work on the Sheng-mun scheme began in 1923 and was steadily continued from that time onwards. It was not until 1926 that the tunnels through Smugglers' Ridge and Golden Hill were completed, and after that we still had to build a reception reservoir in the lower Shek-lai-pui valley and a rapid gravity filtration plant, of which the first section, capable of filtering five million gallons a day, has only recently been completed. There is also still under construction, and not yet completed, a covered reinforced concrete reservoir with a capacity of 11 million gallons adjoining these filters. As I pointed out, expenditure amounting to no less than \$2,326,490 had actually been incurred on the development of the Sheng-mun

scheme up to the 30th June last. Honourable members may perhaps ask why the work was not done more rapidly; but to this I would reply, in the first place, that I doubt whether, with the engineering resources at our disposal, more rapid progress was possible, and, in the next place, that funds could not more rapidly have been made available. Memories in this Colony are short; but I cannot believe that there is anyone in this Council who forgets the troubles of 1925, 1926 and 1927. The Colony's finances at that time were much embarrassed. It would have been impossible in those years to raise the local loan, which was successfully floated last year. There was no accumulation of surplus balances, as there is to-day. We were economizing in every direction, reducing staff and postponing all expenditure, to which we were not already committed. I claim that, instead of criticizing the Government for delay in this matter, there is cause for thanksgiving in this Colony that the first section of the Sheng-mun scheme had not to be proceeded with even more slowly than has actually been the case.

The honourable the senior unofficial member saw no reason why the colonists of to-day should be saddled with long past expenditure upon waterworks, which has been paid from time to time out of revenue; nor did he agree with the principle that all Government expenditure ought to produce a revenue, which would give a reasonable rate of interest on the capital expended. I cannot, however, hold out any hope to this Council, or to the Colony, that it will be possible to complete the very large and very expensive schemes for waterworks development, which are now under construction and in contemplation, without increasing the price paid by residents in this Colony for their water supply. Nor do I consider that it will be any hardship for consumers of water to pay for it at a price commensurate with its cost to Government. I am informed that the price of water in this Colony is cheap by comparison with prices charged elsewhere. I am collecting data on this subject and will place the statistics, when procured, before this Council. I do not, however, propose to increase the price of water until it is possible to ensure a full supply throughout the year to all houses connected with the waterworks, both on Hong Kong island and on the mainland. It would certainly cause justifiable discontent if the Government were to increase the price of water at a time when a restricted supply only can be made available. Therefore, as I intimated at our meeting on the 5th inst., I do not propose to move in this matter until the budget for 1931 is under consideration. It will, of course, be impossible to discard the rider-main system until there is an assured supply of water available both on the island and on the mainland throughout the year; and the Government will certainly give this Council an opportunity to debate the matter before the rider-mains are abolished.

I now turn to the question of establishing in this Colony a division of the Royal Naval Volunteer Reserve, for which a sum of \$25,433 is provided in next year's estimates. I note that the unofficial members consider that the formation of such a division of the Royal Naval Volunteer Reserve might detrimentally affect recruitment for the

Hong Kong Volunteer Defence Corps; that naval work should be left to the Navy; and that the creation of such a reserve would be alien to the spirit of international concord and fraternity, which is rapidly gathering weight and momentum throughout the world. I shall not fail to place the views expressed on this subject by unofficial members before the Secretary of State for the Colonies, as the matter is one, not merely of local, but of imperial concern. There are, however, certain considerations which it is desirable to put before the Council at once.

It is clearly impracticable to maintain the fighting services of the British Empire at full war strength in time of peace, and consequently it is necessary to make provision for expansion in the unfortunate event of an outbreak of war. This is the reason for reserves. The functions of the Royal Navy in war are very varied. They can be classified broadly as "general service," which includes all the sea-going branches, and "local defence," which, as the name implies, is comparatively stationary and is centred round seaports of naval or commercial importance. The duties, which fall to a local defence force, are principally counter-measures against mine-laying and submarines. These are two forms of attack by stealth, which threaten shipping in all navigable waters, especially off naval or commercial harbours, where traffic is necessarily dense and vulnerable. It will be remembered that in the Great War enemy submarines attacked shipping off the Azores and the coast of America, whilst ships were sunk off Australia and South Africa by enemy mines, and that in this Colony it was necessary to resort to mine-sweeping operations.

The amount of training necessary to prepare for these local services is comparatively small; and in a war, where it is necessary to make the most economical use of one's resources, it would be wasteful to employ personnel trained for general services upon specialized local defence measures. Moreover, owing to the distance of Hong Kong from the United Kingdom, local requirements here must in war be met from local resources, and it is to adapt our local resources and personnel for use in war that the present proposal is put forward.

The Council will remember that, in the Budget for 1927, at the suggestion of His Majesty's Government, a scheme was included for the creation of a Hong Kong division of the Royal Naval Volunteer Reserve. That scheme involved the maintenance of two mine-sweeping sloops and considerable personnel. It required a large initial outlay and, once decided upon, would have necessitated heavy maintenance charges. The scheme was adopted by this Council and the sum of \$40,000 was voted as the estimated expenditure for half a year; but, in view of the financial situation then existing, the Secretary of State for the Colonies decided to postpone the matter.

The new proposals are much more modest. There will be small initial expenditure; and, if for any reason it should hereafter be

considered inadvisable to continue the scheme, there would be no commitments which would affect a decision to disband the force. The organization would, however, be such that it could expand in keeping with the requirements and resources of the Colony. The Admiralty is assisting these proposals by lending to the Colony, free of charge, the latest form of mine-sweeping equipment and a gun, which will be mounted in the Colony's rescue tug "Kau Sing." The Admiralty has also agreed that naval officers and instructors should for the present assist in the training of the volunteers.

It is intended that the year 1930 should be regarded as an experimental period, during which enlistment will be for one year only and the main objects will be to try out the scheme and select individuals from those volunteering for posts as instructors. In the first year we shall be prepared to enrol up to thirty volunteers. Training will include lectures, gun drill, instruction in signals and in the use of small arms. Mine-sweeping and gun practice will be carried out from the "Kau Sing," which will make a series of week-end cruises within the waters of the Colony. Volunteers will undertake to serve when called out in emergency in the colonial waters. They will not be required to serve away from Hong Kong, unless they specially elect to do so.

It is obvious that the scheme, which I have outlined, is on so small a scale that it will not interfere with enlistment for the Hong Kong Volunteer Defence Corps. Nor are the volunteers, who are likely to enlist in the Hong Kong division of the Royal Naval Volunteer Reserve, men who would be likely to join the Volunteer Defence Corps. The Government carefully considered whether the formation of this unit would be likely in any way to prejudice recruitment for the existing Volunteer Defence Corps and decided that there was no such risk. Nor is there any prospect of the scheme committing the Colony to increasing expenditure in future years. As honourable members will observe from the description of the scheme, which I have given, it is concerned simply and solely with the defence of the shipping of this Colony in time of emergency and at a time when the Royal Navy might not be able itself to engage in mine-sweeping operations round the waters of this Colony. The scheme is purely one of defence, and there need be no fear that it will in any way militate against the growing spirit of international concord and fraternity.

The next matter, upon which I wish to touch, is the proposal for a road through the Saikung district of the New Territories. The unofficial members, with the exception of the honourable Mr. Braga, criticize this proposal as premature. They must have overlooked the fact that the Saikung district has now formed part of the New Territories of this Colony for thirty years, and that during those thirty years nothing whatever has been done for the development of the district beyond the construction of a police station at Saikung in 1900. Honourable members, of course, represent in this Council the interests of taxpayers in the
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other districts of the Colony, and I doubt whether on this subject the numerous villages in that area and the prosperous market at Saikung would share the views of their representatives in this Council. It may be that unofficial members have been alarmed by the magnitude of this work, which is described in papers laid on the table as a circular eastern road, 25 feet wide and 23½ miles in length, costing in all \$1,170,000. The work is, however, such that it can be done section by section as fast or as slowly as local requirements and the financial resources of the Colony may prescribe. At this stage, the Government proposes to do no more than construct the first section of the road from Kowloon City to the village of Ma-yau-tong in the gap overlooking the harbour between Customs Pass and Lyemun. This section is four miles in length and is estimated to cost \$200,000. The object of this section of the road is to open up a hill district for the Kowloon peninsula similar to that on Hong Kong island. There is no doubt that the rapid growth of Kowloon as a business centre makes it very important that the hills above the northern side of the harbour, where future commercial development on a large scale is to be expected, should be made available for residential purposes. So far from being premature, I venture to think that this scheme has been far too long delayed. The Taipo road does not open up any hill district above Kowloon, because it passes through the waterworks' reserve, which is not available for residential purposes. The Castle Peak road runs for the most part over flat country and does not open up any hill district. Therefore, it still remains necessary to-day for any business-man in Kowloon peninsula, who likes to spend his nights in the cool of the hilltops, to reside at the Peak in Hong Kong, whereas he could much more conveniently build his house on the attractive hill-range spreading between Customs Pass and Lyemun.

In connection with this Saikung road, as it has been called, I may say that I should very much have liked to provide in next year's estimates for the construction of another section also, namely that which branches off from the Taipo road near the head of Tide Cove, and crosses to a small promontory at the site of the old Shatin police station. The new road at this point will be a causeway, similar to that with which members of this Council are well acquainted near Taipo; and it will reclaim a very large area of flat land, eminently suitable for recreation purposes. This area could be approached, not only by the Taipo road, but also by the railway, which already has a station at Shatin. It would, therefore, be easily and cheaply accessible to Kowloon residents, and it is here that large recreation grounds could be formed, including the golf links, for which the Chinese community is pressing. Nothing would have pleased me better than to include a sum in next year's estimates for this section of the work; but, unfortunately, funds are not now available, and all that the Government presses for at the moment is the construction of the section above Kowloon, which will open up a hill district on the mainland, and for a sum of \$5,000 to be voted by way of supplement this year for forming a permanent trace of the whole road, as projected. It is most desirable, of course, that the trace should

be permanently marked out, in order that the work already done by the engineers of the Public Works Department in connection with this scheme may not be thrown away. Beyond this, however, the Government does not propose to go at the present time, and whether further sections can be built in future years will depend in part upon the recommendations of the Recreation Grounds Committee, of which my honourable friend, the Colonial Secretary, is chairman and on which many members of this Council have a seat, and also on the money which can be made available by this Colony for Public Works Extraordinary. Before closing my remarks upon this subject, I should like to express my concurrence in what has been said about this road by the honourable Mr. Braga. I am very familiar with the whole 23 miles of the proposed trace of this circular road, and I have no hesitation in saying that it will be, when completed in years to come, the most beautiful road in this Colony—I would even say the most beautiful road with which I am acquainted in any part of the world.

The unofficial members of this Council have urged upon my Government the necessity for pressing on with the construction of the new 100-foot road between Causeway Bay and Quarry Bay. It is the settled policy of the Government to complete this road, and I hope very much that it may be possible in the budget for 1931 to provide the full sum estimated to be necessary for that work, namely \$355,000. There is, however, no advantage in doing this work piecemeal. Once begun, it should be finished off, and the full amount necessary should be made available. It is not possible to allocate so large a sum from Public Works Extraordinary for this single work next year, and I consider that the public interest will be better served by completing the Tai-hang road, the road connecting Garden Road, Bowen Road and May Road, the widening of May Road from the tram station to Conduit Road and the strengthening and improvement of various roads on the mainland, as provided for in next year's estimates. I may explain that the scheme for a 100-foot road from Arsenal Street to Shau-ki-wan main-street is one of considerable magnitude. The total length of the road will be $4\frac{5}{8}$ miles, of which $2\frac{1}{8}$ miles have already been completed. Two further sections, each 600 yards long, between Causeway Bay and North Point, have been partly completed for half their width, but are not yet surfaced. There are also provided in next year's estimates sums of \$100,000 for re-alignment of the roadway between Great George Street and Causeway Bay, and of \$15,000, being half of the expenditure on the 70 foot road opposite Marine Lots 430 and 431 in the road from Causeway Bay to Quarry Bay. Both these works form part of the project for carrying a hundred foot road from the centre of Victoria city to Shau-ki-wan. More than this cannot, I fear, be done next year, unless there should be such an increase in our estimated revenue as might justify me in proposing a supplementary vote for the purpose.

Both as Governor of the Colony and as Chancellor of the Hong Kong University, I welcome the remarks made by the honourable Mr. Shenton on the subject of the University. I
f u l l y a g r e e w i t h

him that the University serves a most valuable purpose, not only as an educating factor, but in providing the Colony with useful citizens. I very much hope that both the Hong Kong Government and the commercial concerns of this Colony will avail themselves more and more each year of the facilities which our University provides, and that they will assign an increasing number of positions in their service to University graduates. I further agree that the Hong Kong Government should within its means contribute liberally to the support of the University, for the success of the University is bound up with the success and prosperity of the Colony. Every effort has been made, and will continue to be made, by this Government to secure an allocation of part of the Boxer Indemnity moneys as an endowment of the Hong Kong University, and the Vice-Chancellor, Mr. Hornell, who is now on leave in England, is doing what he can to advance this cause. The honourable the senior Chinese unofficial member enquired why the grant-in-aid of the University School of Chinese is reduced from \$46,000 to \$40,000 in next year's estimates. The explanation is that the sum of \$46,000 is the estimate of the cost of this school in the fourth year of its working, when a full staff, including a principal, has been engaged. As yet no principal has been appointed, and the full estimate of the cost of this school for next year, as prepared by the University authorities, is only \$40,000. Therefore, this sum only is included. I may here say that the Government attaches great importance to the University School of Chinese and will certainly give it effective support.

The Chinese members of this Council have asked Government to make a substantial annual grant to the Tung Wa Eastern Hospital, of which the foundation stone was laid last year, and which will, I understand, be ready to be opened at the end of next November. No provision for such a grant was made in the draft estimates because the Directors of the Tung Wa Hospital were until very recently in doubt whether funds for the maintenance and working expenses of their new Eastern Branch Hospital could be found. A written assurance has now been given by the Chairman of the Tung Wa Hospital on behalf of all the Directors to my Government through the Secretary for Chinese Affairs that they will hand over to their successors a sum of at least \$100,000 specially raised for the Tung Wa Eastern Hospital Fund. I shall, therefore, be willing early in next year to recommend to this Council a supplementary vote of \$25,000 as subsidy to the Tung Wa Eastern Hospital upon the distinct understanding, however, that in the unfortunate event of the Directors at any future time finding themselves unable to carry on for lack of funds, the Eastern Hospital and its management shall be handed over to Government.

It remains for me now to thank the unofficial members of the Council very sincerely for the patience and attention, with which they have listened to the presentation of the Government's case, in connection with the Budget, both at the meeting of the 5th inst. and again to-day. I do not myself consider next year's budget in any

way disappointing. On the contrary, I think it shows a steady progress in the Colony's prosperity. We have now completely recovered, I venture to hope, from the blow dealt us by Bolshevism in 1925. We have re-established very friendly relations with the authorities of the Kwangtung province, and I look forward to years of fruitful co-operation between the Hong Kong Government and the Canton Government for mutual benefit to British and Chinese trade. There may be nothing spectacular in next year's budget; but we have now for the most part overtaken the commitments of the past; and, if the finances of the Colony continue to show elasticity and strength, I have no reason to doubt that we shall be able before long to take up works of considerable magnitude in addition to the very large waterworks, which we propose to construct. (Applause.)

The Bill having been read a second time, the Council went into Committee to consider the Bill clause by clause.

In connexion with the item \$996,342 for the Harbour Department,

HON. SIR HENRY POLLOCK said.—Sir, In connexion with this vote I wish to move an amendment, of which, for the sake of convenience, I gave notice to the Hon. Colonial Secretary in a letter I wrote him on Friday last. I move:

"That the proposed vote of \$996,342 for the Harbour Department and Air Services be reduced to \$926,342 by the omission from it of the following two items, on page 27 of the Estimates for 1930, namely:

23 1 new motor-launch for G.M.S. Department \$30,000, and

28 1 new launch for carriage of stores and relief \$40,000;

and that the necessity for these items be referred to the Harbour Board for the purpose of reporting as to such necessity to this Council."

In support of this motion it is unnecessary for me to draw attention to the fact that a Harbour Board has been recently appointed in this Colony, of which the Harbour Master is Chairman. It is a strongly constituted Board and I think that nobody can possibly dispute its competence to decide on the question of the sufficiency of launches for the use of the Harbour Department. Whilst I am indebted to the Harbour Master for the very full statement he has given to us with regard to the work of the launches in his Department, I submit that the question of whether these additional launches are required cannot satisfactorily be determined by a debate in this Council, but could very easily be determined by the Harbour Board, to which the Harbour Master could submit full details and figures, for instance, all the amounts spent during the past year for hire of launches for the use of the Department. In that way the Harbour Board could form a very good idea as to whether, in fact, this new

launch for the carriage of stores and relief to cost \$40,000, is required or not.

In connexion, Sir, with this item I am sorry to say I have a "grouse" to make. I appreciate the fact that no intentional trap was laid, but I do consider the words "carriage of stores and relief" extremely misleading. I took it to be for carriage of stores and relief work, which could be done periodically, and that was why I suggested the employment of the *Kau Sing*. It did not convey in the least bit to my mind that this launch was to be used as a relief launch for the numerous launches under the control of the Harbour Department. I do submit that it is eminently a matter for the Harbour Board to decide whether this new launch is required for the carriage of stores and relief. It is a launch we seem to have done without for some time past.

I presume in that connexion the Harbour Board will also consider the question of whether for that purpose or for any other purpose better use could not be made of the launch *Lila* which, I understand, is placed at the disposal of the Harbour Master so that he can go afloat at any time by day or night. I do not know whether the *Lila* is required exclusively for this purpose or not, or if she could be worked in for the purposes of the Harbour Department for the carriage of stores or relief or for any other purpose the Harbour Board may consider she is suitable.

With reference to the number of launches required by the Government Marine Surveyors Department, so far as I can gather two launches are only left available for the G.M.S. to do work afloat in the harbour. If that be correct, it seems to me that what we are proposing to do in the Estimates is to double the number of launches for the G.M.S. Department work afloat. I do not profess to say whether it is necessary to have two more launches for the G.M.S. Department in addition to the two they already have, and I do not think it is right to ask this Council to decide it.

It is quite obvious, Sir, that we must be very careful with the means at our disposal to cut our coat according to our cloth. There are many important matters, like the Hospital, the Gaol, broadcasting and the 100 foot road between Causeway Bay and Shaukiwan, and the further work to be done in connexion with the road from Quarry Bay to Shaukiwan, to which your Excellency referred just now, awaiting attention. The time has come now when we must scrutinise the expenditure very carefully. I therefore beg to move that the question of the necessity of incurring this expenditure in items 23 and 28 which I have referred to in my notice of motion, be referred to the Harbour Board. That would be by way of amendment to the vote put before us. The Harbour Board is a competent body to decide this matter and I think we might leave it to them.

HON. MR. W. E. L. SHENTON seconded.

THE COLONIAL SECRETARY.—If, Sir, the hon. members are not prepared to accept the advice of the Harbour Master in this matter,

I quite agree with the hon. senior unofficial member that this Council is not the proper place in which to debate the details of the number of launches required by the Government Marine Surveyors' branch of the Harbour Master's department. The Government is quite prepared to meet the wishes of the hon. unofficial members in this matter up to a certain point.

I venture to ask the hon. senior unofficial member if it will meet his wishes if the vote is passed without alteration and the Government gives him an undertaking that the money will not be expended until the question of the launches has been submitted to the newly constituted Harbour Board and the report of the Harbour Board has been considered by the Finance Committee. That is an undertaking of a kind which I gave last year on a certain other point which was in dispute between hon. members and the Government, and hon. members know that the undertaking was very carefully carried out, with results which were satisfactory, at any rate to the unofficial members.

HON. SIR HENRY POLLOCK.—The Government will, of course, abide by the decision given?

H.E. THE GOVERNOR.—The proposal is that these items be referred to the Harbour Board and that they should stand as part of the Estimates. If the Harbour Board recommends them, then the items will go to the Finance Committee, and, if the Finance Committee recommends them to this Council, they will then be passed. If the Harbour Board does not recommend them, then I am willing not to incur expenditure upon these items without prior reference to this Council.

HON. SIR HENRY POLLOCK.—That is very satisfactory, Sir.

In connexion with the item \$585,684 for the Prisons Department,

HON. SIR HENRY POLLOCK said.—With reference to this item, I have to move:

"That the proposed vote of \$585,684 for the Prisons Department be reduced to \$547,114 by the omission of the sum of \$120,750 consisting of the following three items appearing in the Estimates for 1930, namely:

Item 22 on page 45 Linotype Composing Machine \$14,200;

Item 23 on page 45 Rota Print Machine \$6,550;

Item 4 on page 84 Victoria Gaol New Printing Shop \$100,000; and also by the omission of the sum of \$17,820 being the proposed personal emoluments of six Officers (new posts) in the said new Printing Shop, as set forth on page 46 of the Estimates."

THE COLONIAL SECRETARY.—On a point of order, Sir, I think the hon. senior unofficial member has mixed up the figures under two heads.

H.E. THE GOVERNOR.—I have no objection to the hon. member speaking on the whole subject at one time.

HON. SIR HENRY POLLOCK.—I would submit that the mere fact that this item for a printing shop on a much smaller scale appeared in last year's Estimates is really not relevant to the present discussion, inasmuch as I was careful to ascertain from my hon. friend, the Director of Public Works, that in fact no work whatever has been done on any printing shop, small or large, in Victoria Gaol, and we therefore have a clean sheet at the present moment in dealing with this matter.

With regard to this expenditure, I listened very carefully to what has been said on the matter and I must say I am not at all enamoured of the idea that this gaol of ours, with all its defects, should be stated by a high Government official to be capable of doing duty for a further period of ten years. This period the Hon. Colonial Secretary puts down as a minimum. I think, and I am sure my hon. unofficial colleagues are of the same opinion, that we ought not to put this new printing office into an old gaol. Were we to agree to this, we might be told in a few years time that the Government could not spend money on a new gaol because they already had expended a considerable sum on a new printing shop in the old gaol. We certainly do not feel that we should spend a considerable sum of money in putting a new printing shop into this old building. With all due deference to the Hon. Colonial Secretary, we are against putting a new printing shop in this old and inadequate gaol with all its faults and defects. Therefore, Sir, I beg to move that the item be reduced to \$547,114. That is leaving out the \$100,000 to be dealt with under Public Works Extraordinary.

H.E. THE GOVERNOR.—Even that is not quite correct. I suggest that the hon. member should move first of all in regard to the linotype machine, \$14,200. The Prisons Department is one head and the Public Works Department another.

HON. SIR HENRY POLLOCK.—I quite see that, Sir. I propose now to strike out \$100,000.

THE COLONIAL SECRETARY.—The figure you want, Sir Henry, is \$557,554.

HON. SIR HENRY POLLOCK.—My figure is \$547,114 and I beg to move that the item be reduced accordingly.

HON. MR. J. P. BRAGA seconded.

THE COLONIAL SECRETARY.—The item, Sir, is put in by the Government entirely as a matter of economy. The Government — and

I speak even more for myself as an individual than as a member of the Government—does not like the gaol any more than Sir Henry and the unofficial members, and if we had the money to build a new one, I would be ready to propose starting to build it to-morrow. On the other hand, it is just as well for the Government and this Council to face the facts of the position. We on the Government side think that the first big work in the matter of buildings to be undertaken is a new Government Civil Hospital, and as members are aware we propose to start it as soon as we can. If we are not able to take up both of these works together, the Council has to consider first that we are not yet quite in a position to begin the hospital; secondly, we shall be very lucky if we see the hospital finished in three to four years; thirdly, we have also to make preparations for the gaol, and when that has been started you have to allow three to four years for the building of the gaol.

I stand by my figure that we shall be lucky if we see the gaol ready for occupation ten years from to-day. Nobody dislikes the delay more than myself. That being so, the Government thinks it is a sensible plan to give the present Superintendent of Prisons a suitable place in which to carry out the printing work of the Government. I have it from the Superintendent that in 1927 he reckoned the Government saved \$25,000 a year by doing printing work in the gaol, and if we extend the accommodation for him, I think we shall be able to save a great deal more than that, with the probability of saving more than the cost of this building long before the time comes to give up the building and go into new premises. Moreover, part of the expenditure is for machinery which would not be wasted even if we had to move.

So much for the principle of the thing. Coming to the details, even supposing the unofficial members are not prepared to accept the Government's view of the matter, I have it from the Acting Superintendent of Prisons that these two machines, a linotype composing machine, \$14,200 and a Rota Print machine \$6,550, are required for the current work of printing in the gaol regardless of whether we get a new building or not, and that he will find room for them even if he does not get the new building.

I would ask honourable members not to hamper the printing work of the gaol by refusing these two items. With regard to the sum of \$17,820 for staff, I would like to remind hon. members that part of the staff consists of transfers from the Warders staff and only three of the men represent actual additions to the staff for the printing branch.

HON. SIR HENRY POLLOCK.—Then the marginal note is wrong. It says they are new posts.

THE COLONIAL SECRETARY.—They are new posts because they have new names, but they are not additional posts.

HON. SIR HENRY POLLOCK.—How many of these are new?

THE COLONIAL SECRETARY.—The amount of new money to be taken out is \$7,380. I would ask the Council to remember the Government's point of view, that we do not want to keep the gaol any longer than honourable members do, and we only put this in because we feel it is really in the interests of the Colony from the point of view of economy.

HON. MR. J. P. BRAGA.—I just want to say a few words on the point of economy raised by the Hon. Colonial Secretary. The total staff provided is \$18,820; then five per cent. depreciation on the cost of machinery \$1,000; interest at six per cent. on the capital expenditure of \$100,000, \$6,000; divide \$100,000, the cost of the building by ten—the period of ten years the Hon. Colonial Secretary before stated we should be in the possession of a new gaol—gives you a total of \$38,820 per annum, against the item of \$28,250 for miscellaneous services provided for next year for the whole cost of printing for the Government outside the gaol. Therefore, there is a deficit against the scheme of over \$7,000. On the score of economy I think the figures prove against the Government's case.

H.E. THE GOVERNOR.—Apparently the first figure for staff should not be \$18,820 but \$17,820, and of that charge part is already in the Estimates. Only three warders are additions in connexion with this scheme.

HON. MR. J. P. BRAGA.—It is not shown separately what would be the full salaries of the three warders. As a set off I would submit for your consideration the very heavy cost of paper and bookbinding material, which the Council has no means of ascertaining from the Estimates before us. If that is included it will be seen that the total is even higher than that estimated, even assuming that the salaries of three warders instead of six would be charged to the printing vote proper.

H.E. THE GOVERNOR.—We already have to-day a Gaol printery for which considerable sums are included in the Estimates. The proposal now is that the printery should be enlarged so that even more Government work can be done there.

HON. MR. J. P. BRAGA.—The cost of paper would have to be paid out of some vote or another to make up for the printing contracted outside.

H.E. THE GOVERNOR.—I can only say that the matter has been gone into very carefully by the Superintendent of Prisons, who came to the conclusion that this scheme would result in economy. This is not a vote I shall press against the considered opinion of the unofficial members of this Council. Like the Hon. Colonial Secretary, I hold out no hope to the Council that the new gaol will be speedily built. The cost of building a new Government Civil Hospital will be something like \$5,000,000 and the cost of a new gaol will be about \$5,000,000, a sum of \$10,000,000 altogether, and inasmuch as we shall

have to face other heavy expenditure—\$10,000,000 for waterworks, for instance—I do not suppose we shall be able to find the money necessary for reconstruction of the gaol in the immediate future. In the opinion of the Government the project for rebuilding the Government Civil Hospital must have priority. Therefore I do not think we are wrong in assuming that it will be something like ten years before we have a new gaol.

HON. SIR HENRY POLLOCK.—I should, Sir, like to confer with my unofficial colleagues on what you have just said. There is an alternative proposal made by the Government that we should accept the printing machines and a less vote for the offices.

THE COLONIAL SECRETARY.—In that connexion I should like to say that I am told by the Superintendent of the Gaol that a linotype machine will save the work of about 20 compositors.

The unofficial members having conferred,

HON. SIR HENRY POLLOCK said.—As the result of the conference we are prepared to accept the vote so far as it relates to the linotype and Rota Print machines. We think the number of officers should be kept as at present. The new posts should not be inserted in the Estimates. Another point is the question whether the material used for printing paper is of too good a quality as used in the gaol and whether some economy can be effected.

H.E. THE GOVERNOR.—I gather you are definitely of opinion that the printery should not be extended.

HON. SIR HENRY POLLOCK.—We shall be against the printing shop.

THE COLONIAL SECRETARY.—Are you against even the modified printery scheme?

HON. SIR HENRY POLLOCK.—We are against any change whatever.

THE COLONIAL SECRETARY.—It was passed last year.

HON. SIR HENRY POLLOCK.—We are against any enlargement.

H.E. THE GOVERNOR.—I would suggest that no change be made in the Estimates, as printed, but, the Government give an undertaking to incur no expenditure for increasing the printery without prior reference to the Legislative Council. I understand the view of the unofficial members to be that the large scheme should not be undertaken. Apparently the unofficial members are not altogether clear in their minds whether the original smaller scheme, involving an expenditure of \$40,000, should stand. That point we will go into later on and the question of staff can also be settled then.

THE COLONIAL SECRETARY.—I may take it that the two machines are definitely approved.

HON. SIR HENRY POLLOCK.—Yes, definitely.

The unofficial members having conferred, His Excellency's suggestion was accepted.

In connexion with the item \$3,840,750 for Public Works, Extraordinary,

HON SIR HENRY POLLOCK said.—With regard to the question of making the road to Saikung, I think I may fairly claim to have even more knowledge than your Excellency of the country in question, because for 25 years I was cruising about in a cruising yacht in the waters of the New Territory and I quite admit that this road would open up a very beautiful district, but, Sir, I cannot agree that with so much expenditure held up on the Government Civil Hospital, the new prison, markets, improved system of broadcasting and even carrying on imperfectly and incompletely with the road between Causeway Bay and Shaukiwan, that we should be any the wiser in starting off on a new road for Saikung or any portion of it.

With reference to the Taipo Road, it is quite true that the near part of the road is no doubt within the waterworks reservation area, but there is a very large stretch of the road before you get to Taipo which is more or less high up, in a pleasant position and which has not been built upon. The same may be said with regard to the road between the gap above Sai Wan Bay and the gap leading down to Shek O. As to the gap above Sai Wan Bay and Shaukiwan, there is a great deal of hilly country with pleasant prospects upon which people could, if they were so disposed, have built, but they have not in fact done so. Having regard to the important public works held up, I certainly do not think this is a time when we can afford to spend money on any portion of this Saikung Road. Therefore I beg to move

"That the item of \$3,840,750 for Public Works Extraordinary be reduced to \$3,640,750 by the omission from it of the sum of \$200,000 for the proposed road to Saikung in the Estimates for 1930, being Item 110 on page 88 of those Estimates."

I may say again I have conferred with my unofficial colleagues on the question as to whether we should spend the money on this road or not, and they were, and are still, with the exception of, I think, Mr. Braga, of the opinion that this money should not be spent.

H.E. THE GOVERNOR.—I am afraid this is a matter on which I cannot accept the views expressed by the hon. unofficial member. In my opinion the time has now come when we must set to work and develop the hill districts above Kowloon. They will never be developed by tramway as the Peak district on the island was developed; they can

only be developed by motor roads. It is not to the point to say that houses have not yet been built along the Shek O Road or on the hills above Chai Wai. This is a question of providing hill residences for the dwellers in Kowloon, not on the island, and I think it is most important that some opportunity should now be afforded those, who wish to live on the hilltops above the northern side of the harbour, to do so. They cannot do so along the Taipo Road, at least until they reach the hills at Ma-niu-shui. When they get as far as that, then they are too distant from Kowloon to come in to their daily work by motor car. From the hills immediately above Kowloon between Customs Pass and Lyemun they can drop down to Kowloon certainly in twenty minutes. I may say that it rather prejudices the question to refer to the four miles of road, provided for in these estimates, as the Saikung Road. The first section goes from Kowloon City, not to Saikung, but to Ma-yau-tong. That is the section of the road I think we ought not to postpone any longer. I consider the time has now come when we ought to do more than we are doing for the development of the hill districts of Kowloon. I visualise the time, perhaps in ten years, when the population of Kowloon will be larger than that of the island. Kowloon has grown in a most phenomenal way. I gave you some figures in my address to you on the waterworks. So far as I can recall, 19,000 persons were resident in Kowloon Peninsula at the time when we took over the New Territories 30 years ago, and now there are something like 300,000. These are the reasons which prompted the Government to decide that this work should be carried out, and I hope the unofficial members of the Council will reconsider their objections. As I have said, it is not a question of building a road to Saikung or anywhere near it at the present time, but of building a road to Ma-yau-tong.

The unofficial members again conferred, following which,

HON. SIR HENRY POLLOCK said.—We are all against the commencement of the construction of this road.

H.E. THE GOVERNOR.—Then I am afraid we shall have to divide on the motion.

On a division, the votes were recorded as follows:—

For:—Hon. Sir Henry Pollock, Hon. Sir Shou-son Chow, Hon. Mr. R. H. Kotewall, Hon. Mr. A. C. Hynes, Hon. Mr. W. E. L. Shenton, Hon. Mr. S. W. Ts'o, Hon. Mr. B. D. F. Beith.

Against:—Hon. Mr. J. P. Braga, the General Officer Commanding the Troops, the Colonial Secretary, the Attorney General, the Secretary for Chinese Affairs, the Colonial Treasurer, the Director of Public Works, the Captain Superintendent of Police, the Harbour Master, the Director of Medical and Sanitary Services.

The motion was, therefore, lost by ten votes to seven.

On the item \$25,433 for the Royal Naval Volunteer Reserve,

HON. SIR HENRY POLLOCK said.—I am afraid I must ask for a division.

H.E. THE GOVERNOR.—I would ask hon. members not to divide against this vote. The money will not be spent until the Imperial Government sanctions it. The official members will certainly vote for the item, if the motion is pressed to a division.

HON. SIR HENRY POLLOCK.—It is the only way we have of objecting to the vote, by dividing against it.

H.E. THE GOVERNOR.—I still urge you not to, if only on sentimental grounds. Supposing the Royal Naval Volunteer Reserve is created and becomes one of the institutions of the Colony, it would be unfortunate that it should come into being after an adverse vote of the unofficial members of this Council. I should regret that very deeply. The fact that the unofficial members unanimously oppose the vote will be represented by me in a despatch to the Secretary of State, and I have no doubt he would take that into full consideration before deciding on the matter. Hon. members will remember that on a previous occasion, when they voted a much larger sum for a Royal Naval Volunteer Reserve in the Colony, the Secretary of State decided that the money should not be spent. I hope we shall not divide on a matter such as this. It should suffice if the unofficial members go on record in Hansard as objecting to this vote.

HON. SIR HENRY POLLOCK.—We do object, all of us, to this vote. If it goes on record in Hansard it will be sufficient without pressing for a division. I take it that will be noted as part of the record of the proceedings.

H.E. THE GOVERNOR.—Yes, it will appear in Hansard.

The Council having resumed,

THE COLONIAL SECRETARY moved the third reading of the Bill.

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

H.E. THE GOVERNOR.—I take this opportunity of thanking all members of the Council very sincerely for the provision they have made for the financial working of next year.

SHING MUN WATER SUPPLY SCHEME.

The Council resumed the debate on the motions moved by the Colonial Secretary on 5th September, 1929.

HON. SIR HENRY POLLOCK.—The unofficial members are prepared to accept these motions.

H.E. THE GOVERNOR.—All of them?

HON. SIR HENRY POLLOCK.—Yes, all of them.

H.E. THE GOVERNOR.—Then I will put it to the Council that the first motion be adopted:

- (a) That this Council approves the construction of the works connected with the Shing Mun Water Supply Scheme as set out in Appendix VI (a), Head 1, Sub-Head 1, of the draft estimates of expenditure for 1930 at an estimated cost of \$4,158,509.40
- (b) That this Council approves of a sum of \$3,500,000 out of the said sum of \$4,158,509.40 being charged to the Public Works (1927) Loan, and further sanctions the expenditure of \$2,221,876.42 actually incurred up to the 31st December, 1928, the expenditure of \$1,182,274.19 estimated to be incurred during the financial year 1929 and the expenditure of \$95,849.39 estimated to be incurred during the financial year 1930, which three last mentioned sums amount in all to the aforesaid sum of \$3,500,000.
- (c) That this Council approves the expenditure of a further sum of \$579,150.61 on the said Shing Mun Valley Water Supply Scheme during the financial year 1930, which sum shall be met from a further loan and shall meanwhile be charged as an advance from the surplus balances of the Colony.

The motion was carried.

HARBOUR DEVELOPMENT.

H.E. THE GOVERNOR.—I put it to the Council that the second motion be adopted:

That this Council approves the expenditure of a sum of \$419,771.26 on Harbour Development as set out in Appendix VI (a), Head 2, Sub-head 1, of the draft Estimates of Expenditure for the year 1930 and authorizes this sum to be charged to the Public Works (1927) Loan, and further sanctions the expenditure out of this sum of the sum of \$403,729.68 actually incurred to the 31st December, 1928, and of the sum of \$16,041.58 estimated to be incurred in the financial year 1929, The motion was carried.

KAI TAK AERODROME.

H.E. THE GOVERNOR.—I put it to the Council that the third motion be adopted:

- (a) That this Council approves the construction of the Kai Tak Aerodrome at an estimated total cost of \$1,689,467, exclusive of contributions from His Majesty's Government, as set out in Appendix VI (a), Head 2, Sub-head 2, of the draft Estimates of Expenditure of the year 1930.
- (b) That this Council authorizes the sum of \$1,080,288.74 out of the said sum of \$1,689,467 to be charged to the Public Works (1927) Loan and sanctions the expenditure of this sum of \$1,080,228.74 from loan funds during the financial year 1928.
- (c) That this Council authorizes in respect of this work an advance from the surplus balances of the Colony of the sum of \$78,114.17 in the financial year 1928, of the sum of \$466,000.00 in the financial year 1929, and of the sum of \$249,500.00 in the financial year 1930 of which sums \$297,000.00 is due to be recovered from His Majesty's Government and the balance shall be met from a future loan.

The motion was carried.

ABERDEEN WATER SCHEME.

I now put it to the Council that the fourth motion be adopted:

That with reference to the resolution passed on the 2nd May, 1929, this Council approves the expenditure of a sum of \$1,000,000 during the financial year 1930 on the Aberdeen Water Scheme, the cost to be met from a future loan, and meanwhile to be charged as an advance from the surplus balances of the Colony.

The motion was carried.

ADJOURNMENT.

H.E. THE GOVERNOR.—The Council will now adjourn *sine die*.

FINANCE COMMITTEE.

Following the Council, a meeting of the Finance Committee was held, the Colonial Secretary presiding.

Votes totalling \$15,092, contained in Message No. 13 from H.E. The Governor, were considered.

Item No. 73: Public Works, Extraordinary:—Communications, New Territories, Circular Road, Ngau Tau Kok to Shatin *via* Saikung, Preliminary Works, \$5,000.

THE CHAIRMAN.—The first item is one that has already been adjourned twice. I put it to you in view of the discussion in Council this afternoon and of the decision reached, whether it is worth while forcing a division.

HON. SIR HENRY POLLOCK.—The only thing we can do is to vote against it.

THE CHAIRMAN.—I am in your hands.

On a division, the item was rejected by seven votes to four.

Item No. 79.—Public Works, Recurrent:—Water Works, Water Account, (Meters, etc.), Kowloon, to provide approximately 200 additional meters, \$10,000.

HON. MR. R. H. KOTEWALL.—I should like to ask that Hong Kong be similarly treated. I know for a matter of fact that in the past many applications for meters on the Island have been refused.

THE CHAIRMAN.—It cannot be because there are no meters, but because it is thought they are not suitable supplies for meters.

All the items were approved with the exception of No. 73.
